

New Jersey Department of Transportation DBE and ACDBE Program Update U.S. Department of Transportation (USDOT) Interim Final Rule

On October 3, 2025, the USDOT issued an Interim Final Rule (IFR) that changed the operation of the Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs.

Key Changes

- Under the new IFR, the presumption of social disadvantage tied to race or gender is no longer applicable.
- Instead, the USDOT now requires each firm—whether seeking initial certification or already certified—to individually prove both social and economic disadvantage.
- Each firm currently certified in the NJUCP directory must be reevaluated by their certifying agency (i.e., NJ TRANSIT, NJ Department of Transportation, and the Port Authority of NY & NJ).
- Tobere-evaluated, certified DBE and ACDBE firms must submit a Personal Narrative (PN)
 explaining their individualized social and economic disadvantage without regard to race or
 gender and submit an updated Personal Net Worth (PNW) statement.
- Until the reevaluation process is complete, DBE participation may not be counted toward existing DBE or ACDBE goals until the UCP completes the revaluation process nor can a new DBE goal for future procurements be set.

What can you do now?

Review the New Interim Federal DBE Program Implementation Modifications Rule.
 Review Federal Guidance from October 3, 2025 to learn the details of the changes.
 Review federal FAQs from October 24, 2025 to learn more specifics about the changes.
 Start considering and organizing the information that you would need to draft your Personal Narrative (PN). In the PN, the owner must:

 Demonstrate that the owner is socially and economically disadvantaged based on his or her own experiences and circumstances that occurred within American society, and without regard to race or gender.
 Prove social disadvantage by providing specific, individual evidence showing that the business owner has faced economic hardship, systemic barriers, or missed or denied

opportunities that have limited their ability to succeed in areas such as education,

employment, or running a business — including challenges in securing financing under the same terms as others who are not socially disadvantaged.

- □ State **how and to what extent** the impediments caused the owner economic harm, including a full description of type and magnitude; and
- □ Establish the owner is economically <u>disadvantaged in fact</u> relative to similarly situated non-disadvantaged individuals.
- □ **Locate** documents that may support/prove claims of individualized social and economic disadvantage.
- □ **Update** a current <u>PNW statement</u>, and gather any other financial information you consider relevant.
- Monitor Communications from your certifying agency (JOC) for reevaluation timelines.
- □ **Look** for upcoming informational webinars and support services for guidance.

The NJDOT remains dedicated to supporting disadvantaged businesses and are committed to keeping you informed with timely updates as the process unfolds.