



U.S. Small Business  
Administration

# AGENDA

## ❖ Highlights:

- Overview
- Qualified Census Tract Final Rule
- HUBZone Map Changes and Updates
- Blueprints for Success
- Useful Links
- Benefits
- Applying
- Eligibility Requirements
- Reminders
- Status

# Historically Underutilized Business Zone (HUBZone) Program Purpose

- 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
- Identified by Census Tracking – 10 years

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# Program Purpose

To:

- Increase employment opportunities
- Stimulate capital investment in those areas
- Empower communities through economic leveraging

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# How the Program Works

## **SBA regulates and implements the HUBZone Program**

- -Determines which businesses are eligible
- -Maintains listing - fulfill procurement opportunities
- -Adjudicates protests of eligibility regarding HUBZone contracts

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## *Qualified Census Tract Final Rule*

- A direct to final rule has been published on the Federal Register updating the definition of Qualified Census Tracts in response to the 2016 PROMESA bill.
- The rule changes the status quo – currently, SBA does not impose population caps on QCTs. With the rule change, SBA will align with HUD’s QCT population cap except for Puerto Rico.
- All QCTs that will lose qualified status as a result of this change will be re-designated.

# *HUBZone Map Changes and Updates*

NDAA 2018 included some changes for HUBZone, effective 12/12/17.

- The HUBZone Maps will ‘freeze’ until December 2021. The legislation says January 2020, but we understand that to mean the results of the 2020 census, which will be released sometime in 2021.
- In January 2018, HUBZone Qualified Census Tracts and Qualified Non-Metropolitan Counties will be updated with data received prior to 12/12/17.
  - No further updates will take place for these designations until 2021.
  - BRACs, QDAs, and Indian Lands may still be updated.
- Other changes do not take effect until 2020.

## *Blueprints for Success*

- In 2017, HUBZone conducted an analysis of Federal agencies that had met or exceeded the 3% federal contracting goal for HUBZone-certified firms.
- The results are published [here](#), titled “Blueprints for Success: Achieving the HUBZone 3% goal” (direct link [here](#)).
- The Blueprints provide strategies for agencies to adopt in order to successfully contract with the 3% goal. It may provide useful information for firms when discussing the potential use of their HUBZone certification while contracting.

## Useful Links

- **SBA Contracting Officials HUBZone page:**  
<https://www.sba.gov/contracting/contracting-officials/hubzone>
- **Blueprints for Success:**  
<https://www.sba.gov/sites/default/files/articles/HUBZoneBlueprintsForSuccessFinal.pdf>
- Email [hzdocuments@sba.gov](mailto:hzdocuments@sba.gov) - uploading  
Application number, firm name, and # of emails
- Public teleconferences (Tuesday & Thursday)  
292/765-1264 access code 6890124

# Key Program Benefits

- Contract set-asides
  - \$7 million -manufacturing
  - \$4.0 million –all other NAICS Codes
- 3% government-wide prime and subcontracting goals
- 10% price evaluation preference



**HUBZone Help Desk...**

(202) 205-8885 - [HUBZone@sba.gov](mailto:HUBZone@sba.gov)

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# Before You Apply

**First**, verify if your business is located in a HUBZone.

HUBZone designation is based on census data, unemployment data for each county and, in many areas, on specific census tracts in a county.

Go to this site: <http://www.sba.gov/content/hubzone-maps> to determine if your location meets the criteria.

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# Verify Eligibility Requirements

1. Small by [SBA size standards](#)
2. At least 51% ownership -U.S. citizens or a community development corporation, an agricultural cooperative, or an Indian tribe – allows for indirect ownership (May 25, 2018)
3. Principal office and at least 35% of its employees reside in a designated HUBZone – (full-time and/or part-time employee must work a minimum of 40 hours mthly))

**Note:** *Different rules apply for Tribal Governments, Alaska Native Corporations, Community Development Corporations and small agricultural cooperatives*

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# Clarify

- Business must be unconditionally owned and controlled by at least 51% U.S. citizens ---13 CFR 126.200(b) (1)(i)
- -Citizen mean a person born or naturalized in the U.S. 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

**Learn more...**

[Eligibility Requirements 13-CFR 126](#)

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# Clarify

- 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

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## Eligibility Requirements - 35% Employees

- Employees means all individuals employed on a full-time, part—time, or other basis – 40 hours per month.**
  
- Include employees obtained from**
  - **Temporary employment agency**
  - **Leasing concern**
  - **Union agreement**
  - **Professional employers organization agreement**

# Application

- Electronic Online Application
- The application process is free
- Most frequent reason for decline – 35% employees



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# Gathering Supporting Documents

## CHECKLIST - HUBZone Supporting Documentation

### General business information:

### [www.sam.gov](http://www.sam.gov) 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

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# REMINDERS

- **STEP 1.** Access HUBZone site – [www.sba.gov/hubzone](http://www.sba.gov/hubzone)
- **STEP 2.** Verify eligibility compliance
- **STEP 3.** Review sample HUBZone application form
- **STEP 4.** Review frequently asked questions
- **STEP 5.** Gather information
- **STEP 6.** Complete/submit the online HUBZone application
- **STEP 7.** Submit requested supporting documentation

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# How can I check the status of my application?

You can contact the HUBZone Help Desk at (202-205-8885) if you have additional questions.

To locate the status of your application, select option #2 at the help desk telephone number above.

**-OR-**

Via e-mail at [HUBZone@sba.gov](mailto:HUBZone@sba.gov)

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SBA Answer Desk

1-800-U-ASK-SBA (1-800-827-5722)

[www.sba.gov](http://www.sba.gov)

# For more information about the HUBZone certification

Wanna know more?

**\*\*Tanzee L. Hall-Jones\*\***

**HUBZone Liaison**

**SBA Georgia District Office**

**(404) 331-0122**

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