



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

November 6, 2025

Disadvantaged Business Enterprise Program Stakeholders:

Effective October 3, 2025, the U.S. Department of Transportation (USDOT) published an Interim Final Rule (IFR) requiring immediate changes to the Disadvantaged Business Enterprise (DBE) Program and Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program. All subrecipients of federal transportation funding, including PennDOT, are required to comply.

You may read the official USDOT notice here: [U.S. DOT Interim Final Rule on DBE/ACDBE Certification](#).

No action is required of your business at this time. The Pennsylvania Unified Certification Program (PA UCP) is evaluating the IFR and will be alerting DBEs of the new requirements and next steps.

Key Changes

- (1) **Elimination of Presumptions:** Race and gender-based presumptions of social and economic disadvantage are removed. All applicants must now demonstrate social and economic disadvantage through individualized evidence, including a personal narrative and financial documentation.
- (2) **Reevaluation of All Firms:** All DBEs certified prior to October 3, 2025 will undergo reevaluation. Firms meeting USDOT's new certification standards will be recertified; those that do not will not be recertified. **No action is required at this time.**
- (3) **Temporary Suspension of Goals and Counting:** Until reevaluations are complete, PennDOT and all subrecipients must **not**:
 - Set DBE/ACDBE contract goals;
 - Count DBE/ACDBE participation toward DBE project goals; and
 - Count DBE/ACDBE participation toward overall program goals.
- (4) **Existing Contracts:** Awarded and executed (signed) contracts remain valid and will not be amended based on the IFR. DBE commitments and participation under executed contracts cannot be counted toward goal attainment during the

reevaluation period. Contractors must still follow contract terms, including subcontracting requirements (e.g., prompt payment, retainage, record retention, etc.).

- (5) **Goal Setting:** All DBE goal requirements are suspended effective October 3, 2025 and no DBE goals should be set on new contracts. Contracts currently advertised with DBE goals will have their DBE goals removed. Statewide DBE goal setting will resume once PA UCP reevaluations of all DBEs, in accordance with USDOT's IFR, are complete. We do not have a timeline for review at this time.
- (6) **Reporting Requirements:** USDOT has eliminated the collection of race-and sex-specific ownership data. Reporting will be based on certification status and individualized eligibility.

Next Steps

- (1) **PA UCP:** PA UCP is working to update the PA UCP Standard Operating Procedures; including the new Personal Narrative requirement, and the process to reevaluate all firms certified prior to October 3, 2025.
- (2) **PennDOT Staff:** PennDOT will apply the new certification standards immediately and will work with PA UCP to reevaluate all certified firms, continuing to provide supportive services for federal-aid programs to firms that had been certified as a DBE prior to October 3, 2025.
- (3) **Prime Contractors:** Prime contractors are not required to submit utilization plans or commitments tied to DBE credit during this reevaluation period.
- (4) **Firms Seeking DBE Certification:** Firms seeking to be recertified as DBEs should prepare to submit individualized documentation of disadvantage as part of the reevaluation process, including a personal narrative and financial documentation. Technical assistance may be provided by PennDOT or your certifying agency during the reevaluation process.

Again, the PA UCP is working on a process to alert all DBEs certified prior to October 3, 2025 of the reevaluation process required to retain certification. Once the reevaluation process has been established, all DBEs will be notified with instructions.

Questions may be directed to the Bureau of Equal Opportunity at penndotucpinfo@pa.gov.

For more information on small and diverse business procurement opportunities offered by the Commonwealth, visit the Department of General Services' Bureau of Diversity, Inclusion and Small Business [here](#).

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Pellington', with a long horizontal line extending to the right.

Corey Pellington
Deputy Secretary for Administration
DBE Liaison Officer
PA Department of Transportation