

95TH CONGRESS
2D SESSION

H. R. 10627

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 1978

Mr. DRINAN introduced the following bill; which was referred jointly to the
Committees on Government Operations and Small Business

A BILL

To amend the Office of Federal Procurement Policy Act to
require the payment of interest by Federal agencies on
overdue payments to small business concerns.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Small Business Con-
4 tracting Equity Act".

5 SEC. 2. Section 6 (d) of the Office of Federal Procure-
6 ment Policy Act is amended—

7 (1) by striking out the period at the end of para-
8 graph (6) and inserting in lieu thereof a semicolon;

9 and

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1 (2) by inserting immediately after such paragraph
2 the following new paragraph:

3 “(7) promulgating, not later than 90 days after
4 the date of enactment of this paragraph, regulations
5 requiring, with respect to any contract with a small busi-
6 ness concern, as that term is defined by the Small
7 Business Administration pursuant to section 3 of the
8 Small Business Act, the payment of interest upon the
9 amount due for the period from the date on which such
10 payment is due to the date on which such payment is
11 made, including any period of litigation or dispute con-
12 cerning such payment. Such interest is to be applied
13 at a quarterly rate equal to one quarter of the weighted
14 average annual rate of interest on short-term commercial
15 and industrial loans of less than \$100,000 made by bank-
16 ing institutions during the calendar quarter preceding
17 each quarter during which payment is past due, as
18 determined by the Board of Governors of the Federal
19 Reserve for general statistical purposes, except that
20 such interest shall not accrue if the amount due is paid
21 within 30 days of the date on which it is due.”.