



10TH ANNUAL
GOVERNOR'S
**SMALL BUSINESS
OUTREACH
SUMMIT**

Navigating DBE Regulations Changes DBE Certification Process: What's New and What Stays the Same

Track B Session 5

November 11, 2025

**Lyn Farrow, MDOT Director of External Affairs
Moderator**

Our Panelists



**Carla Nelson
Chambers**

**Managing Principal
The Nelson Ideation Group
(TNIG)**



Jaclyn Hartman

**MDOT
Assistant Secretary
for
Transportation Inve
stments**



Y. Maria Martinez

**Special Secretary
Governor's Office of
Small, Minority,
and Women
Owned Business
Affairs**



Sharon R. Pinder

**President and
CEO
Capital Region
Minority Supplier
Development Cou
ncil (CRMSDC)**

Key Elements

The New Policy

The U.S. Department of Transportation (DOT) issued a new Interim Final Rule for the Disadvantaged Business Enterprise (DBE) program, effective October 3, 2025. The rule removes the long-standing automatic presumptions of disadvantage based on race or gender.

It requires all currently certified firms to undergo a reevaluation process by their state's Unified Certification Program (UCP) to prove they still meet the eligibility criteria and temporarily pauses the use of DBE contract goals for future projects until the reevaluation process is complete.

Certification

Individualized proof of disadvantage

All applicants must now provide a personal narrative and supporting documents to prove social and economic disadvantage based on their own experiences, without regard to race or sex.

Elimination of group presumptions

There are no longer any group-based shortcuts to certification; every firm must demonstrate disadvantage on a case-by-case basis.

Mandatory re-certification

Unified Certification Programs (UCPs) must reevaluate all currently certified DBEs to ensure they meet the new standards.

Procurement

Impact on contract goals

During the reevaluation period, public agencies are pausing the setting of new DBE participation goals and may not count existing DBE participation toward goals until the reevaluation is complete.

Temporarily halts contract goals

For construction contracts starting on or after October 3, 2025, recipients of federal funds are prohibited from including DBE contract goals until the reevaluation process is completed.

Compliance

Pauses goal reporting and compliance monitoring

Until the UCP completes its reevaluation, goal reporting and compliance monitoring are suspended, and there will be no penalties for missing previously established goals.

Minimal impact on existing contracts: In general, existing contracts that already include DBE commitments will not be affected. However, some pending solicitations may need to be rewritten.

The Questions

What do we most need to know?

The Big Picture

What things should we focus on now?

What's Next

What advice/encouragement do you have for our audience today?

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Thank You