



Steel Products Procurement Act - as amended October 2012
Frequently Asked Questions

Q. When is the effective date of the “Exempt Machinery and Equipment Steel Products List”?

A. The list was publicly posted on Monday, April 8, 2013 and is effective as of that date.

Q. I represent a “public agency” that issues contracts that require compliance with the Steel Products Procurement Act. It seems this “exempt products” list has been issued to implement an amendment to the Act. What does the publication of this list mean to my “public agency”?

A. The Amendment to the Steel Products Procurement Act required DGS to create a list of exempt machinery and equipment steel products. A public agency (i.e., the project owner) may incorporate this list of exempt machinery and equipment steel products on their projects. When it is incorporated and a steel product from the list is used on the project, the project owner does not need to require any documentation from a contractor or subcontractor in regards to its steel origin to be able to pay for the exempt steel product.

Q. Who do I contact if I have questions regarding the Steel Products Procurement Act?

A. All public agencies are required to include the Steel Act provisions in their contract documents, so you should contact the public agency that bid the project or issued the contract documents.

Q. Who is responsible for enforcing and/or interpreting the Steel Products Procurement Act?

A. Since each public agency is required to include the Steel Act provisions in their contract documents, they are also responsible for enforcing and interpreting the Steel Act for their own projects. DGS is only responsible for enforcing and/or interpreting the Act on DGS projects.

Q. In reviewing the list of exempt machinery and equipment steel products, can we assume that all sizes, makes and models of the items listed are exempt? For example, “galvanized carriage bolts” appear on the list; are all sizes of “galvanized carriage bolts” exempt?

A. Yes; if a product appears on the list, all sizes, makes and models of that product are exempt.

Q. Can my company contact DGS to add a product to this list at any time by submitting the required form?

A. No. The Amendment and the department’s Statement of Policy outline the process for requesting additions to the list. The process for updating the list will be repeated in early January 2014 (annually thereafter) through an announcement in the PA Bulletin accompanied by a new DRAFT list of exempt machinery and equipment steel products. The new DRAFT list will be comprised of the 2013 list plus any additional products the department exempted during CY 2013 through the ST-4 process.

Q. When embedding a product that is exempt from the Steel Products Procurement Act into system equipment that is not exempt, should we exclude the value of the embedded product when calculating whether or not the United States material costs are greater than 75% of the total cost?

A. Each item appearing on the Exempt Machinery and Equipment Steel Products list is a stand-alone steel product. The costs of these steel products cannot be used to satisfy any cost analysis on another steel product.