

What BABA changes for running programs and new RFPs.

Nothing, for programs already operating. For new federally funded buys, a domestic component-cost threshold takes effect Oct. 1 2026 – and assembly alone stops being enough.

The Two Dates

IN EFFECT · OLD NEWS:

OCT 1, 2025
FINAL ASSEMBLY

Manufactured products must be assembled in the United States.

THE NEW BAR:

OCT 1, 2026
COMPONENT COST

Assembly alone stops being enough. Domestic components must clear a cost threshold.

55%

Of total component cost must be mined, produced, or manufactured domestically from Oct 1, 2026. A product assembled here from mostly imported parts passes 2025 and fails 2026.

Nearly all of the current confusion traces back to six misconceptions.

01 “It applies to every program.”

No federal assistance, no BABA obligation.

02 “Our existing program is at risk.”

The obligation date governs. Installed hardware is not clawed back and running programs are not reopened.

03 “Assembled in the U.S. is enough.”

True until Oct 1, 2026. After that, necessary but not sufficient.

04 “There is no way around it.”

Waivers exist. The de minimis and small grants waiver applies automatically below set thresholds. Others must be applied for.

05 “Everything on the pole is treated alike.”

Materials and manufactured products face separate tests. Ask which applies.

06 “Buy America is Buy American.”

Buy American governs what the feds buy for themselves. BABA governs what your grant builds.

WHAT THIS MEANS FOR YOUR PROCUREMENT

For most programs, nothing changes. Where federal funds are in play, this is a documentation exercise with a known sequence — and time to work through it.

01

Confirm the funding source

Program by program. No federal obligation, no BABA question to answer.

02

Check obligation dates

Work obligated before a phase date keeps the standard in force at the time.

03

Map hardware to funding

Get sourcing in writing, then match each option to the right funding stream or waiver path.

PLANNING A FEDERALLY FUNDED EXPANSION OR HARDWARE REFRESH?

Running programs are unaffected. Our advisors know this law inside and out and can map the options before your next federally funded buy goes to bid, and advise on our BABA compliant hardware.

TALK TO ELOVATE