

DBEs of America Official Comment on IFR:

@everyone

Department of Transportation

Docket No. DOT-OST-2025-0897

RIN 2105-AF33

This comment is submitted on behalf of DBEs of America, a nonprofit organization comprised of Disadvantaged Business Enterprises (DBEs). We represent the tens of thousands of DBEs who rely on these programs to compete fairly in the transportation industry.

It is important to emphasize that DBE businesses already go through a rigorous certification process to prove their eligibility - including detailed reviews of ownership, control, and financial documentation - to ensure compliance with program requirements. DBEs invest significant time and resources to meet these standards, demonstrating their commitment to integrity and transparency.

The DBE program has been instrumental in helping our member businesses grow and succeed. The contracts secured by our members have allowed them to expand operations, hire local employees, and invest in their communities. These opportunities have led to job creation, mentorship programs for aspiring entrepreneurs, and reinvestment in underserved neighborhoods. Our members' success stories demonstrate that DBE participation strengthens local economies and fosters innovation. These businesses not only provide high-quality services but also contribute to community development through job initiatives, workforce training, and partnerships with educational institutions. Despite these benefits, many of our members continue to face systemic barriers rooted in race, sex, and other systemic bias.

Discrimination—whether overt or subtle—remains a reality in contracting opportunities. Without these safeguards, disadvantaged businesses risk being excluded from opportunities they are fully qualified to perform. It is critical to remove barriers for all socially and economically disadvantaged businesses so that as many strong businesses as possible can thrive. Doing so will not only promote fairness but also enhance America's global competitiveness by ensuring that diverse, innovative companies have the opportunity to contribute to major transportation projects. When these businesses succeed, they strengthen supply chains, create jobs, and drive economic growth nationwide. By ensuring that DBEs have a fighting chance to participate, USDOT helps build a stronger, more resilient economy that benefits all Americans.

It is imperative that USDOT continue to support programs that fight discrimination based on race, sex, and other types of systemic discrimination or bias. These programs are

essential to leveling the playing field and ensuring that qualified businesses are not excluded from opportunities due to prejudice or structural inequities. Without these protections, decades of hard-won progress toward equity and inclusion in transportation contracting would not only be at risk—it could be reversed, undermining the very foundation of fair competition and threatening the economic vitality that diverse businesses bring to the industry.

We strongly urge USDOT:

Provide dedicated financial support to state and local transportation departments, authorities, agencies, and airports so they can quickly and efficiently implement the new rule. The IFR introduces significant changes, including individualized determinations of social and economic disadvantage and recertification of existing DBEs. These changes will require additional staffing, training, technology upgrades, and outreach efforts. Without adequate funding, agencies may face delays, backlogs, and inconsistent application of the rule, which could harm both DBEs and the integrity of the program.

Establish a clear and prompt deadline for resubmission of certification applications under the new rule. To have no deadline would effectively shut down the program, as it creates an endless period for submission and uncertainty for both DBEs and agencies. A defined timeline will ensure accountability, prevent indefinite delays, and allow businesses to plan and operate with confidence while agencies maintain program integrity.

Establish clear, uniform standards and oversight mechanisms to ensure that determinations are applied fairly and consistently nationwide.

Provide comprehensive guidance documents, webinars, and training sessions tailored to both businesses and certifying agencies. These resources should include:

- Step-by-step instructions for preparing personal narratives and supporting documentation.
- Templates and examples of acceptable evidence for demonstrating social and economic disadvantage.
- Frequently Asked Questions (FAQs) addressing common concerns and clarifying ambiguous language in the rule.

We appreciate USDOT's efforts to promote equity and fairness in transportation contracting, however, as currently written the IFR undermines those efforts. Please consider these points, the future of tens of thousands of disadvantaged businesses - and the hundreds of thousands of Americans they employ and communities they serve- depend on it.