What is the ACDBE and DBE Program?

By federal regulation, the Department of Transportation (DOT) requires that agencies or entities receiving federal transportation funds for infrastructure improvements shall establish a program to increase the participation of disadvantaged businesses in infrastructure projects (49 CFR Part 26) and opportunities for concessions at airports (49 CFR Part 23).

What are an ACDBE and DBE?

An ACDBE and DBE are for profit small businesses in which 51% of the business is at least owned and controlled by one or more socially and economically disadvantaged individual.

ACDBE and DBE Program Objectives:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts;
- To create a level playing field on which DBE's can compete fairly for DOTassisted contracts;
- To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBE's;
- To help remove barriers to the participation of DBE's in DOT assisted contracts;
- To assist the development of firms that can compete successfully in the market place outside the DBE Program.

ACDBE and DBE Program Goals

For the Federal Fiscal Year 2021, -PRPA's minimum FAA- approved goals are:

DBE

• 10% of all federal funds received for Airport Infrastructure Improvements shall be contracted with companies certified as DBE.

ACDBE

- Non-Car Rentals = 10% of the retail income shall be generated by companies certified as ACDBE
- Car Rental = 5% of the Car Rental expenditures shall be generated by companies certified as ACDBE.

ACDBE and DBE Eligibility Requirements:

1. Socially and economically disadvantaged: Must meet the following criteria

- U.S. citizen or lawfully admitted member of one of the following groups: Hispanic Americans, African Americans, Native Americans, Asian Pacific Americans, women and other individuals found to be disadvantaged in base to base cases.
- The personal net worth should not exceed \$1.32 million, excluding the applicant's business and his or her main residence.

2. Business size: DBE:

A DBE Firm must be a small business for profit that meets the Small Business Administration's (SBA) standards and the average annual gross income for the last three fiscal years must be less than \$23,980,000.

ACDBE

The average annual gross income for the last three fiscal years must be less than \$56,420,000 except:

- Car Rental \$75,230,000
- Banks \$1 billion in assets
- Car Dealers 350 employees

3. Ownership:

At least 51% of the company must be owned by socially and economically disadvantaged individuals

4. Control:

The individual(s) applying for DBE certification must control the firm's managerial and day-to-day operations and the eligible owners must have legal authority, technical expertise and ability to control the firm. Only an independent business may be certified as a DBE. An independent business is one that its viability does not depend on its relationship with another business or businesses.

If you meet all the above requirements, you may participate in the program by applying for the ACDBE and DBE certification.

How to become certified?

The Unified Certification Program (UCP) is the entity responsible of certifying the applicant firms as DBE, ACDBE or both, in states or territories. In Puerto Rico the UCP parties are:

- 1. Puerto Rico Ports Authority
- 2. Puerto Rico Highway and Transit Authority
- 3. Puerto Rico Metropolitan Bus Authority
- 4. Aerostar Airport Holdings, LLC.

Puerto Rico Ports Authority is responsible of evaluating the new certifications and reviewing the existing firms doing business and/or firms that have a formal offer to make business with the regional airports except Luis Muñoz Marín. The firms that do not qualify in any of these categories should contact the other Authorities.

Contact Person

Puerto Rico Ports Authority DBE/ACDBE Liaison Officer may be contacted at:

Puerto Rico Ports Authority, Federal Funds Management Office, DBE/ACDBE Liaison Officer, P.O. Box 362829 San Juan, PR 00936-2829 Ph. (787) 729-8715 extension 2269 or 2364, email: <u>Irtorres@prpa.pr.gov</u>

Directory

The DBE/ACDBE directory may be access through the ACT site at https://act.dtop.pr.gov/derechos-civiles/empresas-en-desventaja-social-y-economica-disadvantaged-business-enterprise/