

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[Docket No. FRA-2012-0033]

Notice of Intent To Grant a Buy America Waiver to the North Carolina Department of Transportation To Use Certain Non-Domestic Components of a Fire Alarm System

AGENCY: Federal Railroad Administration (FRA), United States Department of Transportation (DOT).

ACTION: Notice of intent to grant Buy America waiver.

SUMMARY: FRA is issuing this notice to advise the public it intends to grant the North Carolina Department of Transportation (NCDOT) a waiver from FRA's Buy America requirement to use certain non-domestic components of a fire alarm system that Lake Electric, Inc. will provide for the Locomotive and Railcar Maintenance Facility project in Charlotte, NC. Lake Electric, Inc. is an electrical contractor for the Locomotive and Railcar Maintenance Facility project.

DATES: Written comments on FRA's determination to grant a Buy America waiver to NCDOT should be provided to the FRA on or before May 18, 2018.

ADDRESSES: Please submit your comments by one of the following means, identifying your submissions by docket number FRA-2012-0033. All electronic submissions must be made to the U.S. Government electronic site at <http://www.regulations.gov>. Commenters should follow the instructions below for mailed and hand-delivered comments:

(1) *Website:* <http://www.regulations.gov>. Follow the instructions for submitting comments on the U.S. Government electronic docket site;

(2) *Fax:* (202) 493-2251;

(3) *Mail:* U.S. Department of Transportation, 1200 New Jersey Avenue SE, Docket Operations, M-30, Room W12-140, Washington, DC 20590-0001; or

(4) *Hand Delivery:* Room W12-140 on the first floor of the West Building, 1200 New Jersey Avenue SE, Washington, DC, 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Instructions: All submissions must reference the "Federal Railroad Administration" and include docket number FRA-2012-0033. Due to security procedures in effect since October 2001, mail received through the U.S. Postal Service may be subject to

delays. Parties submitting responses to this notice should consider using an express mail firm to ensure the prompt filing of any submissions not filed electronically or by hand. Note that all submissions received, including any personal information therein, will be posted without change or alteration to <http://www.regulations.gov>. For more information, you may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477), or visit <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Mr. John Johnson, Attorney-Advisor, FRA Office of Chief Counsel, 1200 New Jersey Avenue SE, Washington, DC 20590, (202) 493-0078, John.Johnson@dot.gov.

SUPPLEMENTARY INFORMATION: FRA provided information on its reasons for granting this waiver in a letter to NCDOT, quoted below:

NCDOT Rail Division
1553 Mail Service Center
1 South Wilmington Street
Raleigh, NC 27699-1553
Re: Request for Waiver of Buy America Requirement
Dear Mr. Allan Paul:

On April 4, 2017, Lake Electric, Inc. requested a waiver from the Federal Railroad Administration's (FRA) Buy America requirement (49 U.S.C. 24405(a)) to use certain components of a fire alarm system, which cannot be sourced in the United States, in the Locomotive and Railcar Maintenance Facility project in Charlotte, NC (Project). The Project is for the construction of a railcar and maintenance facility in Charlotte, North Carolina. The North Carolina Department of Transportation (NCDOT), through its contractor, awarded Lake Electric, Inc. the electrical construction sub-contract for the Project. The \$23.25 million project is funded by an American Recovery and Reinvestment Act of 2009 grant to NCDOT.

The Project is subject to 49 U.S.C. 24405(a)(1). Section 24405(a)(1) requires the steel, iron, and manufactured goods used in a project to be produced in the United States. FRA may waive the Buy America requirements if FRA finds that: (1) applying the requirements would be inconsistent with the public interest; (2) the steel, iron, and goods manufactured in the United States are not produced in sufficient and reasonably available amounts or are not of a satisfactory quality; (3) rolling stock or power train equipment cannot be bought or delivered to the United States within a reasonable time; or (4) including domestic material will increase the cost of the overall project by more than 25 percent.

For the reasons stated in this letter, FRA grants a "non-availability" Buy America waiver. FRA is providing its decision on the waiver to NCDOT as the FRA grant recipient for this Project, and this waiver applies only to this Project.

Lake Electric seeks a waiver for the following components (Components) for use in the Project:

Description	Quantity
252 Point Fire Alarm Control Panel	1
Digital Alarm Communicator Transmitter	1
Remote Annunciators	1
RS-485 Interface Modules	1
12V7ah SIA Batteries	4
Dual Action Manual pull stations ..	7
Photoelectric Smoke Detectors	22
Relay Modules	4
Red Wall Mount Horn/Strobes	18
Red Wall Mount Strobes	14
Multi-Criteria Fire Detectors	5
Monitor Modules	5
Dual Input Monitor Modules	1

The total cost of the fire alarm system is less than \$6,000, and the total cost of the non-U.S. manufactured components is less than \$4,000.

Lake Electric asserts the following facts in support of the waiver request:

Lake Electric sought bids from fourteen qualified suppliers and received two bids for the fire alarm system from suppliers Southern Sound and Lefler Electronics. Although these suppliers source many fire alarm system components from U.S. manufacturers, neither of the suppliers offered a one hundred percent Buy America-compliant system. All fire alarm system suppliers use a mix of foreign and US-made components; and

The foreign components used by suppliers vary. However, due to programming, interoperability, and certification issues, the components are not interchangeable among systems. Therefore, suppliers cannot swap out components to meet Buy America.

FRA independently verified these assertions with its Monitoring and Technical Assistance Contractor (MTAC), TranSystems. An electrical engineer from FRA's MTAC explained that large international suppliers source or manufacture pieces of the fire alarm system in different countries. Further, many portions of the system are addressable (individually programmable), which means the software and hardware must be compatible and tested. In addition, fire alarm components and systems are UL® listed. UL® is a third-party, independent company that certifies safety compliance of many systems and their components, including fire alarm systems. Attempting to swap pieces of a fire alarm system would jeopardize its UL® listing and could cause product warranty and liability issues.

FRA concludes a waiver is appropriate under 49 U.S.C. 24405(a)(2)(B) for the Components because domestically-produced Components are not currently "produced in sufficient and reasonably available amounts." 49 U.S.C. 24405(a)(2)(B). FRA bases this determination on the following:

For competitively bid, commercial products for buildings, such as fire alarm systems, FRA views receiving no Buy America-compliant bids as presumptive evidence the conditions exist to grant a non-availability waiver;

On September 28, 2017, FRA provided public notice of this waiver request and a 15-day opportunity for comment on its website. FRA also emailed notice to over 6,000 recipients that requested Buy America notices through "GovDelivery." FRA received one comment. However, the commenter did not provide any information about a domestic source for a fully Buy America-compliant fire alarm system; and

FRA's MTAC concurred with Lake Electric that due to programming, interoperability, and certification issues, components are not interchangeable among systems. Therefore, fire alarm system suppliers cannot swap out components to meet Buy America.

This waiver applies only to this Project for these specific components.

Under 49 U.S.C. 24405(a)(4), FRA will publish this letter granting the Buy America waiver to the City in the **Federal Register** and provide notice of such finding and an opportunity for public comment after which this waiver will become effective.

Questions about this letter can be directed to, John Johnson, Attorney-Advisor, at John.Johnson@dot.gov or (202) 493-0078. Sincerely,
Ronald L. Batory,
Administrator
cc: Lake Electric Co.

Brett Andrew Jortland,
Acting Deputy Chief Counsel.

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DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund

Notice of Allocation Availability (NOAA) Inviting Applications for the Calendar Year (CY) 2018 Allocation Round of the New Markets Tax Credit (NMTC) Program

FUNDING OPPORTUNITY TITLE: Notice of Allocation Availability (NOAA) Inviting Applications for the Calendar Year (CY) 2018 Allocation Round of the New Markets Tax Credit (NMTC) Program.

ANNOUNCEMENT TYPE: Announcement of allocation availability.

DATES: Electronic applications must be received by 5:00 p.m. ET on June 28, 2018. Applications sent by mail, facsimile, or other form will not be accepted. Please note the Community Development Financial Institutions Fund (CDFI Fund) will only accept applications and attachments (*e.g.*, the Controlling Entity's representative signature page, investor letters, and organizational charts) in electronic form (see Section IV.C of this NOAA for more details). Applications must meet all eligibility and other requirements and deadlines, as applicable, set forth in this NOAA. Any Applicant that is not yet

certified as a Community Development Entity (CDE) must submit an application for CDE certification through the CDFI Fund's Awards Management Information System (AMIS) on or before 5:00 p.m. ET on May 24, 2018 (see Section III.A.1 of this NOAA for more details on CDE certification).

EXECUTIVE SUMMARY: This NOAA is issued in connection with the CY 2018 allocation round (Allocation Round) of the New Markets Tax Credit Program (NMTC Program), as authorized by Title I, subtitle C, section 121 of the Community Renewal Tax Relief Act of 2000 (Pub. L. 106-554) and amended by section 221 of the American Jobs Creation Act of 2004 (Pub. L. 108-357), section 101 of the Gulf Opportunity Zone Act of 2005 (Pub. L. 108-357), Division A, section 102 of the Tax Relief and Health Care Act of 2006 (Pub. L. 109-432), section 733 of the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 (Pub. L. 111-312), section 305 of the American Taxpayer Relief Act of 2012 (Pub. L. 112-240), section 115 of the Tax Increase Prevention Act of 2014 (Pub. L. 113-295), and section 141 of the Protecting Americans from Tax Hikes Act (PATH) of 2015. Through the NMTC Program, the CDFI Fund provides authority to CDEs to offer an incentive to investors in the form of tax credits over seven years, which is expected to stimulate the provision of private investment capital that, in turn, will facilitate economic and community development in Low-Income Communities. Through this NOAA, the CDFI Fund announces the availability of \$3.5 billion of NMTC allocation authority in this Allocation Round.

In this NOAA, the CDFI Fund specifically addresses how a CDE may apply to receive an allocation of NMTCs, the competitive procedure through which NMTC allocations will be made, and the actions that will be taken to ensure that proper allocations are made to appropriate entities.

I. Allocation Availability Description

A. Programmatic changes from the CY 2017 allocation round:

1. *Prior QEI Issuance Requirements:* Qualified Equity Investment (QEI) issuance threshold with respect to its prior-year allocation. These thresholds and deadlines have been revised in comparison to the CY 2017 NOAA. In this Round, the CDFI Fund is not requiring a minimum threshold of Qualified Equity Investments (QEIs) be issued as a condition of eligibility. During Phase 2, the CDFI Fund will consider prior Round Allocatees' QEI issuance recorded in the CDFI Fund's

online systems as of September 24, 2018. See Section V.C of this NOAA for additional details on Phase 2 reviews.

B. Program guidance and regulations: This NOAA describes application and allocation requirements for this Allocation Round of the NMTC Program and should be read in conjunction with: (i) Guidance published by the CDFI Fund on how an entity may apply to become certified as a CDE (66 **Federal Register** 65806, December 20, 2001); (ii) the final regulations issued by the Internal Revenue Service (the IRS) (26 CFR 1.45D-1, published on December 28, 2004), as amended and related guidance, notices and other publications; and (iii) the application and related materials for this Allocation Round. All such materials may be found on the CDFI Fund's website at <https://www.cdfifund.gov>. The CDFI Fund requires Applicants to review these documents. Capitalized terms used, but not defined, in this NOAA have the respective meanings assigned to them in the NMTC Program Allocation application, IRC § 45D or the IRS regulations. In the event of any inconsistency between this NOAA, the allocation application, and guidance issued by the CDFI Fund thereto, IRC § 45D or the IRS regulations, the provisions of IRC § 45D and the IRS regulations shall govern.

II. Allocation Information

A. Allocation amounts: Pursuant to the PATH Act of 2015, the CDFI Fund expects that it may allocate to CDEs the authority to issue to their investors the aggregate amount of \$3.5 billion in equity as to which NMTCs may be claimed, as permitted under IRC § 45D(f)(1)(D). Pursuant to this NOAA, the CDFI Fund anticipates that it will issue up to \$100 million in tax credit investment authority per Allocatee. The CDFI Fund, in its sole discretion, reserves the right to allocate amounts in excess of or less than the anticipated maximum allocation amount should the CDFI Fund deem it appropriate. In order to receive an allocation in excess of the \$100 million cap, an Applicant, at a minimum, must demonstrate that: (i) No part of its strategy can be successfully implemented without an allocation in excess of the applicable cap; and/or (ii) its strategy will produce extraordinary community outcomes. The CDFI Fund reserves the right to allocate NMTC authority to any, all, or none of the entities that submit applications in response to this NOAA, and in any amounts it deems appropriate.

B. Type of award: NMTC Program awards are made in the form of