



#26-04: Buy America Requirements for Manufactured Products Phase 2

Purpose

The Buy America Requirements for Manufactured Products Final Rule ends the Manufactured Products General Waiver and aims to maximize the use of domestically produced manufactured products permanently incorporated into Federal-aid projects.

The new rule introduces phased implementation for all Federal-aid projects:

- Phase 1: for projects obligated on or after October 1, 2025, final assembly of all manufactured products must occur in the U.S. (known as the “Final Assembly Requirement”). Phase 1 was implemented with the publication of Office Bulletin #25-06.
- Phase 2: for projects obligated on or after October 1, 2026, in addition to the Final Assembly Requirement, the cost of components of products that are mined, produced, or manufactured in the U.S. must be greater than 55 percent of the total cost of all components of the manufactured product (known as the “55 Percent Requirement”). Phase 2 is now being implemented with the publication of this Office Bulletin #26-04.

Additional information is available at: <https://www.federalregister.gov/documents/2025/01/14/2024-31350/buy-america-requirements-for-manufactured-products>

Policy Update

As part of Phase 2 implementation, all manufactured products permanently incorporated into the project must meet the Final Assembly Requirement and the 55 Percent Requirement for Federal-aid projects with construction E-76 authorization on or after October 1, 2026.

Excluded materials (as defined in Section 70917(c) of the BABA Act) remain exempt.

Publication Changes

The following updates reflect the new FHWA Buy America requirements and supersede the LAPM 2026 publication effective October 1, 2026.



LAPM Chapter / Section / Exhibit	Changes that Supersede Current Publication
Chapter 12.8.9 Buy America	FHWA's policy for Buy America requires a domestic manufacturing process for all steel and iron products, manufactured products, and construction materials that are permanently incorporated in a federally funded project. Applicability Buy America requirements are applicable on all Federal-aid projects with ≥ \$500,000 in federal funding regardless of the funding source used to purchase the product and/or material and regardless of how the products and/or materials were procured (i.e., agency furnished materials, materials added by change order, etc.). When Buy America is applicable, the LPA must include the Buy America provisions from LAPM Exhibit 12-G: Required Federal-aid Contract Language (or equivalent) in the PS&E packages prior to advertising for bids. Awarding a federally funded contract, without applicable Buy America provisions, could render the contract ineligible for federal funds. The LPA must not list non-domestic steel and iron products, or construction materials as nonparticipating to circumvent Buy America requirements. Buy America provisions may also be applicable to non-federally funded projects, if: - the non-federally funded contract is included within the scope of the NEPA document, <u>and</u> - at least one other contract within the scope of the same NEPA document is funded or will be federally funded. This includes any contract eligible for federal funds including but not limited to environmental, design, right-of-way, construction, etc. Awarding a non-federally funded contract without applicable Buy America provisions could render all contracts within the scope of the NEPA document ineligible for federal funds. Buy America requirements apply to Emergency Opening projects under a NEPA document if the subject materials (iron or steel



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	products, construction materials, and manufactured products) are to be installed as part of the permanent facility. If, however, these items are temporary and replaced with compliant materials in the permanent restoration project then these materials are not required to meet Buy America requirements. Buy America requirements also apply to non-infrastructure projects utilizing federal funds. Definitions A material is solely classified based on its status at the time it is brought to the project site as either an iron or steel product, construction material, or a manufactured product. These products/materials are further defined below. ... <u>Manufactured Products</u> - defined by 23 CFR 635.410 as articles, materials, or supplies that have been processed into a specific form and shape, or combined with other articles, materials, or supplies to create a product with different properties than the individual articles, materials, or supplies. If an item is classified as an iron or steel product, an excluded material, or other product category as specified by law or in 2 CFR part 184, then it is not a manufactured product. However, an article, material, or supply classified as a manufactured product may include components that are iron or steel products, excluded materials, or other product categories. Mixtures of excluded materials delivered to a work site without final form for incorporation into a project are not a manufactured product. Per 23 CFR 635.410, manufactured products must be: 1. Manufactured in the United States; and 2. The cost, as defined in 2 CFR 184.5, of the components that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product. ...



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Exhibit 12-G Required Federal-aid Contract Language	8. Buy America <i>[Include the Buy America provisions below when required by LAPM Chapter 12]</i> Buy America Requirements apply to iron or steel, manufactured products, and construction materials permanently incorporated into the project. Buy America requirements do not apply to the following: 1. Tools and construction equipment used in performing the work 2. Temporary work that is not incorporated into the finished project 3. Excluded Materials An article, materials, or supply to be permanently incorporated in the project should only be classified into one of the following categories based on its status at the time it is brought to the work site: 1. Iron or steel products 2. Manufactured products 3. Construction materials 4. Excluded materials including: a. Cement and cementitious materials b. Aggregates such as stone, sand, or gravel c. Aggregate binding agents or additives d. Other materials that do not meet the definition of iron or steel products, manufactured products or construction materials. Excluded materials means cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives. Iron or Steel Products All iron or steel products as defined in 23 CFR 634.410 permanently incorporated into the project must be melted and manufactured in the United States except: 1. Foreign pig iron and processed, pelletized, and reduced iron ore may be used in the domestic production of the steel and iron materials [60 Fed Reg 15478 (03/24/1995)]; 2. If the Total combined cost of the materials produced outside the United States does not exceed the greater of 0.1 percent of the total contract amount or \$2,500,



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	materials produced outside the United States may be used if authorized. Iron or steel products are defined as articles, materials, or supplies that consist wholly or predominantly of iron or steel or a combination of both. For a product to be considered to consist predominantly of iron or steel, or a combination of both means the cost of the iron or steel content of the product exceeds 50 percent of the total cost of all its components. The cost of iron or steel is the cost of the iron or steel mill products (such as bar, billet, slab, wire, plate, or sheet), castings, or forgings utilized in the manufacture of the product and a good faith estimate of the cost of iron or steel components. Furnish iron or steel products to be incorporated into the work with certificates of compliance and certified mill test reports. Every certification(s) should clearly reference the heat number. Manufacturer's certificate of compliance must identify where the iron or steel products were melted and manufactured and attest to compliance with the 2 CFR 635.410 standard. Mill test reports must indicate where the iron or steel were melted and manufactured. All melting and manufacturing processes for these materials, including an application of a coating, must occur in the United States. Coating includes all processes that protect or enhance the value of the material to which the coating is applied. <i>[Delete the paragraph below if not applicable]</i> The following iron or steel products have received an approved Buy America waiver for this project and are therefore not subject to Buy America requirements: 1. _____ 2. _____ Manufactured Products All manufactured products permanently incorporated into the project must be manufactured in the United States. Manufactured products are defined as articles, materials, or supplies that have been: 1. Processed into a specific form and shape; or



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	2. Combined with other articles, materials, or supplies to create a product with different properties than the individual articles, materials, or supplies. Per 23 CFR 635.410 manufactured products must 1. Be manufactured in the United States, and 2. The cost of the components that are mined, produced, or manufactured in the United States, as defined in 2 CFR 184.5, is greater than 55 percent of the total cost of all components of the manufactured product. Manufacturer, in the case of manufactured products, means the entity that performs the final manufacturing process by bringing individual elements together that produces a manufactured product. If an item is classified as an iron or steel product, a construction material, or an excluded material, then it is not a manufactured product. However, an article, material, or supply classified as a manufactured product may include components that are iron or steel products, construction materials, or excluded materials. Iron or steel used in precast concrete manufactured products or enclosures for Intelligent Transportation Systems (ITS) and other electrical hardware systems must meet the requirements of Iron or Steel Products regardless of the amount used. If the cost of iron and steel components of a product is more than 50 percent of the cost of the product, then the product would be classified as iron or steel products, not a manufactured product and only need to meet the requirements of Iron or Steel Products. Iron and steel used in other manufactured products must meet the requirements of section Iron or Steel Products if the cost of steel and iron components is 50 percent or more of the total cost of the manufactured product. Furnish manufactured products to be permanently incorporated into the work with certificates of compliance with each project delivery. The manufacturer's certificate of compliance must identify where the manufacturing occurred and attest specifically to Buy America compliance with 23 CFR 635.410.



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	<i>[Delete the paragraph below if not applicable]</i> The following manufactured products have received an approved Buy America waiver for this project and are therefore not subject to Buy America requirements: 1. _____ 2. _____ Construction Materials The following construction materials permanently incorporated into the project must be manufactured as defined produced in the United States under standards in 2 CFR 184.6 in the United States. Buy America requirements apply to the following construction materials that are or consist primarily of: 1. Non-ferrous metals 2. Plastic and polymer-based products such as: 2.1 Polyvinylchloride 2.2 Composite Building Materials 3. Glass 4. Fiber optic cable (including drop cable) 5. Optical fiber 6. Lumber 7. Engineered wood 8. Drywall All manufacturing processes for these materials as defined in 2 CFR 184.6 must occur in the United States. Minor additions of articles, materials, supplies, or binding agents to these construction materials do not change the categorization of the construction material. ...

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