

Alaska Unified Certification Program DBE/ACDBE Reevaluation

Personal Net Worth (PNW) Statement

The PNW is a USDOT form found here: <https://www.transportation.gov/sites/dot.gov/files/2024-05/Personal%20Net%20Worth%20Statement%204.9.2024.pdf>

- Follow the instructions included with the form.
- Include the completed form and supporting documents.
- All DBE/ACDBEs applying for recertification must submit a new and updated PNW regardless of their date of original certification.

Personal Narrative Instructions and Worksheet

The personal narrative must:

- Demonstrate that the owner is socially and economically disadvantaged based on his or her own experiences and circumstances that occurred within American society, and without regard to race or sex.
- Establish the existence of disadvantage by a preponderance of the evidence based on individualized proof regarding specific instances of economic hardship, systemic barriers, and denied opportunities that impeded the owner's progress or success in education, employment, or business, including obtaining financing on terms available to similarly situated, non-disadvantaged persons.
- State how and to what extent the impediments caused the owner economic harm, including a full description of type and magnitude, and establish the owner is economically disadvantaged in fact relative to similarly situated non-disadvantaged individuals.

Social and Economic Disadvantage

Definition

As defined in 49 CFR § 26.5, socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who a Unified Certification Program (UCP) finds to be socially and economically disadvantaged on a case-by-case basis. A determination that an individual is socially and economically disadvantaged must not be based in whole or in part on race or sex. For that reason, all applicants shall qualify as socially and economically disadvantaged if they can meet the relevant criteria as described in § 26.67. Being born in a particular country does not, standing alone, mean that a person is necessarily socially and economically disadvantaged.

Criteria

As required by 49 CFR § 26.67, all applicants must demonstrate social and economic disadvantage (SED) affirmatively based on their own experiences and circumstances within American society, and without regard to race or sex. To satisfy the SED requirement and ensure all determinations of disadvantage are not based in whole or in part on race or sex, an owner must provide the UCP a Personal Narrative (PN) that establishes the

existence of disadvantage by a preponderance of the evidence based on individualized proof regarding specific instances of economic hardship, systemic barriers, and denied opportunities that impeded the owner's progress or success in education, employment, or business, including obtaining financing on terms available to similarly situated, non-disadvantaged persons.

Revaluation

Experiences of disadvantage in education, employment or business

In accordance with 49 CFR §26.67 (a) (2), state how and to what extent the situations you're describing caused you economic harm, economic hardship, systemic barriers, and denied opportunities. Include a full description of type and magnitude and establish how you are disadvantaged relative to similarly situated non-disadvantaged individuals.

Specific Details

What happened (including each instance)?

Describe a situation that has caused you economic hardship, systemic barriers, and denied opportunities in your education, employment or business. Your answer must describe the action and the reasons why you believe you are economically disadvantaged compared to similarly situated non-disadvantaged individuals. Include a full description of the type and magnitude of the harm.

How did this situation affect your education, employment or business?

Include the effect of the described incident (e.g., because X happened, it affected an opportunity for me to do Y because of [reason]).

When did it happen? Include the time period or specific date indicating when the incident happened (e.g. Spring 2025 or May 15, 2025)

Where did it happen? Include the specific place(s) where it happened and the city and state (e.g. [Name of Bank] in [Name of City], [Employer Name] in [Name of City], and/or [Name of College] in [Name of City]). The location must be in the United States, including U.S. territories and military bases.

Who were the parties involved in the incident(s)? Include the people and/or organization who took negative action. It may have been one person or multiple people. Include each person's role to the best of your knowledge (e.g. Loan Officer, Human Resources, or Guidance Counselor) or exact name to the extent possible.

Official Frequently Asked Questions (FAQs)

<https://www.transportation.gov/sites/dot.gov/files/2025-12/DBE%20IFR%20FAQ%27s%20-%20Updated%2012-1-2025.pdf>

The FAQs below pertain to Recertification under the IFR and the entire document can be found at the link above.

Certification Reevaluation

1. Does a UCP have to reevaluate all currently certified DBEs in its DBE directory or only those DBEs for which the UCP was the jurisdiction of original certification?

Under the certification reevaluation requirements at 49 CFR § 26.111, UCPs are required to reevaluate the certifications only of those DBEs for which the UCP is the jurisdiction of original certification. UCPs are not required to reevaluate the certifications of DBEs that obtained certification from the UCP through the interstate certification procedures at 49 CFR § 26.85. DBEs that received certification from UCPs through interstate certification will have their certifications reevaluated by the UCPs in their jurisdiction of original certification. If such DBEs are recertified by the UCP in their jurisdiction of original certification, they will be required to reapply for interstate certification with the UCPs for the jurisdictions in which they wish to be certified.

2. Is there a date by which a UCP must complete its certification reevaluation process?

No. The regulation at 49 CFR § 26.111 provides that UCPs should complete the reevaluation process “as quickly as practicable.”

3. Can a UCP impose a deadline on currently certified DBEs for submission of the reevaluation documentation required under 49 CFR § 26.111?

No, the regulation at 49 CFR § 26.111 does not provide a deadline for a currently certified DBE to submit documentation demonstrating its DBE eligibility under the new standards provided in the IFR. Firms that do not submit the necessary information, however, will remain ineligible for the DBE program until they submit the required documentation demonstrating DBE eligibility under the new standards.

4. Can a UCP simply decertify all currently certified DBEs without completing the reevaluation process?

No. The IFR requires UCPs to identify each currently certified DBE and provide each identified firm with the opportunity to submit documentation demonstrating its DBE eligibility under the standards described at 49 CFR § 26.67

5. Are recipients required to submit Uniform Reports during the reevaluation process?

Under the IFR, recipients are not required to update their overall DBE goals until the UCP in the recipient’s jurisdiction has completed the reevaluation process described in 49 CFR § 26.111 and notified the Department that the reevaluation process is complete. In addition, recipients may not set any contract goals and may not count any DBE participation toward DBE goals until the UCP in the recipient’s jurisdiction completes the reevaluation process described in 49 CFR § 26.111. As a result of these requirements, recipients are not required to submit Uniform Reports under 49 CFR § 26.21 until the recipient has established a new overall annual DBE goal following completion of the reevaluation process at 49 CFR § 26.111.

6. What is the Department’s role in the reevaluation process?

Each UCP is responsible for carrying out the reevaluation of currently certified DBEs for which the UCP was the jurisdiction of original certification. DOT is available to provide technical assistance as necessary.

7. Can a firm that is decertified through the reevaluation process appeal the decision to DOT?

Yes. A firm that is decertified under the reevaluation procedures described at 49 CFR § 26.111 is entitled to appeal the decertification to DOT under the procedures described at 49 CFR § 26.89.

8. Should recipients take down their DBE directories until their respective UCP completes the reevaluation process (and certifies qualified DBEs)? (added 12/01/2025)

That is a matter of discretion for each recipient. No DBE goals may be set, and no DBE participation may be counted until the UCP in the recipient's jurisdiction completes the reevaluation process described in 49 CFR § 26.111.

9. Does the owner of a DBE firm undergoing reevaluation need to submit a new personal net worth statement along with the personal narrative of social disadvantage? (added 12/01/2025)

Yes. In seeking reevaluation of its certification under 49 CFR § 26.111, the owner of a currently certified DBE needs to submit the personal narrative along with the current personal net worth statement and any other financial information the owner considers relevant, in accordance with 49 CFR § 26.67. Under 49 CFR § 26.83(i), currently certified DBEs continue to be responsible for notifying the UCP in writing of any changes in circumstances affecting the DBE's ability to meet the certification requirements of 49 CFR Part 26, including disadvantaged status (e.g., compliance with the personal net worth threshold of \$2,047,000).

10. To establish social disadvantage through the personal narrative, does a DBE owner have to meet all categories of economic hardship, systemic barriers, and denied opportunities described in 49 CFR § 26.67? (added 12/01/2025)

No. Per 49 CFR § 26.67, a DBE owner must provide the certifier a personal narrative that establishes the existence of disadvantage by a preponderance of the evidence. Certifiers must holistically evaluate all presented evidence before making a determination. Considerations may include:

Education -- factors such as denial of equal access, compared to all similarly situated persons, to institutions of higher education and vocational training, exclusion from social and professional association with students or teachers, denial of educational honors rightfully earned, and social patterns or pressures that discouraged the individual from pursuing a professional or business education.

Employment -- factors such as unequal treatment compared to all similarly situated persons in hiring, promotions and other aspects of professional advancement, pay and fringe benefits, and other terms and conditions of employment; retaliatory behavior by an employer or labor union; and social patterns or pressures that have channeled the individual into non-professional or non-business fields; or

Business history – factors such as unequal access, compared to all similarly situated persons, to credit or capital, acquisition of credit or capital under commercially unfavorable circumstances, unequal treatment in opportunities for government contracts or other work, unequal treatment by potential customers and business associates, and exclusion from business or professional organizations.

Other relevant evidence may be considered, but the incidents or experiences discussed in the narrative must not rely, in whole or in part, on race or sex.

11. Should the personal narrative span the full scope of the owner’s life experiences related to economic disadvantage, from childhood through to the present, including both the time before and after starting the business? (added 12/01/2025)

The personal narrative can discuss incidents and experiences of economic hardship, systemic barriers, and denied opportunities from any point in the owner’s life within. American society that impeded the owner’s progress or success in education, employment, or business opportunities, including obtaining financing on terms available to similarly situated, non-disadvantaged persons. However, the incidents or experiences discussed in the narrative must not rely, in whole or in part, on race or sex.

12. If a DBE is recertified through the reevaluation process, will its certification anniversary remain the date of its original certification or the date it is recertified under the new IFR certification standards? (added 12/01/2025)

The DBE regulations at 49 CFR § 26.83(j) require a certified DBE to provide its certifiers, every year on the anniversary of its original certification, a new Declaration of Eligibility (DOE) along with the specified documentation in section 26.65(a). The certification anniversary of a DBE recertified under the reevaluation process at 49 CFR § 26.111 will continue to be the date of the DBE’s original certification under the DBE certification standards issued prior to October 3, 2025. This should alleviate the burden on UCPs of reviewing annually submitted DOEs that may otherwise be concentrated around the time the UCPs are completing their reevaluations of existing DBEs.

13. Because a UCP cannot establish a deadline by which currently certified DBEs must submit the reevaluation documentation required under 49 CFR § 26.111 (Q&A C.3), at what point in time can a UCP notify DOT the reevaluation process is complete? (added 12/01/2025)

The reevaluation regulation at 49 CFR § 26.111 provides that each UCP must provide currently certified DBEs with the opportunity to submit documentation demonstrating DBE eligibility under the new standards adopted under the IFR. 49 CFR § 26.111(a)(2). The rule, however, does not establish a deadline by which currently certified DBEs must submit such documentation. See Q&A C.3. This creates a situation where a UCP may be prevented from completing the reevaluation process if a currently certified DBE delays or refrains from submitting the required documentation. To address this situation, a UCP can set a date by which currently certified DBEs should submit the required documentation. A UCP may notify DOT that its reevaluation process is complete after it completes its reevaluation of the firms that submit the necessary information by the UCP’s submission date. Currently certified DBEs that do not submit the required information by the UCP’s submission date may still submit the required documentation at a later time, but such firms will remain ineligible for counting towards DBE participation until they submit the required documentation demonstrating DBE eligibility under the new standards and obtain certification.

14. Does the IFR affect Alaska Native Corporations (ANCs) or require ANCs to seek certification? (added 12/01/2025)

The DBE IFR does not change the DBE certification rules for ANCs. The DBE certification requirements for ANC-owned firms continue to be governed by 49 CFR § 26.63(c)(2), which was not amended by the DBE IFR.

15. Does a UCP have the discretion to complete the reevaluation process for ACDBEs first and get that ACDBE program reinstated to start setting goals and counting participation, and then focus on the reevaluation of the DBEs thereafter? (added 12/01/2025)

UCPs should use their established procedures for determining the order for reevaluations.