

Disadvantaged Businesses

The U.S. Department of Transportation (USDOT) has had in effect for more than 20 years a policy of helping small businesses owned and controlled by socially and economically disadvantaged individuals, including minorities and women, in participating in contracting opportunities created by DOT financial assistance programs. The Department, through its Operating Administrations, distributes in excess of \$20 billion annually to help finance thousands of projects across the country. Approximately 85% of the assistance dollars is for construction. The major portion of the construction funds is allocated to State highway and transportation agencies for highway construction. The balance is provided to local public transit and airport authorities for mass transit and airport facilities.

In 1983, Congress enacted the first disadvantaged business enterprise (DBE) statutory provision. This provision required the Department to ensure that at least 10% of the funds authorized for the highway and transit financial assistance programs be expended with DBEs. In 1987, Congress re-authorized and amended the statutory DBE program. In the transportation legislation of that year, Congress, among other changes, added women to the groups presumed to be disadvantaged. Since 1987 DOT has established a single DBE goal, encompassing both firms owned by women and minority group members.

Primarily three major DOT operating administrations are involved in the DBE program. They are the Federal Highway Administration, the Federal Aviation Administration and the Federal Transit Administration. The DOT DBE program is carried out by state and local transportation agencies under the rules and guidelines in the Code of Federal Regulations. (Title 49, Part 26).

