



Federal Highway Administration Discontinues Buy America General Waiver

The Federal Highway Administration (FHWA) will **end the Buy America Manufactured Products General Waiver** to align with Build America, Buy America (BABA) requirements.

The transition from the waiver to the new rules will come in two phases:

- First, starting in **October 2025**, all manufactured products must be assembled in the United States, regardless of the percentage of the domestic content.
- Next, starting in **October 2026**, the product must be at least 55% of the total domestic content.

At that point, the manufactured goods for FHWA will match the manufactured goods requirements for BABA.

The end of the manufactured goods waiver also affects the way iron and steel are determined to be compliant. Immediately, iron and steel requirements only apply to products in which **iron or steel makes up 50% or greater** of the total cost. While the materials must be manufactured in the United States, the iron itself does not need to be mined in the U.S. — a minimal amount of foreign iron and steel is still allowed. The maximum allowance is the **greater of \$2,500 or 0.1%** of the total project cost for noncompliant parts per project.

The Department of Transportation has two other standing waivers for Buy America requirements. These waivers will **either** exempt certain projects from BABA requirements **or** allow a small amount of noncompliant materials.

- The total amount of federal financial assistance applied to the project, through awards or subawards, is **below \$500,000**; or the total value of the non-compliant products is no more than the lesser of **\$1,000,000 or 5%** of total applicable costs for the project.

There are two exceptions from BABA rules that must meet two classification types: **Precast concrete and cabinets and enclosures of primarily iron and steel** must meet BABA iron and steel requirements and BABA manufactured goods requirements.

Key takeaway

The Federal Highway Administration's Buy America Manufactured Products General Waiver is ending to align with BABA.

Questions?

If you have questions about Border States' compliance with FHWA or BABA regulations, please contact Nick Gariano, Senior Regulatory Affairs Analyst, at regulatoryaffairs@borderstates.com.

Please contact your Account Manager regarding ordering materials, product selection and other similar questions.