



News Release

Comptroller Lierman, State Financial Officers Urge U.S. Transportation Department to Suspend Rule Undermining DBE Programs

Officials warn the rule threatens jobs, small business participation; and state fiscal stability

ANNAPOLIS, Md. (November 6, 2025) — Maryland Comptroller Brooke E. Lierman, Connecticut State Treasurer Erick Russell, California State Controller Malia Cohen, Illinois State Comptroller Susana Mendoza, and Nevada State Treasurer Zach Conine, released a joint letter to U.S. Transportation Secretary Sean Duffy urging the department to withdraw or delay implementation of the Interim Final Rule and Revisions to the Disadvantaged Business Enterprise (DBE) and Airport Concession Disadvantaged Business Enterprise (ACDBE) Programs, issued on October 3, 2025.

In the letter, the state financial officers warn that the rule, which immediately eliminates the presumption of disadvantage for women- and minority-owned firms, threatens to dismantle decades of progress in ensuring fair competition for federal transportation contracts and could disrupt billions in ongoing state infrastructure projects.

"This rule is a direct threat to the small, women- and minority-owned businesses that keep our transportation networks running and our local economies strong, said **Maryland Comptroller Brooke Lierman**. "Maryland has seen firsthand how inclusive contracting strengthens communities and creates jobs. Undermining those opportunities weakens our fiscal stability and our shared prosperity. We're calling on USDOT to do what's right: pause this rule, listen to the states, and protect decades of progress."

"For more than forty years, the DBE and ACDBE programs have ensured that federal transportation investments create opportunities for all and strengthen our local economies," said **California State Controller Malia M. Cohen**. "In California, we've worked hard to expand economic opportunity through initiatives like the 25 percent DVBE participation goal, ensuring that public contracts reflect our shared values of fairness, inclusion, and accountability. Abrupt changes to this long-standing federal framework, made without public consultation or economic analysis, risk disrupting vital infrastructure projects and undermining small business participation nationwide. We

respectfully urge the U.S. Department of Transportation to pause implementation of the Interim Final Rule and engage with state leaders, businesses, and community partners to preserve the integrity and success of these programs.”

“This rule is a step backward for equity, transparency, and fiscal responsibility. Illinois has worked tirelessly to level the playing field in public procurement, and sudden changes like this jeopardize that progress,” added **Illinois Comptroller Susana Mendoza**. “States cannot plan, bid, or build efficiently when federal agencies bypass collaboration. We’re urging USDOT to restore the public process and protect the integrity of our infrastructure investments.”

Connecticut Treasurer Erick Russell emphasized that, “Connecticut’s infrastructure and small business sectors rely on equitable access to opportunity. This rule undercuts decades of bipartisan work meant to ensure fairness and inclusion in public contracting. We stand united in urging USDOT to halt implementation, reopen public comment, and work with the states to preserve the integrity and equity of these critical programs.”

The officials argue that the department’s decision to bypass the normal notice-and-comment process under the Administrative Procedure Act has created a “regulatory vacuum” that leaves states uncertain about certification status, procurement compliance, and audit exposure. They also note that the rule’s lack of transition guidance could slow infrastructure spending, threaten timely use of federal funds, and expose states to litigation risk.

The letter calls on USDOT to conduct a full economic impact analysis to quantify the rule’s fiscal consequences, engage in meaningful consultation with state governments, small business stakeholders, and the public; and develop clear guidance and transition timelines for certification continuity and compliance.

It also emphasizes that inclusive participation of disadvantaged and minority-owned firms has long been a driver of small-business growth, competition, and innovation across states. The signatories request that USDOT suspend implementation of the rule and reopen it for public comment to safeguard fiscal stability and ensure that federal transportation programs remain equitable and effective.

A copy of the letter is available [here](#).

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