

Division of Water State Revolving Fund Program

Build America, Buy America Requirement

September 2022

The Build America, Buy America Act (BABA), a component of the Bipartisan Infrastructure Law (BIL), requires that "none of the funds made available for a federal financial assistance program for infrastructure ... may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States."

Funding made available by the Alaska Department of Environmental Conservation's State Revolving Fund (SRF) Program includes a combination of federal and state funds, as well as repayments from previous loans. Annually, the SRF Program is required to apply the BABA requirements to projects in an amount equal to the federal capitalization grant (also known as "equivalency projects"). Non-equivalency projects are not subject to BABA requirements.

BABA Requirement

Applies to all SRF equivalency projects – not just for BIL-funded projects Expands existing merican Iron and Steel (AIS) domestic preference requirements For typical SRF projects, the vast majority of purchased items will now be covered, including many products hat have not beer in the past



Iron and Steel

- Items that are predominantly iron or steel, unless another standard applies under law or regulation
- All manufacturing process, form the initial melting stage through the application of coatings, must occur in the U.S.



Manufactured Products

•Cost of components that are mined, produced, or manufactured in the U.S. is greater than 55 percent of the total cost of all components of the manuracted product

CONSTRUCTION MATERIALS

Includes:

- Non-ferrous metals
- Plastic and polymer-based products (including PVC composite building materials, and polymers used in fiber optic cable)
- Glass (including optic glass)
- Lumber and drywall

Excludes:

- Items made primarily of iron or steel
- Manufactured products
- Cements and cementitious materials)
- Aggregates (stone, sand, or gravel)
- Aggregate binding agents/additives



Definition of "Project"

Any activity related to the construction, alteration, maintenance, or repair of infrastructure in the U.S.

BABA Waivers

EPA have not yet finalized all BABA waivers. EPA finalized an "adjustment period" waiver on September 2, 2022. Pursuant to Section 70914(c) of the BABA Act, EPA may waive Buy America preference for the following:

- Public Interest
- Nonavailability
- Unreasonable cost

Additional information can be found at:

https://www.epa.gov/c wsrf/build-americabuy-america-baba

Contact: dec.srfprogram@alaska.gov

Website: https://dec.alaska.gov/water/technical-assistance-and-financing/state-revolving-fund/