



Disadvantaged Business Enterprise (DBE) Reevaluation Update



DBE Program Overview

The DBE program is a federal initiative that helps small businesses owned and controlled by socially and economically disadvantaged individuals compete for federally funded transportation contracts. [Title 49 Code of Federal Regulations Part 26](#) outlines the requirements of the DBE program.

- As a recipient of federal funding, the Council is required to administer the DBE Program.
 - ❑ The Council reviews all projects estimated at \$50K or above for DBE goals
- The DBE Program provides contracting opportunities for firms whose owners can demonstrate social and economic disadvantage through individualized evidence.
 - ❑ Administering the DBE Program assists small businesses in the region in contracting with the Council
- Recipients must participate in a Unified Certification Program and must sign a program plan that is submitted to the USDOT Secretary of Transportation for approval

Minnesota Unified Certification Program (MNUCP)

- The MNUCP currently has 4 participating agencies that perform DBE certification.
 - Minnesota Dept. of Transportation
 - Metropolitan Airports Commission
 - City of Minneapolis
 - Metropolitan Council
- Ashanti Payne, Director, Office of Civil Rights and Small Business Programs (OCR SB), currently serves as the MnUCP Chair
- A subcommittee of the MNUCP is the Certification Application Committee (CAC) which is chaired by DeLores Aguirre, OCR SB Senior Small Business Specialist

USDOT Interim Final Rule (IFR)

October 2025 USDOT issued an Interim Final Rule (IFR) which significantly impacted the certification requirements for the DBE program.

- Removed the presumption of social and economic disadvantage
- All firms DBE certified prior to the IFR must be reevaluated under new requirements to remain eligible
- Owner(s) must demonstrate social and economic disadvantage affirmatively based on their own experiences and circumstances within American society, and without regard to race or sex
- Until the firms are reevaluated, no DBE goals may be established, and no credit may be counted towards goals on projects awarded prior to the IFR

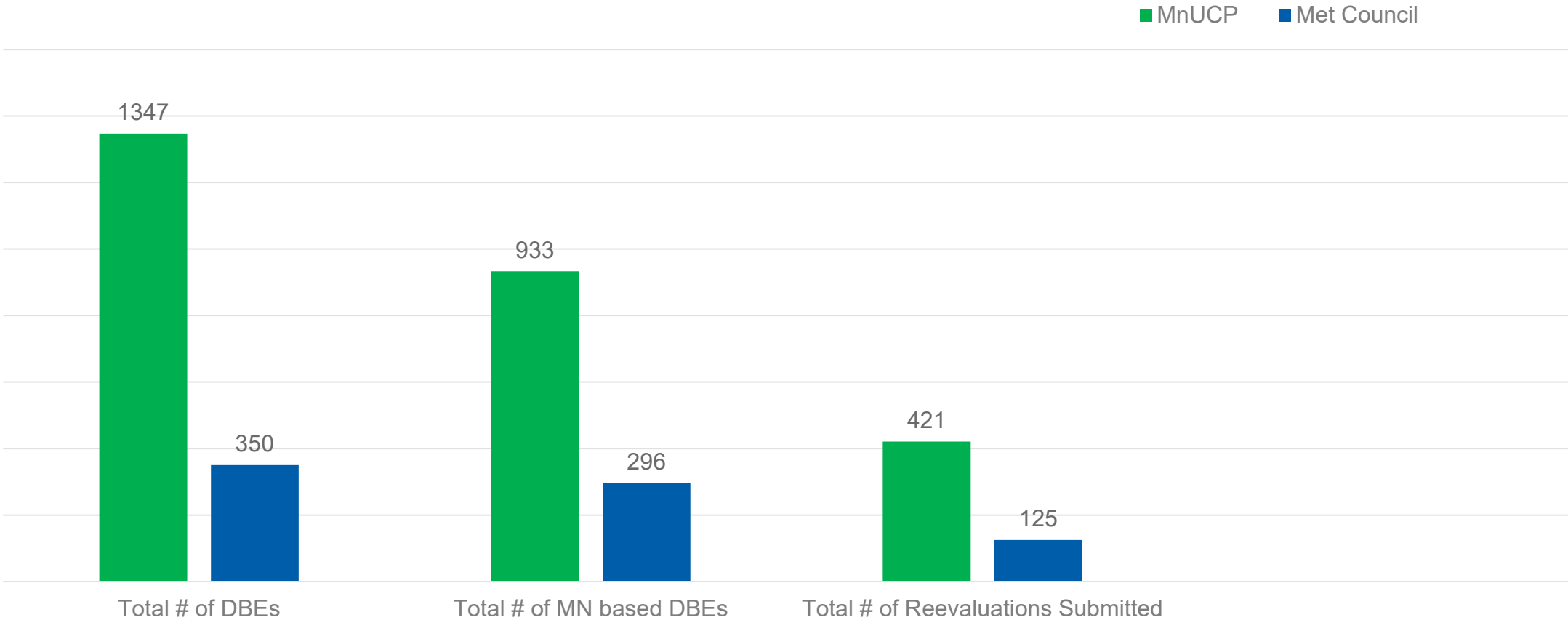
IFR Continued

The issuance of the IFR halted all Council procurements and required significant collaboration with Procurement and OGC to determine not only the impacts of the IFR but also necessary updates that were needed to move forward.

- Incident Command Team was created and regular updates provided to Governor's Office
- MnUCP partners and Incident Command team coordinated communications to internal and external stakeholders
- Required significant updates to Council Policies, procedures and contract language and forms
 - ❑ Prior to IFR, Council MCUB program mirrored the DBE regulation. After IFR issued, removed all references of DBE regulation in order to move forward with MCUB program
- Issues found with early reevaluations submitted
 - ❑ UPC partners recognized need for additional supportive services and offered Personal narrative workshops and 1:1 sessions

DBE Firm Counts Prior to IFR

Below is a breakdown of the numbers of DBE firms certified prior to the IFR for the MnUCP and the Council.



Firms that were interstate certified prior to the IFR were removed and must reapply once their reevaluation is completed in their home state.

Reevaluations Processed

The priority deadline for submitting the reevaluation was December 5, 2025. Once the firms that submitted by this deadline are reviewed, then the Council can submit to USDOT for approval. Data below is as of the May 27th Certification Committee Meeting

	Total # Submitted	Total # submitted by 12/5/25	Total # submitted after 12/5/25	# that opted out of program	# approved	# disqualified	# to still be processed
MnUCP	421	315	106	69	200	1	*151
METC	125	82	43	30	52	0	*43

*Firms that were DBE certified prior to the IFR, but fail to submit a reevaluation, remain ineligible until the documentation is submitted and reviewed.

Looking Forward

Once the MnUCP agencies have completed the reevaluation process for firms that submitted by the priority deadline, they must notify USDOT.

In addition, they must do the following:

- Submit an updated DBE Program Plan
 - Includes DBE Neutral Program Element that was approved at Council on May 27th
- Review the agency's current triennial goal(s) and adjust, if necessary, based on the current availability of DBE firms.
 - FTA goal is currently 13.4%
 - EPA goal is currently 11.9%

Looking Forward Continued

- Have a determination made for all METC reevaluations submitted by the priority deadline no later than July 8, 2026.
- Beginning accepting new DBE applications. New applications are paused during the reevaluation process.
 - ❑ B2GNow go live planned for July
- Resume the annual Declaration of Eligibility (DOE) process. For firms that remain ineligible, the documents for reevaluation will be required at time of DOE. If requested information is not submitted, those firms may be removed pending appeal
- Monitor the Transportation & Infrastructure reauthorization bill – Build America 250
 - ❑ Bill Includes the reauthorization of the DBE program



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