

# Definitions and Requirements

## **Small Business Enterprise (SBE)**

In order to be considered a “small business” as determined by the State of California, businesses must meet these eligibility requirements:

- Must be independently owned and operated;
- Cannot be dominant in its field of operation;
- Must have its principal office located in California;
- Must have its owners (or officers in the case of a corporation) domiciled in California; and
- Together with its affiliates, be either
  - A business with 100 or fewer employees and an average annual gross receipts of \$14 million or less (over the previous three tax years), or
  - A manufacturer with 100 or fewer employees

**Reference:** California Department of General Services

<http://www.dgs.ca.gov/Default.aspx?alias=www.dgs.ca.gov/pd>

## **Disadvantaged Business Enterprise (DBE)**

- The firm must be at least 51% owned by one or more socially and economically disadvantaged individuals.
- The firm must be an independent business, and one or more of the socially and economically disadvantaged owners must control its management and daily operations.
- Only existing for-profit “Small Business Concerns,” as identified by the Small Business Act and Small Business Administration (SBA), may be certified. DBE applicants are first subject to the applicable small business size standards of the SBA. Second, the average gross receipts for the firm (include its affiliates) over the previous three fiscal years must not exceed the US Department of Transportation cap of \$20.41 million.
- The Personal Net Worth (PNW) of each socially and economically disadvantaged owner must not exceed \$1.32 million, excluding the individual’s ownership in interest in the applicant firm and the equity in his/her primary residence.

Socially and economically disadvantaged individual means any individual who is a citizen or lawfully admitted permanent resident of the United States and who is a member of the following groups:

- African American
- Native American
- Subcontinent Asian American
- Hispanic American
- Asian-Pacific American
- Women

Any individual found to be socially and economically disadvantaged on a case-by-case basis by certifying agency pursuant to the standards of the US DOT 49 CFR Part 26

**Reference:** California Department of Transportation (CDOT – CALTRANS)

[http://www.dot.ca.gov/hq/bep/downloads/Word/DBE\\_Application.doc](http://www.dot.ca.gov/hq/bep/downloads/Word/DBE_Application.doc)

## **Minority Business Enterprise (MBE)**

“Minority-owned business” means (1) a business enterprise (a) that is at least 51% owned by a minority individual of group(s) or (b) if a publically owned business, at least 51% of the stock of which is owned by one or more minority groups, and (2) whose management and daily business operations are controlled by one or more of those individuals. The contracting utility shall presume that minority includes, but is not limited to, African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other groups.

**Reference:** California Unified Certification Program

[http://162.15.7.24/PUBLISHED/GENERAL\\_ORDER/59939.htm](http://162.15.7.24/PUBLISHED/GENERAL_ORDER/59939.htm)

## **Disabled Veteran-Owned Business Enterprise (S/DVBE)**

The firm must be at least 51% owned, managed and operated by one or more service disabled veterans, or In the case of a publically owned business, at least 51% of the stock must be owned, and the business managed and operated by service disabled veterans.

**Reference:** Department of Veterans Affairs

<http://www.vetbiz.gov/>

### **Women Business Enterprise (WBE)**

A WBE is a business owned and controlled by one or more women. Owned and controlled means that at least 51% of the small business concern is owned by one or more women; and whose management and daily business operations are controlled by one or more women who own it.

**Reference:** California Department of Transportation

[http://www.dot.ca.gov/hq/bep/downloads/pdf/SMBE\\_Cert\\_App.pdf](http://www.dot.ca.gov/hq/bep/downloads/pdf/SMBE_Cert_App.pdf)

### **Other Resources**

#### **San Diego Contracting Opportunities Center (SDCOC)**

<http://www.ptac-sandiego.org/>

#### **Small Business Development Center (SBDC)**

<http://www.sandiegosmallbiz.com/>

#### **California Department of General Services (DGS)**

<http://www.dgs.ca.gov/pd/Programs/OSDS/GetCertified.aspx>

- Small Business Enterprise (State size standard)
- Disabled Veteran Business Enterprise

#### **California Department of Transportation (CALTRANS) Office of Business & Economic Opportunity**

[http://www.dot.ca.gov/hq/bep/business\\_forms.htm](http://www.dot.ca.gov/hq/bep/business_forms.htm)

- Disadvantaged Business Enterprise
- State Minority Business Enterprise (SBA size standard)
- State Woman-owned Business Enterprise (SBA size standard)

#### **Subcontracting Award Management (SAM)**

<https://www.sam.gov/portal/public/SAM/>

SAM is the new federal registration system that integrates the Central Contractor Registration (CCR) and the Online Representations and Certifications Application (ORCA). Most SAM registrations are now recognized as self-certifications (except HUBzone and SBA 8(a) which are reviewed). Self-Certifications include:

- Small Business (SBA size standard)
- Small Disadvantaged Business
- Women-owned Business
- Woman-owned Small Business
- Economically Disadvantaged Woman-owned Small Business
- Minority-owned Small Business
- Service-disabled Veteran-owned Small Business

#### **California Public Utilities Commission (CPUC) Supplier Clearinghouse**

<http://www.suppliernetwork.net/CPUC/>

The CPUC Utility Supplier Diversity Program was mandated by the California State Legislature to require participating utilities to establish voluntary procurement goals of 5% for Women-owned Business Enterprise (WBE), and 15% for Minority Business Enterprises (MBE). The directive was subsequently augmented with a 1.5% goal for California Department of General Services certified Disabled Veteran Business Enterprises (DVBE). The Supplier Clearinghouse certifies and verifies that firms listed in the clearinghouse database maintain 51% ownership and control by minority group members, women and state-certified disabled veterans.

- Minority-owned Business Enterprise
- Women-owned Business Enterprise

#### **California Unified Certification Program (CUPC)**

<http://californiaucp.org/>

The California Unified Certification Program (CUCP) provides “one-stop shopping” certification services to small, minority and women businesses seeking to participate in the United States Department of Transportation (USDOT) Disadvantaged Business Enterprise (DBE) Program. Certification services are offered to businesses seeking to obtain either DBE or airport concessionaire disadvantaged business enterprise (ACDBE) status.