



MBE/DBE/ACDBE/SBE Certification Overview



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One Certification Agency:

The Maryland Department of Transportation (MDOT) is the official certification agency for the State

Two Areas of Contracting Opportunities:

1. Contracts awarded by any Maryland agency and most counties, cities, and municipalities
2. Federal projects with whole or partial funding by the U.S. Department of Transportation (USDOT)

Four Types of Certification:

1. Minority Business Enterprise (MBE)

State funded contracts

2. Disadvantaged Business Enterprise (DBE)

USDOT funded projects administered by the State Highway Administration (SHA), Maryland Transit Administration (MTA), Maryland Aviation Administration (MAA), and Metropolitan Planning Organizations (MPOs)

3. Airport Concessions Disadvantaged Business Enterprise (ACDBE)

Airport concessions contracts administered by MAA

4. Small Business Enterprise (SBE)

USDOT funded projects administered by SHA, MTA, and MAA

Four Steps to Certification:

1. **Application** – applicant submits completed application and supporting documentation to **Office of Minority Business Enterprise (OMBE)**
2. **Investigation** – OMBE staff reviews submitted documentation and conducts an on-site/job-site visit during which the applicant is interviewed
3. **Evaluation** – The application and supporting documentation is evaluated to determine whether the firm meets the MBE/DBE/ACDBE/SBE program requirements. The MBE Advisory Committee (MBEAC) evaluates whether the applicant firm meets Maryland's MBE program requirements.
4. **Determination** – A written determination is issued from OMBE
-Approved: letter is sent listing the approved NAICS codes
-Denied: letter is sent detailing the evidence in the record that supports each reason for the denial (firm may appeal the denial and/or reapply in 5 months after denial for MBE and 12 months for DBE)

Five Eligibility Standards:

1. **Ownership** – applicant firm must have at least 51% ownership

MBE/DBE/ACDBE: 51% ownership must be held by one or more socially and economically disadvantaged individual(s)

2. **Minority Status** – members of the following groups are presumed to be socially disadvantaged: Women, African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, Disabled Persons (MBE Program only)

NOT APPLICABLE TO SBE

3. **Control** – the minority applicant(s) must have an overall understanding of, and managerial and technical competence and experience directly related to, the type of business in which the firm is seeking certification

NOT APPLICABLE TO SBE

4. **Personal Net Worth** – each individual owner must certify economic disadvantage by completing the personal net worth form.

-MBE: \$2,073,412 (adjusted annually)

-DBE/ACDBE/SBE: \$2,047,000

5. **Size** – applicant firms must meet the small business size standards established by the U.S. Small Business Administration (SBA)

-DBE and SBE firms ONLY: a firm's three-year average gross receipts cannot exceed the USDOT statutory cap of \$30.40 million.

-ACDBE- a firm's three-year average gross receipt cannot exceed the SBA size standard of \$56.42.

-MBE/DBE/SBE: NAICS code standards are measured by a five-year average of annual gross receipts or number of employees

ACDBE firms: other size standards apply

For more information about MBE/DBE/ACDBE/SBE certification, contact the OMBE at 410-865-1269 or mbe@mdot.maryland.gov

For information on MDOT's **free** monthly Application Assistance Workshop, contact the Office of Small and Minority Business Policy at mdotmbeoutreach@mdot.maryland.gov