

BUILD AMERICA, BUY AMERICA (BABA) UPDATE

Micah Loesch, P.E.

Urban Engineer

Local Systems Bureau

Presentation Overview

Brief History

BABA Overview

Manufactured Products

Certification Forms

Waivers

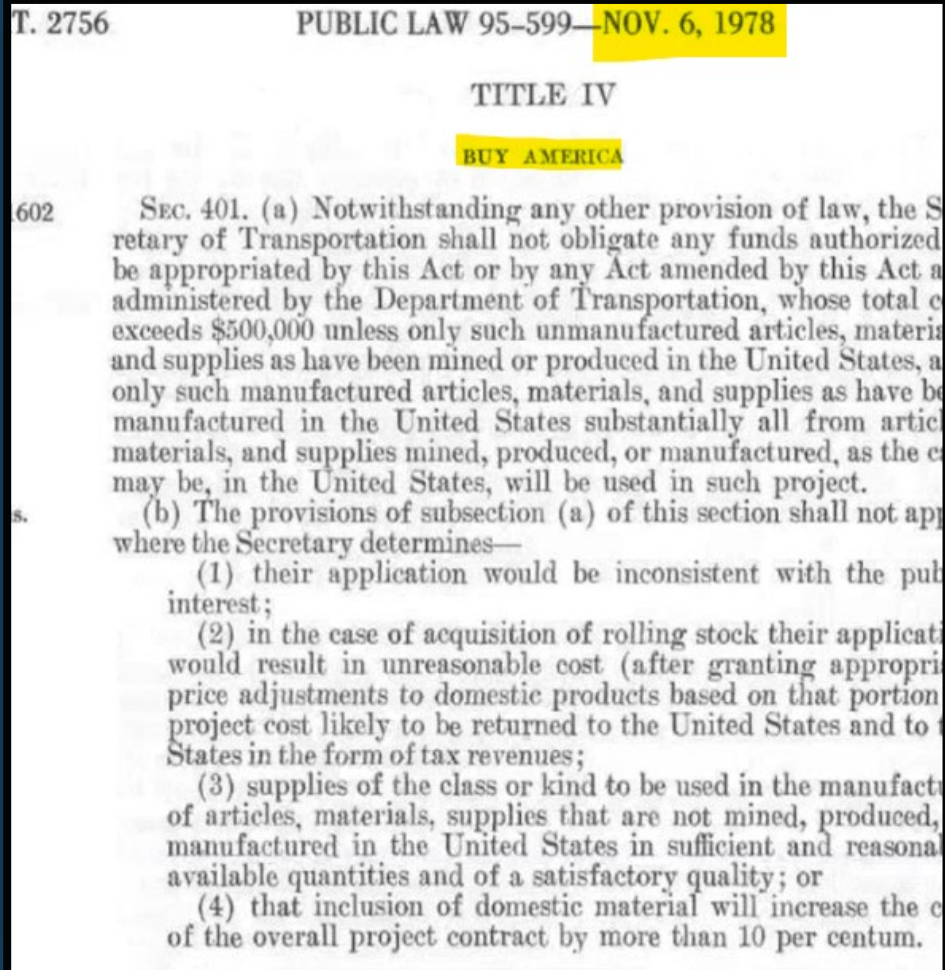
Next Steps

1933

- President Hoover signed the Buy American Act into law.
- Required federal agencies to procure domestic materials & products
- Applied only to direct federal procurement
 - Did NOT apply to contracts awarded by State & local authorities under Federal grant programs, such as the Federal-aid program w/ FHWA
- All goods: articles, materials, or supplies



1970's



Imported steel become easier to access & cheaper than U.S. steel

Surface Transportation Assistance Act (STAA)

Congress expanded domestic preference to other fed programs

23 USC 313 – Buy America

23 CFR 635.410 – Buy America Requirements

1983

Federal Procurement Focus Shift (1978–1983)



1978 Law

Used general term
“manufactured
products”



1983 Revision

- Clarified steel & iron inclusion
- Waiver for non-steel/iron products

Other Materials

1983 to 2020s



Focus only on

steel & iron
for domestic
procurement

2021

Infrastructure Investment and Jobs Act (IIJA)

Introduced the Build America, Buy America (BABA) Act

- Expanded domestic procurement requirements beyond iron and steel
- Required FHWA reevaluate nationwide waiver for Manufactured Products
- Provided a framework and guidance for materials that need to be domestically sourced



BABA OVERVIEW

- IIJA established new Domestic Materials Procurement Requirements for all infrastructure projects receiving Federal financial assistance.
- No federal financial assistance may be obligated for a project unless:
 - All iron and steel used in the project are produced in the United States
 - The manufactured products used in the project are produced in the United States
 - The construction materials used in the project are produced in the United States.

Domestic Materials Procurement Requirements

Buy America Act

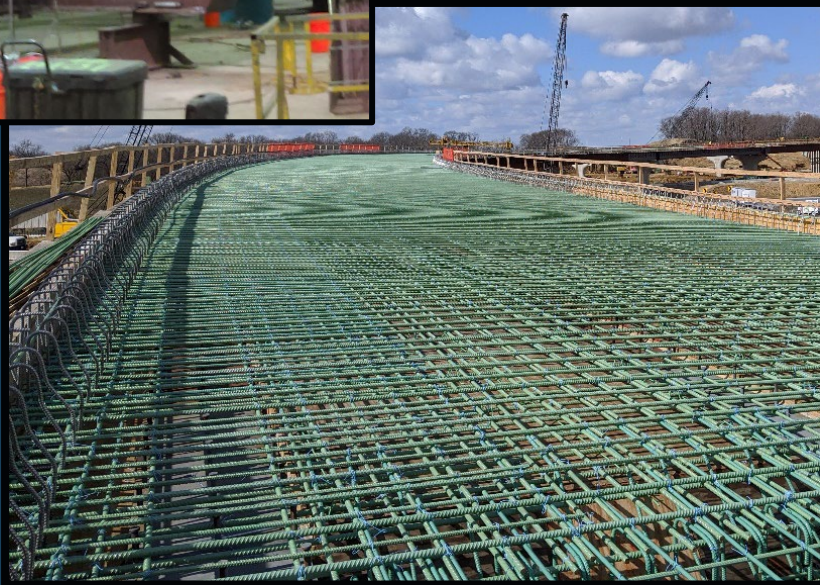
**Build America,
Buy America Act**

Iron/Steel

**Manufactured
Products**

**Construction
Materials**

IRON AND STEEL



- Articles, materials, or supplies that consist wholly or predominantly of iron and steel.
- Predominately means... costs exceed 50% of total cost of all components.
- Includes protective coatings

CONSTRUCTION MATERIALS

New Items in 2023 (2 CFR 184)

- Non-ferrous metals
- Plastic and polymer-based products
- Glass
- Fiber-optic cable
- Optical fiber
- Lumber
- Engineered Wood
- Drywall



MANUFACTURED PRODUCTS

- A manufactured product is defined as an article, material, or supply that has 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, however, an article, material, or supply meets this definition but could also be classified as an iron or steel product, excluded material, or other product category as specified by law or in 2 CFR part 184, that article, material, or supply is not a manufactured product.

MANUFACTURED PRODUCTS

Nationwide waiver terminated 1/14/25

- Manufactured products must now comply with the BABA requirements.

Starting with the October 2025 letting...

- Final assembly must occur in the U.S.

Starting with the October 2026 letting...

- Final assembly must occur in the U.S.
- 55% of cost of components must be from U.S.



EXCLUDED ITEMS



- Cement and cementitious materials
- Aggregate such as stone, sand, or gravel
- Aggregate binding agents or additives
- Asphalt

Iron / Steel

**Construction
Materials**

Buy America Categories

**Manufactured
Products**

**Excluded /
Other**

PRECAST AND ITS

- Every item on the project will fall under one of these four categories. EXCEPT:
 - Precast items
 - Classified as Manufactured Products.
 - Any iron/steel must also follow existing requirements.
 - ITS Components
 - Classified as Manufactured Products
 - Any iron/steel enclosures must also follow existing requirements.



I.M. 107

BUILD AMERICA, BUY AMERICA

GENERAL

This IM is intended to provide additional instruction to Buy America, (see <https://www.gpo.gov/fdsys/pkg/CFR-2013-title23-vol1/xml/CFR-2013-title23-vol1-sec635-410.xml>), and Build America, Buy America (BABA) requirements under the Infrastructure Investment and Jobs Act (IIJA) (see <https://www.ecfr.gov/current/title-2/part-184>) and Standard Specification [1107.06](#).

With the exception of the excluded items listed below, the IIJA requires the following three BABA preferences. An article, material, or supply shall only be classified into one of these categories, and not multiple categories.

1. Products of Iron and Steel

Iron or steel products means articles, materials, or supplies that consist wholly or predominately of iron or steel or a combination of both.

All iron and steel permanently incorporated into the project must be produced in the United States, including all manufacturing processes, from the initial melting stage through the application of coatings.

The contractor shall order with a domestic preference and submit a Certificate of Buy America Compliance Iron and Steel, IM 107 Appendix B, or an approved alternate, from the producer/supplier certifying all construction materials are in compliance with Buy America. The Contractor shall submit all product specific information identified in the pertinent IM. Additional documentation shall be made available to the Engineer upon request.

-

The following lists of Iron and Steel products, at a minimum, are subject to Build America requirements.

Group 1 – Products requiring mill test reports with shipments to projects

[IM 440](#) – Trenchless Steel Casing and/or Carrier Pipe

[IM 451](#) – Steel Reinforcement

[IM 451.02](#) – Galvanized Steel Bars

[IM 451.03B](#) – Epoxy-Coated Steel Reinforcement

[IM 452](#) – Deformed and Plain Stainless Steel Bars for Concrete Reinforcement

[IM 453.06B](#) – High Strength Fasteners

[IM 453.07](#) – Stainless Steel Fasteners

[IM 453.08](#) – Anchor Bolts

[IM 467](#) – Steel Piles

I.M. 107 – CERTIFICATION FORMS

Certificate of Build America Buy America Compliance of Construction Material or Manufactured Product for Use on Federal Aid Contracts and Contracts where the Department is the Contracting Authority			
PART 1: Manufacturer and Material Information			
Manufacturer:		Representative:	
Address:		Address:	
City:	State:	City:	State:
Zip:		Zip:	
Email:	Phone:	Email:	Phone:
Material Name:			
Type of Material: <input type="checkbox"/> Construction Material <input type="checkbox"/> Manufactured Product			
Description of Material or Product:			
<div></div>			
PART 2: Declaration (check applicable box)			
<input type="checkbox"/> The construction material described above complies with BABA requirements.			
<input type="checkbox"/> The manufactured product described above complies with BABA requirements. The product was manufactured in the United States			
<input type="checkbox"/> Mandatory after Oct 1st, 2026 The manufactured product described above complies with BABA requirements. The product was manufactured in the United States and the cost of components of the product that were manufactured in the United States exceeds 55 percent of the cost of all components according to the following formula: $\frac{C_{US}}{C_{all}} \times 100 > 55\%$ Where: C_{US} = Cost of those components manufactured in the United States C_{all} = Cost of all components			
PART 3: Certification (read and check all boxes before signing)			
<input type="checkbox"/> I certify that the description above is a true and accurate description of the material or product provided.			
<input type="checkbox"/> I certify that the construction material or manufactured product is in compliance with BABA requirements.			
<input type="checkbox"/> I certify that I have knowledge that submitting false statements and/or information may result in civil and criminal penalties.			
_____ Signature		_____ Date (MM/DD/YYYY)	
_____ Printed Name		_____ Company represented	

Certificate of Build America Buy America Compliance ITEMS PRIMARILY OF IRON AND STEEL FOR USE ON FEDERAL AID CONTRACTS AND CONTRACTS WHERE THE DEPARTMENT IS THE CONTRACTING AUTHORITY			
PART 1: Manufacturer Information			
Project Number			
Manufacturer	Address		
City	State	Zip	
email	Phone number		
Representative			
City	Address	State	Zip
email	Phone number		
Material Name:			
Heat Number			
Steel or Iron Mill (name and location)			
Page number of mill cert for above heat			
Page numbers documenting traceability from steel/iron mill to project			
Address of site where coating was applied (N/A if non-applicable)			
Page numbers for certificates and QC documents for coatings. (N/A if non-applicable)			
Address of fabrication site (N/A if non-applicable)			
PART 3: Certification			
I certify that the description above is a true and accurate description of the material or product provided. I have reviewed the following documentation, and it meets IM 107 requirements for Buy America including unbroken traceability from the original melt to project.			
Printed name	_____		
Signature	_____		
Title	_____		
Company represented	_____		
Date	_____		

I.M. 107 – CERTIFICATION FORMS

107

J. Devries

Build America, Buy America

App. A Certificate of Compliance for
Manufactured Products

App. B Certificate of Compliance for Iron
and Steel

<https://ia.iowadot.gov/erl/current/IM/navigation/Index.htm>

I.M. 107 – CERTIFICATION FORMS

Domestic Materials Self-Certification Form

This certification is for a manufacturer/supplier to certify the below articles, materials, or supplies are in compliance with the applicable domestic material content procurement preferences found in the Buy America Act requirements (23 CFR 635.410) and the Build America, Buy America Act requirements (2 CFR part 184). The individual completing this form takes full responsibility for the information included in the form. State agencies have the authority to request additional details related to the information provided in the form. All submitted forms are maintained in a secure manner in the Industry Document Repository on the AASHTO DataMine website. It is the responsibility of the manufacturer/supplier to include updates to process changes within 10 days of the change occurring via uploading a revised form into DataMine.

PART 1: COMPANY CONTACT INFORMATION

Company/Producer/Manufacturer Name:

Supplier Representative Name:

Contact Email Address:

Contact Phone Number:

Date Form is Being Submitted:

PART 2: DETAILS OF THE ARTICLE, MATERIAL, OR SUPPLY:

WAIVERS – DE-MINIMIS

- Construction Materials & Manufactured Products

- BABA requirements are waived if the total value of the non-compliant products is no more than the lesser of \$1,000,000 or 5% of the total applicable costs for the project.*
 - *This does not apply to iron or steel. See next bullet.

- Iron and Steel

- A minimal use of foreign steel or iron products may be used, if the cost of such materials does not exceed 0.1% of the total contract cost, or \$2,500, whichever is greater. (23 CFR 635.410)

EXEMPTION REPORT

A	B	C	D	E	F	G	H	I	J
BUY AMERICA EXEMPTION REPORT: IRON AND STEEL									
Iowa Department of Transportation									
<i>Note to Contractor: Input project information and Original Contract Amount in highlighted cells on this worksheet before proceeding to the Construction Mat'ls worksheet</i>									
<i>Note to IA DOT Project Representative: Reported materials costs must be verified for consistency with amounts shown on materials invoices and project documents.</i>									
Contract ID:					Original Contract Amount:				
Project ID(s):					Exemption Amount:	\$ 2,500.00			
Highway:									
Limits:									
County:									
Contractor:									
Let Date:									
									<i>Exemption</i>
									<i>Balance</i>
<i>Bid Item No.</i>	<i>Description / Material Description</i>		<i>Unit Price</i>	<i>Unit</i>	<i>Invoiced</i>	<i>Quantity</i>	<i>Unit</i>	<i>Total Cost</i>	<i>Remaining</i>
									\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00
			\$ -		\$ -	0.00		\$ -	\$ 2,500.00

EXEMPTION REPORT

BUY AMERICA EXEMPTION REPORT: CONSTRUCTION MATERIALS								
Iowa Department of Transportation								
<i>Note to Contractor: Input the total value of all change orders and total applicable project costs in the yellow highlighted cells. See notes below for additional information.</i>								
<i>Note to IA DOT Project Representative: For small grants waiver determination, input total value of all Pre-LET Costs (including consultant fees and agency costs), plus all non-contractor costs during and after LET. If Pre-LET and non-contractor cost information is unavailable or indeterminant, then project is not eligible for small grants exemption, and the allowable de minimis costs may be used. For allowable de minimis exemption, reported materials costs must be verified for consistency with amounts shown on materials invoices and project documents.</i>								
Contract ID:	Complete Iron & Steel Worksheet	Original Contract Amount:					Complete Iron & Steel Worksheet	
Project ID(s):	Complete Iron & Steel Worksheet	Total Approved Change Orders:						(See Note 1)
Highway:	Complete Iron & Steel Worksheet	Total Applicable Project Costs:						(See Note 2, 5)
Limits:	Complete Iron & Steel Worksheet	Pre-LET Costs + Non-Contractor Costs During and After LET:						For IA DOT Use Only
County:	Complete Iron & Steel Worksheet	Allowable De Minimis Costs:					N/A	(See Note 3)
Contractor:	Complete Iron & Steel Worksheet	Small Grants Exemption?					N/A	(See Note 4)
Let Date:	Complete Iron & Steel Worksheet	Bid Let Date Meets Requirements?					No	(See Note 6)
								De Minimis
								Balance
Bid Item No.	Description / Material Description	Unit Price	Unit	Amount	Quantity	Unit	Total Cost	Remaining
							(See Note 5)	N/A
		\$ -		\$ -	0.00		\$ -	N/A
		\$ -		\$ -	0.00		\$ -	N/A
		\$ -		\$ -	0.00		\$ -	N/A

WAIVERS – SMALL GRANTS

- BABA requirements are waived when the total Federal Financial Assistance provided to a project is below \$500,000.
 - Includes total scope of work within NEPA document
- LPA must request this from the Iowa DOT (not automatic).
- See I.M. 3.740 for more details (it's only one page!)

WAIVERS – PROJECT SPECIFIC

- These types of waivers are very rare, but they may be granted if:
 - The application of BABA provisions are inconsistent with the public interest.
 - Materials are not produced in the U.S. in sufficient and reasonable available quantities which are of satisfactory quality.
- FHWA's process is outlined here:
 - <https://www.fhwa.dot.gov/construction/contracts/waivers.cfm>
 - [FHWA's waiver notice email subscription](#)
- Begin this process early in project development!



NEXT STEPS

- Be familiar with the new requirements that took effect in October 2025
 - Manufactured Products
 - New forms in IM 107 Appendix A and B, available via the ERL
- Project Development:
 - Ensure design elements are BABA compliant, especially if sole-sourcing or using 2599 bid items and Special Provisions.
 - Understand the waiver process.
- Construction:
 - Ensure proper certifications are received / exemptions are documented.

ADDITIONAL RESOURCES

Regulations

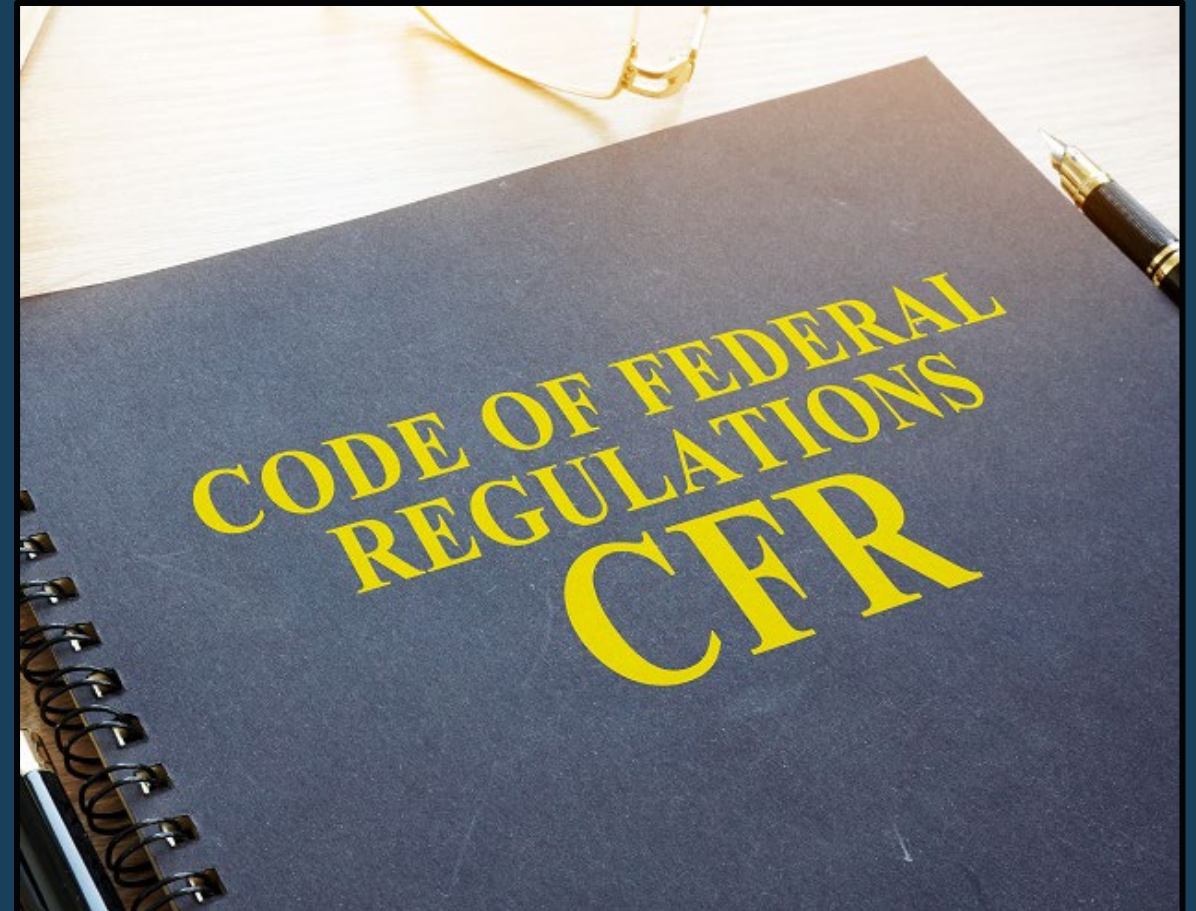
- [2 CFR Part 184](#)
- [23 CFR 635.410](#)

FHWA Resources

- [BABA Policy and Guidance](#)
- [BABA Questions and Answers](#)

Iowa DOT Resources

- [Standard Specification 1107.06](#)
- [Material IM 107](#)



QUESTIONS?



Micah Loesch, P.E.

Urban Engineer

Micah.Loesch@iowadot.us

(515) 509-5117

Sarah Okerlund, P.E.

Deputy Director

Sarah.Okerlund@iowadot.us

(515) 239-1291

Region Field Engineers

[Region Map](#)