HUBZones

Fact Sheet December 2012

ABOUT

HUBZone is a United States Small Business Administration (SBA) program for small companies that operate and employ people within Historically Underutilized Business Zones (HUBZones). The HUBZone program was created as part of the Small Business Reauthorization Act of 1997. HUBZones are considered areas located within one or more:

- Qualified census tracts;
- Qualified non-metropolitan counties;
- Lands within the external boundaries of an Indian reservation;
- Qualified base closure area; or
- Redesignated area

The primary goal of the program is to create incentives for the United States federal government to do contracting with businesses that operate and create jobs in communities with statistically proven economic needs.

PROGRAM

The HUBZone program regulates and implements economic development in the following ways:

- Determines which businesses are eligible to receive HUBZone contracts
- Maintains a database of qualified HUBZone businesses that federal agencies can use to locate vendors
- Adjudicates protests of eligibility to receive HUBZone contracts
- Reports to the Congress on the program's impact on employment and investment in HUBZone areas

ELIGIBILITY

Based on the Act, small business will be designated as HUBZone certified if they have the following criteria:

- The firm must be a small business based on the North American Industry Classification System (NAICS) for size standards
- The business must be at least 51% owned and controlled by citizens of the United States
- The firm's principal office (the location where the greatest number of employees perform their work, excluding contract sites) must be in a HUBZone
- 35% of the firms total workforce must reside in a HUBZone

BENEFITS

HUBZone-certified businesses benefit from the program in the following ways:

- Competitive and sole source contracting
- 10% price evaluation preference in full and open contract competitions, as well as subcontracting opportunities
- Annual grants of 3% of all dollars for federal prime contracts to HUBZone-certified small business concerns by the federal government
- Gain preferential access to federal procurement opportunities
- Receive economic boost from the HUBZone program in order to promote job growth, capital investment, and economic development

APPLICATION

There are several important registrations that must be completed before you can start the electronic application process:

- DUN & BRADSTREET: Each headquarters and branch office must be registered so that it will have its own D&B ID number known as a Data Universal Numbering System (DUNS)
- System for Award Management (SAM): The firm's Employer's Identification Number/Tax Identification Number (EIN/TIN) must be registered
- Dynamic Small Business Search (DSBS): DSBS profiles will reflect each firm's certification status so it is recommended to keep your profiles (SAM and DSBS) up to date through the SAM website
- General Login System (GLS): Registration in the GLS must be completed for each individual that can update information, including their DUN and EIN numbers

Once the registrations are complete, a list of documents must be completed and submitted to the Business Opportunity Specialist:

- Signed HUBZone Program Certification Signature Sheet
- Principal Office Location in a Qualified HUBZone
 - Lease/rental agreement
 - Utility bill
- General Business Information
 - Last three years of business' tax returns, including all schedules and attachments
 - Most recent personal Federal tax returns for all owners, including all schedules and attachments
- Ownership and Control
 - Citizenship documentation of business owners that are U.S. citizens
 - Corporation
 - Articles of Incorporation
 - Copies of all stock certificates and stock ledger
 - Corporate bylaws and any amendments
 - Certificate of good standing
 - Limited Liability Company (LLC)
 - Operating agreement and any amendments
 - Articles of organization and any amendments
 - Certificate of good standing
 - Partnership
 - Partnership agreement and any amendments
- HUBZone Employment
 - Official payroll record
 - HUBZone maps of employees' home address
 - Most recent State Unemployment tax filing/report
 - Valid (unexpired) Drivers License, DMV ID or voter registration cards for each employee residing in a HUBZone

Phone: 202-205-8885

Email: <u>hubzone@sba.gov</u>

The HUBZone application can be found online at http://www.sba.gov/content/applying-hubzone-program.

CONTACT INFORMATION

US Small Business Administration 409 3rd Street, SW Washington, DC 20416

For more information: http://www.sba.gov/content/understanding-hubzone-program



