



Date: October 23, 2025
To: All Metropolitan Council Contractors
From: Metropolitan Council Procurement
Re: Important Update – U.S. Department of Transportation DBE Program Changes

Dear Valued Contractors and Partners,

The Metropolitan Council (Council) is writing to inform you of significant changes to the U.S. Department of Transportation's (USDOT) Disadvantaged Business Enterprise (DBE) program that will impact our federally assisted projects. You are directed to provide a copy of this communication to every subcontractor and supplier working for you on a federally funded Council project. A reference copy of this communication is also available at [Doing Business - Metropolitan Council](#).

USDOT's Immediately Effective Interim Final Rule

On October 3, 2025, USDOT published an Interim Final Rule (IFR) in the Federal Register (90 FR 47969, Docket No. DOT-OST-2025-0897), effective immediately, that removes race and sex-based presumptions from the DBE program. The full Interim Final Rule is available at www.federalregister.gov (Document 2025-19460). USDOT DBE Program Information can be found at www.transportation.gov/civil-rights/disadvantaged-business-enterprise. Comments on the IFR may be submitted until November 3, 2025, via www.regulations.gov (Docket DOT-OST-2025-0897).

This IFR impacts the DBE certification process and requires all DBEs to be identified and given the opportunity to be reevaluated based on an individualized showing of social and economic disadvantage, without regard to race or sex. The IFR also impacts the setting of DBE Goals and the counting of DBE participation during this reevaluation process. To comply with the IFR, the Council will not set DBE contract goals and will not count DBE participation toward existing goals from the effective date of the IFR on October 3, 2025, until the [Minnesota Unified Certification Program \(MnUCP\)](#) reevaluation process is complete. These changes impact both existing contracts and new contracts during this interim period.

Guidelines for Implementing the IFR on Council Projects

Effective immediately, the Council will implement the IFR on federally funded projects in the following manner.

Existing Contracts

- The Council will not count DBE participation toward existing goals during this interim period
- The Council's Office of Equity and Equal Opportunity (OEEO) will continue to monitor DBE performance without counting participation until the reevaluation process is complete
- For contracts in progress, existing contracts with DBE goals remain in effect. Continue to utilize committed DBE firms as specified in your contract, submit DBE participation reports as required, and maintain DBE good faith efforts documentation.
- All contractors should continue working with their committed DBE subcontractors, follow all DBE regulations that remain in effect, and maintain all DBE documentation and payment records during this

interim period. Report DBE participation as required in your contract documents and contact [OEEQ](#) before making any changes to committed DBE firms.

New Projects

- No new DBE goals will be set during this interim period.
- Projects that were advertised before October 3, but which have not yet reached the due date for receipt of bids or proposals will have DBE goals removed.
- If bids were received on or before October 3, 2025, those projects will be awarded and executed and will proceed with the advertised goals remaining in place. DBE participation will not be counted toward the goals during the interim period.

Summary of the MnUCP Reevaluation Process

MnUCP has notified all DBEs about the pending reevaluation process. All DBEs will receive additional instructions about that process in the coming days, along with an application form to allow them to either decline reevaluation or submit the required information and documentation, including a personal narrative and updated personal net worth statements. Under the IFR, the reevaluation provides that each DBE must be identified and be given an opportunity for reevaluation. The MnUCP will then determine whether the DBEs meet the new eligibility standards and issue a written decision to each reevaluated DBE indicating whether they are recertified or decertified.

It is important to note that currently no DBE has been decertified. Under 49 CFR § 26.111 of the IFR, decertification happens at the end of the reevaluation process, which has not yet begun. This means all previously certified DBEs currently remain qualified to perform work on existing contracts.

Additional Information

While these federal changes are significant, Metropolitan Council remains committed to ensuring fair and open competition for all qualified businesses, providing opportunities for small businesses including DBE firms, and maintaining transparency throughout this transition period. If you have questions about how these changes affect your specific contract or situation, please contact our [Procurement office](#). For questions regarding the reevaluation process, please contact [MnUCP](#).

Metropolitan Council is actively working with the MnUCP and USDOT to understand the full implications of this rule change, develop updated procedures and guidance, support contractors and DBE firms during this transition, and ensure continued compliance with all federal requirements. We will provide additional updates as more information becomes available.

Thank you for your continued partnership and patience as we navigate these changes together. We appreciate your commitment to delivering quality services to our region.

Sincerely,

A handwritten signature in black ink, appearing to read "Jody Jacoby", with a large, stylized flourish extending from the end of the signature.

Jody Jacoby
Chief Procurement Officer
Metropolitan Council