

HUBZone Map Update

Guide for Small Businesses

1. What is the HUBZone program?

The HUBZone program certifies the eligibility of businesses in disadvantaged communities to compete for federal set-aside contracts, offering employment and growth opportunities where they're most needed for positive economic impact.

2. How is an area selected as a HUBZone?

HUBZones are distressed areas across the U.S. and its territories that are designated based on economic and population data from the Census Bureau and other federal agencies, as defined by Congress.

3. How often and why does SBA change HUBZone-designated areas on the map?

Every five years, SBA uses the latest available data to determine which census tracts and non-metropolitan counties are eligible for HUBZone designation. The HUBZone map is then updated, which allows new businesses to enter the program, and in some cases, areas that no longer qualify under the definition have their designations updated. Other designation types, including Qualified Disaster Areas and Governor's Designated Areas, will continue to be added to the map during the five-year period.

4. What are the upcoming changes to the HUBZone map?

SBA froze the current HUBZone map in late 2017 to account for the results of the 2020 Census which were delayed due to the COVID-19 pandemic. The new HUBZone map update will be realized on July 1, 2023, and will reflect 2020 Census and other economic and population data.

5. How long will the new map be active?

SBA will not update Qualified Census Tracts and Qualified Non-Metropolitan Counties on the map again until July 2028. The five-year map cycle enables small businesses to plan and invest in their HUBZone communities without fear that their designation may change from one year to the next, thus providing stability for both the community and HUBZone businesses. However, some areas will cycle off before 2028. For example, HUBZones that are newly designated as a Redesignated Area will expire on July 1, 2026, and areas designated as Qualified Disaster Areas or Governor's Designated Areas may expire throughout the year.

6. How do I know if my business or employees are located in a HUBZone?

To see if an area is currently a designated HUBZone, visit maps.certify.sba.gov/hubzone/map. To see if the area will remain in a HUBZone on July 1, 2023, when the map is updated, please check this preview map: <https://preview-maps.certify.sba.gov/>.

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7. What if the map indicates more than one designation for my address?

Some addresses may be located in an area with multiple designations. As long as at least one designation indicates the address is in a qualified HUBZone, then the location is qualified.

8. What is a Redesignated Area?

The Small Business Act requires the HUBZone program to re-categorize all Qualified Non-Metroplitan Counties and Qualified Census Tracts that lose their qualified status as Redesignated Areas, which provides these areas with a three-year grace period to allow firms to transition. Newly Redesignated Areas will expire in July 2026. Most HUBZones categorized as Redesignated Areas prior to July 1, 2023, have already exhausted their three-year grace period and will be no longer listed on the map as Redesignated Areas on July 1. Firms located in Redesignated Areas are limited from taking advantage of certain flexibilities provided to firms located in Qualified Non-Metroplitan Counties and Qualified Census Tracts (see the [HUBZone Program Improvements FAQs](#)).

9. What will happen to my certified HUBZone firm if its eligibility is affected by the map change?

Firms that no longer meet the HUBZone program requirements on July 1 due to the map update will remain certified through their following recertification. At that time, the firm will not be able to certify that they meet the requirements and may voluntarily decertify, or become decertified. Alternatively, they may relocate their principal office and/or hire employees that reside in a HUBZone to recertify that they meet all requirements. Firms that have been awarded HUBZone contracts are generally considered HUBZone firms through the life of that contract.

10. What steps should certified HUBZone firms take to be prepared when the map changes are implemented on July 1, 2023?

Use the preview map to verify that your firm's principal office (the location where the most employees work) will be located in a HUBZone on your recertification anniversary date following July 1, 2023. If not, consider relocating your principal office to another HUBZone area. All firms with a principal office in a HUBZone must verify that 35 percent of their employees still reside in a HUBZone on their recertification anniversary date following the map update on July 1, 2023.

Before determining that your firm is no longer eligible, check whether your principal office may continue to be considered to be in a HUBZone under the "long term investment" provision. In addition, check whether you have any employees that may

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continue to be considered HUBZone employees under the “legacy employee” provision. For additional information, see the [HUBZone Program Improvements FAQs](#).

11. I’m applying for HUBZone certification and the four weeks of payroll leading up to my firm’s Electronic Verification Date (EVD) include dates both before and after the July 1, 2023, map update. What happens if I have an employee that resides in a HUBZone for only part of the payroll?

In order to be considered a HUBZone employee, the employee’s address must be in a HUBZone on the EVD through the firm’s certification date.

Example 1: If the employee’s address is in a HUBZone during the June payroll dates but is no longer in a HUBZone on the EVD in July, the employee is not considered a HUBZone employee.

Example 2: If the employee’s address is not in a HUBZone during the June payroll dates but is in a HUBZone on the EVD in July, and the employee meets the 180-day residency requirement, the employee is considered a HUBZone employee.

12. I’m recertifying and the four weeks of payroll leading up to my firm’s certification anniversary date include dates both before and after the July 1, 2023, map update. What happens if I have an employee that resides in a HUBZone for only part of the payroll?

In order to be considered a HUBZone employee, the employee’s address must be in a HUBZone on the certification anniversary date.

Example 1: If the employee’s address is in a HUBZone during the June payroll dates but is no longer in a HUBZone on the certification anniversary date in July, the employee is not considered a HUBZone employee.

Example 2: If the employee’s address is not in a HUBZone during the June payroll dates but is in a HUBZone on the certification anniversary date in July, and the employee meets the 180-day residency requirement, the employee is considered a HUBZone employee.

13. What happens if an employee recently moved to an area that will be a HUBZone when the map updates on July 1, 2023? Will that individual be considered a HUBZone employee?

The individual will be considered a HUBZone employee if documentation is provided to prove that they resided at the address for at least 180 days prior to the EVD (for applicants) or certification anniversary date (for certified firms).

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Example 1: If an employee resides at an address that will become a designated HUBZone on July 1 and has lived at that address for at least 180 days, that individual will be considered a HUBZone resident employee and may be counted toward the 35 percent residency requirement.

Example 2: If an employee moves to an area that will become a designated HUBZone on July 1 and has lived at that address for less than 180 days, and prior to moving, that individual lived at an address that was not a qualified HUBZone, that employee will not be considered a HUBZone resident employee until they can account for 180 days of continuous HUBZone residency.

Example 3: If an employee moves to an address that will become a designated HUBZone on July 1 and has lived at that address for less than 180 days, and prior to moving, that individual lived in an address that was a HUBZone at that time and can account for 180 days, that individual will be considered a HUBZone resident employee and may be counted toward the 35 percent residency requirement.

14. What happens to employees who will no longer live in a HUBZone when the map is updated? Is there a grace period for them?

These employees would no longer be counted as HUBZone residents when determining eligibility with the 35 percent HUBZone residency requirement unless they qualify as “legacy employees.” For more information, see the [HUBZone Program Improvements FAQs](#).

15. What happens if I submit my application for HUBZone certification before the map update and my principal office and/or HUBZone employees required to meet 35 percent HUBZone residency reside in areas that are expiring after the map update, and my application is still in process after the map update?

In order to be certified into the program, the applicant must be eligible as of the date it submitted its application and at the time the HUBZone Director issues a decision. In this case, SBA will consider such changed circumstances and find that the firm is not eligible and decline the application, unless the firm can demonstrate that it is eligible after the map update.

16. My firm’s address is not currently in a HUBZone, but it is listed on the preview map as a HUBZone area beginning July 1, 2023. How soon may I apply for certification?

You may apply as soon as July 1, 2023. SBA encourages small businesses to learn more about the HUBZone program on the [SBA website](#). It is also important to understand the federal marketplace and how to be ready for government procurement. For more tips, see [Top Tips for HUBZone Certification](#). To meet the principal office requirement, a firm

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must be able to demonstrate it has been operating at the newly qualified HUBZone location for at least 30 days prior to the application verification date. To meet the 35 percent residency requirement, firms must submit the two most recent payrolls that demonstrate 35 percent of the workforce lives in areas designated as HUBZones for at least 180 days prior to the application verification date or certification anniversary date.

17. My location is not in a qualified HUBZone on July 1, 2023. How can I appeal this?

Changes to the HUBZone map are required by statute every five years, ensuring that HUBZone designations reflect updated economic and population data. Updates to HUBZone designations ensure that the most distressed communities in the country have the opportunity to benefit from jobs and investment provided by HUBZone-certified firms receiving federal contracts. HUBZone designations are established in law and thus may not be appealed or waived.

18. How is SBA's Mentor-Protégé Program a resource to firms that no longer qualify?

Becoming a mentor to a certified HUBZone small business via the [SBA Mentor-Protégé Program](#) would allow your firm to provide a protégé with valuable experience from a seasoned government contractor.

By collaborating under an SBA-approved Mentor-Protégé Agreement, HUBZone-certified firms can get valuable business development help from a non-HUBZone large or small business mentor in several areas, including:

- Guidance on internal business management systems, accounting, marketing, manufacturing, and strategic planning
- Financial assistance in the form of equity investments, loans, and bonding
- Assistance navigating federal contract bidding, acquisition, and the federal procurement process
- Education about international trade, strategic planning, and finding markets
- Business development, including strategy and identifying contracting and partnership opportunities
- General and administrative assistance, like human resource sharing or security clearance support

Following SBA approval of a Mentor-Protégé Agreement, a mentor and its HUBZone-certified protégé can form a joint venture and qualify as both a small business and a HUBZone business for contracts and set-asides. Visit the SBA [Mentor-Protégé Program](#) website for more information. You can access a list of HUBZone-certified firms and filter for NAICS and geography using the [SBA's Dynamic Small Business Search \(DSBS\) database](#).

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19. What assistance is available to help firms?

If your firm is no longer eligible, consider whether you may be eligible for [other SBA contracting assistance programs](#).

SBA and our network of partners offer free or low-cost counseling and training. Find SBA resource partners near you at sba.gov/local-assistance. Resource partners include Apex Accelerators (formerly known as PTACs), Small Business Development Centers (SBDCs), Veteran's Business Outreach Centers (VBOCs), and Women's Business Centers.

Application support for firms that are newly eligible is also available. Familiarize yourself with the application process by reviewing the materials on the [HUBZone program website](#). You also can join one of our open calls every Tuesday and Thursday from 2–3 p.m. ET where members of our team answer questions to help firms navigate the certification process. Call 208-391-5817 and enter conference ID #278449067.