

Formerly cited as 41 USCA § 601

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United States Code Annotated [Currentness](#)
Title 41. Public Contracts ([Refs & Annos](#))
 [Ⓜ] [Subtitle III](#). Contract Disputes
 [Ⓜ] [Chapter 71](#). Contract Disputes
 → → § 7101. Definitions

In this chapter:

- (1) **Administrator.**--The term “Administrator” means the Administrator for Federal Procurement Policy appointed pursuant to [section 1102](#) of this title.
- (2) **Agency board or agency board of contract appeals.**--The term “agency board” or “agency board of contract appeals” means--
- (A) the Armed Services Board;
 - (B) the Civilian Board;
 - (C) the board of contract appeals of the Tennessee Valley Authority; or
 - (D) the Postal Service Board established under [section 7105\(d\)\(1\)](#) of this title.
- (3) **Agency head.**--The term “agency head” means the head and any assistant head of an executive agency. The term may include the chief official of a principal division of an executive agency if the head of the executive agency so designates that chief official.
- (4) **Armed Services Board.**--The term “Armed Services Board” means the Armed Services Board of Contract Appeals established under [section 7105\(a\)\(1\)](#) of this title.
- (5) **Civilian Board.**--The term “Civilian Board” means the Civilian Board of Contract Appeals established under [section 7105\(b\)\(1\)](#) of this title.
- (6) **Contracting officer.**--The term “contracting officer”--
- (A) means an individual who, by appointment in accordance with applicable regulations, has the authority to make and administer contracts and to make determinations and findings with respect to contracts; and
 - (B) includes an authorized representative of the contracting officer, acting within the limits of the representative's authority.
- (7) **Contractor.**--The term “contractor” means a party to a Federal Government contract other than the Federal Government.

Formerly cited as 41 USCA § 438; 41 USCA § 607; 41 USCA § 610

(8) Executive agency.--The term “executive agency” means--

(A) an executive department as defined in [section 101 of title 5](#);

(B) a military department as defined in [section 102 of title 5](#);

(C) an independent establishment as defined in [section 104 of title 5](#), except that the term does not include the Government Accountability Office; and

(D) a wholly owned Government corporation as defined in [section 9101\(3\) of title 31](#).

(9) Misrepresentation of fact.--The term “misrepresentation of fact” means a false statement of substantive fact, or conduct that leads to a belief of a substantive fact material to proper understanding of the matter in hand, made with intent to deceive or mislead.

CREDIT(S)

[\(Pub.L. 111-350, § 3, Jan. 4, 2011, 124 Stat. 3816.\)](#)

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→ → § 7102. Applicability of chapter

(a) Executive agency contracts.--Unless otherwise specifically provided in this chapter, this chapter applies to any express or implied contract (including those of the nonappropriated fund activities described in [sections 1346 and 1491 of title 28](#)) made by an executive agency for--

(1) the procurement of property, other than real property in being;

(2) the procurement of services;

(3) the procurement of construction, alteration, repair, or maintenance of real property; or

(4) the disposal of personal property.

(b) Tennessee Valley Authority contracts.--

(1) **In general.**--With respect to contracts of the Tennessee Valley Authority, this chapter applies only to contracts

Formerly cited as 41 USCA § 438; 41 USCA § 607; 41 USCA § 610

containing a clause that requires contract disputes to be resolved through an agency administrative process.

(2) Exclusion.--Notwithstanding any other provision of this chapter, this chapter does not apply to a contract of the Tennessee Valley Authority for the sale of fertilizer or electric power or related to the conduct or operation of the electric power system.

(c) Foreign government or international organization contracts.--If an agency head determines that applying this chapter would not be in the public interest, this chapter does not apply to a contract with a foreign government, an agency of a foreign government, an international organization, or a subsidiary body of an international organization.

(d) Maritime contracts.--Appeals under [section 7107\(a\)](#) of this title and actions brought under [sections 7104\(b\)](#) and [7107\(b\)](#) to [\(f\)](#) of this title, arising out of maritime contracts, are governed by chapter 309 or 311 of title 46, as applicable, to the extent that those chapters are not inconsistent with this chapter.

CREDIT(S)

[\(Pub.L. 111-350, § 3, Jan. 4, 2011, 124 Stat. 3817.\)](#)

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→ → § 7103. Decision by contracting officer

(a) Claims generally.--

(1) Submission of contractor's claims to contracting officer.--Each claim by a contractor against the Federal Government relating to a contract shall be submitted to the contracting officer for a decision.

(2) Contractor's claims in writing.--Each claim by a contractor against the Federal Government relating to a contract shall be in writing.

(3) Contracting officer to decide Federal Government's claims.--Each claim by the Federal Government against a contractor relating to a contract shall be the subject of a written decision by the contracting officer.

(4) Time for submitting claims.--

(A) In general.--Each claim by a contractor against the Federal Government relating to a contract and each claim by the Federal Government against a contractor relating to a contract shall be submitted within 6 years after the accrual of the claim.

Formerly cited as 41 USCA § 438; 41 USCA § 607; 41 USCA § 610

(B) Exception.--Subparagraph (A) of this paragraph does not apply to a claim by the Federal Government against a contractor that is based on a claim by the contractor involving fraud.

(5) Applicability.--The authority of this subsection and subsections (c)(1), (d), and (e) does not extend to a claim or dispute for penalties or forfeitures prescribed by statute or regulation that another Federal agency is specifically authorized to administer, settle, or determine.

(b) Certification of claims.--

(1) Requirement generally.--For claims of more than \$100,000 made by a contractor, the contractor shall certify that--

(A) the claim is made in good faith;

(B) the supporting data are accurate and complete to the best of the contractor's knowledge and belief;

(C) the amount requested accurately reflects the contract adjustment for which the contractor believes the Federal Government is liable; and

(D) the certifier is authorized to certify the claim on behalf of the contractor.

(2) Who may execute certification.--The certification required by paragraph (1) may be executed by an individual authorized to bind the contractor with respect to the claim.

(3) Failure to certify or defective certification.--A contracting officer is not obligated to render a final decision on a claim of more than \$100,000 that is not certified in accordance with paragraph (1) if, within 60 days after receipt of the claim, the contracting officer notifies the contractor in writing of the reasons why any attempted certification was found to be defective. A defect in the certification of a claim does not deprive a court or an agency board of jurisdiction over the claim. Prior to the entry of a final judgment by a court or a decision by an agency board, the court or agency board shall require a defective certification to be corrected.

(c) Fraudulent claims.--

(1) No authority to settle.--This section does not authorize an agency head to settle, compromise, pay, or otherwise adjust any claim involving fraud.

(2) Liability of contractor.--If a contractor is unable to support any part of the contractor's claim and it is determined that the inability is attributable to a misrepresentation of fact or fraud by the contractor, then the contractor is liable to the Federal Government for an amount equal to the unsupported part of the claim plus all of the Federal Government's costs attributable to reviewing the unsupported part of the claim. Liability under this paragraph shall be determined within 6 years of the commission of the misrepresentation of fact or fraud.

(d) Issuance of decision.--The contracting officer shall issue a decision in writing and shall mail or otherwise furnish a copy of the decision to the contractor.

(e) Contents of decision.--The contracting officer's decision shall state the reasons for the decision reached and shall

Formerly cited as 41 USCA § 438; 41 USCA § 607; 41 USCA § 610

inform the contractor of the contractor's rights as provided in this chapter. Specific findings of fact are not required. If made, specific findings of fact are not binding in any subsequent proceeding.

(f) Time for issuance of decision.--

(1) Claim of \$100,000 or less.--A contracting officer shall issue a decision on any submitted claim of \$100,000 or less within 60 days from the contracting officer's receipt of a written request from the contractor that a decision be rendered within that period.

(2) Claim of more than \$100,000.--A contracting officer shall, within 60 days of receipt of a submitted certified claim over \$100,000--

(A) issue a decision; or

(B) notify the contractor of the time within which a decision will be issued.

(3) General requirement of reasonableness.--The decision of a contracting officer on submitted claims shall be issued within a reasonable time, in accordance with regulations prescribed by the agency, taking into account such factors as the size and complexity of the claim and the adequacy of information in support of the claim provided by the contractor.

(4) Requesting tribunal to direct issuance within specified time period.--A contractor may request the tribunal concerned to direct a contracting officer to issue a decision in a specified period of time, as determined by the tribunal concerned, in the event of undue delay on the part of the contracting officer.

(5) Failure to issue decision within required time period.--Failure by a contracting officer to issue a decision on a claim within the required time period is deemed to be a decision by the contracting officer denying the claim and authorizes an appeal or action on the claim as otherwise provided in this chapter. However, the tribunal concerned may, at its option, stay the proceedings of the appeal or action to obtain a decision by the contracting officer.

(g) Finality of decision unless appealed.--The contracting officer's decision on a claim is final and conclusive and is not subject to review by any forum, tribunal, or Federal Government agency, unless an appeal or action is timely commenced as authorized by this chapter. This chapter does not prohibit an executive agency from including a clause in a Federal Government contract requiring that, pending final decision of an appeal, action, or final settlement, a contractor shall proceed diligently with performance of the contract in accordance with the contracting officer's decision.

(h) Alternative means of dispute resolution.--

(1) In general.--Notwithstanding any other provision of this chapter, a contractor and a contracting officer may use any alternative means of dispute resolution under subchapter IV of chapter 5 of title 5, or other mutually agreeable procedures, for resolving claims. All provisions of subchapter IV of chapter 5 of title 5 apply to alternative means of dispute resolution under this subsection.

(2) Certification of claim.--The contractor shall certify the claim when required to do so under subsection (b)(1) or other law.

Formerly cited as 41 USCA § 438; 41 USCA § 607; 41 USCA § 610

(3) Rejecting request for alternative dispute resolution.--

(A) Contracting officer.--A contracting officer who rejects a contractor's request for alternative dispute resolution proceedings shall provide the contractor with a written explanation, citing one or more of the conditions in [section 572\(b\) of title 5](#) or other specific reasons that alternative dispute resolution procedures are inappropriate.

(B) Contractor.--A contractor that rejects an agency's request for alternative dispute resolution proceedings shall inform the agency in writing of the contractor's specific reasons for rejecting the request.

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([Pub.L. 111-350](#), § 3, Jan. 4, 2011, 124 Stat. 3817.)

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→ → § 7104. Contractor's right of appeal from decision by contracting officer

(a) Appeal to agency board.--A contractor, within 90 days from the date of receipt of a contracting officer's decision under [section 7103](#) of this title, may appeal the decision to an agency board as provided in [section 7105](#) of this title.

(b) Bringing an action de novo in Federal Court.--

(1) In general.--Except as provided in paragraph (2), and in lieu of appealing the decision of a contracting officer under [section 7103](#) of this title to an agency board, a contractor may bring an action directly on the claim in the United States Court of Federal Claims, notwithstanding any contract provision, regulation, or rule of law to the contrary.

(2) Tennessee Valley Authority.--In the case of an action against the Tennessee Valley Authority, the contractor may only bring an action directly on the claim in a district court of the United States pursuant to [section 1337 of title 28](#), notwithstanding any contract provision, regulation, or rule of law to the contrary.

(3) Time for filing.--A contractor shall file any action under paragraph (1) or (2) within 12 months from the date of receipt of a contracting officer's decision under [section 7103](#) of this title.

(4) De novo.--An action under paragraph (1) or (2) shall proceed de novo in accordance with the rules of the appropriate court.

CREDIT(S)

Formerly cited as 41 USCA § 438; 41 USCA § 607; 41 USCA § 610

([Pub.L. 111-350](#), § 3, Jan. 4, 2011, 124 Stat. 3820.)

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 → → § 7105. Agency boards

(a) Armed Services Board.--

(1) Establishment.--An Armed Services Board of Contract Appeals may be established within the Department of Defense when the Secretary of Defense, after consultation with the Administrator, determines from a workload study that the volume of contract claims justifies the establishment of a full-time agency board of at least 3 members who shall have no other inconsistent duties. Workload studies will be updated at least once every 3 years and submitted to the Administrator.

(2) Appointment of members and compensation.--Members of the Armed Services Board shall be selected and appointed in the same manner as administrative law judges appointed pursuant to [section 3105 of title 5](#), with an additional requirement that members must have had at least 5 years of experience in public contract law. The Secretary of Defense shall designate the chairman and vice chairman of the Armed Services Board from among the appointed members. Compensation for the chairman, vice chairman, and other members shall be determined under [section 5372a of title 5](#).

(b) Civilian Board.--

(1) Establishment.--There is established in the General Services Administration the Civilian Board of Contract Appeals.

(2) Membership.--

(A) Eligibility.--The Civilian Board consists of members appointed by the Administrator of General Services (in consultation with the Administrator for Federal Procurement Policy) from a register of applicants maintained by the Administrator of General Services, in accordance with rules issued by the Administrator of General Services (in consultation with the Administrator for Federal Procurement Policy) for establishing and maintaining a register of eligible applicants and selecting Civilian Board members. The Administrator of General Services shall appoint a member without regard to political affiliation and solely on the basis of the professional qualifications required to perform the duties and responsibilities of a Civilian Board member.

(B) Appointment of members and compensation.--Members of the Civilian Board shall be selected and appointed to serve in the same manner as administrative law judges appointed pursuant to [section 3105 of title 5](#),

Formerly cited as 41 USCA § 607; 41 USCA § 608

with an additional requirement that members must have had at least 5 years experience in public contract law. Compensation for the members shall be determined under [section 5372a of title 5](#).

(3) Removal.--Members of the Civilian Board are subject to removal in the same manner as administrative law judges, as provided in [section 7521 of title 5](#).

(4) Functions.--

(A) In general.--The Civilian Board has jurisdiction as provided by subsection (e)(1)(B).

(B) Additional jurisdiction.--With the concurrence of the Federal agencies affected, the Civilian Board may assume--

(i) jurisdiction over any additional category of laws or disputes over which an agency board of contract appeals established pursuant to section 8 of the Contract Disputes Act exercised jurisdiction before January 6, 2007; and

(ii) any other function the agency board performed before January 6, 2007, on behalf of those agencies.

(c) Tennessee Valley Authority Board.--

(1) Establishment.--The Board of Directors of the Tennessee Valley Authority may establish a board of contract appeals of the Tennessee Valley Authority of an indeterminate number of members.

(2) Appointment of members and compensation.--The Board of Directors of the Tennessee Valley Authority shall establish criteria for the appointment of members to the agency board established under paragraph (1), and shall designate a chairman of the agency board. The chairman and other members of the agency board shall receive compensation, at the daily equivalent of the rates determined under [section 5372a of title 5](#), for each day they are engaged in the actual performance of their duties as members of the agency board.

(d) Postal Service Board.--

(1) Establishment.--There is established an agency board of contract appeals known as the Postal Service Board of Contract Appeals.

(2) Appointment and service of members.--The Postal Service Board of Contract Appeals consists of judges appointed by the Postmaster General. The judges shall meet the qualifications of and serve in the same manner as members of the Civilian Board.

(3) Application.--This chapter applies to contract disputes before the Postal Service Board of Contract Appeals in the same manner as it applies to contract disputes before the Civilian Board.

(e) Jurisdiction.--

(1) In general.--

Formerly cited as 41 USCA § 607; 41 USCA § 608

(A) Armed Services Board.--The Armed Services Board has jurisdiction to decide any appeal from a decision of a contracting officer of the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, or the National Aeronautics and Space Administration relative to a contract made by that department or agency.

(B) Civilian Board.--The Civilian Board has jurisdiction to decide any appeal from a decision of a contracting officer of any executive agency (other than the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, the National Aeronautics and Space Administration, the United States Postal Service, the Postal Regulatory Commission, or the Tennessee Valley Authority) relative to a contract made by that agency.

(C) Postal Service Board.--The Postal Service Board of Contract Appeals has jurisdiction to decide any appeal from a decision of a contracting officer of the United States Postal Service or the Postal Regulatory Commission relative to a contract made by either agency.

(D) Other agency boards.--Each other agency board has jurisdiction to decide any appeal from a decision of a contracting officer relative to a contract made by its agency.

(2) Relief.--In exercising this jurisdiction, an agency board may grant any relief that would be available to a litigant asserting a contract claim in the United States Court of Federal Claims.

(f) Subpoena, discovery, and deposition.--A member of an agency board of contract appeals may administer oaths to witnesses, authorize depositions and discovery proceedings, and require by subpoena the attendance of witnesses, and production of books and papers, for the taking of testimony or evidence by deposition or in the hearing of an appeal by the agency board. In case of contumacy or refusal to obey a subpoena by a person who resides, is found, or transacts business within the jurisdiction of a United States district court, the court, upon application of the agency board through the Attorney General, or upon application by the board of contract appeals of the Tennessee Valley Authority, shall have jurisdiction to issue the person an order requiring the person to appear before the agency board or a member of the agency board, to produce evidence or to give testimony, or both. Any failure of the person to obey the order of the court may be punished by the court as contempt of court.

(g) Decisions.--An agency board shall--

- (1) to the fullest extent practicable provide informal, expeditious, and inexpensive resolution of disputes;
- (2) issue a decision in writing or take other appropriate action on each appeal submitted; and
- (3) mail or otherwise furnish a copy of the decision to the contractor and the contracting officer.

CREDIT(S)

[\(Pub.L. 111-350](#), § 3, Jan. 4, 2011, 124 Stat. 3820; [Pub.L. 111-259, Title IV, § 422](#), Oct. 7, 2010, 124 Stat. 2727; [Pub.L. 111-383](#), Div. A, Title X, § 1075(o), Jan. 7, 2011, 124 Stat. 4378.)

AMENDMENT SUBSEQUENT TO DECEMBER 31, 2008

<[Pub.L. 111-350](#), Jan. 4, 2011, 124 Stat. 3677, which codified T. 41, Public Contracts, as positive law, di-

Formerly cited as 41 USCA § 607; 41 USCA § 608

rected that if a law enacted after Dec. 31, 2008, amends or repeals a provision replaced by [Pub.L. 111-350](#), that law is deemed to amend or repeal, as the case may be, the corresponding provision enacted by [Pub.L. 111-350](#), see [Pub.L. 111-350](#), § 6(a), Jan. 4, 2011, 124 Stat. 3854, set out as a note provision preceding [41 U.S.C.A. § 101](#).>

<[Pub.L. 111-383](#), Div. A, Title X, § 1075(o), Jan. 7, 2011, 124 Stat. 4378 and [Pub.L. 111-259, Title IV, § 422](#), Oct. 7, 2010, 124 Stat. 2727, amended former [41 U.S.C.A. §§ 438](#) and [607\(d\)](#) from which this section was derived. [Pub.L. 111-383](#), amended former [41 U.S.C.A. § 438](#), by striking “(41 U.S.C. 607(b))” and inserting “(41 U.S.C. 607(d))” in subsec. (c)(1), and inserting “of 1978” after “Contract Disputes Act” in subsec. (c)(2). [Pub.L. 111-259](#) amended former [41 U.S.C.A. § 607\(d\)](#) by adding at the end “Notwithstanding any other provision of this section and any other provision of law, an appeal from a decision of a contracting officer of the Central Intelligence Agency relative to a contract made by that Agency may be filed with whichever of the Armed Services Board of Contract Appeals or the Civilian Board of Contract Appeals is specified by such contracting officer as the Board to which such an appeal may be made and such Board shall have jurisdiction to decide that appeal.”>

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→ → **§ 7106. Agency board procedures for accelerated and small claims**

(a) Accelerated procedure where \$100,000 or less in dispute.--The rules of each agency board shall include a procedure for the accelerated disposition of any appeal from a decision of a contracting officer where the amount in dispute is \$100,000 or less. The accelerated procedure is applicable at the sole election of the contractor. An appeal under the accelerated procedure shall be resolved, whenever possible, within 180 days from the date the contractor elects to use the procedure.

(b) Small claims procedure.--

(1) In general.--The rules of each agency board shall include a procedure for the expedited disposition of any appeal from a decision of a contracting officer where the amount in dispute is \$50,000 or less, or in the case of a small business concern (as defined in the Small Business Act ([15 U.S.C. 631 et seq.](#)) and regulations under that Act), \$150,000 or less. The small claims procedure is applicable at the sole election of the contractor.

(2) Simplified rules of procedure.--The small claims procedure shall provide for simplified rules of procedure to facilitate the decision of any appeal. An appeal under the small claims procedure may be decided by a single member of the agency board with such concurrences as may be provided by rule or regulation.

(3) Time of decision.--An appeal under the small claims procedure shall be resolved, whenever possible, within 120 days from the date the contractor elects to use the procedure.

Formerly cited as 41 USCA § 611

(4) Finality of decision.--A decision against the Federal Government or against the contractor reached under the small claims procedure is final and conclusive and may not be set aside except in cases of fraud.

(5) No precedent.--Administrative determinations and final decisions under this subsection have no value as precedent for future cases under this chapter.

(6) Review of requisite amounts in controversy.--The Administrator, from time to time, may review the dollar amounts specified in paragraph (1) and adjust the amounts in accordance with economic indexes selected by the Administrator.

CREDIT(S)

([Pub.L. 111-350](#), § 3, Jan. 4, 2011, 124 Stat. 3823.)

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→ → **§ 7107. Judicial review of agency board decisions**

(a) Review.--

(1) In general.--The decision of an agency board is final, except that--

(A) a contractor may appeal the decision to the United States Court of Appeals for the Federal Circuit within 120 days from the date the contractor receives a copy of the decision; or

(B) if an agency head determines that an appeal should be taken, the agency head, with the prior approval of the Attorney General, may transmit the decision to the United States Court of Appeals for the Federal Circuit for judicial review under [section 1295 of title 28](#), within 120 days from the date the agency receives a copy of the decision.

(2) Tennessee Valley Authority.--Notwithstanding paragraph (1), a decision of the board of contract appeals of the Tennessee Valley Authority is final, except that--

(A) a contractor may appeal the decision to a United States district court pursuant to [section 1337 of title 28](#), within 120 days from the date the contractor receives a copy of the decision; or

(B) the Tennessee Valley Authority may appeal the decision to a United States district court pursuant to [section](#)

Formerly cited as 41 USCA § 611

[1337 of title 28](#), within 120 days from the date of the decision.

(3) Review of arbitration.--An award by an arbitrator under this chapter shall be reviewed pursuant to [sections 9 to 13 of title 9](#), except that the court may set aside or limit any award that is found to violate limitations imposed by Federal statute.

(b) Finality of agency board decisions on questions of law and fact.--Notwithstanding any contract provision, regulation, or rule of law to the contrary, in an appeal by a contractor or the Federal Government from the decision of an agency board pursuant to subsection (a)--

(1) the decision of the agency board on a question of law is not final or conclusive; but

(2) the decision of the agency board on a question of fact is final and conclusive and may not be set aside unless the decision is--

(A) fraudulent, arbitrary, or capricious;

(B) so grossly erroneous as to necessarily imply bad faith; or

(C) not supported by substantial evidence.

(c) Remand.--In an appeal by a contractor or the Federal Government from the decision of an agency board pursuant to subsection (a), the court may render an opinion and judgment and remand the case for further action by the agency board or by the executive agency as appropriate, with direction the court considers just and proper.

(d) Consolidation.--If 2 or more actions arising from one contract are filed in the United States Court of Federal Claims and one or more agency boards, for the convenience of parties or witnesses or in the interest of justice, the United States Court of Federal Claims may order the consolidation of the actions in that court or transfer any actions to or among the agency boards involved.

(e) Judgments as to fewer than all claims or parties.--In an action filed pursuant to this chapter involving 2 or more claims, counterclaims, cross-claims, or third-party claims, and where a portion of one of the claims can be divided for purposes of decision or judgment, and in any action where multiple parties are involved, the court, whenever appropriate, may enter a judgment as to one or more but fewer than all of the claims or portions of claims or parties.

(f) Advisory opinions.--

(1) **In general.**--Whenever an action involving an issue described in paragraph (2) is pending in a district court of the United States, the district court may request an agency board to provide the court with an advisory opinion on the matters of contract interpretation under consideration.

(2) **Applicable issue.**--An issue referred to in paragraph (1) is any issue that could be the proper subject of a final decision of a contracting officer appealable under this chapter.

(3) **Referral to agency board with jurisdiction.**--A district court shall direct a request under paragraph (1) to the agency board having jurisdiction under this chapter to adjudicate appeals of contract claims under the contract being interpreted by the court.

Formerly cited as 41 USCA § 611

(4) Timely response.--After receiving a request for an advisory opinion under paragraph (1), an agency board shall provide the advisory opinion in a timely manner to the district court making the request.

CREDIT(S)

[\(Pub.L. 111-350, § 3, Jan. 4, 2011, 124 Stat. 3824.\)](#)

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→ → **§ 7108. Payment of claims**

(a) Judgments.--Any judgment against the Federal Government on a claim under this chapter shall be paid promptly in accordance with the procedures provided by [section 1304 of title 31](#).

(b) Monetary awards.--Any monetary award to a contractor by an agency board shall be paid promptly in accordance with the procedures contained in subsection (a).

(c) Reimbursement.--Payments made pursuant to subsections (a) and (b) shall be reimbursed to the fund provided by [section 1304 of title 31](#) by the agency whose appropriations were used for the contract out of available amounts or by obtaining additional appropriations for purposes of reimbursement.

(d) Tennessee Valley Authority.--

(1) Judgments.--Notwithstanding subsections (a) to (c), any judgment against the Tennessee Valley Authority on a claim under this chapter shall be paid promptly in accordance with section 9(b) of the Tennessee Valley Authority Act of 1933 ([16 U.S.C. 831h\(b\)](#)).

(2) Monetary awards.--Notwithstanding subsections (a) to (c), any monetary award to a contractor by the board of contract appeals of the Tennessee Valley Authority shall be paid in accordance with section 9(b) of the Tennessee Valley Authority Act of 1933 ([16 U.S.C. 831h\(b\)](#)).

CREDIT(S)

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 → → § 7109. Interest

(a) Period.--

(1) In general.--Interest on an amount found due a contractor on a claim shall be paid to the contractor for the period beginning with the date the contracting officer receives the contractor's claim, pursuant to [section 7103\(a\)](#) of this title, until the date of payment of the claim.

(2) Defective certification.--On a claim for which the certification under [section 7103\(b\)\(1\)](#) of this title is found to be defective, any interest due under this section shall be paid for the period beginning with the date the contracting officer initially receives the contractor's claim until the date of payment of the claim.

(b) Rate.--Interest shall accrue and be paid at a rate which the Secretary of the Treasury shall specify as applicable for each successive 6-month period. The rate shall be determined by the Secretary of the Treasury taking into consideration current private commercial rates of interest for new loans maturing in approximately 5 years.

CREDIT(S)

[\(Pub.L. 111-350](#), § 3, Jan. 4, 2011, 124 Stat. 3825.)

Current through P.L. 112-174 (excluding P.L. 112-140, 112-141, 112-147, 112-152, 112-154, 112-158, 112-166, and 112-169) approved 9-20-12