
Reinforcing American-Made Products Act

Many consumers deliberately choose to purchase products that are ‘Made in the U.S.A.’ in order to support American jobs and businesses and because they trust the quality of the products and the level of standards used to produce them. American businesses opt to make their goods in the U.S. when feasible and are proud to put a ‘Made in the U.S.A.’ label on their finished products.

The Federal Trade Commission (FTC) is responsible for enforcing antitrust and consumer protection laws, including country of origin claims. The FTC’s Made in USA Labeling Rule requires “all or virtually all” of a product to be of U.S. origin in order to be labeled and marketed as ‘Made in the U.S.A.’ Unfortunately, California takes this further by prohibiting this label if “any article, unit, or part thereof, has been entirely or substantially made” outside of the U.S.

This means that if a company imports a single component, even if it is unavailable in the U.S., they may not label their product as ‘Made in the U.S.A.’ in California. While the company could legally use this label in 49 of the 50 states, it is cost and logistically prohibitive to manufacture the same good with two different labels. Manufacturers often sell wholesale to national and international distributors who disburse products throughout the country to retailers who then redistribute products across the nation to meet demand cycles, so the manufacturer has limited control over their products’ end point. Thus, the company will label its product based on the most rigid definition to protect itself from litigation in one state.

Senators Lee and King (I-ME) reintroduced legislation to ensure that the FTC’s “all or virtually all” standard supersedes any state law relating to labeling goods sold in interstate or foreign commerce. This will guarantee a consistent federal standard for labeling and allow more American companies to rightfully label their products as ‘Made in the U.S.A.’

Bill Specifics:

- Amends 15 U.S.C. 45a – Labels on products, by adding at the end that the FTC standard “shall supersede any provisions of law of any State expressly relating to the extent to which a product is introduced, delivered for introduction, sold, advertised, or offered for sale in interstate or foreign commerce with a ‘Made in the U.S.A.’ or ‘Made in America’ label, or the equivalent thereof, in order to represent that such product was in whole or substantial part of domestic origin.”
- Adds language ensuring that states may enforce the federal standard.

Reinforcing American-Made Products Act passed the Senate without amendment by unanimous consent during the 117th Congress. Rep. John Curtis (R-UT-3) introduced an identical bill in the House.