

Subject: Transportation Secretary Ray LaHood Announces Recovery Assistance for Small and Disadvantaged Businesses

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Transportation Secretary Ray LaHood Announces Recovery Assistance for Small and Disadvantaged Businesses

DOT's Office of Small and Disadvantaged Business Utilization to Create New Bond Fee Reimbursement Program

WASHINGTON – U.S. Transportation Secretary Ray LaHood today announced \$20 million in recovery funds to create the Disadvantaged Business Enterprise (DBE) Bonding Assistance Program, an initiative that will help small and disadvantaged businesses better compete for work on transportation projects funded by the American Recovery and Reinvestment Act (ARRA).

Through this new program, which will be administered by the Department of Transportation's Office of Small and Disadvantaged Business Utilization (OSDBU), small and disadvantaged businesses can apply to be reimbursed for bonding premiums and fees incurred when competing for, or performing on, transportation infrastructure projects funded by ARRA. The program will be especially helpful for businesses with traditionally less working capital than larger contractors.

"The Obama Administration is committed to doing all it can to help DBE's realize the American dream and contribute to making our transportation systems even better," said Secretary LaHood. "These Recovery dollars will help level the playing field so these companies have the tools and resources they need to compete."

OSDBU was created as part of the Small Business Act (SBA) to ensure that small and disadvantaged businesses are provided the best opportunity to participate in the agency's contracting process. DOT's Disadvantaged Business Enterprise (DBE) program is intended to ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's highway, transit, airport, and highway safety financial assistance programs. To be certified as a DBE, a firm must be a small business owned and controlled by socially and economically disadvantaged individuals.

For additional information on the new DBE Bonding Assistance Program, including more details on the application process, please visit <http://www.dot.gov/recovery/ost/osdbu/index.htm>