



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION

Stephen C. Brich, P.E.
Commissioner

1221 East Broad Street
Richmond, Virginia 23219

MEMORANDUM

October 3, 2025

TO: VDOT Industry Partners, Contractors, and Consultants
Participating Localities
District Engineers and Administrators
District Construction Engineers
District Area Construction Engineers
District Civil Rights Managers
Division Administrators

FROM: Stephen C. Brich, P.E., Commissioner of Highways

A handwritten signature in blue ink, appearing to read "Stephen C. Brich".

SUBJECT: U.S. Department of Transportation Interim Final Rule (IFR) on
the Disadvantaged Business Enterprise (DBE) Program Implementation Modifications

The United States Secretary of Transportation issued an IFR making changes to the DBE program requirements, which became effective upon publication in the Federal Register on October 3, 2025. A copy of the IFR is available at <https://www.govinfo.gov/content/pkg/FR-2025-10-03/pdf/2025-19460.pdf>.

Among other changes, the IFR removes race- and sex-based presumptions of social and economic disadvantage, contains new definitions and requirements that replace race- and sex-based presumptions of social and economic disadvantage, and requires that all currently certified DBEs must be re-evaluated in accordance with the new rules. Moving forward, DBEs must demonstrate, on a case-by-case basis, a social and economic disadvantage based on their own experience and circumstances within American society without regard to race or sex in order to benefit from DBE classification and concomitant financial assistance. The Virginia Department of Small Business and Supplier Diversity (DSBSD) is responsible for conducting the required re-evaluations.

Effective immediately, DBE goals on all active, federally eligible contracts are zero percent. Further, until DSBSD completes its re-evaluation of all currently certified DBEs and implements the required changes to the DBE certification process, VDOT will not (1) include DBE goals in future contracts; and (2) count participation toward DBE goals on active contracts. Contractors/consultants with active contracts are not required to submit the following Forms: C-49, C-110, C-111, and C-112, as related to the DBE program. Contractors/consultants should continue to submit the following Forms: C-48, omitting answers to questions regarding gender and ethnicity; and C-63, as related to the DBE program.

The information above is based on public information provided by USDOT and not intended as legal advice. Should you have questions regarding IFR implications specific to your circumstances, please seek advice of counsel. VDOT will provide updates on changes to the DBE program as additional information becomes available. Please email any questions regarding the information herein provided to the Civil Rights Division at CRLMS@vdot.virginia.gov.