



**November 25, 2025**

**Statement for the Record**

**National Electrical Manufacturers Association (NEMA)**

**Before the House Committee on Small Business**

**Full Committee Hearing: "Made in the USA: How Main Street is Revitalizing Domestic Manufacturing"**

Submitted to Chairman Roger Williams and Ranking Member Nydia M. Velazquez

Chairman Williams, Ranking Member Velazquez and Members of the Committee:

The National Electrical Manufacturers Association (NEMA), on behalf of its more than 300 electroindustry manufacturers, appreciates the opportunity to submit this statement for the record regarding the Full Committee hearing "Made in the USA: How Main Street is Revitalizing Domestic Manufacturing." NEMA appreciates the significant effort and longstanding leadership the Committee has shown to elevate and address the challenges facing small businesses and writes to highlight the nation's only program that assists manufacturers, including small businesses, in navigating and certifying domestic content requirements, such as those included under the Build America, Buy America (BABA) Act. Further, NEMA also writes to highlight a tariff incentive proposal which could directly action the Congress and Administration's energy, artificial intelligence, and domestic manufacturing goals to assist small and mid-sized manufacturers and address key inputs needed to meet rising power demand.

**NEMA Overview**

NEMA is the leading trade association and standards development organization (SDO) representing U.S. manufacturers of electrical goods (the electroindustry). NEMA's more than 300 member companies directly employ over 580,000 U.S. workers in more than 12,500 facilities across all 50 states and contribute more than \$330 billion to the U.S. economy. Small and medium sized manufacturers represent 47% of NEMA's membership. NEMA members are leading producers of manufactured goods for the grid, industrial, built environment, and mobility sectors. Supporting small businesses is a strategic priority to maintain U.S. manufacturing capacity, strengthen supply-chain resilience, and ensure American competitiveness in a global market.

The electroindustry is one of the largest manufacturing sectors of the U.S. economy. Electrical manufacturers have invested more than \$185 billion in U.S. manufacturing since 2018 and directly supports over a half million jobs for American workers across the country. NEMA members manufacture products that are critical to infrastructure and deliver power and improve operations throughout the country including in homes, businesses, commercial facilities, hospitals, and transportation. These products are vital to helping achieve many of Congress' top priorities, including growing America's energy dominance, winning the artificial intelligence and data center race, ensuring a secure and resilient grid, and expanding domestic manufacturing capacity and jobs.

In the electroindustry, small and medium-sized manufacturers drive local and regional economies, anchor U.S. supply chains, and ensure that domestic production capacity remains resilient and globally competitive. By focusing on the needs of these manufacturers, the Committee strengthens the broader manufacturing ecosystem and supports the domestic capabilities required to meet rising national demand for modern grid infrastructure, safe and reliable transportation systems, greater energy independence, and relief from rising energy costs.

### **Make It American™**

The Bipartisan Infrastructure Law<sup>1</sup> included BABA, which sets stringent domestic content requirements for iron and steel, construction materials, and manufactured products in infrastructure projects receiving federal funding. Underlying BABA is the premise that federally funded infrastructure projects should support American industry, workers, and communities.

The complexity of overlapping domestic content requirements—from traditional Buy America provisions to the newer BABA framework—has created confusion across the manufacturing sector, particularly for small and medium-sized manufacturers. Under BABA specifically, a lack of consistent and timely guidance has made it difficult for manufacturers to understand, interpret, and comply with the requirements. Each federal agency administering infrastructure funds has issued slightly different rules or interpretations, resulting in uncertainty and an unclear pathway to compliance.

This fragmentation has created real-world challenges for U.S. manufacturers and small businesses, and it has also become a major bottleneck for states, local governments, and suppliers engaged in federally funded infrastructure projects.

To help address these challenges, in April 2025 NEMA launched the Make It American Certification Program—a private-sector-led initiative designed to support manufacturers in navigating BABA's domestic content requirements. The Make It American program strengthens public-sector efforts by providing a consistent, transparent, and auditable method to verify domestic content, helping ensure that U.S. manufacturing can fully participate in building America's infrastructure.

### **How Make It American Works**

Make It American is a voluntary, third-party certification program created by NEMA to help manufacturers navigate and demonstrate compliance with BABA's domestic content requirements. Building on NEMA's four decades as an ANSI-accredited standards development organization, NEMA established the NEMA 70901-2024 process standard, *Compliance with Domestic Preference Requirements for Infrastructure Projects*.<sup>2</sup> This standard provides a uniform framework for supply-chain transparency, verification, and the consistent application of BABA requirements to products used in federally funded infrastructure projects.

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<sup>1</sup> U.S. Congress. "H.R. 3684 – 117th Congress (2021-2022): Infrastructure Investment and Jobs Act." <https://www.congress.gov/bills/117th-congress/house-bill/3684>

<sup>2</sup> National Electrical Manufacturers Association, "NEMA 70901-2024: Compliance with Domestic Preference Requirements – Build America, Buy America Act (BABA)." <https://www.nema.org/standards/view/compliance-with-domestic-preference-requirements>.

The program is built around two complementary components: a process standard that enables transparent supply-chain evaluations and domestic-content calculations, and a suite of BABA Product Specifications that set product-specific criteria for determining BABA compliance. NEMA has published six product specifications to date, with additional categories under development. Together, these standards create a reliable and auditable mechanism for establishing and verifying BABA compliance across diverse manufacturing operations.

To achieve certification, manufacturers undergo an independent, third-party audit that evaluates conformance with the NEMA 70901-2024 process standard at the facility level and, if they choose, assesses product-level compliance based on the specific products they manufacture and the proper application of the relevant product-specific criteria. The standard is intentionally flexible and universally applicable, making it suitable for any U.S. manufacturing facility, (not only those in the electroindustry) seeking to demonstrate its ability to produce BABA-compliant products and meet domestic content requirements. It confirms that manufacturers have robust systems for supply-chain evaluation, domestic-content tracking, and documentation integrity, ensuring a consistent and reliable approach to compliance across industries.

Manufacturing facilities that meet the program requirements are added to the NEMA Make It American BABA Registry, a publicly accessible directory used by contracting officers, engineers, and project developers to identify compliant manufacturers.<sup>3</sup> Certified companies may also use the NEMA BABA Product Mark, allowing them to distinguish specific product lines as NEMA-certified BABA compliant in the marketplace.

NEMA's current BABA product specifications cover high- and medium-voltage distribution equipment, low-voltage power distribution equipment, connected building systems, grid automation technologies, variable frequency drives, and wire and cable. This verification and associated licensing give manufacturers a clear, defensible basis for making BABA compliance claims and help ensure transparency and confidence throughout the infrastructure supply chain.

Small and medium-sized manufacturers are deeply engaged in the Make It American Program, with many operating facilities that have obtained NEMA's process certification and producing NEMA-certified, BABA-compliant products aligned with NEMA's BABA Product Specifications. These companies rely on the program to demonstrate compliance, increase their visibility in federal procurement, and compete for infrastructure projects on a level playing field. Businesses such as TESCO Metering in Bristol, Pennsylvania, and Master Control Systems, Inc. in Lake Bluff, Illinois, two of the first companies to achieve NEMA certification, illustrate how small and medium-sized manufacturers are leveraging the program to strengthen their competitiveness and expand their participation in federally funded infrastructure projects.

### **Make It American is an Official Industry Resource Recognized by the Federal Government**

NEMA's Make It American Program is listed by the U.S. Federal Highway Administration (FHWA) as an official industry resource guiding manufacturers through federal domestic preference policies

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<sup>3</sup> National Electrical Manufacturers Association, "Make It American™ BABA Program & Certification." <https://www.makeitelectric.org/nema-programs/make-it-american/nema-make-it-american/>

for infrastructure projects.<sup>4</sup> The designation affirms Make It American as a validated resource for stakeholders across the supply chain – manufacturers, contractors, and state departments of transportation working to meet domestic content requirements for federally funded highway and transportation infrastructure projects.

FHWA's guidance highlights how NEMA's program provides plain-language compliance support, standardized attestations, product-content worksheets, and clean audit trails that align with federal regulations.

NEMA is actively expanding the Make It American Program into additional product-specification categories, including industrial automation systems, motor systems, intelligent transportation signals, and dynamic messaging signs, to meet growing demand across the electrification and grid-modernization landscape. NEMA is also working with other manufacturing sectors, such as gear manufacturers, valve producers, and appliance makers, to broaden the program's applicability and support a wider range of industries seeking to demonstrate BABA compliance. These expansions will make it easier for project developers and suppliers to source compliant equipment, reduce documentation and verification burdens, and strengthen domestic supply chains as domestic content requirements and enforcement continue to tighten and as more products are manufactured in the United States.

### **NEMA's Tariff Incentive Proposal**

The U.S. Congress and the Trump Administration have appropriately prioritized expanding domestic manufacturing and strengthening America's domestic energy and resource capabilities. Electrical infrastructure is central to these goals, and NEMA members have invested more than \$185 billion in U.S. facilities since 2018 to expand production, modernize operations, and meet rising demand for reliable power. However, many manufacturers, especially small and medium-sized firms, still face supply-chain gaps. Essential inputs are not always available domestically, and supply chains cannot shift overnight. Broad tariffs on goods with no U.S. alternative raise costs, delay projects, and slow progress on grid development and domestic manufacturing growth.

To keep trade policy aligned with national energy and manufacturing goals, NEMA urges adoption of a targeted, time-limited Tariff Incentive Framework<sup>5</sup> that rewards domestic investment and supports U.S. manufacturers while supply chains onshore. The framework includes three complementary incentives: a Capital Investment Incentive offering a tariff offset tied to investments in new or expanded U.S. facilities; a Grid Infrastructure Incentive providing a tariff offset for goods or materials needed to build and operate substations, distribution equipment, on-site generation, and data-center electrical systems; and a Domestic Manufacturing Incentive offering a tariff offset for manufactured products meeting federal domestic-content requirements.

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<sup>4</sup> Business Wire, "Federal Highway Administration Recognizes NEMA's Make It American™ Program; NEMA Expands Certification Offerings." <https://www.businesswire.com/news/home/20251021850280/en/Federal-Highway-Administration-Recognizes-NEMAs-Make-It-American-Program-NEMA-Expands-Certification-Offerings>

<sup>5</sup> National Electrical Manufacturers Association (NEMA). "Tariff Incentives for U.S. Energy & Manufacturing (Tariff Offset Proposal v11 – 2025)". <https://www.makeitelectric.org/wp-content/uploads/Documents/unnamed-file.Pages/tariff-offset-proposal-nema2025-v11.pdf>

Together, these incentives accelerate domestic production, support near-term grid and data-center deployment, and strengthen U.S. competitiveness.

Rising tariffs on components not yet produced in the United States risk diverting capital away from expansion projects and slowing grid modernization and manufacturing growth. Electrical equipment makes up more than one-third of an AI data-center build, and more than 1.5 million American jobs depend on the electroindustry. A focused tariff-incentive framework would protect grid reliability, support U.S. jobs, and ensure the nation can capture the full economic potential of the electrification and AI economies.

### **Conclusion**

The Make It American Program strengthens U.S. manufacturing by providing a rigorous, trusted certification framework that reduces compliance uncertainty, improves transparency in procurement, and positions NEMA certified manufacturers and products to succeed in a market where domestic content is both a requirement and a competitive advantage. The program provides a comprehensive and simplified pathway for small businesses to participate in federally funded projects and will help bolster domestic manufacturing capacity while providing certainty to agencies overseeing federally funded projects.

Further, NEMA's Tariff Incentive Proposal provides a pragmatic pathway to directly action the Congress and Administration's energy, artificial intelligence, and grid infrastructure objectives while addressing the need for key inputs not yet domestically available in sufficient quantity in the U.S.

NEMA remains committed to supporting small businesses, strengthening domestic supply chains, and ensuring that federal infrastructure investments deliver maximum benefit to American workers, communities, and businesses. We appreciate the Committee's leadership in elevating the needs of small and medium-sized manufacturers, and we look forward to continuing to provide an industry led resource to small businesses to certify domestic content, expand U.S. manufacturing capacity, accelerate modernization of the nation's infrastructure, and maintain America's global competitiveness.

Sincerely,

A handwritten signature in black ink that reads "Brian Papp Jr." in a cursive script.

Brian Papp Jr.  
Managing Director, Government Relations  
NEMA



## An Industry Led Solution to Verify Domestic Content

NEMA's Make It American™ program provides manufacturers with rigorous, standards-based certification for facilities and products that meet domestic content requirements, including Build America, Buy America (BABA) rules.

**\$185 Billion**

Invested in U.S. manufacturing  
by electroindustry

**190,000 Jobs**

Created by electroindustry  
across the U.S.



## Leveraging Make It American for Broader Manufacturing Sector

### Scalable Across Industries

NEMA's BABA Process Standard (70901-2024) is a flexible framework suitable for any U.S. manufacturing facility seeking to demonstrate domestic content.

### Collaborative Expansion

NEMA is partnering with trade associations and manufacturers in adjacent sectors to broaden adoption and increase market penetration.

### Standards Leadership

Utilize NEMA's role as a Standards Development Organization (SDO) to create new BABA product specifications tailored to diverse manufacturing categories.

### Amplified Market Impact

Working with federal and state agencies, and supply chain stakeholders to drive broader recognition and acceptance of Make It American certification marks.

## Process & Product Certification

The program includes facility certification to the **Make It American™**

**Process Standard**, which provides a clear, practical framework for evaluating supply chains across all company types. Additionally, organizations certify their products to NEMA's **BABA Product Specifications**.

Participating organizations undergo a third-party expert audit to assess both their conformance to the supply chain evaluation standard and their application of product-specific criteria to the products they seek to certify.

### Current BABA Product Licenses & Certifications

- Low-Voltage Power Distribution Equipment (LVDE)
- Wire and Cable

### Coming Soon

- Connected Building Systems & Control
- Grid Management & Automation
- High- and Medium-Voltage Distribution Equipment
- Variable Frequency Drives and Drive Systems

## Certification Issued by NEMA

Companies that successfully complete the audit(s) are issued a certification mark(s) for use at the facility and product level.



Facility Process Certification Mark



BABA Product Licenses & Certifications Mark

Once certified, companies are listed on NEMA's **Make It American BABA Registry**.



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