

Small Business Administration

§ 126.405

via e-mail at aahub@sba.gov. The concern must appear on the List to be eligible for HUBZone contracts.

§ 126.309 How may a declined or de-certified concern seek certification at a later date?

A concern that SBA has declined or de-certified may seek certification no sooner than one year from the date of decline or de-certification if it believes that it has overcome all reasons for decline through changed circumstances, and is currently eligible.

Subpart D—Program Examinations

§ 126.400 Who will conduct program examinations?

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

§ 126.401 What will SBA examine?

(a) *Eligibility.* Examiners will verify that the qualified HUBZone SBC met the requirements set forth in §126.200 at the time of its application for certification and at the time of examination.

(b) *Scope of review.* Examiners may review any information related to the HUBZone SBC qualifying requirements, including documentation related to the location and ownership of the concern, the employee percentage requirements, and the concern's attempt to maintain this percentage. The qualified HUBZone SBC 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 to SBA.

§ 126.402 When may SBA conduct program examinations?

SBA may conduct a program examination at the time the concern certifies to SBA that it meets the requirements of the program or at any other time while the concern is on the List or subsequent to receipt of HUBZone

contract benefits. For example, SBA may conduct a program examination to verify eligibility upon notification of a material change under §126.501. Additionally, SBA, in its sole discretion, may perform random program examinations to determine continuing compliance with program requirements, or it may conduct a program examination in response to credible information calling into question the HUBZone status of a small business concern. For protests to the HUBZone status of a small business concern in regard to a particular procurement, see §126.800.

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

Yes. At the discretion of the AA/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. If SBA finds a HUBZone SBC is not qualified, SBA will de-certify the concern and delete its name from the List. SBA may choose to pursue penalties against any concern that has made material misrepresentations in its submissions to SBA in accordance with §126.900.

§ 126.404 What happens if SBA is unable to verify a qualified HUBZone SBC's eligibility?

(a) Authorized SBA headquarters personnel will first notify the concern in writing of the reasons why it is no longer eligible.

(b) The concern will have 10 business days from the date that it receives notification to respond.

(c) The AA/HUB will consider the reasons for proposed de-certification and the concern's response before making a decision whether to de-certify. The AA/HUB's decision is the final agency decision.

§ 126.405 What happens if SBA verifies eligibility?

If SBA verifies that the concern is eligible, it will amend the date of certification on the List to reflect the date of verification.