

(b) *At time of initial contract offer.* A HUBZone SBC must be small for the size standard corresponding to the NAICS code assigned to the contract.

[63 FR 31908, June 11, 1998, as amended at 69 FR 29422, May 24, 2004]

§ 126.204 May a qualified HUBZone SBC have affiliates?

A concern may have affiliates provided that the aggregate size of the concern and all of its affiliates is small as defined in part 121 of this title, except as otherwise provided for small agricultural cooperatives in §126.103.

[70 FR 51249, Aug. 30, 2005]

§ 126.205 May participants in other SBA programs be certified as qualified HUBZone SBCs?

Participants in other SBA programs may be certified as qualified HUBZone SBCs if they meet all of the requirements set forth in this part. Participation in other SBA Programs is not a requirement for participation in the HUBZone Program.

[69 FR 29422, May 24, 2004]

§ 126.206 May non-manufacturers be certified as qualified HUBZone SBCs?

Non-manufacturers (referred to in the HUBZone Act of 1997 as “regular dealers”) may be certified as qualified HUBZone SBCs if they meet all of the requirements set forth in §126.200. For purposes of this part, a “non-manufacturer” is defined in §121.406(b)(1)(i) and (ii) of this title.

[66 FR 4645, Jan. 18, 2001]

§ 126.207 May a qualified HUBZone SBC have offices or facilities in another HUBZone or outside a HUBZone?

A qualified HUBZone SBC may have offices or facilities in another HUBZone or even outside a HUBZone and still be a qualified HUBZone SBC. However, in order to be certified as a qualified HUBZone SBC and if required by §126.200, the concern’s principal office must be located in a HUBZone.

[69 FR 29423, May 24, 2004]

Subpart C—Certification

§ 126.300 How may a concern be certified as a qualified HUBZone SBC and what information will SBA consider?

A concern must apply to SBA for certification. SBA will consider the information provided by the concern in order to determine whether the concern qualifies. SBA, in its discretion, may rely solely upon the information submitted to establish eligibility, may request additional information, or may verify the information before making a determination. SBA may draw an adverse inference and deny the certification where a concern fails to cooperate with SBA or submit information requested by SBA. If SBA determines that the concern is a qualified HUBZone SBC, it will issue a certification to that effect and add the concern to the List.

[69 FR 29423, May 24, 2004]

§ 126.301 Is there any other way for a concern to obtain certification?

No. SBA certification is the only way to qualify for HUBZone program status.

§ 126.302 When may a concern apply for certification?

A concern may apply to SBA and submit the required information whenever it can represent that it meets the eligibility requirements, subject to §126.309. All representations and supporting information contained in the application must be complete and accurate as of the date of submission. The application must be signed by an officer of the concern who is authorized to represent the concern.

§ 126.303 Where must a concern submit its application and certification?

A concern seeking certification as a HUBZone SBC must submit either an electronic application to SBA via <https://eweb1.sba.gov/hubzone/internet/> or a written application to the D/HUB, U.S. Small Business Administration, 409 3rd Street, SW., Washington, DC

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20416. Certification pages must be validated electronically or signed by a person authorized to represent the concern.

[69 FR 29423, May 24, 2004]

§ 126.304 What must a concern submit to SBA?

(a) To be certified by SBA as a qualified HUBZone SBC, a concern must submit a completed application and represent to SBA that it meets the requirements set forth in §126.200. After submitting the application, applicants must notify SBA of any material changes that could affect its eligibility. The concern must also submit any additional information required by SBA.

(b) Concerns applying for HUBZone status based on a location within the external boundaries of an Indian reservation must use SBA's maps (located at <https://eweb1.sba.gov/hubzone/internet/>) to verify that the location is within the external boundaries of an Indian reservation. If, however, SBA's maps indicate that the location is not within the external boundaries of an Indian reservation and the concern disagrees, then the concern must submit official documentation from the appropriate Bureau of Indian Affairs (BIA) Land Titles and Records Office with jurisdiction over the concern's area, confirming that it is located within the external boundaries of an Indian reservation. BIA lists the Land Titles and Records Offices and their jurisdiction in 25 CFR 150.4 and 150.5.

(c) Concerns applying for HUBZone status based on a location within a qualified base closure area must use SBA's List of Qualified Base Closure Areas (located at <http://www.sba.gov/hubzone>) to verify that the location is within a qualified base closure area. If a concern disagrees with the failure of SBA's List of Qualified Base Closure Areas to include a particular area as a qualified base closure area, then the concern must submit relevant documentation from the Department of Defense, Office of Economic Adjustment, or the military department responsible for closing that installation.

(d) If the concern was decertified for failure to notify SBA of a material change affecting its eligibility pursu-

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ant to §126.501, it must include with its application for certification a full explanation of why it failed to notify SBA of the material change. If SBA is not satisfied with the explanation provided, SBA may decline to certify the concern.

[69 FR 29423, May 24, 2004, as amended at 70 FR 51249, Aug. 30, 2005]

§ 126.305 What format must the certification to SBA take?

A concern must submit the required information in either a written or electronic application form provided by SBA. An electronic application must be sufficiently authenticated for enforcement purposes.

§ 126.306 How will SBA process the certification?

(a) The D/HUB or designee is authorized to approve or decline certifications. SBA will receive and review all certifications, but SBA will not process incomplete packages. SBA will make its determination within 30 calendar days after receipt of a complete package whenever practicable. The decision of the D/HUB or designee is the final agency decision.

(b) SBA may request additional information or clarification of information contained in an application submission at any time.

(c) If SBA approves the application, SBA will send a written notice to the concern and automatically enter it on the List described in §126.307.

(d) A decision to deny eligibility must be in writing and state the specific reasons for denial.

[63 FR 31908, June 11, 1998, as amended at 69 FR 29423, May 24, 2004; 70 FR 58974, Oct. 11, 2005]

§ 126.307 Where will SBA maintain the List of qualified HUBZone SBCs?

Qualified HUBZone SBCs are identified by running a search on CCR/DSBS (http://dsbs.sba.gov/dsbs/dsp_dsbs.cfm) and are listed on the HUBZone Web page at <https://eweb1.sba.gov/hubzone/internet/general/approved-firms.cfm>. In addition, requesters may obtain a copy of the List by writing to the D/HUB at U.S. Small Business Administration,

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409 3rd Street, SW., Washington, DC 20416 or at hubzone@sba.gov.

[69 FR 29423, May 24, 2004]

§ 126.308 What happens if SBA inadvertently omits a qualified HUBZone SBC from the List?

A HUBZone SBC that has received SBA's notice of certification, but is not on the List within 10 business days thereafter, should immediately notify the D/HUB in writing at U.S. Small Business Administration, 409 Third Street, SW., Washington, DC 20416 or via e-mail at hubzone@sba.gov. The concern must appear on the List to be eligible for HUBZone contracts.

[69 FR 29423, May 24, 2004]

§ 126.309 May a declined or decertified concern seek certification at a later date?

A concern that SBA has declined or decertified may seek certification no sooner than one year from the date of decline or decertification if it believes that it has overcome all reasons for decline or decertification through changed circumstances and is currently eligible. See § 126.304(c).

[69 FR 29423, May 24, 2004]

Subpart D—Program Examinations

§ 126.400 Who will conduct program examinations?

SBA field staff or others designated by the D/HUB will conduct program examinations.

§ 126.401 What is a program examination and what will SBA examine?

(a) *General.* A program examination is an investigation by SBA officials, which verifies the accuracy of any certification made or information provided as part of the HUBZone application process or in connection with a HUBZone contract. Thus, examiners may verify that the concern currently meets the program's eligibility requirements, and that it met such requirements at the time of its application for certification, its most recent recertification, or its certification in connection with a HUBZone contract.

(b) *Scope of review.* Examiners may conduct the review, or parts of the re-

view, at one or all of the concern's offices. SBA will determine the location of the examination. Examiners may review any information related to the concern's eligibility requirements including, but not limited to, documentation related to the location and ownership of the concern, the employee percentage requirements, and the concern's "attempt to maintain" (see § 126.103) this percentage. The concern must document each employee's residence address through employment records. The examiner also may review property tax, public utility or postal records, and other relevant documents. The concern must retain documentation demonstrating satisfaction of the employee residence and other qualifying requirements for 6 years from date of submission of the application and any recertifications issued to SBA.

[69 FR 29423, May 24, 2004]

§ 126.402 When may SBA conduct program examinations?

SBA may conduct a program examination at any time after the concern submits its application, during the processing of the application, and at any time while the concern is certified as a qualified HUBZone SBC.

[69 FR 29423, May 24, 2004]

§ 126.403 May SBA require additional information from a HUBZone SBC?

(a) At the discretion of the D/HUB, SBA has the right to require that a HUBZone SBC submit additional information as part of the certification process, or at any time thereafter. SBA may draw an adverse inference from the failure of a HUBZone SBC to cooperate with a program examination or provide requested information.

(b) In order to gauge the success of the program, SBA requires that a HUBZone SBC submit updated financial information and information relating to the number of its employees.

[69 FR 29424, May 24, 2004]