

## Understanding the HUBZone Program

The **Historically Underutilized Business Zones** (HUBZone) program was enacted into law as part of the [Small Business Reauthorization Act of 1997](#). The program falls under the auspices of the U.S. Small Business Administration. The program encourages economic development in historically underutilized business zones - "HUBZones" - through the establishment of preferences.

SBA's HUBZone program is in line with the efforts of both the Administration and Congress to promote economic development and employment growth in distressed areas by providing access to more federal contracting opportunities.

- [How the HUBZone Program Works](#)
- [Benefits of the HUBZone Program](#)
- [Eligibility for HUBZone](#)
- [Additional Resources](#)

### ***How the HUBZone Program Works***

The SBA regulates and implements the HUBZone program. 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.

### ***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. [Click here](#) to see a list of the biggest industries, by contracting dollar amount, for HUBZone companies and small businesses.

### ***Eligibility for HUBZone***

Make sure to review the [HUBZone Primer \(transcript\)](#) to understand the HUBZone requirements. 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, 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.

If you are eligible, visit [Applying for the HUBZone Program](#), as well as [Maintaining the HUBZone Certification](#).

## ***Additional Resources***




Watch these HUBZone webinars, which focus on advanced topics to place you in a stronger competitive position--not only to obtain the certification, but to keep it:

- [Part 1](#) explains how the HUBZone areas are designated, how to keep the certification after an area loses HUBZone designation, the regulatory requirements, and best practices to obtain and maintain the certification. Presented by Mariana Pardo, the Director of the HUBZone Program, who is responsible for issuing final determinations on applications for HUBZone certification, for the continuing monitoring of certified HUBZone firms and for adjudicating protests of eligibility in connection to HUBZone contracts.
- [Part 2](#) explains how affiliated businesses are treated, HUBZone joint ventures and contracting issues. Presented by Mariana Pardo, the Director of the HUBZone Program and Laura Foster, an SBA Attorney Advisor who specializes in procurement law.

Also, you can watch these HUBZone primers:

- [The HUBZone Primer: Eligibility and Certification Requirements](#)
- [HUBZone Mini-Primer on Understanding HUBZone Designations](#)
- [HUBZone Mini-Primer #2: Principal Office and 35% Employee Residency requirements](#)
- [HUBZone Mini-Primer #3: Understanding HUBZone Protests](#)

Miscellaneous resources:

- Use the [Revitalizing our Communities](#)  flyer to inform potential participants on HUBZone eligibility requirements
- Use this [HUBZone Quick Facts](#)  flyer to promote program participation in your area.
- Review this [Small Business Certifications](#)  fact sheet and share with others.
- You can use this 35% and principal office [calculator](#) to perform a self-evaluation of eligibility.
- Don't know if you are in a HUBZone? Check out the [HUBZone Map](#).