Congress passed a law January 17, 2014, that requires water systems to use U.S. steel and iron products for projects funded in part or in full by a Drinking Water State Revolving Fund (DWSRF) loan. The requirement applies to loan agreements signed on or after January 17, 2014. The U.S. Environmental Protection Agency (EPA) is working on guidance for the Buy American requirements. We developed the following guidance to use in the interim. You can find the specific Buy American language in HR 3547, Consolidated Appropriations Act 2014.

**Does this requirement apply to all federal fiscal year 2014 projects?**

No. The federal fiscal year begins October 1 and ends September 30. The requirements do not apply if your loan agreement was signed before January 17, 2014, or we approved your engineering plans and specifications prior to that date. The requirements also exempt strictly planning or design projects and standard refinancing if you completed construction before January 17. However, potential funding applicants doing planning and design projects should know that the requirements might apply to future construction projects.

We believe this could become an ongoing requirement for DWSRF loans. When you develop plans and specifications for projects that may be using DWSRF construction loans, you should consider this a requirement until we receive guidance from EPA.

**What types of iron and steel products are required?**

The act defines iron and steel products as, “…the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.”

**How do we verify that our iron and steel products are American?**

We are waiting for EPA to provide guidance on specific requirements. However, recipients must be able to verify and document that all iron and steel products purchased as part of the construction project were produced in the United States.
Can I apply for a waiver to this requirement?
Waivers will be granted on a product-by-product basis. EPA is preparing guidance on a national waiver that may apply to upcoming projects. Health is also exploring the possibility of a waiver for projects that were in process when Congress passed the Buy American requirements.

In the meantime, you may be able to get a waiver if the EPA administrator decides:

- The requirements are inconsistent with the public interest.
- The U.S. doesn’t produce iron and steel products in sufficient and reasonably available quantities and of a satisfactory quality.
- Including U.S. iron and steel products will increase the cost of the overall project by more than 25 percent.

We are available to help you with your waiver requests. If a waiver will be required for an iron or steel product used in your project, the best time to obtain a waiver is during design of the project.

These waivers may affect the applicability of Buy American requirements.

If this increases the cost of my project, can I get additional funds?
Recipients of DWSRF loan cycle funds that do not meet the exemptions listed above may request additional funding when Buy American requirements cause the bid to exceed previously estimated construction costs. We may provide additional SRF loan funds if they are available.

If the Buy American requirement increases the overall cost of your project by more than 25 percent, you may apply for a waiver.

Where can I get more information?

- Department of Health Office of Drinking Water, Joseph Crossland, joseph.crossland@doh.wa.gov or (360) 236-3166
- Rick Green, U.S. EPA, Region 10, Drinking Water State Revolving Fund, green.richard@epa.gov or (206) 553-8504

Our publications are online at https://fortress.wa.gov/doh/eh/dw/publications/publications.cfm

For people with disabilities, this document is available on request in other formats. To submit a request, please call 1-800-525-0127 (TDD/TTY call 711).