

DBE INTERIM FINAL RULE QUESTIONS AND ANSWERS

1. How and where do I submit my personal narrative and PNW statements?

You must submit your personal narrative and PNW statement to the same certifying entity with which you were originally certified. You can find specific information about how to submit your required statements by contacting your host agency.

You may submit your typed personal narrative in either Microsoft Word or PDF format. The narrative must be typed to ensure that our reviewers can read and evaluate it. If illegible, it will be returned, and you will have to resubmit.

You must use the USDOT PNW form to submit your PNW statement.

You must include statements for ALL of your socially and economically disadvantaged owners in 1 submission

You must indicate the ownership percentage for each of the individuals for whom you are submitting statements.

2. What should my personal narrative include?

It is important that your narrative describe specific situations you have experienced that have caused hardship and held you back from succeeding in education, employment or business. Please note that under the new rules, the determination of social and economic disadvantage cannot be based even in part on your race or sex. Only your description of your individual experiences can be relied upon. Your narrative must show that you satisfy the certification requirements by a preponderance of the evidence, or that it is more likely than not that you are socially and economically disadvantaged.

The regulatory language emphasizes that social and economic disadvantage can be shown by referencing specific examples of *economic hardship, systemic barriers, and denied opportunities* and particularly notes being unable to obtain financing on the same terms as others. You must not only describe specific obstacles and difficulties you have faced but also explain how those obstacles have caused you economic or financial harm and how they have held you back from success. It is also crucial that you explain your economic situation and how you are economically disadvantaged, particularly as compared to other similarly situated individuals.

From the Interim Final Rule –

§ 26.67 Social and economic disadvantage.

*(a) **Non-presumptive disadvantage.** All applicants must demonstrate social and economic disadvantage (SED) affirmatively based on their own experiences and circumstances within American society, and without regard to race or sex.*

(1) To satisfy the SED requirement and ensure all determinations of disadvantage are not based in whole or in part on race or sex, an owner must provide the certifier a Personal Narrative (PN) that establishes the existence of disadvantage by a preponderance of the evidence based on individualized proof regarding specific instances of economic hardship, systemic barriers, and

denied opportunities impeded the owner's progress or success in education, employment, or business, including obtaining financing on terms available to similarly situated, non-disadvantaged persons.

(2) The PN must state how and to what extent the impediments caused the owner harm, including a full description of type and magnitude, and must establish that he is economically disadvantaged in fact and that he is economically disadvantaged relative to similarly situated non-disadvantaged individuals.

(3) The owner must attach to the PN a current PNW statement and any other financial information he considers relevant.

3. Who has to provide a personal narrative?

In order to be recertified, you must verify that your firm is at least 51% owned by socially and economically disadvantaged individuals. Thus, you must make sure that personal narratives and personal net worth statements are provided by enough people to make up 51% of your ownership.

For example, if your firm is a corporation owned by 5 people who each own 20%, then at least 3 of those owners must submit the required personal narrative and personal net worth statements showing that all 3 of them are socially and economically disadvantaged. In contrast, if your firm is a corporation owned by 2 people, one of whom owns 49% and one of whom owns 51%, only the 51% owner is required to submit the personal narrative and personal net worth statement.

4. Are there rules for how long the personal narrative must be or is there a specific form?

There is no specific form or formatting rules for the personal narrative. You must include sufficient detail to demonstrate that it is more likely than not that your experiences have caused you to be economically disadvantaged and have held you back from succeeding.

5. What must the personal net worth statement include?

The Personal Net Worth statement must list all of your assets and liabilities. Assets and liabilities are counted in calculating your net worth as set forth in 49 CFR 26.68. A copy of the USDOT PNW statement form is attached and can be found online at <https://idot.illinois.gov/content/dam/soi/en/web/idot/documents/idot-forms/dbe/us-dot-personal-net-worth-statement-for-dbe.pdf>. *Use this form to provide your personal net worth statement.*

6. What is the personal net worth limit?

If your personal net worth, as indicated in your personal net worth statement, exceeds \$2,047,000, then you are presumed NOT to be economically disadvantaged and will be decertified as a DBE.

7. What happens if my firm is not found to be socially and economically disadvantaged based on the statements submitted?

If the reevaluation results in a determination that your owners are not socially and economically disadvantaged, your firm will be decertified. Under the new regulations, the certifying agency is NOT required to provide notice of proposed decertification and follow the process spelled out in 26.87, as would be required under normal circumstances. Your firm will not be included in the IL UCP directory

when it is reinstated, and participation by your firm on USDOT-assisted contracts will not be eligible to be counted for DBE goal credit unless you reapply with a complete new application to the DBE program, including the personal narrative to prove social and economic disadvantage, and become certified again.

Pursuant to guidance provided by USDOT on October 24, 2025, a firm that is decertified under the reevaluation process may appeal the decertification decision directly to USDOT in accordance with the requirements of 49 CFR § 26.89.

8. Is there a deadline to submit my Personal Narrative and PNW? What happens if I just don't submit them?

Current guidance from USDOT indicates that there is no deadline to submit your statements for reevaluation. HOWEVER, the USDOT has indicated that firms that do not submit the necessary information will remain ineligible for the DBE program until they submit the required documentation demonstrating DBE eligibility under the new standards." Additionally, none of the ILUCP agencies will be able to resume setting DBE goals on contracts while the reevaluation process is pending.

WE REQUEST THAT ALL FIRMS SUBMIT THE REQUIRED INFORMATION AS SOON AS POSSIBLE. IF YOU DO NOT WISH TO BE RECERTIFIED AS A DBE, PLEASE CONTACT YOUR HOST AGENCY AND ADVISE THEM SO THAT THE REEVALUATION PROCESS CAN BE COMPLETED EFFICIENTLY.

9. How will I know if my firm has been recertified?

You will receive written notification via both US mail and email (if we have a valid email address for you), to advise you whether you are recertified or decertified.

10. What if I have submitted my annual Declaration of Eligibility (DOE) recently? Do I still need to submit the personal narrative and updated Personal Net Worth Statement?

All firms must submit the required statements for reevaluation, regardless of anniversary date.

If your firm has already submitted your DOE for the year and received a response from your host agency, YOU MUST STILL SUBMIT THE PERSONAL NARRATIVE AND PERSONAL NET WORTH STATEMENTS for determination of socially and economically disadvantaged status under the IFR.

If you have already submitted your annual Declaration of Eligibility and are waiting for your host agency's response, YOU MUST STILL ALSO SUBMIT YOUR PERSONAL NARRATIVE AND PNW STATEMENT in order to be recertified.

If your anniversary is approaching, you should NOT wait to submit your statements for reevaluation with your DOE. DOE reminder letters from your certifying agency may be delayed due to the reevaluation process, but you are still required to submit the statements for reevaluation as soon as possible AND to comply with all other requirements of the DBE program.

11. What if I was originally certified in another state and my home state has already recertified my firm?

On October 24, 2025, the US DOT published Q&A Guidance related to the Interim Final Rule, which included the following information about interstate certifications:

Does a UCP have to reevaluate all currently certified DBEs in its DBE directory or only those DBEs for which the UCP was the jurisdiction of original certification?

“Under the certification reevaluation requirements at 49 CFR § 26.111, UCPs are required to reevaluate the certifications only of those DBEs for which the UCP is the jurisdiction of original certification. UCPs are not required to reevaluate the certifications of DBEs that obtained certification from the UCP through the interstate certification procedures at 49 CFR § 26.85. DBEs that received certification from UCPs through interstate certification will have their certifications reevaluated by the UCPs in their jurisdiction of original certification. If such DBEs are recertified by the UCP in their jurisdiction of original certification, they will be required to reapply for interstate certification with the UCPs for the jurisdictions in which they wish to be certified.”

If you have been certified with Illinois through interstate certification, and we are not your home state, you must get recertified in your home state first, before seeking to reestablish your interstate certification with Illinois.

If you have already received written confirmation of recertification by your home state, you **MUST** reapply for interstate certification in accordance with the requirements of 49 CFR § 26.85. If your home state has not yet completed your re-evaluation, you must wait to receive notice of recertification from your jurisdiction of original certification prior to requesting interstate certification in Illinois.

12. How quickly will I know if my firm has been recertified?

The IL UCP will be working as quickly as possible to review all submitted statements as they come in and complete the reevaluation process. All submissions will be processed in the order in which they are received, but due to the anticipated volume of submissions, it will likely take at least 2-3 weeks to complete the reevaluation and send the written notice of determination. However, know that the IL UCP will do everything possible to complete the process and resume setting DBE goals on projects quickly.

13. What if my firm does not plan to re-certify?

If your firm does not plan on recertifying and submitting the required documents for any reason, please send a written withdrawal notice, stating your firm would like to withdraw from the DBE program via email or mail to your certifying agency. Your assistance in withdrawing from the program will help the IL UCP be able to more efficiently complete the reevaluation process and resume DBE goal setting as soon as possible. If you have any questions about withdrawal, please contact your host agency.