# **NAVIGATING COMPLIANCE:**

BAA, BABA & TAA REQUIREMENTS







The document provides an in-depth overview of various U.S. federal procurement regulations related to the sourcing and use of domestic products in different government-funded projects. It addresses key legislation, including the Buy American Act (BAA), Trade Agreements Act (TAA), Build America, Buy America (BABA), Buy America Regulations (FTA), and Uniform Guidance, along with additional country of origin requirements, which are detailed in the following pages. Each section explains the purpose, applicability, country of origin rules, and exceptions for various federal programs.

### The key categories include:

- Applicability: Defines the specific federal programs and procurement thresholds where these regulations apply.
- **Purpose:** Explains the intention behind each regulation, such as promoting domestic manufacturing and ensuring the use of U.S.-made products.
- Country of Origin Requirements: Specifies the necessary conditions for a product to be considered compliant, including manufacturing location and content percentages.
- Exceptions: Lists conditions under which exceptions to the regulations may be granted, such as public interest or lack of domestic availability.

### **NEED HELP?**

As your go-to compliance guide, don't hesitate to contact us for any guidance or answers you require.

**AMY J. GOPSHES** 

Compliance Officer agopshes@evenlite.com

**JASON BALMER** 

National Sales Manager jbalmer@evenlite.com

**DAREN GRANDE** 

National Sales Manager dgrande@evenlite.com

We're committed to helping you every step of the way in understanding and meeting compliance standards

## **OVERVIEW OF COMMON COUNTRY OF ORIGIN REQUIREMENTS**

	Buy American Act (BAA)	Trade Agreements Act (TAA)	Build America, Buy America (BABA)
REGULATORY CITATION	FAR 25.1 and 25.2; DFARS 225.1 and 225.2	FAR 25.4; DFARS 225.4	2 CFR Part 184
APPLICABILITY (PROGRAMS)	All <b>Federal procurements</b> <u>below</u> the applicable threshold (\$174K for products, \$6.78M for construction) and above the MPT (\$10K).	All <b>Federal procurements</b> <u>above</u> the applicable threshold (\$174K for products, \$6.78M for construction)	Federal <b>infrastructure</b> programs.
PURPOSE	To incentivize all USG agencies to buy domestically manufactured products	To incentivize all USG agencies to buy products manufactured in the U.S. or U.S. trade allies.	To require all federally funded infrastructure projects to use iron, steel, manufactured products, and construction materials manufactured in the U.S.
APPLICABILITY (PRODUCTS & SERVICES)	<ul> <li>Unmanufactured supplies</li> <li>Manufactured supplies</li> <li>Products made wholly or predominantly of iron &amp; steel</li> <li>Construction materials</li> </ul>	<ul><li>Supplies/products</li><li>Services</li></ul>	<ul> <li>Unmanufactured supplies</li> <li>Manufactured supplies</li> <li>Products made wholly or predominantly of iron &amp; steel</li> <li>Construction materials</li> </ul>
COUNTRY OF ORIGIN REQUIREMENT	<ul><li>U.S.</li><li>Qualifying Countries (for some DOD Purchases)</li></ul>	<ul><li>U.S.</li><li>Designated Countries</li></ul>	• U.S.
OVERVIEW OF REQUIREMENT	<ul> <li>For products made wholly or substantially from iron or steel: (1) 100% manufactured in the U.S., and (2) only 5% "foreign" iron or steel content.</li> <li>For other manufactured products: (1) 100% manufactured in the U.S. and (2) at least 65% domestic content.</li> </ul>	<ul> <li>Product manufactured in the U.S.</li> <li>Product "substantially transformed" in the U.S. or a Designated Country</li> <li>Services the legal headquarters of the entity providing the services.</li> </ul>	<ul> <li>For products made wholly or substantially from iron or steel: all manufacturing processes occurred in the U.S.</li> <li>For other manufactured products: (1) 100% manufactured in the U.S. and (2) at least 55% domestic content.</li> <li>For construction materials: all manufacturing processes occurred in the U.S.</li> </ul>
EXCEPTIONS	<ul> <li>Partial exception for COTS products</li> <li>Unreasonable cost (foreign alternative is 20-30% cheaper)</li> <li>Not available from domestic sources</li> <li>Public interest</li> <li>Commercial IT product</li> <li>Commissary resale</li> <li>Superseded by TAA when contract exceeds \$174k</li> </ul>	<ul> <li>Small business set-asides</li> <li>Sole-source procurements</li> <li>Commissary/resale</li> </ul>	<ul> <li>Public interest</li> <li>Not available from domestic sources</li> <li>Unreasonable Cost (overall project cost increases by 25%)</li> </ul>

## **OVERVIEW OF COMMON COUNTRY OF ORIGIN REQUIREMENTS**

	Buy America Regulations (FTA)	Uniform Guidance	Berry Amendment (DOD)	Federal Aviation Administration
REGULATORY CITATION	49 CFR Part 661	2 CFR 200.3	DFARS 225.7002	49 U.S.C. 50101
APPLICABILITY (PROGRAMS)	Federal infrastructure programs funded through the <b>Department of Transportation</b> valued at above \$150K.	All <b>non-infrastructure grant</b> or assistance programs funded with federal dollars.	<b>DOD-funded procurements</b> of specified goods valued at \$250K or more.	Airport Improvement Projects ( <b>AIP</b> ) funded by the Federal Aviation Administration ( <b>FAA</b> )
PURPOSE	To require all transportation/infrastructure projects using federal money to use iron, steel, and other products manufactured in the U.S.	To require all federally funded grant projects to procure domestic products to the maximum extent practicable.	To force the DOD to buy US domestically manufactured products.	To require that all steel and manufactured goods used in AIP funded projects be produced in the United States.
APPLICABILITY (PRODUCTS & SERVICES)	Unmanufactured supplies	• Goods	Fabrics & Textiles	• Steel
	<ul> <li>Predominantly iron &amp; steel</li> </ul>	<ul><li>Products</li><li>Materials</li></ul>	Hand & Measuring Tools	<ul> <li>Manufactured supplies (per BABA)</li> </ul>
	<ul> <li>Manufactured supplies</li> </ul>			<ul> <li>Construction materials (per BABA)</li> </ul>
	Construction materials			• Iron (per BABA)
COUNTRY OF ORIGIN REQUIREMENT	• U.S.	• U.S.	• U.S.	• U.S.
OVERVIEW OF REQUIREMENT	<ul> <li>For iron and steel: all manufacturing processes occurred in the U.S.</li> <li>For products: (1) 100% manufactured in the U.S., and (2) 100% domestic components.</li> <li>For construction material: all manufacturing processes occurred in the U.S. (per BABA)</li> </ul>	Best effort to provide a preference for the purchase, acquisition, or use of goods produced in the U.S.	<ul> <li>For hand &amp; measuring tools: produced or assembled in the U.S.</li> <li>For fabrics &amp; textiles: (1) produced in the U.S., and (2) 90% of material manufactured in the U.S.</li> </ul>	<ul> <li>For steel: 100% produced in the U.S.</li> <li>For manufactured products: 100% produced in the U.S.</li> <li>For construction materials: all manufacturing processes occurred in the U.S. (per BABA)</li> <li>For iron: all manufacturing processes occurred in the U.S. (per BABA)</li> </ul>
EXCEPTIONS	<ul> <li>Partial exception for products incorporated in rolling stock (e.g., trains, buses, ride share)</li> <li>Unreasonable cost (foreign alternative is 25% cheaper)</li> <li>Not available from domestic sources</li> <li>Public interest</li> </ul>	• None	<ul> <li>Not available from domestic sources</li> <li>Emergency acquisitions / in support of combat operations</li> <li>Public interest</li> <li>Commissary/resale</li> </ul>	<ul> <li>Public Interest</li> <li>Not available from domestic sources</li> <li>If (1) 60% of the cost of components and subcomponents for manufactured products are domestic, and (2) final assembly in the U.S.</li> <li>Unreasonable cost (overall project cost increases by 25%)</li> </ul>

## **OVERVIEW OF COMMON COUNTRY OF ORIGIN REQUIREMENTS**

	USAID Preferences	PA American Iron & Steel (AIS)	USDA Rural Utility Service/Broadband
REGULATORY CITATION	22 CFR Part 228	Appropriation Acts; 40 CFR Part 31	7 CFR Part 1787
APPLICABILITY (PROGRAMS)	Grants and cooperative agreements financed by <b>USAID</b> .	Recipients of funding from the <b>EPA</b> under the Clean Water State Revolving Loan Fund (CWSRF) or Drinking Water State Revolving Loan Fund (DWSRF)	<b>USDA RUS</b> Borrowers using RUS loan funds to acquire manufactured articles, materials, and supplies.
PURPOSE	To require the procurement of goods or services from specified nations and to prohibit the procurement of goods from certain Prohibited Source Countries.	To require all iron and steel products produced in the U.S. for the construction, alteration, maintenance, or repair of a public water system or treatment works be domestic.	To require all manufactured articles, materials, and supplies be manufactured domestically or in an eligible country.
APPLICABILITY (PRODUCTS & SERVICES)	<ul><li>Supplies/products</li><li>Services</li></ul>	<ul> <li>Enumerated products made primarily of iron or steel or both that are permanently incorporated into a project.</li> <li>Manufactured supplies (per BABA)</li> <li>Construction materials (per BABA)</li> </ul>	<ul> <li>Manufactured supplies</li> <li>Unmanufactured supplies</li> <li>Construction materials (per BABA)</li> <li>Iron and steel (per BABA)</li> </ul>
COUNTRY OF ORIGIN REQUIREMENT	<ul><li>U.S.</li><li>Recipient Country</li><li>Developing Countries</li><li>Advanced Developing Countries</li></ul>	• U.S.	<ul><li>U.S.</li><li>Eligible Countries</li></ul>
OVERVIEW OF REQUIREMENT	<ul> <li>Source of all commodities financed with USAID funds must be the U.S., the Recipient Country, a Developing Country, or, in some instances, an Advanced Developing Country.</li> <li>Suppliers must be citizens, residents, or incorporated legally in an approved country.</li> </ul>	<ul> <li>All manufacturing and processing must occur in the U.S., including melting, refining, forming, rolling, drawing, finishing, fabricating, and assembly (excludes steel additives refining and external coating surfaces).</li> <li>For other manufactured products:         <ul> <li>(1) 100% manufactured in the U.S. and (2) at least 55% domestic content (per BABA)</li> </ul> </li> <li>For construction materials: all manufacturing processes occurred in the U.S. (per BABA)</li> </ul>	<ul> <li>For manufactured supplies, (1)         100% manufactured in the U.S. or         an eligible country, and (2) at least         50% domestic or eligible country         content.</li> <li>For construction materials: all         manufacturing processes occurred         in the U.S. (per BABA)</li> <li>For products made wholly or         substantially from iron or steel: all         manufacturing processes occurred         in the U.S. (per BABA)</li> </ul>
EXCEPTIONS	<ul> <li>Necessary to accomplish project or program objectives.</li> <li>Can never waive prohibited sources.</li> </ul>	<ul> <li>Public interest</li> <li>Not available from domestic sources</li> <li>Unreasonable cost (overall project cost increases by 25%)</li> <li>De minimis waiver for 5% total material costs.</li> <li>Minor components</li> </ul>	<ul> <li>Public interest</li> <li>Not available from domestic sources</li> <li>Unreasonable cost (overall project cost increases by 6%)</li> </ul>

#### **Buy America and Trade Agreement**

Since 1993, Evenlite has proudly supported U.S.-based manufacturing by designing and assembling our unique emergency lighting and egress solutions at our facilities in Trevose, PA.

#### Buy American Act (BAA) (41 U.S.C. Chapter 83; 48 C.F.R. Part 25)

In accordance with the BAA, Federal executive agencies are strongly encouraged to procure only domestically sourced products and construction materials. Generally, BAA-compliant products and construction materials are those that are (1) 100% manufactured in the United States, and (2) meet the applicable domestic content threshold (which, as of 2024, is 65%). If a product or construction material is considered a Commercially Available, Off-the Shelf (COTS) item, however, the product need only be 100% manufactured in the United States in order to qualify as a BAA-qualified domestic end product.

The Evenlite products listed as "BAA Compliant" on our website (Evenlite.com) and specification sheets qualify as domestic end products manufactured in the United States, because they are designed, manufactured, and tested in our U.S.-based manufacturing facilities, or are procured from third parties who have represented compliance with BAA regulations. Further, our nominated products qualify as COTS items because the items we sell for use on Government-funded procurement projects are the same as sold in substantial quantities in the commercial marketplace.

### Trade Agreements Act (TAA) (19 U.S.C. § 2501, et seq.; 48 C.F.R. Part 25)

In accordance with the TAA and implementing regulations, Federal executive agencies are prohibited from procuring products and services unless they are a U.S.-made end product or a designated country end product. Generally, TAA-compliant products must be (1) wholly manufactured or (2) substantially transformed in either the U.S. or a designated country. Under the TAA implementing regulations in the Federal Acquisition Regulation (FAR) Part 25, a product may also be TAA-compliant where it was manufactured in the United States.

The Evenlite products listed as "TAA Compliant" on our website (Evenlite.com), and specification sheets qualify as TAA-compliant products, as they are designed, manufactured, and tested in our U.S.-based manufacturing facility out of component parts sources from TAA-designated countries, or are procured from third parties who have represented their products are manufactured or substantially transformed in the U.S. or a TAA-compliant country.

#### **BAA/TAA COMPLIANT PRODUCTS**

NOTE: By providing this statement, Evenlite does not imply compliance with any provisions of any other domestic preference or country of origin laws or regulations other than the BAA and TAA. Nor does Evenlite intend to imply compliance with the BAA's domestic content thresholds as applicable to non-COTS items. Customers should consult with government end users before procuring Evenlite products to determine the exact requirements applicable to an opportunity. Evenlite does not guarantee or otherwise warrant that its products will be accepted as compliant by government customers – acceptance is at the sole discretion of the government procurement officer and end user.