

Clarification Between State and Federal Certification Programs

Certification Types	Federal	State	Comments
Disadvantaged Business Enterprise	DBE		All state departments of transportation must implement a DBE program, if the department receives federal transportation dollars. This certification is only used for transportation-related projects. Caltrans and local agencies receiving funds for transportation projects use DBE** firms to achieve project goals. Here is the DBE link: http://www.dot.ca.gov/hq/bep/
Small Business		SB (SBE)	The California State Department of General Services processes this certification, which is based upon firm size and income. See here for details: http://www.pd.dgs.ca.gov/smbus/sbcert.htm
Disabled Veteran Business Enterprise		DVBE	The California State Department of General Services processes DVBE certification. The certification is based upon military service and percent of disability. http://www.pd.dgs.ca.gov/smbus/dvbecert.htm
Small Business Administration	SBA 8(a)		This program is a small business development program where the firm graduates out in the 9 th year. The 8(a) Program – named for Section 8(a) of the Small Business Act – helps small disadvantaged businesses compete in the market place. This certification is used by other state agencies, but not by Caltrans. Here is the link for 8(a): http://www.sba.gov/aboutsba/sbaprograms/8abd/
Minority Business Enterprise		MBE*	State agencies do not have MBE goals. Link here for certification: http://www.cpuc.ca.gov/PUC/SupplierDiversity/clearing.htm
Women Business Enterprise		WBE*	State agencies do not have WBE goals. Link here for certification: http://www.cpuc.ca.gov/PUC/SupplierDiversity/clearing.htm

- * These two certifications, based upon minority and gender, were supplanted by the passage of Prop. 209. Prop 209 directed that certification be based upon firm size and income. "The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting." See California Code for language:
<http://www.aroundthecapitol.com/code/getcode.html?file=../pcc/10001-11000/10100-10111>
- ** There are six recognized DBE categories: **Native American, African American, Woman-owned, Asian Pacific Islander**, Hispanic and Asian Sub-continent. The 2007 Availability Disparity Study showed the categories highlighted in green to be underutilized in California. Therefore, current contract goals refer to these DBE firms as "UDBE" or underutilized Disadvantaged Business Enterprise. The searchable database does not identify a firm as UDBE. Here is the link to the electronic Code of Federal Regulations for the DBE program:
http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title49/49cfr26_main_02.tpl
- One cannot mix State and federal certifications within a contract.