



# NEWS RELEASE

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### **SBA's HUBZone Celebrates Fifth Anniversary** *Job Creation Program Has Certified 10,000 Businesses Since Inception*

WASHINGTON – U.S. Small Business Administration Administrator Hector V. Barreto announced today that the SBA's HUBZone program has approved 10,000 small businesses as program participants, just as the successful job creation program marked its fifth anniversary. By reaching the 10,000 mark in five years, HUBZone, or Historically Underutilized Business Zone, which provides federal contracting assistance for qualified small businesses located in economically distressed communities, can stake a claim as the fastest growing certification program in the entire federal system.

"I am pleased to announce that in only five short years, the HUBZone program has certified 10,000 small businesses, providing more than \$2.45 billion in federal contracts to help create jobs in economically distressed areas," Barreto said. "HUBZone is a proven, powerful tool for entrepreneurship and job growth. There are now HUBZone firms in all 50 states, as well as the District of Columbia, Puerto Rico and the Virgin Islands.

Barreto also said that the federal government, for the first time ever, awarded more than a quarter of its prime contracting dollars to small businesses in fiscal year 2003. The FY 2003 data show that small businesses did \$62.7 billion of business with the federal government as prime contractors, representing 25.37 percent of all government prime contracting dollars, a \$9.7 billion increase over FY 2002. The companies include small businesses in the HUBZone, 8(a) Business Development and other SBA programs, as well as non-SBA-certified companies.

More than 13,500 locations have been certified as HUBZone areas. The program uses modern information technology and the Internet to grow while remaining customer-friendly. All of these accomplishments translate into a successful program that is helping create an environment in which entrepreneurship and job growth can flourish in economically distressed areas.

The HUBZone program was created in 1997 as a result of legislation sponsored by Sen. Christopher 'Kit' Bond (R-MO). For a small business to be HUBZone-certified, its principal office must be located in a HUBZone and at least 35 percent of its employees must reside in one of these specially designated areas. Additionally, the firm must be owned and controlled by U.S. citizens, a community development company or an Indian tribe.

Part of the HUBZone program's tremendous success is a result of its easy availability online. Small businesses can research their location via the Internet to determine if they are located in a HUBZone. If so, they can then apply for HUBZone certification using the Web-based application and usually receive a determination within 30 days. The HUBZone program also boasts an online application that features a streamlined presentation with pop-up menus directing applicants to an online guide to the actual regulations. The system also allows an applicant to check the status of an application at any time during the review process. The online application and more information can be accessed at [www.sba.gov/hubzone](http://www.sba.gov/hubzone).

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