



U.S. Department
of Transportation
**Federal Aviation
Administration**

Assistant Administrator for Civil Rights
and FAA Diversity Advocate

800 Independence Ave., S.W.
Washington, DC 20591

June 22, 2012

Dear Airport Sponsor:

The final rule for the Airport Concessions Disadvantaged Business Enterprise (ACDBE) program (49 CFR, Part 23) was just published in the *Federal Register* on June 20, 2012, and is now available to you for review and implementation (see enclosed). The main purpose of this rule is to conform key changes that were made to the Disadvantaged Business Enterprise (DBE) 49 CFR Part 26 program in January 2011 to the ACDBE program.

Here is a summary of the major rule provisions:

- ACDBE personal net worth (PNW) cap is adjusted for inflation from \$750,000 to \$1.32 million, for ACDBE certification eligibility;
- The third exemption in the ACDBE PNW definition is suspended prospectively (the third exemption excludes from an applicant's PNW those assets that the applicant used to encumber loans as collateral for the initiation or expansion of the applicant's ACDBE business, up to \$3 million);
- Increased program oversight is required of sponsors to monitor ACDBE participation in every ACDBE contract;
- Sponsors are required to analyze their goal achievement process and take corrective actions when their overall ACDBE goal is not met in a given year;
- New procedures are required for termination of an ACDBE firm for convenience;
- Interstate and other certification changes are extended to the ACDBE program;
- Race-conscious goal-setting is required when race-neutral goals are not being achieved; and,
- ACDBE small business size standards were adjusted for inflation.

The first two changes pertaining to the ACDBE PNW are effective upon publication of the final rule (June 20, 2012), while all other changes in the rule are effective July 20, 2012. Finally, the current requirement to implement a small business program element in the Part 26 program (see 49 CFR § 26.39) will not apply to the ACDBE program.

We encourage you to familiarize yourself with the final ACDBE rule. If you have any questions about the final rule, or its implementation, please contact your FAA regional point of contact (see enclosed).

We would also like to take this opportunity to inform you that on August 28 through August 30, 2012, the FAA Office of Civil Rights will be conducting its national civil rights training conference for airports in the Washington, DC area. As part of that training, we will be covering this rule and your questions on program implementation. Enclosed is information about our upcoming training conference.

Thank you for your support of the DBE and ACDBE programs, and we hope to see you in August!

Sincerely,



Wilbur S. Barham
Director
National Airport Civil Rights
Policy and Compliance



Michael Freilich
Director
Civil Rights, Western-Pacific Region
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3 Enclosures