

Build America, Buy America Act (BABAA) Requirements for [Federal Transit Administration](#) Projects

	Buy America	Initial BABAA Guidance	2023 BABAA Guidance
Effective Date	1982	Nov. 10, 2022	October 23, 2023
Effective Contract Threshold	Projects that receive above \$150,000 in federal financial assistance.	Projects that receive above \$500,000 in federal financial assistance.	Projects that receive above \$500,000 in federal financial assistance. Threshold set by a USDOT waiver.
What Projects Does It Apply To?	Road and transit projects that utilize federal financial assistance.	All public works projects that utilize federal financial assistance.	All public works projects that utilize federal financial assistance.
Iron and Steel Requirements	Construction materials primarily made of steel or iron must have all manufacturing processes occur in the U.S.	Same as Buy America Act of 1982.	Clarified that requirements include bar, billet, slab, wire, plate, or sheet, castings, or forgings used in the manufacture of the finished good.
Included Construction Materials	None	Adds: Non-ferrous metals, plastic and polymer-based products, glass, lumber, drywall.	Adds engineered wood and clarifies that drop cable and optical fiber are included in the list.
Construction Material Manufacturing Requirements	N/A	The final manufacturing process and the immediately preceding manufacturing stage.	Clarifies specific manufacturing steps for each material. Click here to find the full list.
Included Manufactured Products	All items produced as a result of a manufacturing process , including rolling stock .	Clarified exempted construction materials combined through a manufacturing process with a non-exempt material are manufactured products.	Same as Buy America Act of 1982 and Build America, Buy America Initial Guidance.
Manufactured Product Requirements	All manufacturing processes must occur in U.S. and all components must be of U.S. origin. Subcomponents not required to be of U.S. origin.	Same as Buy America Act of 1982.	Same as Buy America Act of 1982 and Build America, Buy America Initial Guidance. Added clarity on the definition of cost of components .
Current Waivers in Effect	Waiver on certain commercially produced vans and minivans.	Waived for certain contracts and solicitations up to March 10, 2023.	De minimis costs and small grants threshold.
Exemptions	Rolling stock only : Cost of components produced in the U.S. must be greater than 70%.	Temporary materials not permanently incorporated into a project.	Clarifies that materials created offsite, i.e., precast concrete, are a manufactured product. Ones mixed on or near a project are exempt.
Future Action	None expected in the near future.	OMB is expected to update the Initial Guidance to match the 2023 Guidance	OMB will likely release new guidance in the future.

Disclaimer: *Unless otherwise stated, all requirements are in effect in conjunction with each other.
*OMB is expected to release additional guidance which could add or alter some information above.

