

Caltrans DBE Reevaluation

Frequently Asked Questions (FAQ) Guide for DBE Firms



This document provides an overview of frequently asked questions for Disadvantaged Business Enterprise (DBE) firms undergoing reevaluation under the U.S. Department of Transportation's October 3, 2025, Interim Final Rule (IFR) amending 49 CFR Part 26.

1. When did the new rule take effect?

The Interim Final Rule (IFR) became effective on October 3, 2025. It amended 49 CFR Part 26 and requires nationwide reevaluation of all certified DBEs.

2. Why is Caltrans requiring DBEs to go through reevaluation?

The IFR eliminates race- and gender-based presumptions and requires individualized determinations of social and economic disadvantages. California must implement this rule to preserve federal transportation funding.

3. Who must participate in the reevaluation?

All firms certified as DBEs in California as of October 3, 2025, must participate in the reevaluation process.

4. Does this mean I automatically lose my certification?

No. Certification remains active during the reevaluation process. Only firms that do not meet the new standards after review may face denial or decertification.

5. What must I submit for reevaluation?

DBE owners must submit a Personal Narrative (PN), an updated Personal Net Worth (PNW) statement, and supporting financial documentation.

6. What is required in the Personal Narrative?

The narrative must establish disadvantages by a preponderance of the evidence and may not rely on race or gender. It should describe specific incidents of economic hardship, systemic barriers, or denied opportunities.

7. Do I need to submit a new Personal Net Worth statement?

Yes. Owners undergoing reevaluation must submit a current PNW statement demonstrating compliance with federal economic disadvantage thresholds.

8. How long do I have to submit documentation?

Firms are provided with a 45-day submission window from the date of the official notification. If materials are incomplete, a 30-day curative period may be provided.

9. What happens if my submission is incomplete?

Caltrans will notify the firm and provide an opportunity to submit missing or clarifying documentation before a final decision is issued.

10. How will Caltrans evaluate my application?

Reevaluations follow a structured multi-level review process including analyst review, peer review (if needed), management review, and issuance of a written decision.

11. What happens if I do not submit documentation?

Firms that fail to submit required documentation may be marked inactive and may face decertification procedures.

12. What happens if I am denied?

Firms have appeal rights under 49 CFR §26.89. Appeals must be filed with USDOT within 45 days of denial.

13. If I am recertified, does my anniversary date change?

No. The certification anniversary remains the firm’s original certification date.

14. How does reevaluation affect current contracts?

During reevaluation, DBE participation cannot be counted toward contract goals. Existing contracts executed prior to October 3, 2025, remain in effect.

15. When will DBE goal setting and participation counting resume?

Recipients may not set contract goals or count DBE participation until the UCP completes the reevaluation process and notifies USDOT. Once authorized, goal setting and participation counting will resume.

16. Is Caltrans offering guidance to firms during the reevaluation process?

Yes. Caltrans provides guidance and informational resources to firms throughout the reevaluation process.

Resources, Guidance & Support:

DBE Reevaluation Email: *DBE.Reevaluation@ dot.ca.gov*

DBE Reevaluation Informational Webpage:

www.dot.ca.gov/programs/civil-rights/dbe-reevaluation

Educational Webinar Series:

Understanding New DBE Requirements – March 10, 2026

Guidance for Personal Narrative Webinar – March 17, 2026

Questions & Answers sessions – April 1st, 2nd, 6th, & 14th, 2026

*Recorded webinars and additional Q&A materials will be posted on our website after each live session.

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