



DBE Program Office Bulletin Updates





Office Bulletin Updates

OB 25-01 Increase Dollar Threshold

OB 25-07-R2 Suspension of DBE Program

OB 25-01: Dollar Threshold Update for DBE Contract Goal and GFE Evaluation

- Pre-October 2025 Interim Final Rule and DBE Program Interim Changes
- Increased \$ threshold of contracts to send for additional review and approval of:
 - 9-D Contract Goal Methodology
 - Good Faith Effort Documentation



Ensure large contracts provide appropriate opportunities for disadvantaged businesses



OB 25-01: Dollar Threshold Update for DBE Contract Goal and GFE Evaluation

- From:
 - Construction: \$2 million
 - Consultant: \$500,000
- To:
 - Construction: \$4 million
 - Consultant: \$1 million

GOAL SETTING & GFE NOT A CURRENT PROGRAM REQUIREMENT



OB 25-07 Suspension of Disadvantaged Business Enterprise (DBE) Program

REVISION 2

- Provides Local Public Agencies (LPAs) with procedures and contract administration practices to align with updated federal requirements and clarifying implementation steps.
- Due to Interim Final Rule and related FAQs released in October and December 2025 updating and suspending portions of the DBE Program regulations.

Interim Final Rule

- Eliminates all race- and sex-based presumptions of disadvantage
- Replaces with a strictly individualized determination standard
 - Includes personal narrative and experiences
- States must reevaluate all currently certified DBE firms under the new criteria
 - Certification questions? DBE.Reevaluation@dot.ca.gov
- Until the reevaluation is complete, DBE goals cannot be set on contracts, and no DBE participation may be counted toward any DBE goal

Termination Procedures Apply

- Enforcement remains for termination procedure
- Prime contractor or consultant cannot terminate a DBE or any portion of the DBE's work listed without "good cause" and without prior written consent from the LPA. (49 CFR §26.53(f)(3)).

Exhibit 9-P Prompt Payment

- Submission of LAPM Exhibit 9-P: Prompt Payment Certification remains in effect and is to be submitted to db.forms@dot.ca.gov.

Other Contract Codes and Requirements

- Current suspension of some DBE provisions does not exempt Caltrans or Local Public Agencies and their contractors of their continued compliance and contract administration responsibilities, including but not limited to adherence to the Subletting and Subcontracting Fair Practices Act (Public Contract Code Section 4100 et. seq.).

Important Links

- DLA DBE Webpage
<https://dot.ca.gov/programs/local-assistance/local-civil-compliance/disadvantaged-business-enterprise-dbe>
- OB 25-7R2
<https://dot.ca.gov/-/media/dot-media/programs/local-assistance/documents/ob/2025/ob25-07r2.pdf>
- Certification Questions
DBE.Reevaluation@dot.ca.gov