

Build America, Buy America (BABA) Guidance

Version 1, as of April 10 2026

The Build America Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act (IIJA) on November 15, 2021, established a domestic content procurement preference (herein referred to as the “Buy America Preference”) for all Federal financial assistance obligated for infrastructure projects after May 14, 2022.

The Buy America Preference requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the United States. Covered infrastructure includes structures, facilities, and equipment used to provide broadband internet service.

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Overview of Buy America Preference

- All iron and steel used in the project are produced in the United States.
- All manufactured products – includes the requirement that the cost of components manufactured in the United States is greater than 55 percent of the total of all costs of components in the product(s).
- All construction materials are produced in the United States.
 - See “Specific Criteria for Manufactured Products to be “Produced in the United States” section below.

Complete guidance on the Buy America Preference is available at [2 CFR Part 184](#).



BABA Requirements Related to BEAD

- The Grantee is responsible for determining whether a product is subject to the Buy America Preference.
- Grantees must ensure that their contractors and vendors comply with the Buy America Preference. The IOB will monitor grantees for compliance with BABA requirements.
- Grantees should include the Buy America Preference requirements in all solicitations, requests for proposals, agreements, sub-agreements, and similar materials.
- Grantees must require contractors and vendors to verify their BABA compliance.
- Grantees should ensure that products delivered to the project site properly document BABA compliance.
- Grantees must be able to provide BABA compliance documentation at the request of the IOB and/or the NTIA.
 - The IOB/NTIA may request BABA compliance documentation at any time and will do so as part of the standard grant review processes (e.g., desk reviews, site visits, and at closeout).
 - Failure to provide necessary BABA compliance documentation could result in a violation of the terms and conditions of the grant agreement.
 - Corrective action for this and other BABA violations may entail removing and replacing improperly purchased foreign-manufactured goods, reducing the amount of the grant award, withholding future funds, or terminating the award. In cases of fraud, it could result in criminal investigation and prosecution.
- The entire BEAD project, including purchases made with matching funds (regardless of source) and in-kind match, must comply with the BABA requirements.

Terms of Compliance and Required Reporting

Manufacturer's BABA Certification Letter:

- The grantee must obtain a certification letter from the manufacturer stating that its equipment meets the BABA domestic manufacturing requirement.
- A letter is not needed for waived equipment.
- The certification letter only needs to be provided to the IOB upon request. Grantees must retain this documentation for 3 years after the closeout of the grant.

Grantee Waiver Reporting:

- Grantees are required to complete a reporting template which includes the waived electronics used in each BEAD project.
- Grantee will provide this completed template to the IOB quarterly as part of the Periodic Performance Report (PPR).

Manufacturer Self-Certification:

- Manufacturers can certify through the U.S. Department of Commerce that their product(s) are produced domestically and meet the Buy America requirements.
- The link to the list of self-certified manufacturers can be found [here](#).

Summary of Buy America Preference Applicability

100% subject to the Buy America Preference:

- Optical fiber
- Fiber optic cable
- Optical line terminals and remote optical line terminals (OLTs / rOLTs)
- OLT line cards
- Optic pluggables
- Standalone optical network terminals and optical network units (ONTs / ONUs)
- Enclosures (including cabinets, vaults, pedestals, closures and terminals)

Buy America Preference 100% waived (via the established BEAD BABA waiver; no additional grantee waiver required):

- Non-optic-glass inputs (e.g., an overclad cylinder) to preforms used to manufacture optical fiber and fiber optic cable
- Fiber optic cable connectors or other minor additions of articles, materials, supplies, or binding agents to a construction material (such as used with fiber optic cable)
- All other electronics used in BEAD Program projects except for OLTs/rOLTs, OLT line cards, Optic pluggables, and standalone ONTs/ONUs
 - Reporting on waived electronics is required. See “Terms of Compliance and Required Reporting” section above.
- Passive Optical Equipment (devices that split, combine, or facilitate the passage of optical signals in a fiber optic communication system without the use of power)
- Minor components within iron and steel products (considered as no more than 5% of the total material cost of the finished product)

Might be subject to the Buy America Preference, or might be waived (based on threshold of U.S. Department of Commerce de minimis waiver):

- Other network equipment (non-electronic) (e.g., conduit, mounting brackets, patch panels, etc.)
- Iron or Steel products
- Manufactured products not specifically listed above
- Construction materials not specifically listed above

U.S. Department of Commerce de minimis Waiver

- Waives the Buy America Preference for:
 - Materials costs totaling up to 5% of the total materials cost for the project, with a maximum of \$1,000,000.
 - Purchases of materials greater than the 5% or \$1,000,000 threshold will be subject to the Buy America Preference.
 - Minor components within iron and steel products.
- Further details are available in the U.S. Department of Commerce [de minimis waiver](#) notice.

Additional Waiver Requests

- For circumstances not covered by the existing U.S. Department of Commerce or NTIA waivers, a grantee may submit a waiver request to the IOB. These requests will need to be reviewed and approved on a case-by-case basis by the U.S. Department of Commerce and the Office of Management & Budget's (OMB) Made in America Office.
- Waiver requests should be targeted to specific products and projects, and address one of the following:
 - Public Interest
 - Unreasonable Cost
 - Nonavailability – when iron, steel, manufactured products, or construction materials are not produced in the US in sufficient and reasonably available quantities or of a satisfactory quality.
- Waiver requests must be approved prior to procurement.

Specific Criteria for Manufactured Products to be “produced in the United States”

For each of the following electronics and enclosures to be considered “produced in the United States” and meet the Buy America Preference, the following manufacturing processes, at a minimum, must be conducted entirely within the United States and meet the 55 percent cost of components requirement:

- Optical Line Terminals and Remote Optical Line Terminals
 - Printed Circuit Board (PCB) Assembly is required for any PCB in the OLT that contains line card (subscriber-facing) functionality;
 - Software integration (including firmware integration, installation of licensed software, and customer specific configuration);
 - Chassis assembly;
 - Testing and quality assurance; and
 - Packaging and shipping.

- OLT Line Cards
 - PCB Assembly;
 - Line card assembly;
 - Software integration (including firmware integration, installation of licensed software, and customer specific configuration);
 - Chassis assembly;
 - Testing and quality assurance; and
 - Packaging and shipping.
- Optic Pluggables
 - Optical sub-assembly installation;
 - Housing assembly;
 - Software integration (including firmware integration, installation of licensed software, and customer specific configuration);
 - Testing and quality assurance; and
 - Packaging and shipping.
- Standalone Optical Network Terminals and Optical Network Units
 - PCB Assembly;
 - Software integration (including firmware integration, installation of licensed software, and customer specific configuration);
 - Chassis assembly;
 - Testing and quality assurance; and
 - Packaging and shipping.
- Cabinets, Vaults or Pedestals
 - Integrate subassemblies;
 - Install internal components, hardware, and wiring;
 - Seal and waterproof; and
 - Tested, label, and document.
- Closures and Terminals
 - Manufacture of the molded outer shell.

Applicable NTIA Guidance and Additional Resources

- [2 CFR Part 184](#) - Buy America Preference
- [Build America, Buy America Compliance and Documentation Requirements and Procedures](#) - NTIA guidance document on BABA requirements specific to BEAD
- [NTIA BABA Refresher](#) - NTIA guidance document on BABA requirements specific to BEAD
- [BABA Waiver for certain construction materials and manufactured products related to the BEAD Program](#) - Issued by the U.S. Department of Commerce
- [De minimis waiver](#) - Issued by the U.S. Department of Commerce