

Minority Surety Bond Guaranty Program

The Minority Surety Bond Guaranty Program assists socially and economically disadvantaged minority and women owned businesses as designated by the Minority and Small Business Development Division of the Mississippi Development Authority through surety bond guarantees and technical assistance in internal management. The Minority Surety Guaranty Bond Program is available on construction contracts with federal, state and local units of government.

Program Facts

Increased minority participation in construction and building trade contracts with federal, state and local units of government is the goal of the Minority Surety Bond Guaranty Program.

To qualify for the Minority Surety Bond Guaranty Program, eligible applicants must meet the following requirements:

- Be in the construction or building trade business;
- Be a certified Minority Business Enterprise through the Minority Business Enterprise Division of MDA;
- Have been in business at least one year prior to application;
- Have its principal place of business located in Mississippi;
- Meet experience and financial standards appropriate to the contract;
- Agree to subcontract no more than 75% of a qualified contract;
- Show reasonable evidence of inability to secure bonding under normal market conditions.

The Minority Surety Bond application must be submitted through the Minority Business Enterprise Division.

Surety Bond Terms

The rate and terms are set by the participating financial institution. **The maximum guaranty amount is the greater of 90% of the contract bond or \$250,000 for a company participating in the Program for the first time.** The maximum amount can increase to \$350,000 for businesses that have successfully used the Program.

For further details, see the Minority Surety Bond Guaranty Program Guidelines, Minority Surety Bond Guaranty Program Application, and Section 69-2-13(5), MS Code 1972, Annotated. To request these documents or for assistance, contact the Financial Resources Division at financial@mississippi.org or (601) 359-3552. For assistance on becoming a certified minority or women owned business contact the Minority Business Enterprise Division at minority@mississippi.org or (601) 359-3448.