

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 (EPA) adopted a DBE rule (40 CFR 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 DNR designates a municipality's project as "federal equivalency", the municipality must meet additional requirements.

The Wisconsin Department of Natural Resources (DNR) also developed a "[Contract Packet for DBE Compliance](#)" that includes: the six good faith efforts, federal equivalency project requirements, contract administration and conditions, DBE solicitation guidance, and EPA's DBE Program Subcontractor Utilization Form 6100-4.

What is DBE?

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

Fair share policy

A "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 Wisconsin Department of Natural Resources (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 Environmental Loan programs to achieve appropriate levels of participation by DBEs ([EPA Acceptance Letter of Fair Share Goals](#) for the DNR for FY 2017-2020).

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, subcontractors, 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 with requirements, 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 epa.gov/resources-small-businesses/disadvantaged-business-enterprise-resources-and-training
- Visit dnr.wi.gov/aid/documents/eif/guide/DBE.html
- Contact the [DNR loan project manager](#) assigned to your project
- Contact Jessica Wagner, DBE Specialist, at 608-266-3915 or JessicaL.Wagner@wisconsin.gov

