

**BUILD AMERICA, BUY AMERICA ACT  
FINAL PUBLIC INTEREST WAIVER**

**Project-Specific Public Interest Previously Planned Project Waiver for  
Ten (10) Previously Planned State Veteran Home Construction Grant  
Program Projects**

**1. Summary.**

The United States Department of Veterans Affairs (VA) is issuing a public interest previously planned project waiver of the requirements of section 70914 of the Build America, Buy America Act (BABAA) (Buy America preference) included in the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58) for the ten projects listed below.

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|----------------------------------------------|---------------------------------------|
| a. <u>06-071 – Yountville, CA</u>            | Bed Replacement: 240 Bed Facility     |
| b. <u>17-054 – Manteno, IL</u>               | Renovation: Roofing                   |
| c. <u>27-054 – Silver Bay, MN</u>            | Renovation: Exterior Windows          |
| d. <u>27-055 – Luverne, MN</u>               | Renovation: Interior Door Replacement |
| e. <u>27-056 – Silver Bay, MN</u>            | Renovation: HVAC Replacement          |
| f. <u>28-012 – Collins, MS</u>               | Renovation: Flooring, Chapel, Hallway |
| Remodel                                      |                                       |
| g. <u>35-006 – Truth or Consequences, NM</u> | Bed Replacement: 72 Bed Facility      |
| h. <u>45-011 – Walterboro, SC</u>            | Renovation: Chiller Replacement       |
| i. <u>55-083 – Union Grove, WI</u>           | Renovation: Kitchenettes, Restrooms,  |
| Drinking Fountains, Handrails, HVAC          |                                       |
| j. <u>55-088 – Union Grove, WI</u>           | Renovation: Roofing and Nurse Call    |
| System                                       |                                       |

The ten projects listed above were either fully constructed (completed), awarded construction contracts, or had an architectural/engineering (A/E) contract awarded and were on an expedited design/construction schedule prior to the BABAA effective date of May 14, 2022.

In each of the ten projects, the states submitted grant applications, which met the criteria for placement on the Priority List for funding. Once ranked high enough on the Priority List, VA will provide Federal financial assistance for up to 65% of the project budget. The total number of projects funded each fiscal year is determined by VA's available appropriations. If a project is not funded in one fiscal year, the project is eligible to be rolled over to the following fiscal year. Group 1 projects that are rolled over will stay in Group 1, but their ranking within Group 1 may change depending on new applications and the reclassification of other rolled-over projects.

Due to the length of time a project is on the Priority List before it receives an award, a state often proceeds with construction, using state funding, while waiting for a Federal award from VA. Of the ten projects included in this waiver, five projects completed

construction prior to the BABAA effective date, and four projects awarded construction contracts and began work prior to May 14, 2022. One project, (New Mexico's Truth or Consequences FAI 35-006) was on an expedited design and construction schedule to address emergency resident safety issues and was awarded an architectural/engineering (A/E) contract prior to May 14, 2022, and completed design and construction documents within 75 days. The project was completed in May 2024 and has Veterans living in the home. This project is included in the waiver request as it would have been challenging to incorporate BABAA into the project/contracts due to the extreme pace of the project schedule. Once the state was made aware of the BABAA requirements, the remaining 26% of the subsequent subcontracts and materials satisfied the BABAA requirements. Again, to bring this project into compliance, demolition, re-design/engineering, new construction contracts, and material purchases would be required, affecting the Veterans living in the home and potentially the state's budget.

Except for a portion of the New Mexico project, the projects listed are not compliant with BABAA because the construction contracts were awarded prior to the effective date of BABAA, and the work was completed or in progress as of the effective date. When the construction contract awards were made, the subcontractors were contracted, and all iron, steel, manufactured products, and construction materials were sourced and purchased. To bring these projects into compliance, portions of each facility would need to be demolished, design and engineering redone, new materials purchased, and construction contracts re-awarded, affecting the states' ability to provide Veteran care. Additional funds would also be required to re-do the design and construction work, which most likely would exceed the 10% threshold allowed by award terms and conditions for cost increases from the amount approved on the Priority List, which would prevent states from recovering those funds from VA.

For the reasons set forth in this notice, VA finds that it is in the public interest to issue a waiver of BABAA requirements for these projects. This waiver covers Federal award(s) issued for these projects that were planned prior to the implementation date of BABAA on May 14, 2022.

This waiver will be in effect for Federal awards made for projects identified in this waiver for five (5) years from the publication date (June 24, 2030) of the final waiver. At the conclusion of the waiver period, VA will evaluate whether it is appropriate to propose extending the waiver or allowing it to expire. None of the Federal awards the waiver will apply to have been made by VA yet; VA intends to make those awards following the publication date of the final waiver.

Summary of Public Comments: The proposed waiver was posted on VA's public facing webpage during the period of February 20 – March 7, 2025, and a notice of the proposed waiver was posted to the Made in America website, to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with fifteen (15) days to submit comments. No (zero) comments were received from the

public, and therefore no substantive changes were made between this waiver and the version that was posted for public comment.

## **2. Background.**

The Buy America preference in section 70914 of BABAA included in the Infrastructure Investment and Jobs Act (P.L. 117-58), requires all iron, steel, manufactured products, and construction materials used for infrastructure projects under Federal financial assistance awards be produced in the United States.

Under section 70914(b), VA may waive the application of the Buy America Preference, in any case in which it finds that: applying the domestic content procurement preference would be inconsistent with the public interest; types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25%. All waivers must have a detailed written explanation for the proposed determination; provide a period of not less than 15 days for public comment on the waiver; and submit the waiver to the Office of Management and Budget Made in America Office for review to determine if the waiver is consistent with policy.

This waiver is specific to VA's State Home Construction Grant Program. The program has a unique process and specific regulations regarding the Priority List, how VA funds the projects, and how projects are rolled over to the following year if they are not awarded. As a result, it can take several years for a grant to be awarded, and when the grant is awarded, the award is based on the project costs estimated at the time of application, not at the time of award. The projects that are part of this waiver request were either placed on the Priority List and had construction contracts awarded (or construction completed) prior to BABAA implementation or had an A/E contract awarded prior to the BABAA effective date and were on an expedited construction schedule with no reasonable ability for the states to comply with BABAA.

The states listed above are requesting the waiver so that they may receive a grant award when their project is high enough on the Priority List and VA has sufficient funds to make a grant award. Other interested stakeholders include, most importantly, the Veterans that will benefit from the services provided by the State homes included in the waiver, Members of Congress representing these states, and the public in the responsible stewardship of taxpayer funds.

## **3. Description of Project(s).**

Federal Agency Office Name: United States Department of Veterans Affairs

Common Government-wide Accounting Classification: 036

Federal Financial Assistance Listing: State Veterans Home Construction Grant Program (64.005)

Project & Recipient Information: See below for individual project/recipient information.

a. Title of Project: **California State Veteran Home: New Construction-240 Bed Facility**

- Project Description and Location: CalVet is constructing a new, 4-story, 77,700 square foot (sf) floor skilled nursing facility with an anticipated construction completion fall of 2025 in Yountville, CA.
- Recipient Name: California's Department of Veterans Affairs (CalVet)
- Unique Entry Identifier (UEI): LV86ZX5SNVE6
- Federal Financial Assistance Identification Number (FAIN): FAI 06-071
- Federal Financial Assistance Funding Amount: \$209,341,970.50
- Total Cost of Infrastructure Expenditures: \$324,190,900.00

b. Title of Project: **Illinois State Veteran Home: Renovation - Roofing**

- Project Description and Location: Illinois' Department of Veterans Affairs replaced roofing on six buildings at the Manteno, IL Veteran State Home. The work was completed February 2, 2022.
- Recipient Name: Illinois Department of Veterans Affairs
- Unique Entry Identifier (UEI): FSWMLW525CX9
- Federal Financial Assistance Identification Number (FAIN): FAI 17-054
- Federal Financial Assistance Funding Amount: \$2,301,000.00
- Total Cost of Infrastructure Expenditures: \$3,840,000.00

c. Title of Project: **Minnesota State Veteran Home: Renovation - Exterior Windows**

- Project Description and Location: Minnesota's Department of Veterans Affairs replaced 20 to 25-year-old windows with energy efficient ones at the Silver Bay, MN Veteran State Home. The work was completed June 14, 2019.
- Recipient Name: Minnesota Department of Veterans Affairs
- Unique Entry Identifier (UEI): J34ULGUQP9X3
- Federal Financial Assistance Identification Number (FAIN): FAI 27-054
- Federal Financial Assistance Funding Amount: \$494,049.54
- Total Cost of Infrastructure Expenditures: \$760,076.22

d. Title of Project: **Minnesota State Veteran Home: Renovation – Interior Door Replacement**

- Project Description and Location: Minnesota's Department of Veterans Affairs replaced the original wood doors to the resident rooms, bathrooms, and hallways at the Luverne, MN Veteran State Home. The work was completed October 10, 2019.
- Recipient Name: Minnesota Department of Veterans Affairs
- Unique Entry Identifier (UEI): J34ULGUQP9X3
- Federal Financial Assistance Identification Number (FAIN): FAI 27-055
- Federal Financial Assistance Funding Amount: \$481,121.99
- Total Cost of Infrastructure Expenditures: \$740,187.67

- e. Title of Project: **Minnesota State Veteran Home: Renovation – HVAC Replacement**
- Project Description and Location: Minnesota’s Department of Veterans Affairs replaced the entire HVAC system including the original 1953 boilers and 1989 boilers, and the 1953 and 1989 air handling units at the Silver Bay, MN Veteran State Home. The work was completed November 18, 2022.
  - Recipient Name: Minnesota Department of Veterans Affairs
  - Unique Entry Identifier (UEI): J34ULGUQP9X3
  - Federal Financial Assistance Identification Number (FAIN): FAI 27-056
  - Federal Financial Assistance Funding Amount: \$3,900,000.00
  - Total Cost of Infrastructure Expenditures: \$6,000,000.00
- f. Title of Project: **Mississippi State Veteran Home: Renovation – Flooring, Chapel, Hallway Remodel**
- Project Description and Location: Mississippi’s Veterans Affairs incorporated a main street design concept with their remodel at the Collins, MS Veteran State Home. The work was completed July 31, 2023.
  - Recipient Name: Mississippi Veterans Affairs
  - Unique Entry Identifier (UEI): CXLXKS93WF16
  - Federal Financial Assistance Identification Number (FAIN): FAI 28-012
  - Federal Financial Assistance Funding Amount: \$650,000.00
  - Total Cost of Infrastructure Expenditures: \$1,000,000.00
- g. Title of Project: **New Mexico State Veteran Home: Bed Replacement: 72 Bed Facility**
- Project Description and Location: New Mexico’s Department of Veterans Services constructed six, 7,800 sf small homes with 12 residents each and private bedrooms/bathrooms for a total of 46,800 sf and 72 beds at the Truth or Consequences, NM Veteran State Home. The work was completed May 2024.
  - Recipient Name: New Mexico Department of Veterans Services
  - Unique Entry Identifier (UEI): E7TEBXBL17P5
  - Federal Financial Assistance Identification Number (FAIN): FAI 35-006
  - Federal Financial Assistance Funding Amount: \$32,241,643.00
  - Total Cost of Infrastructure Expenditures: \$52,184,927.00
- h. Title of Project: **South Carolina State Veteran Home: Renovation – Chiller Replacement**
- Project Description and Location: South Carolina’s Department of Veterans Affairs replaced two (2) of the existing three (3), 390-ton air-cooled chillers at the Walterboro, SC Veteran State Home. The work was completed November 11, 2020.
  - Recipient Name: South Carolina Department of Veterans Affairs
  - Unique Entry Identifier (UEI): KGLNFGPQMFB4
  - Federal Financial Assistance Identification Number (FAIN): FAI 45-011
  - Federal Financial Assistance Funding Amount: \$529,750.00
  - Total Cost of Infrastructure Expenditures: \$815,000.00

- i. Title of Project: **Wisconsin State Veteran Home: Renovation: Kitchenettes, Restrooms, Drinking Fountains, Handrails, HVAC**
- Project Description and Location: Wisconsin's Department of Veterans Affairs remodeled kitchenette in Boland Hall, campus wide restroom/drinking fountain and handrail upgrades, and replaced two (2) of the existing three (3), 390-ton air-cooled chillers at the Union Grove, WI Veteran State Home. The work was completed December 01, 2022.
  - Recipient Name: Wisconsin Department of Veterans Affairs
  - Unique Entry Identifier (UEI): CWKEECAJP9H9
  - Federal Financial Assistance Identification Number (FAIN): FAI 55-083
  - Federal Financial Assistance Funding Amount: \$451,750.00
  - Total Cost of Infrastructure Expenditures: \$695,000.00
- j. Title of Project: **Wisconsin State Veteran Home: Renovation: Roofing and Nurse Call System**
- Project Description and Location: Wisconsin's Department of Veterans Affairs replaced the roof of Maurer Hall and the nurse system at Boland Hall at the Union Grove, WI Veteran State Home. The work was completed January 9, 2021.
  - Recipient Name: Wisconsin Department of Veterans Affairs
  - Unique Entry Identifier (UEI): CWKEECAJP9H9
  - Federal Financial Assistance Identification Number (FAIN): FAI 55-088
  - Federal Financial Assistance Funding Amount: \$661,986.00
  - Total Cost of Infrastructure Expenditures: \$1,018,440.00

**4. Assessment of cost advantage of a foreign-sourced product.**

Under the [Office of Management and Budget Memorandum M-24-02](#), VA is expected to assess "whether a significant portion of any cost advantage of a foreign-sourced product is the result of the use of dumped steel, iron, or manufactured products or the use of injuriously subsidized steel, iron, or manufactured products" as appropriate before granting a public interest waiver.

VA's analysis has concluded that this assessment is not applicable to this waiver as this waiver is not based on the cost of foreign-sourced products.

//signed//  
Douglas A Collins  
Secretary of Veterans Affairs  
June 24, 2025