Supporting Statement for Department of Veterans Affairs (VA) Acquisition Regulation (VAAR) Clause 852.236-89, Buy American Act Approved OMB Control No. 2900-0622

## A. Justification

1. This Paperwork Reduction Act (PRA) submission requests the extension of Office of Management and Budget (OMB) approval No. 2900-0622 for Department of Veterans Affairs Acquisition Regulation (VAAR) clause 852.236-89, Buy American Act, for collection of information using this clause.

2. The Buy American Act requires that only domestic construction material shall be used to perform domestic Federal contracts for construction, with certain exceptions. VA policy is to not accept foreign construction material. However, if a bidder chooses to submit a bid that includes foreign material, VA will consider such bids if the material is specifically identified and the price of the material is provided. VAAR clause 852.236-89, Buy American Act, advises bidders of these provisions and requires bidders who want to offer foreign construction material to list the material and its price. Bidders who do not intend to offer foreign material do not need to submit any information under this clause. The information is required to allow VA to make an informed decision as to whether or not to accept a bid that includes foreign materials and, when they do, very few of those offers are accepted.

3. Collection efforts do not involve the use of automation. The information required is specific and unique to each solicitation.

4. There are no duplicated efforts. Only up-to-date information on foreign construction material and on the price of that material for that specific solicitation is acceptable.

5. There is no significant impact on small businesses.

6. Failure to collect the information would have a negative impact on VA's ability to enforce its policy on the Buy American Act. In the rare instance where foreign construction material would result in a significant cost savings to VA, failure to collect the information could result in VA paying excessive costs for a construction project.

7.

a. The information is needed with each solicitation rather than quarterly. The information is specific to a particular solicitation. The information is only required once for each solicitation where the bidder wants to offer foreign construction material.

b. The information is submitted by a bidder with each construction contract solicitation bid where a bidder wants to offer foreign construction material. The

information must be submitted with the bid. If no information is submitted, the signed bid is considered a declaration by the bidder that no foreign construction material will be used on the project.

- c. Only one original is required.
- d. There are no records retention requirements.
- e. This is not a statistical survey.
- f. This does not require the use of statistical data classification.
- g. This does not include a pledge of confidentiality.
- h. This does not require the submission of proprietary information.

8. Notice regarding use of this provision in all solicitations was published in the Federal Register on January 31, 2014, at page 5531. No comments were received.

9. No payments or gifts will be provided.

10. No assurances of confidentiality will be provided to respondents.

11. The request for information does not include any questions of a sensitive nature.

12.

a. Estimated number of respondents: 40.

b. Estimated frequency of responses: One response for each construction contract solicitation bid where the bidder wishes to offer foreign construction material.

c. Estimated average burden per collection: 30 minutes.

d. Estimated total annual reporting burden: 20 hours.

e. Estimated annualized cost: \$600 (20 hours at \$30 per hour, estimated salary rate, including benefits, based on the likelihood that an individual at a level similar to a GS-11, Step 5, VA contracting officer would provide this information).

13.

- a. There are no capital costs or operating or maintenance costs.
- b. Costs are not expected to vary widely.

c. There are no equipment costs.

14. Estimated annualized cost to the Government: \$650 (20 hours at \$30 per hour, salary rate, including benefits, based on the average GS-11 grade for VA contracting officers, plus \$50 printing costs). The information is evaluated upon receipt. If acceptable, no additional special action is required and normal contract award action is taken. If the foreign material is not accepted, the bidder is notified of rejection of the offered foreign material. Although printing costs are shown, there would be no savings from elimination of this provision, as the provision is included as part of each solicitation package and elimination of this one provision would eliminate few, if any, pages from the solicitations issued for construction contracts.

15. There are no program changes.

16. The results will not be published.

17. This request seeks approval to not display the expiration date for OMB approval. This is an on-going requirement. There is a continuing need for this clause for use in VA construction contracts to emphasize VA's policy regarding the Buy American Act and to allow bidders to offer foreign materials if they so choose. VA expects to continue use of this provision indefinitely and an expiration date would only tend to confuse the public.

18. This submission does not contain any exceptions to the certification statements.

B. <u>Collection of Information Employing Statistical Methods</u>: Statistical methods will not be employed.