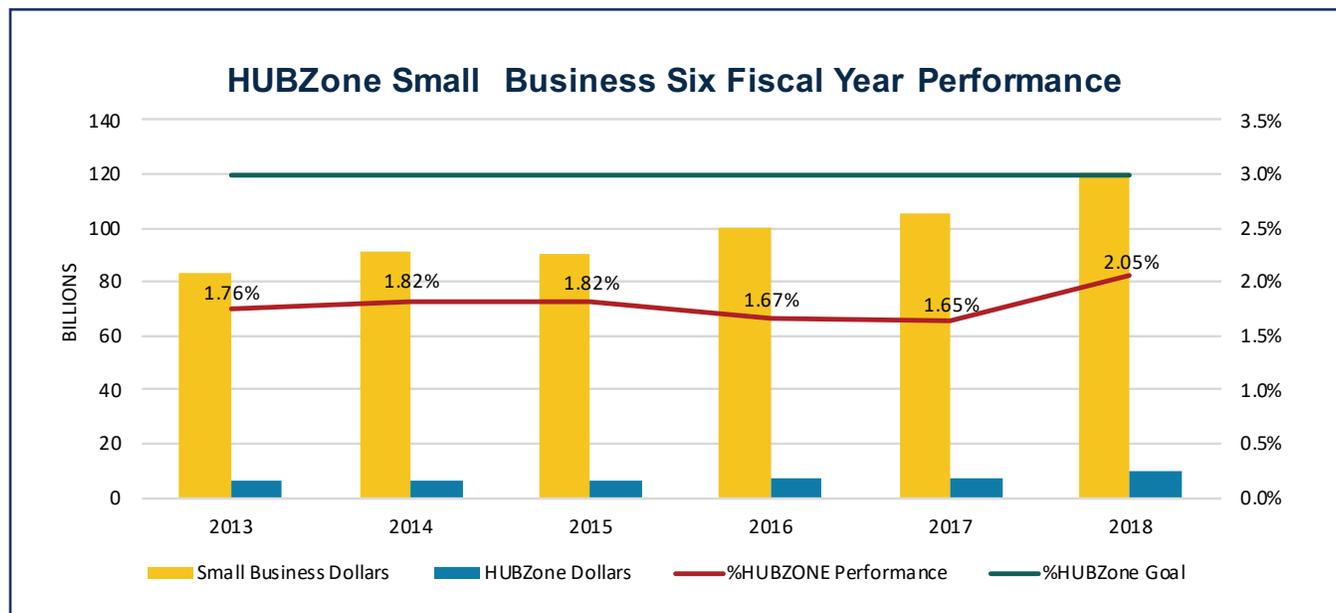


HUBZone Small Business FY2018 Prime Contracting

Small business is expanding and contributing to the economy at a record-breaking level. By better competing for and winning federal contracts, small businesses have supported over 638K jobs, driving job creation, innovation and growth on a local, regional, and national level.



Outreach Efforts

The SBA continues to promote its certification programs, educating small businesses on federal contracting. The SBA is collaborating with Procurement Technical Assistance Centers to early-engage applicants to ensure that they are ready to enter the Federal marketplace, submit thoroughly prepared applications and documents, and are ready when HUBZone-certified.

Advocating for Small Business

The SBA publishes federal agency best practices in attaining the governmentwide HUBZone goal. The SBA has proposed several changes to simplify HUBZone regulations and mitigate risk to the Government and benefit the small business community. Find the proposed rule in the Federal Register, FR Document: 2018-23285, citation: 83 FR 54812.

- The SBA proposes to define “attempt to maintain” HUBZone status during HUBZone contract performance as having at least 20% HUBZone employees (must be 35% at application and offer) while the business is recruiting additional HUBZone employees.

The Federal Government exceeded the small business contracting goal for the sixth straight year, awarding a record breaking \$120 billion in prime contracts to small business in FY 2018.

HUBZone-certified small businesses received about \$10 billion, which could equate to over 52K jobs in our most disadvantaged communities.

2.6K HUBZone small business prime contractors (3% of the total 81.2K SB vendors), received an average award of \$3.9 million per prime contractor during FY 2018.



U.S. Small Business
Administration

- SBA recently published a proposed rule to amend the HUBZone regulations to make the requirements easier for small businesses to comply with and to make the program more attractive for procuring agencies. The rule makes several important changes to the regulations.
- The rule freezes the HUBZone maps, which allows certified HUBZone small businesses to maintain their HUBZone status until 2021.
- It provides that once a HUBZone small business is certified, it will remain eligible for HUBZone contract awards for one year from the date of certification.
- The rule provides that an employee who resides in a HUBZone at the time of a HUB Zone firm's certification shall continue to count as a HUBZone employee as long as the individual remains an employee of the firm. The individual will continue to be treated as a HUBZone employee even if the individual moves to a non-HUBZone location or the individual's residence no longer qualifies as a HUBZone.
- It includes affiliate employees and facilities in determining HUBZone program compliance, if there is no clear line of fracture between a firm and its affiliates.
- It will change recertification every three years to recertification annually, which remains in effect for all HUBZone contracts for the one-year period, unless the HUBZone-certified firm is involved in a merger or acquisition.
- It requires HUBZone status in the Dynamic Small Business Search (DSBS) simply at time of offer, no longer both at time of offer and time of award.
- For non-HUBZone multiple-award contracts, a firm must be HUBZone-certified at time of offer on a HUBZone set-aside order.
- It gives authority to the SBA to designate certain non-metropolitan areas as HUBZones upon a governor's request.

The top 10 agencies that awarded prime contracts to HUBZone small businesses in FY 2018

Agency	HUB Zone (3% Goal)
Small Business Administration	11.2%
Department of Commerce	9.2%
Department of Agriculture	5.7%
Department of the Interior	5.3%
Department of State	4.7%
General Services Administration	4.0%
Department of Homeland Security	3.9%
Department of Labor	3.9%
Department of the Treasury	3.5%
Department of Housing and Urban Development	3.4%

The top 10 NAICS codes awarded prime contracts in FY 2018 qualifying as HUBZone-certified

Principal NAICS Code	HUBZone Dollars (Billions)
236220	\$1.4
541519	\$0.8
541512	\$0.4
561210	\$0.3
237310	\$0.3
237990	\$0.2
541611	\$0.2
541511	\$0.2
324110	\$0.1
541330	\$0.1

To learn more, visit sba.gov/document/support--small-business-procurement-scorecard-overview



U.S. Small Business Administration