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# **HUBZone** program

The HUBZone program fuels small business growth in historically underutilized business zones with a goal of awarding at least three percent of federal contract dollars to HUBZone-certified companies each year.

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# Program changes and improvements

SBA has made it easier for qualified small businesses to participate in the HUBZone program. In 2020, SBA is implementing comprehensive changes to the program including improvements in three major areas.

#### We are improving the customer experience by:

Providing faster certification decisions:
 Applications will be processed within 60 days of a complete submission.





#### Expanding early-engagement:

More assistance provided by our SBA District Offices and select SBA partners (e.g., Procurement Technical Assistance Centers, SBDCs) will help applicants navigate the certification process more smoothly.

### We are increasing program utilization by:

- Adding a new "Legacy" HUBZone employee provision:
   Businesses may now count long-term HUBZone resident employees as permanent
   HUBZone residents, with proper documentation.
- Strengthening recertification requirements:
   Firms must now recertify annually, and once certified, will be eligible for all HUBZone contracts for which it qualifies as small, for a period of one year. Full documentation reviews will be required every three years.
- Simplifying contract verification:
   A firm certified at the time of initial offer will generally be considered a HUBZone small business throughout the life of that contract, and a firm that receives a HUBZone contract must attempt to maintain 35% employment of HUBZone residents by demonstrating that it employs at least 20% HUBZone residents.

#### We are expanding and stabilizing the HUBZone footprint by:

- Creating predictability with HUBZone designations:
   All HUBZone maps are frozen through 2021 and will now be updated every five years.
- Expanding into rural areas:
   New Governor-designated HUBZone areas will reach more rural communities with high unemployment.
- Supporting long-term investment in communities:
   Small businesses that purchase a building or enter a long-term lease (of 10 years or more) may maintain HUBZone eligibility for a total of 10 years, even if at some point the office location no longer qualifies as a HUBZone. (Note: This does not apply to areas categorized as a "Redesignated Area.")

For more information about the program improvements, view the SBA's latest FAQs.

We will provide regular updates on this page. For additional questions, contact your local <u>SBA regional and district office</u> or email the <u>HUBZone Help Desk</u>.





The government limits competition for certain contracts to businesses in historically underutilized business zones. It also gives preferential consideration to those businesses in full and open competition.

Joining the HUBZone program makes your business eligible to compete for the program's <u>set-aside contracts</u>. HUBZone-certified businesses also get a 10 percent price evaluation preference in full and open contract competitions.

HUBZone-certified businesses can still compete for contract awards under other socioeconomic programs they qualify for.

# HUBZone program qualifications

To qualify for the HUBZone program, your business must:

- Be a small business
- Be at least 51 percent owned and controlled by U.S. citizens, a Community Development Corporation, an agricultural cooperative, a Native Hawaiian organization, or an Indian tribe
- Have its principal office <u>located in a HUBZone</u>
- Have at least 35 percent of its employees <u>live in a HUBZone</u>

You can find the full qualification criteria in <u>Title 13 Part 126 Subpart B of the Code of Federal Regulations</u> (CFR). You can also get a preliminary assessment of whether you qualify at the <u>SBA's Certify website</u>.

## Find your business on the HUBZone map

SEE THE HUBZONE MAP





Before you can participate in the HUBZone program, you must be certified by the SBA. Take these steps to get HUBZone certified.

- 1. Make sure you have a <u>SAM.gov</u> account.
- 2. Make sure you have a General Login System account.
- 3. Apply for HUBZone certification using the <u>General Login System</u>. Log in, select "Access" and then "HUBZone" before completing the prompts.
- Check your email for time-sensitive instructions to electronically verify your application within 10 business days.
- 5. Submit all requested supporting documentation within 10 business days; your submission cannot be assigned for eligibility review until all required documents are submitted.
- 6. Update your <u>SAM.gov</u> profile to indicate you are a HUBZone business after you get an email confirmation from the SBA.

Read the instructions from the <u>General Login System</u> carefully to make sure you provide all the necessary information.

You will be required to submit different supporting documentation based on your ownership structure:

- Corporations must be prepared to submit documents described in the <u>Corporation</u>
   <u>Document Request</u>.
- Sole Proprietors must be prepared to submit documents described in the <u>Sole</u>
   <u>Proprietor Document Request.</u>
- Partnerships must be prepared to submit documents described in the <u>Partnership</u>
   Document Request.
- LLCs must be prepared to submit documents described in the <u>LLC Document</u> <u>Request</u>.

### Maintain HUBZone certification





documentation review will be required every three years.

HUBZone businesses must notify the SBA if their business is involved in a merger or acquisition or if while performing on a HUBZone contract drops below 20% HUBZone residency.

The SBA may visit HUBZone businesses unannounced and conduct program examinations to verify the accuracy of any certification made or information provided as part of the HUBZone application or recertification process.

### Need help?

#### Office of the HUBZone program

409 Third St. SW suite 8800 Washington, DC 20416 hubzone@sba.gov

HUBZone offers eligibility assistance on Thursdays from 2-3 p.m. E.T. Call 1-202-765-1264 access code 63068189#, or <u>find a local number</u>.

For PDF versions of information about the HUBZone Program and related improvements, view the <u>HUBZone Fact Sheet</u>, <u>Program Improvements</u>, <u>HUBZone Flexibilities under COVID-19</u>, and <u>SBA's latest FAQs</u>.

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