

AMENDMENT TO RULES COMMITTEE PRINT 117-

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OFFERED BY MR. STAUBER OF MINNESOTA

Add at the end of subtitle F of title VIII the following new section:

1 **SEC. 8__ . EQUITABLE ADJUSTMENTS TO CONSTRUCTION**
2 **CONTRACTS.**

3 (a) IN GENERAL.—Section 15 of the Small Business
4 Act (15 U.S.C. 644) is amended—

5 (1) by redesignating subsection (x) as sub-
6 section (y); and

7 (2) by inserting after subsection (w) the fol-
8 lowing new subsection:

9 “(x) INTERIM PARTIAL PAYMENTS FOR EQUITABLE
10 ADJUSTMENTS TO CONSTRUCTION CONTRACTS.—

11 “(1) REQUEST FOR AN EQUITABLE ADJUST-
12 MENT.—A small business concern that was awarded
13 a construction contract by an agency may submit a
14 request for an equitable adjustment to the con-
15 tracting officer of such agency if the contracting of-
16 ficer directs a change in the terms of the contract
17 performance without the agreement of the small
18 business concern. Such request shall—

1 “(A) be timely made pursuant to the terms
2 of the contract; and

3 “(B) specify the estimated amount re-
4 quired to cover additional costs resulting from
5 such change in the terms.

6 “(2) AMOUNT.—Upon receipt of a request for
7 equitable adjustment from a small business concern
8 under paragraph (1), the agency shall provide to
9 such concern an interim partial payment in an
10 amount equal to not less than 50 percent of the esti-
11 mated amount under paragraph (1)(B).

12 “(3) LIMITATION.—Any interim partial pay-
13 ment made under this section may not be deemed to
14 be an action to definitize the request for an equi-
15 table adjustment.

16 “(4) FLOW-DOWN OF INTERIM PARTIAL PAY-
17 MENT AMOUNTS.—A small business concern that re-
18 ceives an equitable adjustment under this subsection
19 shall pay to a first tier subcontractor of such con-
20 cern the portion of each interim partial payment re-
21 ceived that is attributable to the increased costs of
22 performance incurred by such subcontractor due to
23 the change in the terms of the contract performance
24 described in paragraph (1). A first tier subcon-
25 tractor that receives a portion of an interim partial

1 payment under this section shall pay to a subcon-
2 tractor (at any tier) the appropriate portion of such
3 payment.”.

4 (b) IMPLEMENTATION.—The Administrator of the
5 Small Business Administration shall implement the re-
6 quirements of this section not later than the earlier of the
7 following dates:

8 (1) The first day of the first full fiscal year be-
9 ginning after the date of the enactment of this Act.

10 (2) October 1, 2024.

