

“The HUBZone Primer”

Eligibility & Certification Requirements

Office of Government Contracting & Business Development

August 2012



U.S. Small Business Administration

-- HUBZone Program --

Introduction

- Program is designed to help small firms in certain communities gain access to federal contract opportunities
- HUBZone areas: typically areas of low median household incomes or high unemployment, or both
- At any given time, there are about 6,000 small firms certified in the HUBZone program



-- HUBZone Program --

Program Purpose

- Provides federal contracting assistance to qualified small firms in designated HUBZones to:
 - Increase employment opportunities
 - Stimulate capital investment
 - Empower communities through economic leveraging

How the Program Works

- SBA regulates and implements the HUBZone program
 - Determines which businesses are eligible
 - Maintains a listing of qualified HUBZone firms to fulfill procurement opportunities
 - Adjudicates protests of eligibility regarding HUBZone contracts



-- HUBZone Program --

Key Program Benefits

- Contract set-asides
- 3% government-wide prime and subcontracting goals
- 10% price evaluation preference



HUBZone Help Desk...

(202) 205-8885 - HUBZone@sba.gov

Eligibility Requirements

- Small business (by SBA standards)
- Owned and controlled by at least 51% U.S. citizens or a community development corporation, an agricultural cooperative, or an Indian tribe
- Principal office must be located within a designated HUBZone
- At least 35% of its employees must reside in a HUBZone
- **Note:** Different rules apply for Tribal Governments, Alaska Native Corporations, Community Development Corporations and small agricultural cooperatives. These are delineated in [Title 13 of the Code of Federal Regulations, Part 126](#)



-- HUBZone Program --

Eligibility Requirements – Ownership by Individuals

- Business must be directly and unconditionally owned and controlled by at least 51% U.S. citizens - - - 13 CFR 126.200(b)(1)(i)
 - *Citizen* means a person born or naturalized in the United States. SBA does not consider holders of permanent visas and resident aliens to be citizens - - - 13 CFR 126.103
 - *Person* means a natural person - - - 13 CFR 126.103

Eligibility Requirements – Principal Office

- Principal office must be located within a designated HUBZone
 - *Principal office* means the location where the greatest number of the concern's employees at any one location perform their work - - - 13 CFR 126.103
 - For concerns whose “primary industry” is service or construction, the determination of principal office excludes the concern's employees who perform the majority of their work at job-site locations to fulfill specific contract obligations - - - 13 CFR 126.103

Is Your Business in a HUBZone?

The screenshot shows the SBA HUBZone Mapping tool interface. At the top, it features the SBA logo and navigation links: "Print Page | Accessible Version | Alternate Colors | Original Colors | Help". Below this is a search bar with the heading "Start Here: Is my location in a HUBZone?". The search bar includes fields for "Address", "City", "State", and "ZIP Code", along with "Find" and "Reset" buttons and a "Coordinate Input" link. Underneath the search bar is an "Eligibility Result" section with a search dropdown and buttons for "Go", "Find Qualified Tracts", "Find Former Bases", and "Find Indian Country". The main content area is titled "HUBZone Mapping" and contains a map of the United States with state abbreviations. To the right of the map is a legend titled "HUBZone Mapping Other HUBZone Areas" with a scale bar from 0 to 600 miles and a "Powered by Mapitude for the Web" logo. Below the legend, there is a section titled "Criteria for County HUBZone Designation" which defines a Qualified Nonmetropolitan County and lists two criteria: median household income and unemployment rate.

HUBZone Mapping
Other HUBZone Areas

State (Low)

0 200 400 600
Miles

Powered by Mapitude for the Web

Criteria for County HUBZone Designation
A Qualified Nonmetropolitan County is any county that is not located in a metropolitan area and that meets any of the following three criteria:

- the county's median household income is less than 80% of the nonmetropolitan state median household income, based on the most recent data available from the Census; or
- the county's unemployment rate is not less than 140 percent of the average unemployment rate for the United States or for the State in which such county is

HUBZone Maps - Tool

Reflections Before You Apply

- Most successful HUBZone firms plan for their success
 - Long-term and revolving strategies that define how to be and remain competitive
 - Maintain principal office and 35% employee residency requirements
- Planning is everything



-- HUBZone Program --

HUBZone Certification

Application Process

Applying for HUBZone Certification

- **STEP 1.** Verify eligibility compliance
- **STEP 2.** Gather what you need (supporting documentation)
- **STEP 3.** Review sample HUBZone application form
- **STEP 4.** Review and ask questions
- **STEP 5.** Access SBA's General Login System (GLS)
- **STEP 6.** Complete and submit the online HUBZone application
- **STEP 7.** Submit requested supporting documentation



-- HUBZone Program --

Step 1. Verify Eligibility Requirements

Applying for HUBZone Certification

- Firm is a small business by [SBA size standards](#)
- Business is directly owned and controlled by at least 51% U.S. citizens or a community development corporation, an agricultural cooperative, or an Indian tribe
- Firm's principal office and at least 35% of its employees reside in a designated HUBZone
- **Note:** Different rules apply for Tribal Governments, Alaska Native Corporations, Community Development Corporations and small agricultural cooperatives

Learn more...

[Eligibility Requirements 13-CFR 126](#)



-- HUBZone Program --

Step 2. Gather What You Need

Applying for HUBZone Certification

CHECKLIST - [HUB Zone Supporting Documentation Request](#)

General business information	CCR profile
DUNS number	Appropriate NAICS codes
Business and personal federal tax returns for the last 3 years	Proof of principal office location, such as lease agreement
Business ownership documentation – articles of incorporation, LLC, etc.	Official payroll records and other information showing employees residing within HUBZones
Citizen documentation for owners	Other information supporting HUBZone eligibility requirements



-- HUBZone Program --

Step 3. Review Sample Application Form

Applying for HUBZone Certification

- Review a sample HUBZone application form ([click here](#))
- **Critical Step** – do not attempt to complete the actual online HUBZone application until you have reviewed the sample form and gathered all documents you need to complete it



-- HUBZone Program --

Step 4. Review and Ask Questions

Applying for HUBZone Certification

- You don't know what you don't know...
- Review HUBZone eligibility requirements, sample application form and the documentation you gathered and ask questions



HUBZone Help Desk...

(202) 205-8885 - HUBZone@sba.gov

Step 5. Access SBA's General Login System

Applying for HUBZone Certification

Skip Navigation Accessibility Options

SBA General Login System [Help](#)

• [GLS Login](#)

User ID:

Login Information

Name: (First) (Middle) (Last) (Suffix - Jr, Sr, I, II, etc)

Date of Birth:

PIN: (Personal Identification Number, Last 4 Digits of SSN)

Identity Information

Contact Information

Country:

Zip+4 Code:

Street 1:

Street 2:

City Name: (State)

ast modified: 02/08/2011 12:00:00 AM [> FirstGov](#) [> E-Gov](#) [> Regulations.gov](#) [> White House](#) SBA Processing: 0.204 seconds
* Privacy & Security * Information Quality * FOIA * No Fear Act * ADA Session timeout in 59 minutes

[Register for a GLS Account](#)



-- HUBZone Program --

Step 6. Submit Online HUBZone Application

Applying for HUBZone Certification

- Complete and submit the online HUBZone application

Click here...

[Apply to the HUBZone Program](#)



U.S. Small Business Administration

-- HUBZone Program --

Step 7. Submit Requested Documentation

Applying for HUBZone Certification

- After application is submitted and reviewed, supporting documents will be requested by the SBA
- Documents must be provided to the SBA within two weeks
- Requested documents will include:
 - Documentation supporting ownership & control and size standards
 - Business and personal tax returns
 - Documents showing compliance with HUBZone employment and principal office requirements

[Learn more about requested supporting documentation](#)



-- HUBZone Program --

Avoid Common Mistakes

- Application “times-out”
- Unable to access the GLS system
- 35% of employees are not located within HUBZone areas
- Requested supporting documents do not validate information in the HUBZone application

Resources and Tools

Resources and Tools

Resources & Tools	Resources & Tools
<u>HUBZone Maps</u>	<u>13 CFR – Part 126 HUBZone Program</u>
<u>SBA District Offices</u>	<u>Small Business Development Centers (SBDC)</u>
<u>Sample HUBZone Application</u>	<u>Procurement Technical Assistance Centers (PTAC)</u>
<u>Electronic HUBZone Application</u>	<u>SBA Size Standards</u>
<u>GLS Registration</u>	<u>Supporting Documentation</u>
<u>SCORE</u>	<u>HUBZone Certification</u>



-- HUBZone Program --

Contact Us....

- Thank you for taking the time to learn about the HUBZone program
- Please contact us with any questions you may have

HUBZone Help Desk

202 205-8885

HUBZone@sba.gov

Sam Reprogel 410.244.3325

Samuel.reprogel@sba.gov



-- HUBZone Program --