

Vote "Yes" on HB 3473 – The Buy American Bill

Background

The federal "Buy American Act" was signed into law in 1933. The law was passed in an effort to protect the American labor market and economists have estimated that the policy has had a significant multiplier effect on our economy. Buy American has been so successful that it was expanded multiple times with tremendous bi-partisan support. Oregon has "Buy American" preferences for the procurement of all non-construction goods and services, and agencies follow "Buy American for all construction projects that are funded in part with federal dollars. However, no "Buy American" provisions apply to construction projects funded by state and local governments, without federal dollars. HB 3473 would extend the "Buy American" procedures agencies currently follow on federal projects, and apply that identical process to projects funded entirely with state and local dollars.

Summary

HB 3473 would require that American made materials, such as iron and steel, be used in the construction, renovation, and maintenance of all major public works projects. This policy continues a process that agencies already implement on projects funded in part by the federal government--a process that works.

Opt-outs from Buying American

HB 3473 has two opt-out provisions that mirror the federal opt-outs, designed to keep Buy American requirements from delaying projects or becoming burdensome on tax payers. The contracting agencies can opt-out if:

- Materials that are not readily available in the quality or quantity necessary for the project
- The cost of buying American made products raised the total project cost by more than 25%

Benefits

- Helps ensure American taxpayer dollars are spent employing Americans
- Reinvests American taxpayer dollars in America's economy
- Helps support American industry and local manufacturing

Vote Yes on HB 3473!
For American Businesses and Workers!



HB 3473—Buy American—IS Constitutional

- Last year the 3rd U.S. Circuit Court of Appeals ruled that a Pennsylvania’s state law mandating that steel used in public works projects be made in the United States was not pre-empted by federal law or unconstitutional—Upholding Pennsylvania’s Buy America law.
- Very similar language to HB 3473 (construction procurement Buy America laws) is the law of the land in Indiana, Missouri, New York, Ohio, Pennsylvania, and West Virginia.
- Since 1970 court challenges to Buy America laws have consistently been upheld.
- Opponents of HB 3473 base their claim that the bill is unconstitutional on a circuit court ruling on a California Buy America law from 1969 (Bethlehem Steel Corp. v. Board of Commissioners 276 Cal.App.2d 221).
- However, in 1999, during the debate on a new Buy America law (AB 214), the California Legislative Assembly’s Legislative Counsel wrote, “Recent judicial decisions in other state and federal courts have cast doubt on that (Bethlehem Steel Corp. v. Board of Commissioners) decision.”