

HUBZone

The **Historically Underutilized Business Zones** (HUBZone) program helps small businesses in urban and rural communities gain preferential access to federal procurement opportunities. These preferences go to small businesses that obtain HUBZone certification in part by employing staff who live in a HUBZone. The company must also maintain a "principal office" in one of these specially designated areas. This article discusses characteristics and eligibilities for small businesses to be a part of HUBZone which can be helpful for the small business owner as well as the contracting officers. Contracting officers can find this information useful as well, in addition to some of the information about regulations to cater to their needs in assisting small businesses which are qualified as HUBZones.

To find out what is new with HUBZone, visit the [HUBZone: Latest News and Articles!](#)

Characteristics of a HUBZone

A "HUBZone" is an area that is located in one or more of the following:

- A qualified census tract (as defined in section 42(d)(5)(C)(i)(I) of the Internal Revenue Code of 1986);
- A qualified "non-metropolitan county" (as defined in section 143(k)(2)(B) of the Internal Revenue Code of 1986) with a median household income of less than 80% of the state median household income or with an unemployment rate of not less than 140% of the statewide average, based on U.S. Department of Labor recent data; or
- Lands within the boundaries of federally recognized Indian reservations.

How Does the HUBZone Program Work?

The SBA regulates and implements the HUBZone Program. The SBA does the following:

- Determines which businesses are eligible to receive HUBZone contracts
- Maintains a listing of qualified HUBZone small 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

Is Your Business in a HUBZone?

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median household income or with an unemployment rate of not less than 140% of the statewide average, based on US Department of Labor recent data; or

- Lands within the boundaries of federally recognized Indian reservations.

Check out the [HUBZone Map](#) page to see if you are located in a HUBZone.

What Makes a Business Eligible for the HUBZone Program?

To qualify for the program, a business (except tribally-owned concerns) must meet the following criteria:

- It must be a small business by SBA standards
- It must be owned and controlled at least 51% by U.S. citizens, or a Community Development Corporation, or an agricultural cooperative or an Indian tribe
- Its principal office must be located within a “Historically Underutilized Business Zone,” which includes lands considered “Indian Country” and military facilities closed by the Base Realignment and Closure Act
- At least 35% of its employees must reside in a HUBZone

Visit [Understanding the HUBZone Program](#) for more information about the program.

Benefits of the HUBZone Program

The program’s benefits for HUBZone-certified companies include

- Competitive and sole source contracting
- 10% price evaluation preference in full and open contract competitions, as well as subcontracting opportunities.

The federal government has a goal of awarding 3% of all dollars for federal prime contracts to HUBZone-certified small business concerns.

To Apply for HUBZone

To apply for the HUBZone program visit, [Applying for the HUBZone Program](#) for instructions and the online form. To look for HUBZone opportunities [click here](#). In the search, choose the set-aside code as "HUBZone."

Maintain Your HUBZone Certification

If you are already a part of the HUBZone program, that is great news. Just remember that the HUBZone certification is not permanent. To learn how to recertify or decertify, visit [Maintaining the HUBZone Certification](#).

For Contracting Officers

As a contracting officer, visit [your HUBZone page](#) today to learn about types of HUBZone contracts, HUBZone regulations, and the HUBZone Gateway.