



# DBE PROGRAM REEVALUATION UPDATE

Impact Analysis of USDOT Interim Final Rule (IFR) and Next Steps

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**Presented by:** David DeLuz, Caltrans Deputy Director, Civil Rights

**Date:** May 28, 2026 **Presentation to UCON Public Works Summit**

3,224

Pre-IFR Certified DBEs

22.7%

Overall PN Submission Rate

2,491

Firms Did NOT Submit PN

8

Critical Findings Identified

## BACKGROUND

**October 3, 2025:** USDOT issued an Interim Final Rule (IFR) eliminating race and sex presumptions of disadvantage for DBE certification.

**New requirement:** All previously certified firms must submit a Personal Narrative (PN) demonstrating individual disadvantage to retain DBE status.

**The stakes:** Firms that do not submit a PN risk losing DBE certification — even if fully qualified — jeopardizing Caltrans' ability to meet federal DBE participation goals.

**Caltrans universe:** 3,224 Caltrans-certified DBEs | 305 active on current contracts | 6,082 in the full CUCP statewide pool.



**77.3%**

of Caltrans DBEs have NOT submitted a PN



**44.0%**

of DBEs ACTIVE on contracts have not filed



**56.0%**

overall filing rate among active-contract DBEs

# 305 Active DBE Firms. One Critical Question.

Have they filed their Personal Narrative  
to keep their DBE certification?

## FIRMS LOST FROM CERTIFIED POOL

Professional Services 971 lost | 79%

Construction 567 lost | 75%

Transportation & Logistics 260 lost | 72%

Wholesale Trade 202 lost | 80%

Admin. & Support Svcs 109 lost | 77%

✓ YES — Filed PN

# 170

firms · \$417M in commitments · 56% of firms

Certification secure

✗ NO — Has Not Filed

# 135

firms · \$217M in commitments · 44% of firms

Certification at risk

# 308

## Survey Responses Received

DBE Reevaluation Intent & Readiness Survey • As of May 8, 2026

Firms remain engaged but a significant portion still requires targeted support to complete or clarify their submissions. Key uncertainty areas: eligibility, documentation, timing, active contract impacts, and future opportunities.

# 1,318

## Firms Reached via Targeted Email

SBDB Outreach Email • May 7, 2026 • Non-submitting firms

Email reminded firms Caltrans is still accepting reevaluation documents and encouraged completion of submissions using available support resources.

## CURRENT FOCUS AREAS

- **Follow-up** with delayed, undecided, and non-submitting firms
- **Clarification** on documentation expectations, eligibility, and active contract impacts
- **Phone & email outreach** to DBEs on active contracts and firms requiring resubmission
- **Practical examples & one-on-one** assistance for firms with incomplete submissions

## UPCOMING LIVE Q&A WEBINAR SESSIONS

### May 12 • May 26 • Jun 9 • Jun 23

2026 | Open to all DBE firms | Q&A + documentation support

- Broad support resource — all eligible firms welcome
- Supplemented by FAQs and one-on-one individualized assistance
- Caltrans is still accepting reevaluation submissions — deadline remains open

# RECOMMENDED ACTIONS & NEXT STEPS

## IMMEDIATE 0–30 Days

## STRATEGIC 90 Days–1 Yr

## LONG-TERM Policy

### IMMEDIATE

- Expand DIRECT outreach to all 183 non-filing active-contract DBEs — assign District liaisons and prioritize firms on contracts nearing award or renewal.
- Issue simplified PN documentation guidance to sole-proprietor and micro-business DBEs, with practical examples targeting the highest-dropout NAICS codes.
- Continue Live Q&A Webinar series (May 26, June 9, June 23) and one-on-one OCR Supportive Services assistance for firms with incomplete submissions.

### STRATEGIC

- Submit formal request to USDOT FHWA for authority to RESTART DBE goal-setting on federally-funded contracts — present documented program disruption as grounds for immediate relief.
- Collaborate with FHWA, peer-state DOTs, and industry stakeholders to develop revised DBE goal-setting methodology that accounts for IFR-induced attrition in the available and willing firm pool.
- Formally preserve pre-IFR certified firm data as the baseline for all future disparity studies and DBE availability analyses — protect historical benchmarks from IFR-induced distortion.

### LONG-TERM

- Coordinate with peer-state DOTs and national transportation partners to build the evidentiary record for IFR modification or rollback through federal rulemaking.