Build America Buy America Waiver for WaterSMART Programs Impacted by Drought

May 2024
Agenda

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• Waiver Eligibility
• Waiver Section A
• Waiver Section B
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Overview of Waiver

- Build America Buy America (BABA) general applicability waiver for WaterSMART programs was approved on February 15, 2024.
- Effective February 15, 2024 for 1-2 years, through February 14, 2025 or February 14, 2026.
- Time limited and conditional coverage for previously planned projects and other awards/amendments.
- Public interest waiver based on historic drought conditions.
- Purpose is to provide additional transition period to WaterSMART awards/amendments, with goal of long term BABA compliance.
Waiver Eligibility

• WaterSMART Awards and Amendments under the following programs:
  • 15.504 Title XVI Water Reclamation and Reuse
  • 15.507 WaterSMART Grants
  • 15.514 Emergency Drought Relief

• Award or amendment is for an infrastructure project and the BABA terms is included in the grant agreement
Waiver Section A: Previously Planned Projects

• Provides waiver for non-domestic purchases of iron, steel, manufactured products, and construction materials under contracts that were let prior to May 14, 2023 AND solicited prior to May 14, 2022

• If your award/amendment is issued between February 15, 2024-February 14, 2026, eligible contracts have BABA waiver coverage

• If your award/amendment was issued before February 15, 2024 with a BABA term, contract expenditures from February 15, 2024 forward are covered.
Waiver Section A: Previously Planned Projects

• Coverage is for the funding issued during the eligible date periods only.

• Contract mods to expand or add scope will NOT have waiver coverage.

• Waiver Section A expires February 14, 2026. Awards/amendments issued thereafter will not have waiver coverage.
Waiver Section B: Awards & Amendments

• Provides waiver for non-domestic purchases of manufactured products.

• If your award or amendment is issued February 15, 2024- February 14, 2025, waiver coverage is for the duration of the award/amendment that was issued.

• If your award or amendment was issued before February 15, 2024 with a BABA term, award or amendment expenditures from February 15, 2024 forwards are covered.
Waiver Section B: Awards & Amendments

• Coverage is for the funding issued during the eligible date periods only.

• Purchases of iron, steel, and construction materials must be BABA compliant.

• Waiver Section B expires February 14, 2025. Awards/amendments issued thereafter will not have waiver coverage.
Waiver Sections A & B

• Provides two distinct conditional layers of waiver coverage
• May be eligible for coverage under both Section A and Section B
An amendment was issued on July 4, 2023. The amendment included funding for a contract that was let on May 1, 2022. True or false:

a. The contract expenditures for iron, steel, construction materials, and manufactured products have a waiver for the life of the contract.
An amendment was issued on July 4, 2023. The amendment included funding for a contract that was let on May 1, 2022. True or false:

a. The contract expenditures for iron, steel, construction materials, and manufactured products have a waiver for the life of the contract.

FALSE! The contract expenditures are waived for the specific funding obligated, from February 15, 2024 forwards. Waiver is not for the life of the contract or award.
An amendment was issued on July 4, 2023. The amendment included funding for a contract that was let on May 1, 2022. True or false:

b. Expenditures for manufactured products are waived from February 15, 2024 forwards.
An amendment was issued on July 4, 2023. The amendment included funding for a contract that was let on May 1, 2022. True or false:

b. Expenditures for manufactured products are waived from February 15, 2024 forwards.

TRUE! Expenditures under the amendment for manufactured products are waived from February 15, 2024 forwards. Expenditures from July 4, 2023-February 14, 2024 are not covered.
Quiz

An award was issued on April 1, 2024, for a four year period of performance. True or false:

a. The award is not eligible for coverage under waiver Section A for previously planned projects.
An award was issued on April 1, 2024, for a four year period of performance. True or false:

a. The award is not eligible for coverage under waiver Section A for previously planned projects.

Neither true or false. We don’t have enough information to determine coverage under Section A of waiver. An award issued on 4/1/24 may have coverage for eligible contracts.
An award was issued on April 1, 2024, for a four year period of performance. True or false:

b. The award is eligible for coverage under waiver Section B for the first year.
An award was issued on April 1, 2024, for a four year period of performance. True or false:

b. The award is eligible for coverage under waiver Section B for the first year.

FALSE! The award is issued during the active period of the waiver Section B. Expenditures for manufactured products are covered for the life of the award.
An award is issued on February 16, 2025. True or false:

a. The award could be eligible for coverage under Section A of the waiver.
An award is issued on February 16, 2025. True or false:

a. The award could be eligible for coverage under Section A of the waiver.

TRUE! Eligible contracts have coverage on awards issued from February 15, 2024-February 14, 2026.
Quiz

An award is issued on February 16, 2025. True or false:

b. The award is not eligible for coverage under Section B of the waiver.
An award is issued on February 16, 2025. True or false:

b. The award is not eligible for coverage under Section B of the waiver.

TRUE! Since the award is issued two days after Section B expires, the award is not eligible for coverage under Section B.
An award is issued on February 16, 2025. True or false:

c. If the award included authorized pre-award costs up to January 1, 2025, those pre-award costs can be covered under Section B.
Quiz

An award is issued on February 16, 2025. True or false:

c. If the award included authorized pre-award costs up to January 1, 2025, those pre-award costs can be covered under Section B.

FALSE: The issue date of the award is after the waiver expires. These pre-award costs are not covered.
Reminders

• Download a copy of the waiver to keep in your files
• Keep documentation of your decisions to utilize waiver coverage
• Continue to conduct market research on the domestic availability of products. Share BABA requirements with vendors.
• Plan for BABA compliance at waiver expiration.
• Other DOI General waivers are still active and may provide some BABA coverage: de minimis, small grants, and tribal
• For specific questions, reach out to your Grant Officer, GOTR, or Program Officer.
Additional Resources

- Approved DOI general applicability waivers
- WaterSMART page with BABA resources https://www.usbr.gov/watersmart/
- 2 CFR 184 BUY AMERICA PREFERENCES FOR INFRASTRUCTURE PROJECTS
- M-22-11 Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure
- M-24-02 Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure
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