## **Build America, Buy America (BABA)**

## FREQUENTLY ASKED QUESTION (FAQ)

Q1. Does the Build America, Buy America (BABA) domestic content procurement preference apply to Community Development Block Grant Disaster Recovery (CDBG-DR), Mitigation (CDBG-MIT), or National Disaster Resilience Competition (CDBG-NDR) grants?

A1: No, the preference does not apply to CDBG-DR, CDBG-NDR, or CDBG-MIT grants. Congress passed the Build America, Buy America Act (BABA) as part of the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58, §§ 70901-52, Nov. 15, 2021, 41 U.S.C. § 8301 note). The Act establishes a domestic content procurement preference for certain Federal programs that provide Federal Financial Assistance for infrastructure, but specifically excludes "pre and post disaster or emergency response expenditures" from those funds covered by the preference. Because all CDBG-DR, CDBG-MIT and CDBG-NDR grants are made in anticipation of or response to an event or events that qualify as an 'emergency' or 'major disaster' within the meaning" of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. §§ 5121 et seq.) (Stafford Act) and therefore constitute "pre and post disaster or emergency response expenditures."

Note: HUD has made additional information concerning its implementation of the BABA domestic content procurement preference available on its website, including general applicability, public interest waivers of the domestic content procurement preference, on its website at BABA | HUD.gov / U.S. Department of Housing and Urban Development (HUD).

