

Commonwealth of Kentucky Transportation Cabinet

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Exchange program cuts red tape for disadvantaged businesses in Kentucky, Indiana DBE Exchange eases restrictions for firms working on federally funded transportation projects

FRANKFORT, Ky. (July 2, 2018) – As part of a statewide effort to reduce regulatory burdens for small businesses, the Kentucky Transportation Cabinet (KYTC) has partnered with the Indiana Department of Transportation (INDOT) to launch the DBE Exchange, a program that allows disadvantaged business enterprises (DBEs) the ability work on federally funded transportation projects with a single certification across both states.

"The goal of this partnership is to increase opportunities for women and minority businesses," said KYTC Secretary Greg Thomas. "It's our expectation that this initiative will remove burdensome administrative barriers and expand opportunities for both DBEs and prime contractors."

The initial length of the partnership is one year – July 1, 2018, to June 30, 2019 – with the option to extend the agreement an additional two years.

Disadvantaged business enterprises are defined as for-profit small businesses in which socially and economically disadvantaged individuals own at least a 51 percent interest and control daily business operations. Prior to this agreement, DBEs from Kentucky were required to obtain an Indiana DBE certification to work on federally funded transportation projects for INDOT. By agreeing to honor each other's certifications, KYTC and INDOT have increased job access for DBEs in both states and have given prime contractors a larger pool of DBEs with which to partner.

U.S. Department of Transportation regulations require state and local transportation agencies that receive federal financial assistance to establish annual goals for the participation of DBEs. Each DOT-assisted agency reviews large prime contracts throughout the year to establish annual DBE goals. This ensures DBEs can compete fairly for transportation-related projects that are federally funded.

"We're not giving these businesses a handout – we're inviting them to the table to compete for projects and execute the work they're qualified to perform," said Jamir Davis, executive director of the KYTC Office for Civil Rights and Small Business Development. "Kentucky is full of skilled minority and women business owners

looking for opportunities to grow their business and achieve sustainability. We hope this partnership paves the way for their success."

Visit the newly launched DBE Exchange website, <u>www.dbeexchange.com</u>, to learn more about the program, download materials and obtain contact information.

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