
The Need for a Level Playing Field

While the nation has made great progress towards true equal opportunity, much remains to be done. This is especially true in the transportation related construction industries. While minorities represent more than 20% of the population, they own only 9% of all construction firms and receive about 5% of construction receipts. While women represent 50% of the population, women owned construction firms receive only 48 cents of every dollar that we would expect them to receive given their availability in the marketplace. The DBE program works to remedy these inequalities. Moreover, it is obvious that when affirmative action programs like the DBE program are eliminated or curtailed at the state and local level, participation by women and minority owned firms plummets. The bottom line is that The DBE program is still needed today to remedy discrimination.

Mending, but not Ending: The DBE Program

As required by the Supreme Court's Adarand decision, and as urged by Congress, the final regulation provides a narrowly tailored DBE program, which serves a compelling governmental interest (annotated):

- Quotas are prohibited.
- Recipients must use race-neutral methods (like outreach and technical assistance) to meet as much as possible of their overall goals.
- Firms owned by socially and economically disadvantaged white males must be allowed to participate as DBEs.
- Business owners with a personal net worth of more than \$1.32 million (excluding the value of the primary residence and the ownership interest in the business) may not participate in the program.
- Individual firms must graduate from the program if they exceed the small business size caps of 22.41 million or if the firm's owner exceeds the personal net worth cap.