

**GUIDANCE ON STEEL CERTIFICATION RELATIVE TO THE
REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP)**

Updated March 2023

The following guidance is a clarification from the Office of the Budget (OB) regarding the requirements associated with the Pennsylvania Steel Products Procurement Act (SPPA) relative to the RACP program whose statutes are regulated under Act 1 of 1999, as amended. In the past, many a grantee has inquired about specific cases and we were able to provide each individual project with specific directions. Additionally, we had only accepted the ST-4 form that the Department of General Services (DGS) had exclusively devised to address exceptions linked to the requirements of the SPPA in the handling of special cases or exceptions. Please note that cost consideration (or convenience) is not an acceptable justification that the ST-4 form can address. Filled out ST-4 forms premised on cost consideration will not be accepted by OB.

Effective immediately, OB will accept two more DGS ST forms (ST-2, ST-3) with some caveats, providing that the forms are properly filled out. The ST-1 form is NOT a valid option and shall NOT be accepted by OB. It is not necessary for the ST-2, ST-3, and ST-4 forms to be notarized. Please, be advised that this guidance is specifically tailored to suit the published and programmatic needs of OB as the overseer of RACP program. This is not a commonwealth-wide policy. Any attempt to impose this guidance on other state agencies is strongly discouraged.

Please, be aware that the aforementioned ST forms are acceptable only in cases where non-structural steel needs to be addressed. The DGS ST forms do not replace the steel certification forms associated with structural steel. It remains the responsibility of the project representatives to provide documented evidence that a non-structural steel product is not domestically produced in sufficient quantities.

OB shall continue to require that steel mill certifications be submitted to demonstrate compliance with the steel requirements. Please, be further advised that OB DOES NOT need to approve the ST forms prior to the start of the construction period. The ST forms need to be submitted to demonstrate that compliance, when and where necessary, has been met. The ST forms exceptions are displayed below. Please, contact us if you have any questions.

It is suggested that the certifications be collected at the time any steel for the project is purchased and delivered to ease the collection process.

Effective January 1, 2013 OB began utilizing the DGS Exempt Machinery and Equipment Steel Products listings as part of the RACP steel policy. DGS published a Statement of Policy - Steel Products Procurement in the Pennsylvania Bulletin Volume 43, Number 6 dated February 9, 2013 (See PA Bulletin #43, pages 85-86) that discussed their production of an annual list, based on their analysis of submitted ST-4 forms, which exempts certain steel products not produced domestically in sufficient quantity.

No other changes in RACP steel policy resulted from this new adjustment; consequently, the use of steel certificates for structural steel will still be required. Please note that the use of ST 2, 3, and 4, as requested for other steel products, will still be utilized unless an exemption based on the list has been formulated and forwarded to OB.

RACP Policy for Compliance with the Steel Products Procurement Act:

Two distinct approaches are presented below:

Structural Steel Products

Pursuant to the SPPA, OB will require a mill certificate containing the statement "milled, melted, and manufactured in the USA" for all structural steel products used on RACP projects. We shall deem as ineligible all contracts that are unable to demonstrate compliance via the submission of steel certifications. Therefore, the value of construction contracts associated with non-compliant steel will be removed (both materials and labor costs) from the scope of the project.

Non-Structural Steel Products

Pursuant to the SPPA, OB will require, either, a mill certificate containing the statement "milled, melted, and manufactured in the USA" or the appropriate ST form or an **Exemption Request** to utilize the DGS current years' Final List of Exempt Machinery and Equipment Steel Products to demonstrate compliance associated with the non-structural steel products used on RACP projects. OB shall deem as ineligible all contracts that are unable to demonstrate compliance via the submission of steel certifications /**ST forms/Exemption Request** based on the DGS Exempt Machinery and Equipment Steel Products listing. Therefore, the value of construction contracts associated with non-compliant steel will be removed (both materials and labor costs) from the scope of the project.

Recycled products, melted from previously used steel, are acceptable, providing that adequate documentation from the supplier has been furnished. The supplier shall certify that the recycled steel product was produced in the USA.

Furthermore, the burden of proof for all non-structural steel products not produced domestically in sufficient quantities is still the project's responsibility to provide.

Please be aware that the acceptance of ST forms is contingent upon the form being fully filled-in and compliant with the submission guidelines for steel certifications for DGS projects (see attached) with the following exceptions:

- A. It is not necessary for the forms to be notarized; however, all ST forms must be signed. Original signatures or electronic signatures through Adobe fill/sign, DocuSign, or Nuance (program which allows electronic signature similar to Adobe fill/sign) are acceptable.
- B. Any questions regarding steel certification submissions and/or compliance with the Act shall be submitted to OB (Scott Bowman - scotbowman@pa.gov).
- C. The Steel certification forms do NOT need to be submitted and approved by OB before the steel product arrives on site so as not to interfere with the project construction schedule.
- D. OB assumes responsibility for acceptance of the DGS ST forms in accordance with this policy.

Completion of the ST-2, ST-3, and ST-4 forms shall follow the DGS directions attached to the form with the following exceptions:

- o ST forms do NOT need to be submitted and approved by OB before the steel product arrives on site so as not to interfere with the construction schedule.

- o RACP ME# assigned to the project shall be inserted in all areas requiring the DGS contract number (Line#5).
- o RACP official project name shall be inserted in all areas requiring the contract title (Line #6).

Note:

Acceptance of each ST form shall be determined by OB at its sole discretion. All documents and other information to be delivered in order to demonstrate compliance with the steel requirements shall be and are, in form, content and substance, subject to the approval of OB, which approval may be withheld or delayed at OB's discretion. OB reserves the right to reject all improperly filled out or unsupported ST forms.

Below are links to PDF copies of the three acceptable ST Forms that can be obtained from the RACP website:

- [ST-2 Steel Origin Certification: Non-Identifiable, Non-Structural Steel](#)
- [ST-3 75% U.S. Manufacture Certification](#)
- [ST-4 Not Domestically Manufactured: Prime Contractor](#) (only to be used when the items requested to be exempted are not found on the appropriate year's List of Exempt Machinery and Equipment Steel Products [see section below entitled "Year of DGS Exemption Listing to Use"])

To implement the RACP policy on Non-structural Steel Exemption Request utilizing the DGS's current years' Final List of Exempt Machinery and Equipment Steel Products, referred to as the "Exemption List", please follow the below requirements:

1. The Project must be under "active" construction (workers on site) on or AFTER 1/01/2013 (RACP effective date) to use the "Exemption List".
2. "Active" construction does not include performance of just "punch list" items.
3. Effective date is based on the "active" construction date and not the date the machinery and equipment were purchased.
4. There is no retroactive application of utilization of the "Exemption List".
5. No ST-4 form is required for a RACP Exemption Request based on the "Exemption List".
6. RACP Exemption Request (to utilize the "Exemption List") must come from a contractor involved in the construction of the project and be:
 - On Construction Company Letterhead.
 - Dated and Signed by appropriate company official (does not need to be notarized).
 - Should be addressed to Office of Budget
 - Should contain RACP project name and/or ME #
 - Lists any/all machinery and equipment that the Company is requesting to have exempted from ST-4 documentation.
 - All items listed on RACP Exemption Request letter must clearly match-up to an item on the appropriate year's "Exemption List" and the Exemption List year should be notated for each item.
 - There can/may be multiple construction company RACP Exemption Request letters utilized for various machinery and equipment, as applicable, per project.
 - Exemption Request can be submitted directly by the project to OB or through the State Assigned Consultant for their project.

- Any questions regarding the exemption request submission and/or compliance with the SPPA shall also be submitted to OB, to the attention of Scott Bowman, Scotbowman@pa.gov

Year of DGS Exemption Listing to Use:

A project should be using the exemption listing for when they are in active construction. For example, if construction was active (and complete) in 2019 they would use the 2019 listing. If a project overlaps a calendar year, they should use the latest listing in which construction is active. For example, if construction is active in 2019 and 2020, they would use the 2020 listing.

If a project is phased, they should use the listing for the year they are in active construction for each phase. For example, if the first phase starts and ends in 2020 whereas the second phase starts and ends in 2021, the first phase would use the 2020 listing while the second phase would use the 2021 listing. If a phase overlaps a calendar year, follow the 1st paragraph above.

Among other items, the DGS web page for Steel Products Procurement Act information includes links for a copy of the Act; the current year's Final List of Exempt Machinery and Equipment Steel Products; the PA Bulletin's Steel Products Procurement Act Statement of Policy; and Frequently Asked Questions. Certain prior years DGS Exemption Lists are downloadable from the RACP website.

Please be aware that all other steel items not specifically exempted or that may require any type of interpretation would be discretionary to OB's policy. Be reminded that this exemption listing is not effective for structural steel.

Note:

Acceptance of each Exemption Request shall be determined by OB at its sole discretion. All documents and other information to demonstrate compliance with the steel requirements shall be in form, content, and substance, subject to the approval of OB, which approval may be withheld or delayed at OB's discretion. OB reserves the right to reject all improperly filled out or unsupported Exemption Request.