

DBE Fact Sheet

Learn about the Environmental Loans programs and find guidance at dnr.wi.gov/aid/eif.html

EPA's Disadvantaged Business Enterprise Rule/Program

The U.S. Environmental Protection Agency adopted a Disadvantaged Business Enterprise (DBE) rule ([40 CFR part 33](http://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-33)), which went into effect on May 27, 2008. This rule applies to all Clean Water Fund Program (CWFP) and Safe Drinking Water Loan Program (SDWLP) projects. However, different types of municipalities and projects must meet different sets of DBE requirements. When the Wisconsin Department of Natural Resources (DNR) designates a municipality's project as "[federal equivalency](#)", the municipality must meet additional requirements.

The DNR developed a [Contract Packet for DBE Compliance](#) that includes: which DBE requirements apply to which projects, the six good faith efforts, DBE solicitation and bidding guidance, federal equivalency project requirements, and contract administration requirements.

What is a DBE?

DBE, MBE (minority business enterprise), and WBE (women's business enterprise) are defined in this rule as business entities that are owned and/or controlled by a socially and economically disadvantaged individual as described by Public Law 102-389 (42 U.S.C. 4370d). A WBE is at least 51% owned and/or controlled by women. Public Law 102-389 established a national DBE utilization goal of 8%. The EPA DBE Rule acknowledges that government has a vested interest in remedying contracting discrimination.

Fair share policy

Fair share objective is defined under 40 CFR 33.403, and the steps for establishing the fair share objectives are provided in 40 CFR 33.405. The DNR negotiates agency-wide fair share objectives (or goals) with EPA for MBE/WBE use. **A fair share objective is a goal**, not a quota. Every three years, DNR establishes fair share goals approved by EPA for the CWFP and SDWLP to achieve appropriate levels of participation by DBEs.

This policy applies to all contracts, subcontractors, and procurements for supplies, construction, equipment, and services under EPA grants and loans. Funding recipients and their prime contractors shall make good faith efforts to award a fair share of contracts, subcontracts, and procurements to DBEs.

Reporting actual MBE/WBE utilization

Only certified MBE/WBE utilization counts towards the agency-wide fair share objectives. The DNR reports the actual utilization data to EPA semi-annually; for some EPA-funded projects, the reporting is done annually. Municipalities are required to provide the DNR with the actual MBE/WBE utilization data at project closeout.

When DBE requirements are *not* met

If a municipality does not comply, the DNR will exercise its authority provided under 40 CFR 33.105. Details regarding compliance remedies are included in ss. [NR 162.09\(4\)](#) and [NR 166.12\(4\)](#), Wis. Adm. Code.

Resources and additional information

- Visit dnr.wi.gov/aid/documents/EIF/guide/DBE.html
- Visit epa.gov/resources-small-businesses/disadvantaged-business-enterprise-program-resources
- Contact the [DNR loan project manager](#) assigned to your project
- Contact Casey Sweeney, DBE Specialist, at 608-852-1576 or Casey.Sweeney@Wisconsin.gov

