

Disadvantaged Business Enterprise Compliance Statement

(Revised May 2025)

The purpose of the Disadvantaged Business Enterprise (DBE) program is to ensure nondiscrimination when awarding contracts and to help remove barriers for DBE participation under EPA financial assistance agreements. As such, federal regulations require that both loan recipients (borrowers) and prime contractors must undertake a good-faith effort as defined in 40 CFR Part 33 Subpart C to award a fair share of work to DBEs who are minority business enterprises (MBEs)¹ and women's business enterprises (WBE's)².

In 2025, EPA suspended the negotiation of fair share objectives or goals for MBE/WBE participation. The Alaska Department of Transportation and Public Facilities and the Small Business Administration maintains a DBE Directory of certified DBE. An MBE/WBE can also be certified under the US Small Business Administration's 8(a) Business Development Program, the US Department of Transportation's (DOT) Participation by DBE in DOT Programs, an Indian Tribal Government, State Government, Local Government, or an independent private organization that certifies entities in accordance with EPA's 8% or 10% statutes as applicable. Self-certification of an MBE or WBE is prohibited.

Borrowers and Contractors - Good Faith Efforts

The following good faith efforts apply to the procurement of construction, equipment, services, and supplies with SRF financial assistance funds:

1. Ensure DBEs are fully made aware of contracting opportunities practicable through outreach and recruitment activities. For state and local government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For state and local government recipients, this will include dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
6. If the prime contractor awards subcontracts, require the prime contractor to take steps 1-5 above.

Both the borrower and the prime contractor are required to complete the Alaska SRF's *Disadvantaged Business Enterprise Program Good Faith Effort and Participation Form*. For all contractor/subcontractor

¹ To qualify as an MBE, an entity must be at least 51% owned by a socially or economically disadvantaged individual. See 40 CFR §33.202 and 13 CFR §124.105.

² In order to qualify as a WBE, an entity must be at least 51% owned by women. See 40 CFR §33.202 and 13 CFR §124.105.

bids submitted, the entity receiving the bids is required to keep a copy of the bid on file, along with the Good Faith Effort and Participation form, for no less than the records retention period specified in the borrower's loan agreement.

Borrowers Only – Additional Requirements

Include this form along with the *Disadvantaged Business Enterprise Program Good Faith Effort and Participation Form* in the bid and/or contract documents. Additionally, borrowers are required to semiannually report MBE and WBE participation in prime contracts and subcontracts through the Online Application System (OASys), the Alaska Department of Environmental Conservation web-based application for submitting loan and reporting documentation.

Contractors Only – Additional Requirements

Comply with the following (40 CFR Part 33, Appendix A):

The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

The prime contractor must pay its subcontractors no more than 30 days after receipt of payment from the borrower when satisfactory work has been performed. Additionally, the prime contractor is required to notify the borrower prior to any termination of a DBE subcontractor. If a subcontractor fails to perform the work under a subcontract, the prime contractor will employ the six Good Faith Efforts described above in seeking a replacement. The prime contractor must employ the six Good Faith Efforts even if the MBE and WBE goals have been met (also called the Fair Share Objectives).

The undersigned certifies that this recipient/contractor is aware that the above guidance is a summary of the requirements of EPA's Disadvantaged Business Enterprise regulations and is not all encompassing. Further, the undersigned certifies they will comply with all applicable federal regulations in 40 CFR Part 33. Failure to demonstrate a Good Faith Effort through solicitation of minority-owned businesses or women-owned businesses can result in ineligible expenses under the loan.

Print Name	Organization Name
Authorized Representative's Signature	Date