



MBE/DBE/ACDBE/SBE Certification Overview

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), and Maryland Aviation Administration (MAA)
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; for SBE firms only

Four steps to Certification:

1. **Application** – Applicant submits *completed* application and supporting documentation to OMBE.
2. **Investigation** – OMBE staff reviews submitted documentation and conducts an on-site/job-site visit during which the applicant is interviewed.
3. **Evaluation** – MBE Advisory Committee (MBEAC) reviews the application and documentation to evaluate whether the firm meets the MBE/DBE/ACDBE/SBE program requirements.
4. **Determination** – MBEAC Chairperson issues a written determination.
 - *Approved:* letter is sent listing the approved NAICS codes
 - *Denied:* a 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 five months after denial for MBE/twelve months for DBE.

Five Eligibility Standards:

1. **Ownership** - Applicant firm must have at least 51% ownership by one or more socially- and economically disadvantaged individual(s).
2. **Minority Status** - Members of certain groups are presumed to be socially disadvantaged: Women, Black/African Americans, Hispanic Americans, Asian Americans, American Indians/Native Americans, Disabled Individual (MBE Program only)

Individuals who are not in a presumptive group must prove social disadvantage on an individual basis to the certifying agency.

3. **Control** - The minority applicants(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.

4. **Personal Net Worth** - Each minority owner must fall below the personal net worth cap established for the State and federal programs:

- MBE - \$1,713,333 (*adjusted annually*)

- DBE - \$1,320,000

- ACDBE - \$1,320,000

- **SBE - \$1,320,000 – Required of 51% ownership**

5. **Size** - Applicant firms must meet the small business size standards established by the U.S. Small Business Administration.

- DBE and SBE firms ONLY: a firm's three-year average gross income cannot exceed SBA size standard of \$23.98 million.

- ALL firms: NAICS standards are measured by a three-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, including MDOT's free monthly Application Assistance Workshop, contact the Office of Minority Business Enterprise at:
410-865-1269
www.mdot.maryland.gov
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