

The overall California DBE goal to be achieved exclusively by race-neutral measures is 10.5 percent for projects funded through the FHWA and 4 percent for projects funded through the Federal Transit Administration. The Department will identify an "Availability Advisory Percentage" on individual federal-aid contracts, which is intended to assist bidders in ascertaining DBE availability for items of work on the contract. The Department's contract specifications will encourage bidders to utilize DBEs to aid the Department in achieving the statewide DBE goal.

Moving forward, the Department is in the process of executing a contract with a consultant to complete an availability study and a disparity study. I anticipate the availability study will be completed within four months of contract execution and the disparity study by May 2007. When the studies are completed, the Department and FHWA will implement a program that best serves our customers while fulfilling the requirements of the law as identified by the Ninth Circuit Court of Appeals ruling.

During this interim period, he assured the DBE Program is still a viable and integral element of California's construction program and is a requirement for receipt of federal transportation assistance. I ask for your partnership to work with the Department to continue this program by including DBEs in all our federal-assistance transportation projects.

Sincerely,



WILL KEMPTON
Director