SEC. 315 REQUIREMENT FOR SMALL SHIPYARD GRANTEES.

Section 54101(d) of title 46, United States Code, is amended—

(1) by striking “Grants awarded” and inserting the following:

“(1) IN GENERAL.—Grants awarded”; and

(2) by adding at the end the following:

“(2) BUY AMERICA.—

“(A) IN GENERAL.—Subject to subparagraph (B), no funds may be obligated by the Administrator of the Maritime Administration under this section, unless each product and material purchased with those funds (including products and materials purchased by a grantee), and including any commercially available off-the-shelf item, is—

“(i) an unmanufactured article, material, or supply that has been mined or produced in the United States; or
“(ii) a manufactured article, material, or supply that has been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured in the United States.

“(B) EXCEPTIONS.—

“(i) IN GENERAL.—Notwithstanding subparagraph (A), the requirements of that subparagraph shall not apply with respect to a particular product or material if the Administrator determines—

“(I) that the application of those requirements would be inconsistent with the public interest;

“(II) that such product or material is not available in the United States in sufficient and reasonably available quantities, of a satisfactory quality, or on a timely basis; or

“(III) that inclusion of a domestic product or material will increase the cost of that product or material by more than 25 percent, with respect to
a certain contract between a grantee
and that grantee’s supplier.

“(ii) **Federal Register.**—A deter-
mination made by the Administrator under
this subparagraph shall be published in the
Federal Register.

“(C) **Definitions.**—In this paragraph:

“(i) The term ‘commercially available
off-the-shelf item’ means—

“(I) any item of supply (including
construction material) that is—

“(aa) a commercial item, as
defined by section 2.101 of title
48, Code of Federal Regulations;
and

“(bb) sold in substantial
quantities in the commercial
marketplace; and

“(II) does not include bulk cargo,
as defined in section 40102(4) of this
title, such as agricultural products
and petroleum products.

“(ii) The term ‘product or material’
means an article, material, or supply
brought to the site by the recipient for in-
corporation into the building, work, or project. The term also includes an item brought to the site preassembled from articles, materials, or supplies. However, emergency life safety systems, such as emergency lighting, fire alarm, and audio evacuation systems, that are discrete systems incorporated into a public building or work and that are produced as complete systems, are evaluated as a single and distinct construction material regardless of when or how the individual parts or components of those systems are delivered to the construction site.

“(iii) The term ‘United States’ includes the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, and the Virgin Islands.”.”.