

**§ 437. Incentives for efficient performance of services contracts**

**(a) Incentive for use of performance-based services contracts**

A performance-based contract for the procurement of services entered into by an executive agency or a performance-based task order for services issued by an executive agency may be treated as a contract for the procurement of commercial items if—

(1) the value of the contract or task order is estimated not to exceed \$25,000,000;

(2) the contract or task order sets forth specifically each task to be performed and, for each task—

(A) defines the task in measurable, mission-related terms;

(B) identifies the specific end products or output to be achieved; and

(C) contains firm, fixed prices for specific tasks to be performed or outcomes to be achieved; and

(3) the source of the services provides similar services to the general public under terms and conditions similar to those offered to the Federal Government.

**(b) Regulations**

The regulations implementing this section shall require agencies to collect and maintain reliable data sufficient to identify the contracts or task orders treated as contracts for commercial items using the authority of this section. The data may be collected using the Federal Procurement Data System or other reporting mechanism.

**(c) Report**

Not later than two years after November 24, 2003, the Director of the Office of Management and Budget shall prepare and submit to the Committees on Governmental Affairs and on Armed Services of the Senate and the Committees on Government Reform and on Armed Services of the House of Representatives a report on the contracts or task orders treated as contracts for commercial items using the authority of this section. The report shall include data on the use of such authority both government-wide and for each department and agency.

**(d) Expiration**

The authority under this section shall expire 10 years after November 24, 2003.

(Pub. L. 93-400, §41, as added Pub. L. 108-136, div. A, title XIV, §1431(a), Nov. 24, 2003, 117 Stat. 1671.)

CHANGE OF NAME

Committee on Government Reform of House of Representatives changed to Committee on Oversight and Government Reform of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

**§ 438. Civilian Board of Contract Appeals**

**(a) Board established**

There is established in the General Services Administration a board of contract appeals to be known as the Civilian Board of Contract Appeals

(in this section referred to as the “Civilian Board”).

**(b) Membership**

**(1) Appointment**

(A) The Civilian Board shall consist 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) The 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, with an additional requirement that such members shall have had not fewer than five years of experience in public contract law.

(C) Notwithstanding subparagraph (B) and subject to paragraph (2), the following persons shall serve as Civilian Board members: any full-time member of any agency board of contract appeals other than the Armed Services Board of Contract Appeals, the Postal Service Board of Contract Appeals, and the board of contract appeals of the Tennessee Valley Authority serving as such on the day before the effective date of this section.

**(2) Removal**

Members of the Civilian Board shall be subject to removal in the same manner as administrative law judges, as provided in section 7521 of title 5.

**(3) Compensation**

Compensation for members of the Civilian Board shall be determined under section 5372a of title 5.

**(c) Functions**

**(1) In general**

The Civilian Board shall have jurisdiction as provided by section 607(d) of this title.

**(2) Additional jurisdiction**

The Civilian Board may, with the concurrence of the Federal agency or agencies affected—

(A) assume jurisdiction over any additional category of laws or disputes over which an agency board of contract appeals established pursuant to section 607 of this title exercised jurisdiction before the effective date of this section; and

(B) assume any other functions performed by such a board before such effective date on behalf of such agencies.

(Pub. L. 93-400, §42, as added Pub. L. 109-163, div. A, title VIII, §847(a), Jan. 6, 2006, 119 Stat. 3391.)

## REFERENCES IN TEXT

For the effective date of this section, referred to in subsecs. (b)(1)(C) and (c)(2), see Effective Date note below.

Section 607 of this title, referred to in subsec. (c)(2)(A), was in the original “section 8 of the Contract Disputes Act”, and was translated as reading “section 8 of the Contract Disputes Act of 1978”, to reflect the probable intent of Congress.

## CHANGE OF NAME

References to an agency board of contract appeals other than the Armed Services Board of Contract Appeals, the board of contract appeals of the Tennessee Valley Authority, or the Postal Service Board of Contract Appeals, deemed to refer to the Civilian Board of Contract Appeals, see section 847(e) of Pub. L. 109-163, set out as a note under section 607 of this title.

## EFFECTIVE DATE

Section effective 1 year after Jan. 6, 2006, see section 847(g) of Pub. L. 109-163, set out as an Effective Date of 2006 Amendment note under section 5372a of Title 5, Government Organization and Employees.

## TRANSFERS

For transfer of personnel, property, etc. of agency boards of contract appeals to the Civilian Board of Contract Appeals, with certain exceptions, see section 847(b) of Pub. L. 109-163, set out as a note under section 607 of this title.

## CHAPTER 8—FEDERAL GRANTS AND COOPERATIVE AGREEMENTS

### §§ 501 to 509. Repealed. Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1083

Section 501, Pub. L. 95-224, § 2, Feb. 3, 1978, 92 Stat. 3, set out the Congressional findings and statement of purposes in enacting the Federal Grant and Cooperative Agreement Act of 1977 [this chapter]. Sections 1 and 10(b) of Pub. L. 95-224, setting out the short title provisions and savings provisions respectively of that Act, were set out as notes under this section, and were repealed by Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1083. Section 10(d) of Pub. L. 95-224, as amended by Pub. L. 97-162, Apr. 1, 1982, 96 Stat. 23, setting out the excepted transactions provisions of that Act was set out as a note under this section, and was repealed by Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1083. See sections 6301 and 6307(2) of Title 31, Money and Finance.

Section 502, Pub. L. 95-224, § 3, Feb. 3, 1978, 92 Stat. 4, defined “State government”, “local government”, “other recipient”, “executive agency”, and “grant or cooperative agreement”. See section 6302 of Title 31.

Section 503, Pub. L. 95-224, § 4, Feb. 3, 1978, 92 Stat. 4, provided for use of procurement contracts by executive agencies. See section 6303 of Title 31.

Section 504, Pub. L. 95-224, § 5, Feb. 3, 1978, 92 Stat. 4, provided for use of grant agreements by executive agencies. See section 6304 of Title 31.

Section 505, Pub. L. 95-224, § 6, Feb. 3, 1978, 92 Stat. 5, provided for use of cooperative agreements by executive agencies. See section 6305 of Title 31.

Section 506, Pub. L. 95-224, § 7, Feb. 3, 1978, 92 Stat. 5, pertained to required and discretionary authorities. See section 6306 of Title 31.

Section 507, Pub. L. 95-224, § 8, Feb. 3, 1978, 92 Stat. 5, directed Director of Office of Management and Budget to undertake a study to develop a better understanding of alternate means of implementing Federal assistance programs.

Section 508, Pub. L. 95-224, § 9, Feb. 3, 1978, 92 Stat. 6, authorized Director of Office of Management and Budget to issue supplemental interpretive guidelines to promote consistent and efficient use of contracts, grant agreements, and cooperative agreements. See section 6307(1) of Title 31.

Section 509, Pub. L. 95-224, § 10(c), Feb. 3, 1978, 92 Stat. 6, related to use of multiple relationships for different components of jointly funded projects. See section 6308 of Title 31.

## CHAPTER 9—CONTRACT DISPUTES

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### § 601. Definitions

As used in this chapter—

(1) the term “agency head” means the head and any assistant head of an executive agency, and may “upon the designation by” the head of an executive agency include the chief official of any principal division of the agency;

(2) the term “executive agency” means an executive department as defined in section 101 of title 5, an independent establishment as defined by section 104 of title 5 (except that it shall not include the Government Accountability Office), a military department as defined by section 102 of title 5, and a wholly owned Government corporation as defined by section 9101(3) of title 31;

(3) the term “contracting officer” means any person who, by appointment in accordance with applicable regulations, has the authority to enter into and administer contracts and make determinations and findings with respect thereto. The term also includes the authorized representative of the contracting officer, acting within the limits of his authority;

(4) the term “contractor” means a party to a Government contract other than the Government;

(5) the term “Administrator” means the Administrator for Federal Procurement Policy appointed pursuant to the Office of Federal Procurement Policy Act [41 U.S.C. 401 et seq.];

(6) the terms “agency board” or “agency board of contract appeals” mean—

(A) the Armed Services Board of Contract Appeals established under section 607(a)(1) of this title;

(B) the Civilian Board of Contract Appeals established under section 42 of the Office of Federal Procurement Policy Act [41 U.S.C. 438];

(C) the board of contract appeals of the Tennessee Valley Authority; or

(D) the Postal Service Board of Contract Appeals established under section 607(c) of this title;

(7) the term “Armed Services Board” means the Armed Services Board of Contract Appeals established under section 607(a)(1) of this title;

(8) the term “Civilian Board” means the Civilian Board of Contract Appeals established