

Caltrans Business Update

Issue No. 2

From the Desk of David DeLuz

Image description: *Headshot of Office of Civil Rights Deputy Director David DeLuz.*

Hello and welcome!

If you're a small business, you're in exactly the right place. Caltrans is committed to championing your growth and success. In this edition, you'll find information on the DBE Program relaunch, a highlight of our recent Alameda County Heavy Equipment Operator Academy graduates, a spotlight on smaller contracts with big opportunities, and a variety of free training and resources designed to help small businesses thrive.

Caltrans is committed to supporting, connecting, and empowering small businesses as you navigate California's evolving transportation landscape. Through updates, resources, and quick insights, we'll continue to share how Caltrans is working to close the workforce gap and strengthen small business participation statewide.

Let's keep building together!

What's New? DBE Program Updates: What You Need to Know Now

The DBE Program is back, and the stakes have never been higher. California's transportation industry is shifting gears, and if you're a small, disadvantaged business owner, this is your moment to make your voice heard. Caltrans is rolling out new Disadvantaged Business Enterprise (DBE) goals.

Why does this matter?

The Department's statewide DBE goals have been overhauled in response to the U.S. Department of Transportation's October 3, 2025, Interim Final Rule. These changes will reshape how small firms get certified and access federally funded transportation contracts.

The Numbers: A Dramatic Shift

For Federal Fiscal Year (FFY) 2027–2028, Caltrans is proposing a new overall DBE goal of 11.80% for Federal Highway Administration (FHWA)-funded contracts, previously 21.35%; and 0.08% for Federal Transit Administration (FTA)-funded contracts, previously 6.7%. The shift reflects updated federal regulations and a newly re-certified, and significantly smaller, pool of eligible firms.

Your Participation Matters

Public comment is open from September 16 to September 30, 2026.

Review the proposed Goals and Methodologies:

- [Proposed DBE Goal and Methodology for FHWA](#)
- [Proposed DBE Goal and Methodology for FTA](#)

How to submit your feedback:

- **Email:** CaltransDisparity@bbcresearch.com
- **Mail:** Office of Civil Rights, PO Box 942874, MS 79, Sacramento, CA 94274-0001
- **Fax:** (916) 324-1949

Join the Conversation

Caltrans will inform industry and host [Webex public participation](#) meetings on Tuesday, September 22; Thursday, September 24; and Tuesday, September 29, from 11 a.m. to 1 p.m. and again from 4 p.m. to 6 p.m. If you cannot attend, please submit your feedback using one of the three options listed above.

What Happens Next?

Once the comment period closes, Caltrans will incorporate all feedback and submit the updated DBE Program Plan and Goal and Methodology to FHWA and FTA. Once the federal review process is complete, Caltrans will resume setting DBE contract goals on projects, expected to restart in the 2026–27 FFY.

What Can You Do?

- **If you were previously DBE certified** and have not submitted your application, please upload your Personal Narrative, Personal Net Worth Statement, and supporting documents to the [Caltrans Certification System](#).

- **If you are a new DBE applicant**, please fill out a new application, Personal Net Worth Statement, and Personal Narrative.

Caltrans Celebrates First Bay Area HEO Academy Graduation

Caltrans, alongside Baker Technical Institute and the Federal Highway Administration, recently celebrated the first Bay Area Heavy Equipment Operator (HEO) Academy graduation at Los Positas College in Livermore. Eighteen graduates completed a rigorous seven-week program, earning industry certifications and preparing for careers in heavy highway construction.

The statewide HEO Academy, launched in 2025, addresses California's skilled labor shortage and opens pathways to construction and transportation jobs. The program boasts a 96% graduation rate, with 83% of graduates employed and 62% working in heavy highway construction.

Diversity remains a focus, with 28 women among 134 graduates so far.

Speakers highlighted teamwork, safety, and lifelong learning. Caltrans will continue to support alumni with job leads and career resources.

Image description: *Group photo of Bay Area Heavy Equipment Operator Academy graduates on a stage, arranged in a standing back row and a seated front row, each holding a certificate. Program banners and partner organization logos, including the Tri-Valley Career Center, are displayed behind them. Photo credit: © 2026 California Department of Transportation.*

Visit the [Caltrans Workforce Development Branch](#) to learn more about the program.

Smaller Contracts, Big Opportunities

A closer look at Caltrans state contracting data shows that contract size and district performance are key drivers of Small Business (SB)/Microbusiness (MB) and Disabled Veteran Business Enterprise (DVBE) participation. Contracts under \$5 million generated approximately \$623 million in SB/MB awards, highlighting the impact of smaller contracting opportunities.

\$623M SB/MB awards on contracts under \$5M

\$314.7 million from contracts under \$1 million and \$308.4 million from contracts between \$1 million and \$5 million.

74.5% SB/MB participation in Southern California District 11

The highest SB/MB participation rate identified in the analysis, with close to \$88.2 million in SB/MB awards.

7.18% SB/MB participation in Central California District 10

On approximately \$85.1 million in total contract awards, more than three times the overall 2.1% DVBE participation rate.

The Takeaway

Strong participation is occurring across multiple districts and contract sizes, providing greater insight into where small and disabled veteran businesses are successfully participating in Caltrans contracting opportunities.

Caltrans Offers Free Business Development

The Caltrans Small Business Development Program helps small firms strengthen their capacity to compete for transportation contracts. Through targeted technical assistance, one-on-one support, business planning, project management training, workshops, bid assistance, and specialized resources, the program equips businesses with the tools they need to grow and succeed. Email CaltransBizsupport@dot.ca.gov or visit tinyurl.com/8ryfu8dw to get started.

Upcoming Free Training and Assistance

Caltrans hosts free educational [outreach events](#) throughout the state, including:

- [Caltrans Virtual Minor B Program Overview](#): September 23, 12 p.m. to 1 p.m.
- [Register for a Virtual Prepare for the Procurement Fair](#): September 30, 9:30 a.m. to 12 p.m.
- [Virtual Caltrans Emergency Projects Training](#): October 21, 10 a.m. to 11 a.m.

The [Caltrans Small Business Council \(SBC\)](#) will host its regular meeting virtually on Friday, September 18, 2026, from 8:30 a.m. to 12 p.m. For more information, contact small.business.council@dot.ca.gov.

For the latest updates, visit the [Caltrans Office of Civil Rights Calendar of Small Business Events](#).

Resources

- Learn how to [Contract with Caltrans](#).
- Visit Caltrans' [Contracting Portal](#).
- Select Quick Links on [Cal eProcure](#) to find all small business solicitations and past state purchases.

Caltrans offers free trainings for all small, disadvantaged, or disabled veteran businesses, including:

- [On-the-Job Training](#)
- [Heavy Equipment Operator Academy](#)
- [Business Development](#)
- [Supportive Services](#)

Caltrans also offers a [Construction Mentor Protégé Program \(CMPP\)](#), which supports the growth of small and disadvantaged construction firms, teaching them to effectively compete in Caltrans construction projects. For more information, visit [CMPP](#).

See upcoming Architectural and Engineering work on the [A&E Look Ahead Report](#).

Find your [District Small Business Liaison](#).