

Buy American

Presented to: 2012 AAND and SDAMA Airports Conference

By: Brian Schuck, BIS ADO Program Manager

Date: October 10 & 11, 2012



Federal Aviation
Administration



Buy American Law

- **Unique to AIP (Buy American Preference)**
- **The law: 49CFR501**
- **Prohibits FAA from obligating funds for an AIP grant unless steel and manufactured goods used in the project are produced in the United States.**



Buy American Grant Assurance

- **Unless otherwise approved by the FAA, it will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are being provided under this grant. The sponsor will include in every contract a provision implementing this condition.**



Buy American Waivers

- **Almost impossible to meet 100% made in America requirement**
- **Requirement can be waived if written request submitted**
- **Must be submitted with grant application**
- **Must include sufficient documentation to show criteria have been met**



Waiver Criteria

- **Applying the provision is not in the public interest**
- **The steel or manufactured good is not available in sufficient quantity or satisfactory quality in the United States**
- **Applying this provision would increase the cost by more than 25 percent**
- **Or ...**



Waiver Criteria

- **For AIP grant-funded projects other than ground transportation demonstration projects provided:**
 - The cost of components and subcomponents produced in the United States is more than 60 % of the cost of all components of the facility or equipment, **AND**
 - Final assembly of the facility or equipment has occurred in the United States



Exempt Items

- **Cement and concrete (not re-bar)**
- **Asphalt and petroleum products**
- **National waiver**
 - Numerous lighting systems/components
 - Numerous airfield signs
 - Coal tar rejuvenators
 - Vaisala AWOS
 - www.faa.gov/airports/aip/procurement/federal_contract_provisions/media/buy_american_waiver.xls



Problem!

- **Several 2012 SRE projects**
- **Manufacturer could not/would not certify compliance with Buy American**
- **Procurement cancelled or purchased with local funds.**
- **What are you going to do?**
 - Change specs?
 - Different manufacturers?



Guidance

- Requests for Buy American waivers can be requested in accordance with Program Guidance Letter (PGL) 10-02, which includes the form to be used.
- PGL 10-02 can be downloaded at www.faa.gov/airports/aip/guidance_letters/media/PGL_10_02.pdf

