

When a HUBZone Redesignated areas expires - - - how does it impact your firm's eligibility?

How might your firm be impacted by the expiration of redesignated HUBZones on October 1, 2012?

Your HUBZone Small Business Concern (SBC) is on the [list of HUBZone certified concerns](#) and as such you need to know that changes take effect on 10/1/2012 that [may affect your firm's eligibility](#). Specifically, all redesignated HUBZones with the expiration date of 10/1/2012 are expiring effectively 10/1/2012.

What will SBA do on October 1, 2012?

On or after October 1, 2012 all certified HUBZone small businesses whose principal office is located in a redesignated HUBZone that has expired will be proposed for decertification. The certified HUBZone SBC will have 30 days to respond to the proposed decertification letter.

What do you do in the meantime?

Conduct an eligibility self-evaluation to see if on October 1, 2012 any of the HUBZone addresses that affect your eligibility (e.g, principal office address, addresses of employees who reside in a HUBZone) will no longer be HUBZone. Some nonmetropolitan counties have been newly designated as HUBZones, while the redesignated dates of others have changed based on the unemployment revised data. These areas are not yet displayed in the map but you can find them in the comprehensive list at <http://www.sba.gov/content/hubzone-maps>.

How do you know if a principal office or employee residency address is in a redesignated HUBZone that is about to expire on October 1, 2012?

Go to <http://www.sba.gov/content/hubzone-maps> and check the address. If the map result shows that the address will be qualified "October 1, 2012" then the address is in a HUBZone due to expire on October 1, 2012.

What do you do if you see that, effective 10/1/2012, your firm will not meet the 35% HUBZone residency and/or the principal office requirement(s)?

You may submit a completed [voluntary decertification agreement](#).

How long do you have to wait to reapply?

[90 days from the date of the voluntary decertification agreement or decertification from the program](#). Note that the voluntary decertification form may still have the old one year waiting period to apply. If this is the case, you may still use this old form and be able to reapply ninety (90) calendar days from the date of the [voluntary decertification](#).

What happens to my current HUBZone contracts if I voluntarily decertify?

If you are currently working on a HUBZone contract, you may continue to work on the contract.

Can an option on a HUBZone contract be exercised?

In most cases, the contracting officer will be required to follow [FAR subpart 17.2](#) in deciding whether to exercise an option.

Can I submit a bid before October 1, 2012?

You must consider how this expiration impacts your offers or awards on HUBZone contracts. The HUBZone regulations, [13 CFR 126.601\(c\)](#), require that a firm must be a qualified HUBZone SBC both at the time of its initial offer and at the time of award in order to be eligible for a HUBZone contract. Note that FAR clause [51.219-3, “Notice of Total HUBZone Set-Aside or Sole Source Award”](#) and [52.219-4, “Notice of Price Evaluation for HUBZone Small Business Concerns”](#) both require the HUBZone offeror to provide the Contracting Officer a copy of the notice required by [13 CFR 126.501](#) if material changes occur before contract award that could affect its HUBZone eligibility. In other words, if you are an offeror for a HUBZone contract, you would be required to notify the Contracting Officer if your principal office is no longer in a HUBZone or if you no longer meet the 35% HUBZone residency requirement.

What is a material change?

A material change includes, but is not limited to, a change in the principal office of the concern, or a failure to meet the 35% HUBZone residency requirement. This means that your firm will not be eligible to submit an offer or receive an award of a HUBZone contract, if on 10/1/2012 the firm will not meet the 35% HUBZone residency and/or the principal office requirement(s). [13 CFR 126.501](#)

Will there be any new qualified HUBZone Counties?

Some nonmetropolitan counties have been newly designated as HUBZones, while the redesignated dates of others have changed based on the unemployment revised data. These areas are not yet displayed in the HUBZone map but the list is available on the HUBZone website under [HUBZone: Latest News and Articles](#).

What else should I know?

That any HUBZone SBCs found to misrepresent themselves during their HUBZone Program participation or on a Federal contract could be subject to a range of civil or criminal penalties and/or suspension or debarment from Federal contracting.

Do you need more help?

Please review the important [definitions and eligibility criteria relating to the Program](#). You can also contact the HUBZone Help Desk at HUBZone@sba.gov or call into the