and in the case of an authority in which an Office of Inspector General is established by chapter 4 of title 5 or by any other Federal law, to the Inspector General of that authority.

(Added Pub. L. 99–509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947; amended Pub. L. 117–286, § 4(b)(57), Dec. 27, 2022, 136 Stat. 4349; Pub. L. 118–159, div. E, title LII, § 5203(h), Dec. 23, 2024, 138 Stat. 2443.)

Editorial Notes

AMENDMENTS

2024—Subsec. (a). Pub. L. 118–159 added subsec. (a) and struck out former subsec. (a) which read as follows: ''A hearing under section 3803(d)(2) of this title with respect to a claim or statement shall be commenced within 6 years after the date on which such claim or statement is made, presented, or submitted.''

2022—Subsec. (c). Pub. L. 117–286 substituted ''chapter 4 of title 5'' for ''the Inspector General Act of 1978''.

§ 3809. Regulations

Within 180 days after the date of enactment of this chapter, each authority head shall promulgate rules and regulations necessary to implement the provisions of this chapter. Such rules and regulations shall—

(1) ensure that investigating officials and reviewing officials are not responsible for conducting the hearing required in section 3803(f) of this title, making the determinations required by subsections (f) and (h) of section 3803 of this title, or making collections under section 3806 of this title; and

(2) require a reviewing official to include in any notice required by section 3803(a)(2) of this title a statement which specifies that the reviewing official has determined that there is a reasonable prospect of collecting, from a person with respect to whom the reviewing official is referring allegations of liability in such notice, the amount for which such person may be liable.

(Added Pub. L. 99–509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947.)

Editorial Notes

REFERENCES IN TEXT

The date of enactment of this chapter, referred to in text, means the date of enactment of Pub. L. 99–509 which was approved Oct. 21, 1986.

[§ 3810. Repealed. Pub. L. 104–66, title III, § 3001(c)(1), Dec. 21, 1995, 109 Stat. 734]

Section, added Pub. L. 99–509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947, required annual reports to Congress.

§ 3811. Effect on other law

(a) This chapter does not diminish the responsibility of any agency to comply with the provisions of chapter 35 of title 44.

(b) This chapter does not supersede the provisions of section 3512 of title 44.

(c) For purposes of this section, the term ''agency'' has the same meaning as in section 3502(1) of title 44.

(Added Pub. L. 99–509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1948.)

§ 3812. Prohibition against delegation

Any function, duty, or responsibility which this chapter specifies be carried out by the Attorney General or an Assistant Attorney General designated by the Attorney General, shall not be delegated to, or carried out by, any other officer or employee of the Department of Justice.

(Added Pub. L. 99–509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1948.)

CHAPTER 39—PROMPT PAYMENT

Sec.
3901. Definitions and application.
3902. Interest penalties.
3903. Regulations.
3904. Limitations on discount payments.
3905. Payment provisions relating to construction contracts.
[3906. Repealed.]
3907. Relationship to other laws.

Editorial Notes

AMENDMENTS

1998—Pub. L. 105–362, title XIII, § 1301(c)(2)(C), Nov. 10, 1998, 112 Stat. 3293, struck out item 3906 ''Reports''.

1988—Pub. L. 100–496, § 9(b), Oct. 17, 1988, 102 Stat. 2463, added item 3905 and redesignated former items 3905 and 3906 as 3906 and 3907, respectively.

§ 3901. Definitions and application

(a) In this chapter—

(1) ''agency'' has the same meaning given that term in section 551(1) of title 5 and includes an entity being operated, and the head of the agency identifies the entity as being operated, only as an instrumentality of the agency to carry out a program of the agency.

(2) ''business concern'' means—

(A) a person carrying on a trade or business; and

(B) a nonprofit entity operating as a contractor.

(3) ''proper invoice'' is an invoice containing or accompanied by substantiating documentation the Director of the Office of Management and Budget may require by regulation and the head of the appropriate agency may require by regulation or contract.

(4) for the purposes of determining a payment due date and the date upon which any late payment interest penalty shall begin to accrue, the head of the agency is deemed to receive an invoice—

(A) on the later of—

(i) the date on which the place or person designated by the agency to first receive such invoice actually receives a proper invoice; or

(ii) on the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is actually delivered or performance of the services is actually completed, as the case may be, unless—

(I) the agency has actually accepted such property or services before such 7th day; or

(II) the contract (except in the case of a contract for the procurement of a

brand-name commercial product for authorized resale) specifies a longer acceptance period, as determined by the contracting officer to be required to afford the agency a practicable opportunity to inspect and test the property furnished or evaluate the services performed; or

(B) on the date of the invoice, if the agency has failed to annotate the invoice with the date of receipt at the time of actual receipt by the place or person designated by the agency to first receive such invoice.

(5) a payment is deemed to be made on the date a check for payment is dated or an electronic fund transfer is made.

(6) a contract to rent property is deemed to be a contract to acquire the property.

(b) This chapter applies to the Tennessee Valley Authority. However, regulations prescribed under this chapter do not apply to the Authority, and the Authority alone is responsible for carrying out this chapter as it applies to contracts of the Authority.

(c) This chapter applies to the United States Postal Service. However, the Postmaster General shall be responsible for issuing the implementing procurement regulations, solicitation provisions, and contract clauses for the United States Postal Service.

(d)(1) Notwithstanding subsection (a)(1) of this section, this chapter, except section 3907 of this title, applies to the District of Columbia Courts.

(2) A claim for an interest penalty not paid under this chapter may be filed in the same manner as claims are filed with respect to contracts to provide property or services for the District of Columbia Courts.

(3)(A) Except as provided in subparagraph (B), an interest penalty under this chapter does not continue to accrue for more than one year or after a claim for an interest penalty is filed in the manner described in paragraph (2), whichever is earlier.

(B) If a claim for an interest penalty is filed in the manner described in paragraph (2) and interest is not available for such claims under the laws and regulations governing claims under contracts to provide property or services for the District of Columbia Courts, interest will accrue under this chapter as provided in paragraph (A) and from the date the claim is filed until the date the claim is paid.

(4) Paragraph (3) of this subsection does not prevent an interest penalty from accruing on a claim if such interest is available for such claim under the laws and regulations governing claims under contracts to provide property or services for the District of Columbia Courts. Such interest may accrue on an unpaid contract payment and on the unpaid penalty under this chapter.

(5) Except as provided in section 3904 of this title, this chapter does not require an interest penalty on a payment that is not made because of a dispute between the head of an agency and a business concern over the amount of payment or compliance with the contract. A claim related to the dispute, and any interest payable for the period during which the dispute is being resolved, is subject to the laws and regulations governing claims under contracts to provide property or services for the District of Columbia Courts.

(Added Pub. L. 97–452, §1(18)(A), Jan. 12, 1983, 96 Stat. 2474; amended Pub. L. 100–496, §2(a)–(c)(1), Oct. 17, 1988, 102 Stat. 2455; Pub. L. 105–277, div. A, §101(c) [title I, §162(a)], Oct. 21, 1998, 112 Stat. 2681–121, 2681–148; Pub. L. 105–362, title XIII, §1301(c)(2)(A), Nov. 10, 1998, 112 Stat. 3293; Pub. L. 115–232, div. A, title VIII, §836(g)(3), Aug. 13, 2018, 132 Stat. 1873.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3901(a)	31 App.:1805.	May 21, 1982, Pub. L. 97–177, §§6, 7(c), 96 Stat. 87, 88.
3901(b)	31 App.:1806.	

In the chapter, the words ''the head of'' are added for clarity and consistency in the revised title and with other titles of the United States Code.

In subsection (a)(1), the word ''Federal'' is omitted as unnecessary and for consistency in the revised title and with other titles of the Code. The words ''for this purpose'' are omitted because of the restatement. The words ''the purpose of'' and ''or more'' are omitted as surplus.

In subsection (a)(5), the words ''deemed to be'' are substituted for ''considered'' for consistency in the revised title and with other titles of the Code.

In subsection (a)(6), the words ''real or personal'' are omitted as surplus. The words ''deemed to be'' are added for consistency in the revised title and with other titles of the Code.

In subsection (b), the words ''the authority of'' are omitted as surplus.

Editorial Notes

AMENDMENTS

2018—Subsec. (a)(4)(A)(ii)(II). Pub. L. 115–232 substituted ''commercial product'' for ''commercial item''.

1998—Subsec. (c). Pub. L. 105–362 struck out '', except section 3906 of this title,'' after ''This chapter''.

Subsec. (d). Pub. L. 105–277 added subsec. (d).

1988—Subsec. (a)(4). Pub. L. 100–496, §2(a), amended par. (4) generally. Prior to amendment, par. (4) read as follows: ''the head of an agency is deemed to receive an invoice on the later of the dates that—

''(A) the designated payment office or finance center of the agency actually receives a proper invoice; or

''(B) the head of the agency accepts the applicable property or service.''

Subsec. (a)(5). Pub. L. 100–496, §2(b), amended par. (5) generally, substituting ''check for payment is dated or an electronic fund transfer is made'' for ''check for the payment is dated''.

Subsec. (c). Pub. L. 100–496, §2(c)(1), added subsec. (c).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–232 effective Jan. 1, 2020, subject to a savings provision, see section 836(h) of Pub. L. 115–232, set out as an Effective Date of 2018 Amendment; Savings Provision note under section 453b of Title 6, Domestic Security.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 2(a), (b) of Pub. L. 100–496 applicable to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after Oct. 17, 1988, and amendment by section 2(c)(1) of Pub. L. 100–496 applicable with respect to all obligations incurred on or after Jan. 1, 1989, see section

14(a), (c) of Pub. L. 100–496, set out as a note under section 3902 of this title.

SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100–496, §1, Oct. 17, 1988, 102 Stat. 2455, provided that: ''This Act [enacting section 3905 of this title, amending this section, sections 3902 to 3904 and 3906 of this title, section 644 of Title 15, Commerce and Trade, and section 410 of Title 39, Postal Service, renumbering sections 3905 and 3906 of this title as 3906 and 3907, respectively, enacting provisions set out as notes under sections 3902, 3903, and 3906 of this title, and repealing provisions set out as a note under section 3903 of this title] may be cited as the 'Prompt Payment Act Amendments of 1988'.''

§ 3902. Interest penalties

(a) Under regulations prescribed under section 3903 of this title, the head of an agency acquiring property or service from a business concern, who does not pay the concern for each complete delivered item of property or service by the required payment date, shall pay an interest penalty to the concern on the amount of the payment due. The interest shall be computed at the rate of interest established by the Secretary of the Treasury, and published in the Federal Register, for interest payments under section 7109(a)(1) and (b) of title 41, which is in effect at the time the agency accrues the obligation to pay a late payment interest penalty.

(b) The interest penalty shall be paid for the period beginning on the day after the required payment date and ending on the date on which payment is made.

(c)(1) A business concern shall be entitled to an interest penalty of $1.00 or more which is owed such business concern under this section, and such penalty shall be paid without regard to whether the business concern has requested payment of such penalty.

(2) Each payment subject to this chapter for which a late payment interest penalty is required to be paid shall be accompanied by a notice stating the amount of the interest penalty included in such payment and the rate by which, and period for which, such penalty was computed.

(3) If a business concern—

(A) is owed an interest penalty by an agency;

(B) is not paid the interest penalty in a payment made to the business concern by the agency on or after the date on which the interest penalty becomes due;

(C) is not paid the interest penalty by the agency within 10 days after the date on which such payment is made; and

(D) makes a written demand, not later than 40 days after the date on which such payment is made, that the agency pay such a penalty,

such business concern shall be entitled to an amount equal to the sum of the late payment interest penalty to which the contractor is entitled and an additional penalty equal to a percentage of such late payment interest penalty specified by regulation by the Director of the Office of Management and Budget, subject to such maximum as may be specified in such regulations.

(d) The temporary unavailability of funds to make a timely payment due for property or services does not relieve the head of an agency from the obligation to pay interest penalties under this section.

(e) An amount of an interest penalty unpaid after any 30-day period shall be added to the principal amount of the debt, and a penalty accrues thereafter on the added amount.

(f) This section does not authorize the appropriation of additional amounts to pay an interest penalty. The head of an agency shall pay a penalty under this section out of amounts made available to carry out the program for which the penalty is incurred.

(g) A recipient of a grant from the head of an agency may provide in a contract for the acquisition of property or service from a business concern that, consistent with the usual business practices of the recipient and applicable State and local law, the recipient will pay an interest penalty on amounts overdue under the contract under conditions agreed to by the recipient and the concern. The recipient may not pay the penalty from amounts received from an agency. Amounts expended for the penalty may not be counted toward a matching requirement applicable to the grant. An obligation to pay the penalty is not an obligation of the United States Government.

(h)(1) This section shall apply to contracts for the procurement of property or services entered into pursuant to section 4(h) of the Act of June 29, 1948 (15 U.S.C. 714b(h)).

(2)(A) In the case of a payment to which producers on a farm are entitled under the terms of an agreement entered into under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), an interest penalty shall be paid to the producers if the payment has not been made by the required payment or loan closing date. The interest penalty shall be paid—

(i) on the amount of payment or loan due; and

(ii) for the period beginning on the first day beginning after the required payment or loan closing date and ending on the date the amount is paid or loaned.

(B) As used in this subsection, the ''required payment or loan closing date'' means—

(i) for a purchase agreement, the 30th day after delivery of the warehouse receipt for the commodity subject to the purchase agreement;

(ii) for a loan agreement, the 30th day beginning after the date of receipt of an application with all requisite documentation and signatures, unless the applicant requests that the disbursement be deferred;

(iii) for refund of amounts received greater than the amount required to repay a commodity loan, the first business day after the Commodity Credit Corporation receives payment for such loan;

(iv) for land diversion payments (other than advance payments), the 30th day beginning after the date of completion of the production adjustment contract by the producer;

(v) for an advance land diversion payment, 30 days after the date the Commodity Credit Corporation executes the contract with the producer;

(vi) for a deficiency payment (other than advance payments) based upon a 12-month or 5-

month period, 91 days after the end of such period; or

(vii) for an advance deficiency payment, 30 days after the date the Commodity Credit Corporation executes the contract with the producer.

(3) Payment of the interest penalty under this subsection shall be made out of funds available under section 8 of the Act of June 29, 1948 (15 U.S.C. 714f).

(4) Section 3907 of this title shall not apply to interest penalty payments made under this subsection.

(Added Pub. L. 97–452, § 1(18)(A), Jan. 12, 1983, 96 Stat. 2475; amended Pub. L. 98–216, § 1(6), Feb. 14, 1984, 98 Stat. 4; Pub. L. 100–496, § 3, Oct. 17, 1988, 102 Stat. 2456; Pub. L. 105–362, title XIII, § 1301(c)(2)(B), Nov. 10, 1998, 112 Stat. 3293; Pub. L. 111–350, § 5(h)(7), Jan. 4, 2011, 124 Stat. 3849.)

HISTORICAL AND REVISION NOTES
1982 ACT

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3902(a)	31 App.:1801(a)(1), (b)(1) (2d, last sentences).	May 21, 1982, Pub. L. 97–177, § 2(a)(1), (b)–(d), 96 Stat. 85.
3902(b)	31 App.:1801(b)(1) (1st sentence).	
3902(c)	31 App.:1801(b)(2).	
3902(d)	31 App.:1801(c).	
3902(e)	31 App.:1801(d).	

In subsection (a), the words ''under section 3903 of this title'' are substituted for ''by the Director of the Office of Management and Budget'' because of the restatement. The words ''in accordance with this section'' are omitted as surplus.

In subsection (b), before clause (1), the words ''on amounts due to a business concern under this chapter . . . to the business concern'', ''of the amount due'', and ''complete delivered . . . of property or service concerned'' are omitted as surplus.

In subsection (c), the words ''which remains'' are omitted as surplus.

In subsection (e), the words ''terms and'' and ''non-Federal'' are omitted as surplus. The word ''Government'' is added for consistency in the revised title and with other titles of the United States Code.

1984 ACT

This is necessary to correct cross-references in section 3902(b).

Editorial Notes

REFERENCES IN TEXT

The Agricultural Act of 1949, referred to in subsec. (h)(2)(A), is act Oct. 31, 1949, ch. 792, 63 Stat. 1051, which is classified principally to chapter 35A (§ 1421 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1421 of Title 7 and Tables.

AMENDMENTS

2011—Subsec. (a). Pub. L. 111–350 substituted ''section 7109(a)(1) and (b) of title 41'' for ''section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611)''.

1998—Subsec. (b). Pub. L. 105–362 substituted ''The'' for ''Except as provided in section 3906 of this title, the''.

1988—Subsec. (a). Pub. L. 100–496, § 3(a)(1), substituted ''The interest shall be computed at the rate of interest established by the Secretary of the Treasury, and published in the Federal Register, for interest payments under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), which is in effect at the time the agency accrues the obligation to pay a late payment interest penalty'' for ''The interest shall be computed at the rate the Secretary of the Treasury establishes for interest payments under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611). The Secretary shall publish each rate in the Federal Register''.

Subsec. (b). Pub. L. 100–496, § 3(a)(2), struck out second sentence which read as follows: ''However, a penalty may not be paid if payment for the item is made—

''(1) when the item is a meat or meat food product described in section 3903(2) of this title, before the 4th day after the required payment date;

''(2) when the item is an agricultural commodity described in section 3903(3) of this title, before the 6th day after the required payment date; or

''(3) when the item is not an item referred to in clauses (1) and (2) of this subsection, before the 16th day after the required payment date.''

Subsecs. (c) to (g). Pub. L. 100–496, § 3(b), added subsecs. (c) and (d) and redesignated former subsecs. (c) to (e) as (e) to (g), respectively.

Subsec. (h). Pub. L. 100–496, § 3(c), added subsec. (h).

1984—Subsec. (b). Pub. L. 98–216 substituted ''3903(2)'' for ''3903(2)(A)'' in par. (1) and ''3903(3)'' for ''3903(2)(B)'' in par. (2).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100–496, § 14(a)–(c), Oct. 17, 1988, 102 Stat. 2465, 2466, provided that:

''(a) The amendments made by sections 2(a), 2(b), 3(a), 4 through 9, 12, and 13 of this Act [enacting section 3905 of this title, amending this section, sections 3901, 3903, and 3904 of this title and section 644 of Title 15, Commerce and Trade, renumbering sections 3905 and 3906 of this title as sections 3906 and 3907, respectively, and repealing provisions set out as a note under section 3903 of this title] shall apply to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after the date of the enactment of this Act [Oct. 17, 1988].

''(b) The requirements of section 3902(c)(2) of title 31, United States Code, as added by section 3(b) of this Act, shall apply to payments under contracts awarded on or after October 1, 1989.

''(c) The amendments made by sections 2(c) and 3(c) of this Act [amending this section, section 3901 of this title, and section 410 of Title 39, Postal Service] shall be applicable with respect to all obligations incurred on or after January 1, 1989.''

PAYMENT OF INTEREST PENALTIES BY DEPARTMENT OF DEFENSE

Pub. L. 107–117, div. A, title VIII, § 8084, Jan. 10, 2002, 115 Stat. 2266, provided that: ''Notwithstanding 31 U.S.C. 3902, during the current fiscal year and hereafter, interest penalties may be paid by the Department of Defense from funds financing the operation of the military department or defense agency with which the invoice or contract payment is associated.''

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 106–259, title VIII, § 8083, Aug. 9, 2000, 114 Stat. 692.

Pub. L. 106–79, title VIII, § 8088, Oct. 25, 1999, 113 Stat. 1252.

Pub. L. 105–262, title VIII, § 8092, Oct. 17, 1998, 112 Stat. 2319.

Pub. L. 105–56, title VIII, § 8103, Oct. 8, 1997, 111 Stat. 1243.

INTEREST PENALTIES FOR LATE PAYMENT OF INTERIM PAYMENTS DUE UNDER GOVERNMENT SERVICE CONTRACTS

Pub. L. 106–398, § 1 [[div. A], title X, § 1010], Oct. 30, 2000, 114 Stat. 1654, 1654A–251, as amended by Pub. L.

107–107, div. A, title X, § 1007, Dec. 28, 2001, 115 Stat. 1204, provided that:

''(a) PROMPT PAYMENT REQUIREMENT FOR INTERIM PAYMENTS.—Under regulations prescribed under subsection (c), the head of an agency acquiring services from a business concern under a cost reimbursement contract requiring interim payments who does not pay the concern a required interim payment by the date that is 30 days after the date of the receipt of a proper invoice shall pay an interest penalty to the concern on the amount of the payment due. The interest shall be computed as provided in section 3902(a) of title 31, United States Code.

''(b) REGULATIONS.—The Director of the Office of Management and Budget shall prescribe regulations to carry out this section. Such regulations shall be prescribed as part of the regulations prescribed under section 3903 of title 31, United States Code.

''(c) INCORPORATION OF CERTAIN PROVISIONS OF LAW.—The provisions of chapter 39 of title 31, United States Code, shall apply to this section in the same manner as if this section were enacted as part of such chapter.

''(d) EFFECTIVE DATE.—Subsection (a) shall take effect on December 15, 2000, and shall apply with respect to interim payments that are due on or after such date under contracts entered into before, on, or after that date. No interest shall accrue by reason of that subsection for any period before that date.''

§ 3903. Regulations

(a) The Director of the Office of Management and Budget shall prescribe regulations to carry out section 3902 of this title. The regulations shall—

(1) provide that the required payment date is—

(A) the date payment is due under the contract for the item of property or service provided; or

(B) except as provided in paragraphs (10) and (11), 30 days after a proper invoice for the amount due is received if a specific payment date is not established by contract;

(2) for the acquisition of meat or a meat food product (as defined in section 2(a)(3) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182(3))), including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product, or of fresh or frozen fish (as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), provide a required payment date of not later than 7 days after the meat, meat food product, or fish is delivered; and

(3) for the acquisition of a perishable agricultural commodity (as defined in section 1(4)[1] of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(4))), provide a required payment date consistent with that Act;

(4) for the acquisition of dairy products (as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), the acquisition of edible fats or oils, and the acquisition of food products prepared from edible fats or oils, provide a required payment date of not later than 10 days after the date on which a proper invoice for the amount due has been received by the agency acquiring such dairy products, fats, oils, or food products;

(5) require periodic payments, in the case of a property or service contract which does not prohibit periodic payments for partial deliveries or other contract performance during the contract period, upon—

(A) submission of an invoice for property delivered or services performed during the contract period, if an invoice is required by the contract; and

(B) either—

(i) acceptance of the property or services by an employee of an agency authorized to accept the property or services; or

(ii) the making of a determination by such an employee, that the performance covered by the payment conforms to the terms and conditions of the contract;

(6) in the case of a construction contract, provide for the payment of interest on—

(A) a progress payment (including a monthly percentage-of-completion progress payment or milestone payments for completed phases, increments, or segments of any project) that is approved as payable by the agency pursuant to subsection (b) of this section and remains unpaid for—

(i) a period of more than 14 days after receipt of the payment request by the place or person designated by the agency to first receive such requests; or

(ii) a longer period, specified in the solicitation, if required to afford the Government a practicable opportunity to adequately inspect the work and to determine the adequacy of the contractor's performance under the contract; and

(B) any amounts which the agency has retained pursuant to a prime contract clause providing for retaining a percentage of progress payments otherwise due to a contractor and that are approved for release to the contractor, if such retained amounts are not paid to the contractor by a date specified in the contract or, in the absence of such a specified date, by the 30th day after final acceptance;

(7) require that—

(A) each invoice be reviewed as soon as practicable after receipt for the purpose of determining that such an invoice is a proper invoice within the meaning of section 3901(a)(3) of this title;

(B) any invoice determined not to be such a proper invoice suitable for payment shall be returned as soon as practicable, but not later than 7 days, after receipt, specifying the reasons that the invoice is not a proper invoice; and

(C) the number of days available to an agency to make a timely payment of an invoice without incurring an interest penalty shall be reduced by the number of days by which an agency exceeds the requirements of subparagraph (B) of this paragraph;

(8) permit an agency to make payment up to 7 days prior to the required payment date, or earlier as determined by the agency to be necessary on a case-by-case basis;

(9) prescribe the methods for computing interest under section 3903(c)[1] of this title;

(10) for a prime contractor (as defined in section 8701(5) of title 41) that is a small business

[1] See References in Text note below.

concern (as defined under section 3 of the Small Business Act (15 U.S.C. 632)), to the fullest extent permitted by law, require that the head of an agency establish an accelerated payment date with a goal of 15 days after a proper invoice for the amount due is received if a specific payment date is not established by contract; and

(11) for a prime contractor (as defined in section 8701(5) of title 41) that subcontracts with a small business concern (as defined under section 3 of the Small Business Act (15 U.S.C. 632)), to the fullest extent permitted by law, require that the head of an agency establish an accelerated payment date with a goal of 15 days after a proper invoice for the amount due is received if—

(A) a specific payment date is not established by contract; and

(B) such prime contractor agrees to make payments to such subcontractor in accordance with such accelerated payment date, to the maximum extent practicable, without any further consideration from or fees charged to such subcontractor.

(b)(1) A payment request may not be approved under subsection (a)(6)(A) of this section unless the application for such payment includes—

(A) substantiation of the amounts requested; and

(B) a certification by the prime contractor, to the best of the contractor's knowledge and belief, that—

(i) the amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;

(ii) payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by the certification, in accordance with their subcontract agreements and the requirements of this chapter; and

(iii) the application does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of their subcontract.

(2) The agency shall return any such payment request which is defective to the contractor within 7 days after receipt, with a statement identifying the defect.

(c) A contract for the procurement of subsistence items that is entered into under the prime vendor program of the Defense Logistics Agency may specify for the purposes of section 3902 of this title a single required payment date that is to be applicable to an invoice for subsistence items furnished under the contract when more than one payment due date would otherwise be applicable to the invoice under the regulations prescribed under paragraphs (2), (3), and (4) of subsection (a) or under any other provisions of law. The required payment date specified in the contract shall be consistent with prevailing industry practices for the subsistence items, but may not be more than 10 days after the date of receipt of the invoice or the certified date of receipt of the items. The Director of the Office of Management and Budget shall provide in the regulations under subsection (a) that when a required payment date is so specified for an invoice, no other payment due date applies to the invoice.

(d)(1) The contracting officer shall—

(A) compute the interest which a contractor shall be obligated to pay under sections 3905(a)(2) and 3905(e)(6) of this title on the basis of the average bond equivalent rates of 91-day Treasury bills auctioned at the most recent auction of such bills prior to the date the contractor received the unearned amount; and

(B) deduct the interest amount determined under subparagraph (A) of this paragraph from the next available payment to the contractor.

(2) Amounts deducted from payments to contractors under paragraph (1)(B) shall revert to the Treasury.

(Added Pub. L. 97–452, § 1(18)(A), Jan. 12, 1983, 96 Stat. 2476; amended Pub. L. 100–496, §§ 4–7, 13(a), Oct. 17, 1988, 102 Stat. 2457–2459, 2465; Pub. L. 102–190, div. A, title VIII, § 842, Dec. 5, 1991, 105 Stat. 1449; Pub. L. 106–65, div. A, title X, § 1009, Oct. 5, 1999, 113 Stat. 738; Pub. L. 116–92, div. A, title VIII, § 873, Dec. 20, 2019, 133 Stat. 1527.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3903	31 App.:1801(a)(2).	May 21, 1982, Pub. L. 97–177, § 2(a)(2), 96 Stat. 85.

In the section, before clause (1), the words ''The Director of the Office of Management and Budget shall prescribe regulations to carry out section 3902 of this title'' are added because of the restatement. In clause (1)(A), the words ''the terms of'' are omitted as surplus. In clause (1)(B), the words ''of the payment'' are omitted as surplus.

Editorial Notes

REFERENCES IN TEXT

The Perishable Agricultural Commodities Act, 1930, referred to in subsec. (a)(3), is act June 10, 1930, ch. 436, 46 Stat. 531, which is classified generally to chapter 20A (§ 499a et seq.) of Title 7, Agriculture. Section 1(4) of the Act was redesignated section 1(b)(4) by Pub. L. 102–237, title X, § 1011(1)(A), Dec. 13, 1991, 105 Stat. 1898, and is classified to section 499a(b)(4) of Title 7. For complete classification of this Act to the Code, see section 499r of Title 7 and Tables.

Section 3903(c) of this title, referred to in subsec. (a)(9), was redesignated section 3903(d) by Pub. L. 106–65, div. A, title X, § 1009(1), Oct. 5, 1999, 113 Stat. 738.

AMENDMENTS

2019—Subsec. (a)(1)(B). Pub. L. 116–92, § 873(1), inserted ''except as provided in paragraphs (10) and (11),'' before ''30 days''.

Subsec. (a)(10), (11). Pub. L. 116–92, § 873(2)–(4), added pars. (10) and (11).

1999—Subsecs. (c), (d). Pub. L. 106–65 added subsec. (c) and redesignated former subsec. (c) as (d).

1991—Subsec. (a)(2). Pub. L. 102–190 inserted provisions relating to fresh or frozen fish as defined in 16 U.S.C. 4003(3) and substituted ''meat, meat food product, or fish'' for ''meat or meat food product''.

1988—Subsec. (a). Pub. L. 100–496, § 6(1), designated existing provisions as subsec. (a).

Subsec. (a)(2). Pub. L. 100–496, § 13(a), included any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product.

Subsec. (a)(4). Pub. L. 100–496, § 4, amended par. (4) generally. Prior to amendment, par. (4) read as follows: ''provide separate required payment dates for a contract under which property or service is provided in a series of partial executions or deliveries to the extent the contract provides for separate payments for partial execution or delivery; and''.

Subsec. (a)(5). Pub. L. 100–496, § 5(2), added par. (5). Former par. (5) redesignated (7).

Subsec. (a)(6). Pub. L. 100–496, § 6(2), added par. (6).

Subsec. (a)(7). Pub. L. 100–496, § 7, added par. (7) and struck out former par. (7), which read as follows: ''require that, within 15 days after an invoice is received, the head of an agency notify the business concern of a defect or impropriety in the invoice that would prevent the running of the time period specified in clause (1)(B) of this section.''

Pub. L. 100–496, § 5(1), redesignated par. (5) as (7).

Subsec. (a)(8), (9). Pub. L. 100–496, § 7, added pars. (8) and (9).

Subsecs. (b), (c). Pub. L. 100–496, § 6(3), added subsecs. (b) and (c).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–496 applicable to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after Oct. 17, 1988, see section 14(a) of Pub. L. 100–496, set out as a note under section 3902 of this title.

IMPLEMENTATION THROUGH FEDERAL ACQUISITION REGULATION

Pub. L. 100–496, § 11, Oct. 17, 1988, 102 Stat. 2463, provided that:

''(a) The Federal Acquisition Regulation shall be modified to provide appropriate solicitation provisions and contract clauses that implement chapter 39 of title 31, United States Code, as amended by this Act [see Short Title of 1988 Amendment note set out under section 3901 of this title], and the regulations prescribed under section 3903 of such title (as amended).

''(b) The solicitation provisions and contract clauses required by subsection (a) of this section shall include (but not be limited to) the following matters:

''(1) Authority for a contracting officer to specify for a contract or class of contracts a specific payment period, which—

''(A) in the case of payments for commercial items or services, is similar to the payment period or periods permitted in prevailing private industry contracting practices;

''(B) in the case of payments for noncommercial items and services, does not exceed 30 days unless the circumstances of the procurement action is determined to require a longer period for payment and such determination is approved above the level of the contracting officer;

''(C) in the case of payments for items of property or services in an amount less than the amount specified as a small purchase in section 303(g)(2) of the Federal Property and Administrative Services Act of 1949 ([former] 41 U.S.C. 253(g)(2)) [now 41 U.S.C. 3305(b)], does not exceed 15 days after the date of receipt of the invoice, if—

''(i) the contract provides for such 'fast payment' terms;

''(ii) title to any property will vest in the Government upon delivery (including delivery to a common carrier); and

''(iii) the business concern offers appropriate warranties to furnish property or services conforming to the requirements of the contract or purchase order, if payment will be due prior to acceptance of the items or services; and

''(D) in the case of progress payments under construction contracts, does not exceed 14 days, unless the solicitation specifies a longer period which the contracting officer has determined is required to afford the Government a practicable opportunity to adequately inspect the work and to evaluate the adequacy of the contractor's performance under the contract.

''(2) Requirements to make periodic payments, in the case of a property or service contract which does not prohibit periodic payments for partial deliveries or other contract performance during the contract period, upon—

''(A) submission of an invoice for property delivered or services performed during the contract period, if an invoice is required by the contract; and

''(B) either—

''(i) acceptance of the property or services by an employee of the contracting agency authorized to accept the property or services; or

''(ii) the making of a determination by such an employee, that the performance covered by the payment conforms to the terms and conditions of the contract.

''(3) A conclusive presumption, exclusively for the purposes of determining when an agency becomes obligated to pay a late payment interest penalty (other than under construction contracts), that the Federal Government has accepted property or services by the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is delivered or final performance of the services is completed, unless the solicitation specifies a longer period which is determined by the contracting officer to be required to afford the agency a practicable opportunity to inspect and test the property furnished or evaluate the services performed.

''(4) The limitation that the Federal Government may take a discount offered by a contractor for early payment by the Federal Government only in accordance with the time limits specified by the contractor, determined in accordance with the second sentence of section 3904 of title 31, United States Code.

''(5) The requirements of section 3902(c) of title 31, United States Code.

''(6) The requirements of section 3903(a)(6) of title 31, United States Code.

''(7) The requirements of section 3905 of title 31, United States Code.

''(c) The regulations required by subsection (a) of this section shall be published as proposed regulations for public comment as provided in section 22 of the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 418b) [now 41 U.S.C. 1707] within 120 days after the date of the enactment of this Act [Oct. 17, 1988].''

EDIBLE FRESH OR FROZEN POULTRY MEAT, PERISHABLE POULTRY MEAT FOOD PRODUCTS, FRESH EGGS, AND PERISHABLE EGG PRODUCTS

Pub. L. 98–181, title II, § 2002, Nov. 30, 1983, 97 Stat. 1297, to the extent that it provided that the terms ''meat'' and ''meat food products'' as used in 31 U.S.C. 3903(2) also included edible fresh or frozen poultry meat, perishable poultry meat food products, fresh eggs and perishable egg products, was stricken by Pub. L. 100–496, § 13(b), Oct. 17, 1988, 102 Stat. 2465, applicable to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after Oct. 17, 1988.

§ 3904. Limitations on discount payments

The head of an agency offered a discount by a business concern from an amount due under a contract for property or service in exchange for payment within a specified time may pay the discounted amount only if payment is made within the specified time. For the purpose of the preceding sentence, the specified time shall be determined from the date of the invoice. The

head of the agency shall pay an interest penalty on an amount remaining unpaid in violation of this section. The penalty accrues as provided under sections 3902 and 3903 of this title, except that the required payment date for the unpaid amount is the last day specified in the contract that the discounted amount may be paid.

(Added Pub. L. 97–452, §1(18)(A), Jan. 12, 1983, 96 Stat. 2476; amended Pub. L. 100–496, §8, Oct. 17, 1988, 102 Stat. 2460.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3904	31 App.:1802.	May 21, 1982, Pub. L. 97–177, §3, 96 Stat. 86.

The word ''otherwise'' is omitted as surplus. The words ''may pay the discounted amount'' are substituted for ''may make payment in an amount equal to the discounted price'' to eliminate unnecessary words. The words ''on such unpaid amount'' and ''the regulations prescribed pursuant to'' are omitted as surplus. The words ''specified in the contract that the discounted amount may be paid'' are substituted for ''of the specified period of time described in subsection (a)'' for clarity.

Editorial Notes

AMENDMENTS

1988—Pub. L. 100–496 inserted after first sentence ''For the purpose of the preceding sentence, the specified time shall be determined from the date of the invoice.''

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–496 applicable to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after Oct. 17, 1988, see section 14(a) of Pub. L. 100–496, set out as a note under section 3902 of this title.

§ 3905. Payment provisions relating to construction contracts

(a) In the event that a contractor, after making a certified payment request to an agency pursuant to section 3903(b) of this title, discovers that a portion or all of such payment request constitutes a payment for performance by such contractor that fails to conform to the specifications, terms, and conditions of its contract (hereafter in this subsection referred to as the ''unearned amount''), then the contractor shall—

(1) notify the agency of such performance deficiency; and

(2) be obligated to pay the Government an amount equal to interest on the unearned amount (computed in the manner provided in section 3903(c) of this title), from the date of the contractor's receipt of such unearned amount until—

(A) the date the contractor notifies the agency that the performance deficiency has been corrected; or

(B) the date the contractor reduces the amount of any subsequent certified application for payment to such agency by an amount equal to the unearned amount.

(b) Each construction contract awarded by an agency shall include a clause that requires the prime contractor to include in each subcontract for property or services entered into by the prime contractor and a subcontractor (including a material supplier) for the purpose of performing such construction contract—

(1) a payment clause which obligates the prime contractor to pay the subcontractor for satisfactory performance under its subcontract within 7 days out of such amounts as are paid to the prime contractor by the agency under such contract; and

(2) an interest penalty clause which obligates the prime contractor to pay to the subcontractor an interest penalty on amounts due in the case of each payment not made in accordance with the payment clause included in the subcontract pursuant to paragraph (1) of this subsection—

(A) for the period beginning on the day after the required payment date and ending on the date on which payment of the amount due is made; and

(B) computed at the rate specified by section 3902(a) of this title.

(c) The construction contract awarded by the agency shall further require the prime contractor to include in each of its subcontracts (for the purpose of performance of such construction contract) a provision requiring the subcontractor to include a payment clause and an interest penalty clause conforming to the standards of subsection (b) of this section in each of its subcontracts and to require each of its subcontractors to include such clauses in their subcontracts with each lower-tier subcontractor or supplier.

(d) The clauses required by subsections (b) and (c) of this section shall not be construed to impair the right of a prime contractor or a subcontractor at any tier to negotiate, and to include in their subcontract, provisions which—

(1) permit the prime contractor or a subcontractor to retain (without cause) a specified percentage of each progress payment otherwise due to a subcontractor for satisfactory performance under the subcontract, without incurring any obligation to pay a late payment interest penalty, in accordance with terms and conditions agreed to by the parties to the subcontract, giving such recognition as the parties deem appropriate to the ability of a subcontractor to furnish a performance bond and a payment bond;

(2) permit the contractor or subcontractor to make a determination that part or all of the subcontractor's request for payment may be withheld in accordance with the subcontract agreement; and

(3) permit such withholding without incurring any obligation to pay a late payment penalty if—

(A) a notice conforming to the standards of subsection (g) of this section has been previously furnished to the subcontractor; and

(B) a copy of any notice issued by a prime contractor pursuant to subparagraph (A) of this paragraph has been furnished to the Government.

(e) If a prime contractor, after making application to an agency for payment under a con-

tract but before making a payment to a subcontractor for the subcontractor's performance covered by such application, discovers that all or a portion of the payment otherwise due such subcontractor is subject to withholding from the subcontractor in accordance with the subcontract agreement, then the prime contractor shall—

(1) furnish to the subcontractor a notice conforming to the standards of subsection (g) of this section as soon as practicable upon ascertaining the cause giving rise to a withholding, but prior to the due date for subcontractor payment;

(2) furnish to the Government, as soon as practicable, a copy of the notice furnished to the subcontractor pursuant to paragraph (1) of this subsection;

(3) reduce the subcontractor's progress payment by an amount not to exceed the amount specified in the notice of withholding furnished under paragraph (1) of this subsection;

(4) pay the subcontractor as soon as practicable after the correction of the identified subcontract performance deficiency, and—

(A) make such payment within—

(i) 7 days after correction of the identified subcontract performance deficiency (unless the funds therefor must be recovered from the Government because of a reduction under paragraph (5)(A)); or

(ii) 7 days after the contractor recovers such funds from the Government; or

(B) incur an obligation to pay a late payment interest penalty computed at the rate specified by section 3902(a) of this title;

(5) notify the Government, upon—

(A) reduction of the amount of any subsequent certified application for payment; or

(B) payment to the subcontractor of any withheld amounts of a progress payment, specifying—

(i) the amounts of the progress payments withheld under paragraph (1) of this subsection; and

(ii) the dates that such withholding began and ended; and

(6) be obligated to pay to the Government an amount equal to interest on the withheld payments (computed in the manner provided in section 3903(c) of this title), from the 8th day after receipt of the withheld amounts from the Government until—

(A) the day the identified subcontractor performance deficiency is corrected; or

(B) the date that any subsequent payment is reduced under paragraph (5)(A).

(f)(1) If a prime contractor, after making payment to a first-tier subcontractor, receives from a supplier or subcontractor of the first-tier subcontractor (hereafter referred to as a ''second-tier subcontractor'') a written notice in accordance with section 3133(b) of title 40, asserting a deficiency in such first-tier subcontractor's performance under the contract for which the prime contractor may be ultimately liable, and the prime contractor determines that all or a portion of future payments otherwise due such first-tier subcontractor is subject to withholding in accordance with the subcontract agreement, then the prime contractor may, without incurring an obligation to pay an interest penalty under subsection (e)(6) of this section—

(A) furnish to the first-tier subcontractor a notice conforming to the standards of subsection (g) of this section as soon as practicable upon making such determination; and

(B) withhold from the first-tier subcontractor's next available progress payment or payments an amount not to exceed the amount specified in the notice of withholding furnished under subparagraph (A) of this paragraph.

(2) As soon as practicable, but not later than 7 days after receipt of satisfactory written notification that the identified subcontract performance deficiency has been corrected, the prime contractor shall pay the amount withheld under paragraph (1)(B) of this subsection to such first-tier subcontractor, or shall incur an obligation to pay a late payment interest penalty to such first-tier subcontractor computed at the rate specified by section 3902(a) of this title.

(g) A written notice of any withholding shall be issued to a subcontractor (with a copy to the Government of any such notice issued by a prime contractor), specifying—

(1) the amount to be withheld;

(2) the specific causes for the withholding under the terms of the subcontract; and

(3) the remedial actions to be taken by the subcontractor in order to receive payment of the amounts withheld.

(h) A prime contractor may not request payment from the agency of any amount withheld or retained in accordance with subsection (d) of this section until such time as the prime contractor has determined and certified to the agency that the subcontractor is entitled to the payment of such amount.

(i) A dispute between a contractor and subcontractor relating to the amount or entitlement of a subcontractor to a payment or a late payment interest penalty under a clause included in the subcontract pursuant to subsection (b) or (c) of this section does not constitute a dispute to which the United States is a party. The United States may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

(j) Except as provided in subsection (i) of this section, this section shall not limit or impair any contractual, administrative, or judicial remedies otherwise available to a contractor or a subcontractor in the event of a dispute involving late payment or nonpayment by a prime contractor or deficient subcontract performance or nonperformance by a subcontractor.

(k) A contractor's obligation to pay an interest penalty to a subcontractor pursuant to the clauses included in a subcontract under subsection (b) or (c) of this section may not be construed to be an obligation of the United States for such interest penalty. A contract modification may not be made for the purpose of providing reimbursement of such interest penalty. A cost reimbursement claim may not include any amount for reimbursement of such interest penalty.

(Added Pub. L. 100–496, § 9(a)(2), Oct. 17, 1988, 102 Stat. 2460; amended Pub. L. 107–217, § 3(h)(7), Aug. 21, 2002, 116 Stat. 1300.)

Editorial Notes

PRIOR PROVISIONS

A prior section 3905 was renumbered section 3906 of this title.

AMENDMENTS

2002—Subsec. (f)(1). Pub. L. 107–217 substituted ''section 3133(b) of title 40'' for ''section 2 of the Act of August 24, 1935 (40 U.S.C. 270b)''.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section applicable to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after Oct. 17, 1988, see section 14(a) of Pub. L. 100–496, set out as an Effective Date of 1988 Amendment note under section 3902 of this title.

[§ 3906. Repealed. Pub. L. 105–362, title XIII, § 1301(c)(1), Nov. 10, 1998, 112 Stat. 3293]

Section, added Pub. L. 97–452, § 1(18)(A), Jan. 12, 1983, 96 Stat. 2476, § 3905; renumbered § 3906 and amended Pub. L. 100–496, §§ 9(a)(1), 10, Oct. 17, 1988, 102 Stat. 2460, 2463, required submission of reports to Director of the Office of Management and Budget by 60th day after end of fiscal year by head of each agency concerning agency's payment practices during that fiscal year.

A prior section 3906 was renumbered section 3907 of this title.

§ 3907. Relationship to other laws

(a) A claim for an interest penalty not paid under this chapter may be filed under section 7103 of title 41.

(b)(1) An interest penalty under this chapter does not continue to accrue—

(A) after a claim for a penalty is filed under chapter 71 of title 41; or

(B) for more than one year.

(2) Paragraph (1) of this subsection does not prevent an interest penalty from accruing under section 7109(a)(1) and (b) of title 41 after a penalty stops accruing under this chapter. A penalty accruing under section 7109(a)(1) and (b) may accrue on an unpaid contract payment and on the unpaid penalty under this chapter.

(c) Except as provided in section 3904 of this title, this chapter does not require an interest penalty on a payment that is not made because of a dispute between the head of an agency and a business concern over the amount of payment or compliance with the contract. A claim related to the dispute, and interest payable for the period during which the dispute is being resolved, is subject to chapter 71 of title 41.

(Added Pub. L. 97–452, § 1(18)(A), Jan. 12, 1983, 96 Stat. 2477, § 3906; renumbered § 3907, Pub. L. 100–496, § 9(a)(1), Oct. 17, 1988, 102 Stat. 2460; amended Pub. L. 111–350, § 5(h)(8), Jan. 4, 2011, 124 Stat. 3849.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3906(a)	31 App.:1803(a)(1).	May 21, 1982, Pub. L. 97–177, § 4, 96 Stat. 87.

HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3906(b)	31 App.:1803(a)(2), (3).	
3906(c)	31 App.:1803(b).	

In the section, the words ''be construed to'' are omitted as surplus.

In subsection (a), the words ''not paid under this chapter'' are substituted for ''which a Federal agency has failed to pay in accordance with the requirements of section 2 or 3 of this chapter'' to eliminate unnecessary words.

In subsection (b)(2), the word ''accruing'' is added for clarity. The word ''both'' is omitted as surplus.

In subsection (c), the words ''with respect to disputes concerning discounts'', ''by the required payment date'', and ''other allegations concerning'' are omitted as surplus.

Editorial Notes

AMENDMENTS

2011—Subsec. (a). Pub. L. 111–350, § 5(h)(8)(A), substituted ''section 7103 of title 41'' for ''section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605)''.

Subsec. (b)(1)(A). Pub. L. 111–350, § 5(h)(8)(B), substituted ''chapter 71 of title 41'' for ''the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.)''.

Subsec. (b)(2). Pub. L. 111–350, § 5(h)(8)(C), substituted ''section 7109(a)(1) and (b) of title 41'' for ''section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611)'' and ''section 7109(a)(1) and (b) may'' for ''section 12 may''.

Subsec. (c). Pub. L. 111–350, § 5(h)(8)(D), substituted ''chapter 71 of title 41'' for ''the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.)''.

1988—Pub. L. 100–496 renumbered section 3906 of this title as this section.

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CHAPTER 51—COINS AND CURRENCY

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