

DBE INTERIM FINAL RULE QUESTIONS AND ANSWERS

1. How and where do I submit my personal narrative and PNW statements?

You were originally certified as a DBE through the *Illinois Department of Transportation*. You must submit your personal narrative and PNW statement to the same certifying entity with which you were originally certified.

Find instructions on how to submit your required statements at <https://idot.illinois.gov/doing-business/certifications/dbe/il-ucp.html>.

You may submit your typed personal narrative in either Microsoft Word or PDF format. The narrative must be typed to ensure that our reviewers can read and evaluate it. If illegible it will be returned and you will have to resubmit.

You must use the USDOT PNW form to submit your PNW statement.

You must include statements for ALL of your socially and economically disadvantaged owners in 1 submission

You must indicate the ownership percentage for each of the individuals for whom you are submitting statements.

2. What should my personal narrative include?

It is important that your narrative describe specific situations you have experienced that have caused hardship and held you back from succeeding in education, employment or business. Please note that under the new rules, the determination of social and economic disadvantage cannot be based even in part on your race or sex. Only your description of your individual experiences, without regard to your race or sex, can be relied upon. Your narrative must show that you satisfy the certification requirements by a preponderance of the evidence, or that it is more likely than not that you are socially and economically disadvantaged.

The regulatory language emphasizes that social and economic disadvantage can be shown by referencing specific examples of *economic hardship, systemic barriers, and denied opportunities* and particularly notes being unable to obtain financing on the same terms as others. You must not only describe specific obstacles and difficulties you have faced, but also explain how those obstacles have caused you economic or financial harm and how they have held you back from success. It is also crucial that you explain your economic situation and how you are economically disadvantaged, particularly as compared to other similarly situated individuals.

From the Interim Final Rule –

§ 26.67 Social and economic disadvantage.

*(a) **Non-presumptive disadvantage.** All applicants must demonstrate social and economic disadvantage (SED) affirmatively based on their own experiences and circumstances within American society, and without regard to race or sex.*

(1) To satisfy the SED requirement and ensure all determinations of disadvantage are not based in whole or in part on race or sex, an owner must provide the certifier a Personal Narrative (PN) that

establishes the existence of disadvantage by a preponderance of the evidence based on individualized proof regarding specific instances of economic hardship, systemic barriers, and denied opportunities impeded the owner's progress or success in education, employment, or business, including obtaining financing on terms available to similarly situated, non-disadvantaged persons.

(2) The PN must state how and to what extent the impediments caused the owner harm, including a full description of type and magnitude, and must establish that he is economically disadvantaged in fact and that he is economically disadvantaged relative to similarly situated non-disadvantaged individuals.

(3) The owner must attach to the PN a current PNW statement and any other financial information he considers relevant.

3. Who has to provide a personal narrative?

In order to be recertified, you must verify that your firm is at least 51% owned by socially and economically disadvantaged individuals. Thus, you must make sure that personal narratives and personal net worth statements are provided by enough people to make up 51% of your ownership.

For example, if your firm is a corporation owned by 5 people who each own 20%, then at least 3 of those owners must submit the required personal narrative and personal net worth statements showing that all 3 of them are socially and economically disadvantaged. In contrast, if your firm is a corporation owned by 2 people, one of whom owns 49% and one of whom owns 51%, only the 51% owner is required to submit the personal narrative and personal net worth statement.

4. Are there rules for how long the personal narrative must be or is there a specific form?

There is no specific form or formatting rules for the personal narrative. You must include sufficient detail to demonstrate that it is more likely than not that your experiences have caused you to be economically disadvantaged and have held you back from succeeding.

5. What must the personal net worth statement include?

The Personal Net Worth statement must list all of your assets and liabilities. Assets and liabilities are counted in calculating your net worth as set forth in 49 CFR 26.68. A copy of the USDOT PNW statement form is attached and can be found online at <https://idot.illinois.gov/content/dam/soi/en/web/idot/documents/idot-forms/dbe/us-dot-personal-net-worth-statement-for-dbe.pdf>. **Use this form to provide your personal net worth statement.**

6. What is the personal net worth limit?

If your personal net worth, as indicated in your personal net worth statement, exceeds \$2,047,000, then you are presumed NOT to be economically disadvantaged and will be decertified as a DBE.

7. What happens if my firm is not found to be socially and economically disadvantaged based on the statements submitted?

If the reevaluation results in a determination that your owners are not socially and economically disadvantaged, your firm will be decertified. Under the new regulations, the certifying agency is NOT

required to provide notice of proposed decertification and follow the process spelled out in 26.87, as would be required under normal circumstances. Your firm will not be included in the IL UCP directory when it is reinstated, and participation by your firm on USDOT-assisted contracts will not be eligible to be counted for DBE goal credit unless you reapply with a complete new application to the DBE program, including the personal narrative to prove social and economic disadvantage, and become certified again.

8. What happens if my firm does not submit the required statements by the November 24 deadline?

If the required personal narrative and personal net worth statement are not submitted by the deadline, then your firm will be decertified. However, that decertification does not prevent you from applying at a later date.

9. What if I have mailed my statements before November 24th, but they are not received by my certifier until after November 24th?

As long as your submission is postmarked by November 24th, it will be accepted and evaluated once it is received. You are also encouraged to consider the electronic submission options in order to avoid any possible mail service delays.

10. How will I know if my firm has been recertified?

You will receive written notification via both US mail and email (if we have a valid email address for you), to advise you whether you are recertified or decertified.

11. What if I have submitted annual Declaration of Eligibility recently? Do I still need to submit the personal narrative and updated Personal Net Worth Statement?

If you have already submitted your annual Declaration of Eligibility and are waiting for [AGENCY'S] response, you must still also submit your personal narrative and PNW statement by the required deadline in order to be recertified.

12. What if I was originally certified in another state and my home state has already recertified my firm?

If you have already received written confirmation of recertification by your home state, you may submit that written confirmation along with your personal narrative and PNW for recertification in Illinois. If your home state has not yet completed your reevaluation, you must provide your personal narrative and PNW to Illinois for reevaluation prior to the deadline or your firm will be decertified in Illinois and you will be required to reapply for interstate certification when you are recertified in your home state.

13. How quickly will I know if my firm has been recertified?

[AGENCY] will be working as quickly as possible to review all submitted statement as they come in and complete the reevaluation process. All submissions will be processed in the order in which they are received, but due to the anticipated volume of submissions, it will likely take at least 2-3 weeks to complete the reevaluation and send the written notice of determination. However, know that IDOT

will do everything possible to complete the process and resume setting DBE goals on projects quickly.