



Tuesday, Aug. 15

**Please find the below update from NAPA, NSSGA, NRMCA and PCA on Buy America**

Yesterday, the White House Office of Management and Budget (OMB) [issued a final rule implementing](#) the Build America, Buy America sourcing requirements for federal infrastructure investment. The new guidance [includes extensive clarification](#) to ensure federal, state and local agencies do not place a new domestic sourcing requirement on the materials our collective industries produce to build and maintain our modern way of life.

**Exclusions for Construction Materials – Section 70917(c) Materials**

Section 70917(c) of the IIJA provides that **“construction materials”** shall not include cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives.

**Clarifications in the Final Guidance:**

- Section 70917(c) materials, on their own, are not manufactured products.
- Section 70917(c) materials should not be considered manufactured products when they are used at or combined proximate to the work site (e.g., wet concrete or asphalt brought to the worksite)
- Section 70917(c) materials (such as stone, sand, and gravel) may be used to produce a manufactured product (e.g., precast concrete).

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Yesterday’s development marks the culmination of four years of relentless advocacy efforts by our organizations. We have been dedicated to informing and persuading policymakers about the intricacies of our supply chains and the necessity of ongoing imports of aggregates, cement, and binder. These imports are crucial for building roads, constructing waterways, creating housing, and facilitating energy delivery to every community.

Despite the significant achievement of securing the sole legislative exemption from the BABA sourcing requirements within the Infrastructure Investment and Jobs Act (IIJA), both the administration and certain voices in Congress persisted in attempting to reopen discussions on this matter and establish cumbersome sourcing requirements on our industry. In fact, in a February 9<sup>th</sup> proposal OMB poised numerous questions that confused industry and sought to minimize our statutory exclusion.

In response to these challenges, our associations joined forces and took numerous proactive steps over the last few months by:

- Filing a [joint comment](#) to OMB that detailed our concerns and was parroted by State DOTs, labor unions, and vast array of industry voices.
- Submitting [joint comments](#) to the Federal Highways Administration
- Generating thousands of grassroots comments to OMB to echo concerns.
- Facilitating questions asked of administration official at congressional oversight hearings.
- Drafting clarifying legislative language that was included in the FY 2024 spending bills.
- Providing [industry witnesses](#) to testify at congressional hearings.
- Engaging and [met with hundreds of lawmakers](#) during the PCA Cement Fly-In who worked behind the scenes to correct our issue.
- Hosting members of Congress on [cement plant](#) tours.
- Holding multiple meetings with OMB and administration officials to educate.

***As a result of our collective endeavors, OMB has listened and responded [by revising their guidance](#), thereby offering much-needed clarity and reassurance to our respective industries. This ensures that aggregates, concrete, and asphalt supplied to federally funded construction projects will not be subjected to domestic sourcing requirements.*** Going forward, our teams will continue to digest this guidance and monitor its implantation across federal and state agencies who are ultimately responsible for implanting the BABA requirements.

We express our gratitude for the steadfast commitment and guidance you've extended to our associations throughout this journey. Today's triumph wouldn't have been attainable without your unwavering support and continued engagement!