

Alabama Department of Transportation DBE Program Regulatory Changes – Frequently Asked Questions (FAQs) – Issue Date: 3-31-26

1. Timing, Processing, Packets, and Deadlines

1.1 Will information packets go out?

Yes. ALDOT will send informational packets to all Alabama home-state DBEs. The packets include:

- A cover letter explaining what has happened and the steps needed to move forward.
- A Voluntary Decertification Affidavit (if you no longer wish to participate in the program).
- A guide for writing a Personal Narrative (PN).
- A Personal Net Worth (PNW) Statement.
- A Declaration of Eligibility (DOE).
- A DBE Reevaluation Checklist.

1.2 Is there a deadline for firms to submit reevaluation documents?

A deadline was not given for firms to submit reevaluation documents; however, Unified Certification Programs can set a date by which currently certified DBEs should submit the required documentation.

1.3 How long will reevaluation take?

A specific amount of time cannot be calculated; however, reevaluation will move as quickly as practicable.

1.4 Will prior DBEs have to submit all documents?

Yes. You must submit:

- A Personal Narrative (PN).
- A Personal Net Worth (PNW) Statement with tax information for the previous 3 years, if you have not already submitted this information.
- A Declaration of Eligibility (DOE).

2. Previously Submitted Annual Updates and Interstate Certification

2.1 A DBE submitted its annual update but was not recertified yet. Do they start over?

ALDOT requires the firm to submit:

- Personal Narrative.
- Personal Net Worth Statement.
- Declaration of Eligibility.
- Gross receipts (tax returns).

2.2 Does the new rule change interstate certification?

Yes. Only the home-state UCP reevaluates current DBEs, and after recertification, firms must reapply for interstate certification in every other state where they wish to be certified.

3. Site Visits (CUF) and Operational Oversight

3.1 Will ALDOT conduct new CUF (site/office) visits?

No. ALDOT will not conduct CUF reviews (site/office visits) because they are suspended during reevaluation.

4. DBE Contract Goals, Modifications, and Subcontracting

4.1 What happens to existing DBE contract goals?

- Existing projects: DBE goals remain in place to prevent excessive supplemental agreements.
- Interim projects: No DBE goals will be set.

4.2 When will DBE goals resume?

Goals will resume in future projects after the new program is constructed.

4.3 Will DBE shortfalls be evaluated?

No. DBE shortfalls will not be evaluated, but ALDOT will continue to verify that DBE participation documentation was submitted.

5. Voluntary Withdrawal, Goal Modification, and Prime Contractor Options

5.1 If ALDOT modifies the DBE requirement, can the Prime self-perform or use a non-DBE?

Yes. A Prime may self-perform or sublet to another firm after ALDOT modifies the contract goal.

5.2 If a DBE voluntarily withdraws, will the DBE contract goal be lowered?

Yes. Voluntary withdrawal will trigger the following:

- Contract goal modifications.
- Prime allowed to adjust utilization plan.
- A replacement DBE is not required once the goal is modified.

However, firms must follow ALDOT's standard procedures for requesting to voluntarily release work on a contract:

- Submit your request to withdraw and an explanation on your company letterhead to the Prime Contractor.
- The Prime Contractor will not be expected to make a good faith effort to find a replacement DBE participant.
- If a DBE firm with a contract or subcontract on the project is not recertified as a DBE through the reevaluation process under the new Interim Final Rule, then ALDOT will modify the DBE contract requirement.
- The Prime Contractor will submit the request to terminate/replace the approved sublet to the ALDOT Office Engineer (with ALDOT Construction Bureau conducting a DBE review), indicating their replacement/alternate Subcontractor and/or if they plan to self-perform.

6. Personal Narrative Requirements

6.1 How detailed must the personal narrative be?

The personal narrative must include individualized proof of specific instances of economic hardship, systemic barriers, or denied opportunities with explanations of economic harm.

6.2 Should the narrative include personal, business, or both?

The personal narrative can include either or both personal and business experiences.

6.3 What documentation is required for showing economic harm?

A guide for writing a personal narrative is attached; this is evaluated on a case-by-case basis consistent with USDOT guidance.

6.4 How recent must the hardship be?

The hardship can be from any time in your life.

6.5 For multi-owner firms, should each owner write a separate narrative?

Yes. Each owner that the firm relies on for certification should complete a personal narrative.

6.6 Will documentation sent by email be accepted?

Yes and no. If all 3 years of tax documents are up to date, the system will accept everything by email, and the notary seal or stamp must be clearly visible, where it is required; however, if you have to submit additional tax information, the system may flag it and not allow it to come through.

7. DBE Participation Documentation

7.1 Will DBE-10 and DBE-11 forms still have to be submitted?

ALDOT Form DBE-10, monthly DBE participation reporting, **will not** be required from this date forward, unless and until further guidance is disseminated.

If Contractors choose to voluntarily submit DBE-10s, they will be accepted in accordance with our previous standard practice.

ALDOT Form DBE-11, Certification of Actual Payments to DBE Firms, **will** be required and **must** be the modified **April 2026 version** which updates the certification statements and incorporates a payment breakdown.

The modified DBE-11 gives the Contractor the option to submit a printout of their records in lieu of filling out the payment breakdown section if the printout contains the same details.

8. New Applications

8.1 What must new DBE applicants submit after reevaluations are complete?

New applicants must submit:

- DBE Application and required documents.
- Personal Narrative.
- Personal Net Worth Statement.

9. Checking Status, Acknowledgments, and Processing Order

9.1 How will firms check DBE status during reevaluation?

Firms should check the DBE Directory.

9.2 Will firms receive receipt acknowledgments?

Yes. Firms will receive receipt acknowledgments by email only.

9.3 Will applications be reviewed in the order received?

Yes. Applications will be reviewed in the order they are received; however, new applications will not be reviewed until reevaluation is complete.

10. Appeals and Personal Net Worth

10.1 Can a firm that is decertified through the reevaluation process appeal the decision to DOT?

Yes. A firm that is decertified under the reevaluation procedures described at 49 CFR Section 26.111 may appeal the decertification to DOT under the procedures at 49 CFR Section 26.89.

10.2 Does the owner of a DBE firm undergoing reevaluation need to submit a new personal net worth statement along with the personal narrative of social disadvantage?

Yes. The owner of a currently certified DBE must submit the personal narrative along with a current personal net worth statement and any other relevant financial information, in accordance with 49 CFR Section 26.67.

Currently certified DBEs must notify the UCP in writing of any changes in circumstances affecting their ability to meet the certification requirements of 49 CFR Part 26, including disadvantaged status (for example, compliance with the personal net worth threshold of \$2,047,000).

11. Establishing Social Disadvantage

11.1 To establish social disadvantage through the personal narrative, does a DBE owner have to meet all categories of economic hardship, systemic barriers, and denied opportunities described in 49 CFR Section 26.67?

No. A DBE owner must provide a personal narrative that establishes the existence of disadvantage by a preponderance of the evidence, and certifiers must holistically evaluate all presented evidence.

Considerations may include:

Education: denial of equal access to higher education or training, exclusion from associations, denial of honors, or social pressures discouraging professional or business education.

Employment: unequal treatment in hiring, promotions, pay, benefits, or working conditions; retaliatory behavior; or social pressures channeling the individual into non-professional or non-business fields.

Business history: unequal access to credit or capital, unfavorable credit terms, unequal treatment for government contracts or other work, unequal treatment by customers or business associates, or exclusion from business/professional organizations.

Other relevant evidence may be considered, but incidents or experiences discussed in the narrative must not rely, in whole or in part, on race or gender.