



Governor Wes Moore

Lt. Governor Aruna Miller

Secretary Walter L. Simmons

October 23, 2026

FROM: Office of Minority Business Enterprise (OMBE)

TO: Maryland Certified DBE and ACDBE Firms, Prospective Applicants, Industry Partners, and Customers

BACKGROUND

The Maryland Department of Social and Economic Mobility, established under House Bill 1253 (Chapter 605, Laws of Maryland 2025), is the principal department of State government and the first cabinet-level agency in the United States dedicated to removing structural barriers to social and economic mobility.

Effective October 1, 2025, three existing State offices focused on social equity programming were consolidated into a single, integrated department. Specifically, the Department of Social and Economic Mobility is now composed of:

- the Office of Minority Business Enterprise;
- the Office of Small, Minority, and Women Business Affairs; and
- the Office of Social Equity.

This consolidation enables the State to better coordinate equity initiatives, increase operational efficiency, and promote economic opportunity for all Marylanders.

The Office of Minority Business Enterprise (OMBE), now part of the Department of Social and Economic Mobility (DoSEM), continues to serve as Maryland's certification entity for the Minority Business Enterprise (MBE) Program, the Disadvantaged Business Enterprise (DBE) Program, the Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, and the Small Business Enterprise (SBE) Program.

INTRODUCTION

On September 25, 2026, the U.S. Department of Transportation (USDOT) published a final rule amending the DBE and ACDBE program regulations at 49 CFR Parts 23 and 26 (the "Final Rule"). The Final Rule took effect upon publication and, with limited modifications, adopts the Interim Final Rule (IFR) that USDOT issued on October 3, 2025.

The Final Rule confirms that race- and sex-based presumptions of social and economic disadvantage no longer apply. Each owner must demonstrate social and economic disadvantage on an individualized basis, through a Personal Narrative and current Personal Net Worth Statement. All firms for which Maryland is the jurisdiction of original certification remain subject to reevaluation under 49 CFR § 26.111.

OMBE is continuing to review submissions received to date and has updated its process to conform to the Final Rule, as described below. **We urge all firm owners that want their firms to be reevaluated or firms that want to be newly certified as DBEs or ACDBEs under the new rule to apply as soon as possible.**

CERTIFICATION PROCESS

Personal Narrative

Who must submit. Each owner whose ownership interest the firm relies on to meet the 51 percent disadvantaged-ownership requirement must submit a separate Personal Narrative and current Personal Net Worth Statement if the owner seeks to continue to be certified as a DBE or ACDBE under the Final Rule.



What the Personal Narrative must establish. The owner bears the burden of proving, by a preponderance of the evidence, that he or she is socially and economically disadvantaged. To meet that burden, the Personal Narrative must:

1. Identify at least one “objective distinguishing feature,” meaning a specific, identifiable characteristic or circumstance of the owner on which the claim of disadvantage rests. Examples include, but are not limited to: a disability, including a service-connected disability; national origin; language or accent; or race, ethnicity, or sex, where the owner experienced specific discriminatory acts on that basis.
2. Describe specific instances, drawn from the owner’s own experience, in which that feature resulted in social barriers, economic hardship, or denied opportunities in the owner’s education, employment, or access to financing, bonding, or business opportunities. The disadvantage must be chronic and substantial, not isolated. A Personal Narrative need not address every one of these areas, and it need not cover the owner’s entire life. It may draw on experiences from any point in the owner’s life in the United States.
3. Explain how those barriers caused economic harm by hindering the owner’s work history, advancement, or business relative to a non-disadvantaged individual with comparable or lesser qualifications.

The comparison standard. The Final Rule replaces the IFR’s “similarly situated” comparison with a comparison to a non-disadvantaged individual with comparable or lesser qualifications (*i.e.*, a peer with similar credentials and experience who does not share the owner’s “objective distinguishing feature”). In practical terms, a Personal Narrative should show that because of the owner’s objective distinguishing feature, the owner faced barriers in the field that a peer with comparable or lesser qualifications did not face. Owners are not expected to obtain competitors’ financial information. Depending on the experience described, that peer might be a classmate, former coworker, colleague, or another business owner who received more favorable treatment despite comparable training, skills, or experience.

Race, ethnicity, and sex. An owner may describe specific acts of discrimination based on race, ethnicity, or sex that the owner personally experienced. A Personal Narrative that relies on membership in a group, or on generalized or systemic discrimination, without specific personal experiences, will not meet the standard.

Format and supporting documentation. There is no required format or template for the Personal Narrative. OMBE does not impose page limits or require particular topics. It should be written in the owner’s own words, and professional assistance is not required. DoSEM’s [website](#) includes a Personal Narrative Guidance document explaining each requirement in this section and how OMBE evaluates it.

Economic Disadvantage and Personal Net Worth

Each owner who submits a Personal Narrative must also submit a current Personal Net Worth Statement, with the required supporting documentation. An owner whose personal net worth exceeds \$2,047,000 is not economically disadvantaged. The owner’s equity in his or her primary residence and ownership interest in the applicant firm are excluded from the calculation. Assets held in qualified retirement accounts are also excluded but must be reported.

A personal net worth below \$2,047,000 is required but not necessarily sufficient to prove economic disadvantage. The Final Rule restores the requirement that an owner be economically disadvantaged in fact. OMBE may therefore find that an owner is not economically disadvantaged based on the totality of the owner’s circumstances, including income, trusts, access to capital, and high-value assets.

Reevaluation Deadlines

The Final Rule establishes fixed deadlines for the reevaluation of DBE and ACDBE firms originally certified in Maryland. OMBE is required to complete its reevaluations by December 24, 2026. Previously certified firms that have not yet submitted a Personal Narrative and current Personal Net Worth Statement are strongly encouraged to do so immediately.

Any firm that has not submitted a Personal Narrative and Personal Net Worth Statement by the time OMBE completes its reevaluations will receive a written notice of nonresponse. That firm must submit all required



materials no later than March 24, 2027. A firm that does not submit by March 24, 2027 will be automatically disqualified from the DBE and ACDBE programs without further administrative proceedings.

Determinations and Appeal Rights

Reevaluation is limited to whether each owner meets the revised standard for social and economic disadvantage. It is not a full recertification, and OMBE will not reexamine a firm's size, ownership, or control as part of the reevaluation process. Firms must continue to submit their annual Declaration of Eligibility, which is separate from the reevaluation, and OMBE will continue to address eligibility issues unrelated to disadvantage, such as a missed Declaration of Eligibility or a change in size, ownership, or control, under 49 CFR § 26.87.

OMBE will issue a written determination to each firm upon completing its review with one of the following final determinations:

- **Retained.** A firm whose owner meets the standard remains certified and stays in the Maryland directory without change. The firm's certification anniversary date remains the date of its original certification.
- **Disqualified.** A firm whose owner does not meet the standard will be disqualified. Because disqualification reflects a new eligibility requirement rather than a change in the firm's circumstances, the decertification hearing procedures of 49 CFR § 26.87 do not apply. Each disqualification letter will state the specific reasons for the decision and include instructions for appealing to the USDOT Departmental Office of Civil Rights under 49 CFR § 26.89.

Interstate Certification

Once a firm's jurisdiction of original certification completes its reevaluation, other states must accept that determination upon simple notification, such as a copy of the determination letter or a screenshot of the firm's listing in the original state's directory. No additional documentation may be required.

- **Maryland-originated firms certified in other states.** After receiving OMBE's determination, the firm should notify each state in which the firm holds interstate certification.
- **Firms originally certified in another state and also certified in Maryland.** The firm's original state will conduct its reevaluation. Once that reevaluation is complete, the firm should submit notice of the determination to OMBE via B2G or email at mbe.dosem@maryland.gov.

A firm must seek reaffirmation of its interstate certification within one year of its original state's reevaluation determination. After that period, the firm must complete the standard interstate certification process under 49 CFR § 26.85.

New Applications

The Final Rule requires certifying agencies to accept and process new DBE and ACDBE applications while reevaluations are underway. OMBE has begun accepting new applications through Maryland's [Vendor Management System](#). New applicants must submit a Personal Narrative and current Personal Net Worth Statement with the Uniform Certification Application. All applications will be evaluated under the standards set forth in the Final Rule.

Other Eligibility Clarifications

- **Tribally owned firms.** Firms owned by Indian Tribes, Alaska Native Corporations, and Native Hawaiian Organizations are exempt from the Personal Narrative and reevaluation requirements but must meet all other eligibility standards. However, firms owned by individuals who are Native American, Alaska Native, or Native Hawaiian remain subject to the individualized showing requirement.



- **SBA 8(a) and SDVOSB firms.** Participation in the SBA 8(a) Business Development Program or status as a Service-Disabled Veteran-Owned Small Business does not confer automatic DBE or ACDBE eligibility. Those firms must satisfy the same individualized standards as all other applicants.

Confidentiality

Certification applications, Personal Narratives, Personal Net Worth Statements, and supporting documentation are confidential. OMBE will not release them without the submitter's written consent, except as required by law.

NEXT STEPS

Firms That Have Submitted a Reevaluation Application. OMBE will review all pending submissions under the Final Rule. Firms should monitor B2G and their email for requests for information and respond promptly so that reevaluations can be completed within the USDOT timeline. If OMBE identifies a deficiency in a Personal Narrative or Personal Net Worth Statement, it may notify the firm and give the owner an opportunity to correct or supplement the submission before making a final decision.

Firms That Have Not Submitted a Reevaluation Application. Previously certified Maryland DBE and ACDBE firms that have not yet applied are strongly encouraged to submit a complete reevaluation application, including a Personal Narrative, a current Personal Net Worth Statement, and supporting documentation, through Maryland's Vendor Management System (<https://marylandmdbe.mdbecert.com/>) as soon as possible. Failure to submit the required materials by March 24, 2027 will result in automatic disqualification from the DBE and ACDBE programs.

Firms that do not wish to undergo reevaluation may instead voluntarily withdraw their certification by notifying OMBE. For detailed instructions on how to withdraw your DBE or ACDBE certification, please refer to the OMBE Personal Narrative Guidance on DoSEM's [website](#).

Prospective Applicants. Firms seeking initial DBE or ACDBE certification may now apply through Maryland's Vendor Management System (<https://marylandmdbe.mdbecert.com/>). All applications will be evaluated under the standards established in the Final Rule.

All Firms. Firms should confirm that their contact information in B2G is current. OMBE will send requests for information, notices of nonresponse, and determinations to the contact on file, and a missed notice does not extend any deadline.

OMBE SUPPORT & RESOURCES

OMBE remains committed to assisting Maryland DBE and ACDBE firms, prospective applicants, and our partners through this transition. Firms preparing a Personal Narrative should consult OMBE's updated Personal Narrative Guidance, which reflects the clarifications in the Final Rule. The Personal Narrative Guidance and other helpful resources can be found on DoSEM's [website](#). USDOT has also published [Frequently Asked Questions](#) regarding the Final Rule.

For questions, please email OMBE (mbe.dosem@maryland.gov) using the subject line "Final Rule Certification Reevaluation Question."

Sincerely,

A handwritten signature in black ink, appearing to read "Walter L. Simmons".

Walter L. Simmons

Secretary

Department of Social and Economic Mobility