#### (f) Limitation on subcontracting

With respect to a diplomatic construction project, a prime contractor may not subcontract more than 50 percent of the total value of its contract for that project.

(Pub. L. 99–399, title IV, §402, Aug. 27, 1986, 100 Stat. 864; Pub. L. 101–246, title I, §132, Feb. 16, 1990, 104 Stat. 32; Pub. L. 102–138, title I, §131, Oct. 28, 1991, 105 Stat. 662; Pub. L. 103–236, title I, §162(g)(10), Apr. 30, 1994, 108 Stat. 407; Pub. L. 107–228, div. A, title II, §206(b), Sept. 30, 2002, 116 Stat. 1364.)

#### **Editorial Notes**

#### REFERENCES IN TEXT

Title II of the State Department Basic Authorities Act of 1956, referred to in subsec. (b), is title II of act Aug. 1, 1956, ch. 841, as added Aug. 24, 1982, Pub. L. 97–241, title II, §202(b), 96 Stat. 283, known as the Foreign Missions Act, which is classified principally to chapter 53 (§4301 et seq.) of this title. For complete classification of title II to the Code, see Short Title note set out under section 4301 of this title and Tables.

#### AMENDMENTS

2002—Subsec. (c)(2)(D). Pub. L. 107–228 inserted "or at a United States diplomatic or consular establishment abroad" after "United States".

1994—Subsec. (a)(2). Pub. L. 103–236 substituted "Secretary of State" for "Assistant Secretary for Diplomatic Security".

1991—Subsec. (a)(1). Pub. L. 102–138, §131(1), substituted "\$10,000,000" for "\$5,000,000".

Subsec. (a)(2). Pub. L. 102–138, §131(2), amended par. (2) generally. Prior to amendment, par. (2) read as follows: "bid on a diplomatic construction or design project which involves physical or technical security, unless the project—

"(A) involves nonsophisticated, low-level technology, as determined by the Assistant Secretary for Diplomatic Security;

"(B) is for the design or construction of a facility that does not process or store classified material; and "(C) does not exceed a total value of \$500,000."

1990—Subsec. (a)(2). Pub. L. 101–246 amended par. (2) generally. Prior to amendment, par. (2) read as follows: "bid on a diplomatic construction or design project which involves physical or technical security."

### Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–236 applicable with respect to officials, offices, and bureaus of Department of State when executive orders, regulations, or departmental directives implementing the amendments by sections 161 and 162 of Pub. L. 103–236 become effective, or 90 days after Apr. 30, 1994, whichever comes earlier, see section 161(b) of Pub. L. 103–236, as amended, set out as a note under section 2651a of this title.

CONSTRUCTION OF UNITED STATES EMBASSY IN OTTAWA

Pub. L. 101–246, title I, §125, Feb. 16, 1990, 104 Stat. 27, provided that: "Section 402(a) of the Diplomatic Security Act (22 U.S.C. 4852(a)) shall not apply to the construction or renovation of the United States Embassy in Ottawa, Canada."

## § 4853. Security requirements for contractors

Not later than 90 days after August 27, 1986, the Secretary of State shall issue regulations to—

(1) strengthen the security procedures applicable to contractors and subcontractors in-

volved in any way with any diplomatic construction or design project; and

(2) permit a contractor or subcontractor to have access to any design or blueprint relating to such a project only in accordance with those procedures.

(Pub. L. 99–399, title IV, §403, Aug. 27, 1986, 100 Stat. 865.)

# § 4854. Qualifications of persons hired for diplomatic construction program

In carrying out the diplomatic construction program referred to in section 4851(a) of this title, the Secretary of State shall employ as professional staff (by appointment, contract, or otherwise) only those persons with a demonstrated specialized background in the fields of construction, construction law, or contract management. In filling such positions, the Secretary shall actively recruit women and members of minority groups.

(Pub. L. 99–399, title IV, \$404, Aug. 27, 1986, 100 Stat. 865.)

#### § 4855. Cost overruns

Any amount required to complete any capital project described in the Department of State's Supplemental Diplomatic Security Program, as justified to the Congress for the respective fiscal year, which is in excess of the amount made available for that project pursuant to section 4851(a)(1) or (3)¹ shall be treated as a reprogramming of funds under section 2706 of this title and shall not be available for obligation or expenditure except in compliance with the procedures applicable to such reprogrammings.

(Pub. L. 99–399, title IV, §405, Aug. 27, 1986, 100 Stat. 865.)

## **Editorial Notes**

## References in Text

Section 4851(a)(3) of this title, referred to in text, was repealed by Pub. L. 103-236, title I,  $\S101(c)$ , Apr. 30, 1994, 108 Stat. 388.

## § 4856. Efficiency in contracting

## (a) Bonuses and penalties

The Director of the Office of Foreign Buildings shall provide for a contract system of bonuses and penalties for the diplomatic construction program funded pursuant to the authorizations of appropriations provided in this subchapter. Not later than 3 months after August 27, 1986, the Director shall submit a report to the Congress on the implementation of this section.

## (b) Surety bonds and guarantees

The Director of the Office of Foreign Buildings shall require each person awarded a contract for work under the diplomatic construction program to post a surety bond or guarantee, in such amount as the Director may determine, to assure performance under such contract.

(Pub. L. 99–399, title IV, §406, Aug. 27, 1986, 100 Stat. 866; Pub. L. 109–472, §8, Jan. 11, 2007, 120 Stat. 3556.)

<sup>&</sup>lt;sup>1</sup> See References in Text note below.