

(ii) on account of renegotiation under a renegotiation statute or under a statutory renegotiation article in the contract;
 (iii) on account of fines;
 (iv) on account of penalties; or
 (v) on account of taxes, social security contributions, or the withholding or non-withholding of taxes or social security contributions, whether arising from or independently of the contract.

(C) LIMITATION.—Subparagraph (B)(iv) does not apply to amounts which may be collected or withheld from the assignor in accordance with or for failure to comply with the terms of the contract.

(Pub. L. 111-350, §3, Jan. 4, 2011, 124 Stat. 3804.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
6305(a)	41:15(a).	R.S. §3737; Oct. 9, 1940, ch. 779, §1, 54 Stat. 1029; May 15, 1951, ch. 75, 65 Stat. 41; Pub. L. 103-355, title II, §2451, Oct. 13, 1994, 108 Stat. 3324; Pub. L. 104-106, div. D, title XLIII, §4321(i)(9), Feb. 10, 1996, 110 Stat. 676.
6305(b)(1)	41:15(b) (words before par. (1) less words related to minimum amount).	
6305(b)(2)	41:15(b) (words before par. (1) related to minimum amount).	
6305(b)(3)	41:15(b)(1).	
6305(b)(4)	41:15(b)(2) (related to full balance due).	
6305(b)(5)	41:15(b)(2) (related to single assignment).	
6305(b)(6)	41:15(b)(3).	
6305(b)(7)	41:15(c).	
6305(b)(8)	41:15(d).	
6305(b)(9)(A)	41:15(e).	
6305(b)(9)(B)	41:15(f) (less parenthetical phrase in par. (3)).	
6305(b)(9)(C)	41:15(f) (parenthetical phrase in par. (3)), (g).	

In subsection (a), the words “The party to whom the Federal Government gives a contract or order” are substituted for “the party to whom such contract or order is given” for clarity. The words “A purported transfer in violation of this subsection” are substituted for “any such transfer” because an actual transfer is precluded by this provision.

In subsection (b)(1), the words “amounts due from the Federal Government” are substituted for “moneys due or to become due from the United States or from any agency or department thereof” to eliminate unnecessary words. The words “may be assigned” are added to provide explicitly for authority that is necessarily implied by the source provision.

In subsection (b)(3), the words “in the case of any contract entered into after October 9, 1940” are omitted as obsolete.

In subsection (b)(5), the words “participating in such financing” are omitted as unnecessary.

In subsection (b)(8), the words “is not liable to make any refund to the Federal Government” are substituted for “no [liability] . . . shall create or impose any liability on the part of the assignee to make restitution, refund, or repayment to the United States of any amount heretofore since July 1, 1950, or hereafter received under the assignment” to eliminate unnecessary words. The words “an assignor’s liability to the Federal Government” are substituted for “liability of any nature of the assignor to the United States or any department or

agency thereof” for clarity and to eliminate unnecessary words.

In subsection (b)(9)(A), the words “except any such contract under which full payment has been made” are omitted as unnecessary because subsection (b)(8) precludes refund where full payment has already been made. The words “payments made to an assignee under the contract” are substituted for “payments to be made to the assignee of any moneys due or to become due under such contract” to eliminate unnecessary words.

In subsection (b)(9)(B), the words “When a ‘no reduction or setoff’ provision as described in subparagraph (A) is included in a contract” are substituted for “If a provision described in subsection (e) of this section or a provision to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract”, the words “payments to the assignee” are substituted for “payments to be made thereafter to an assignee of any moneys due or to become due”, and the words “an assignor’s liability” are substituted for “any liability of any nature of the assignor to the United States or any department or agency thereof”, for clarity and to eliminate unnecessary words.

In subsection (b)(9)(C), the text of 40:15(g), which provided that nothing in 40:15 affected rights and obligations accrued before subsection (g) was added by the Act of May 15, 1951 (ch. 75, 65 Stat. 41), is omitted as obsolete.

Executive Documents

DELEGATION OF AUTHORITY

Memorandum of President of the United States, Oct. 3, 1995, 60 F.R. 52289, provided:

Memorandum for the Heads of Executive Departments and Agencies

Section 2451 of the Federal Acquisition Streamlining Act of 1994, Public Law 103-355 ([amending former] 41 U.S.C. 15 [see 41 U.S.C. 6305]) (“Act”), provides, in part, that “[a]ny contract of the Department of Defense, the General Services Administration, the Department of Energy or any other department or agency of the United States designated by the President, except [contracts where] . . . full payment has been made, may, upon a determination of need by the President, provide or be amended without consideration to provide that payments to be made to the assignee of any moneys due or to become due under [the] contract shall not be subject to reduction or set-off.”

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, I hereby designate all other departments and agencies of the United States as subject to this provision. Furthermore, I hereby delegate to the Secretaries of Defense and Energy, the Administrator of General Services, and the heads of all other departments and agencies, the authority under section 2451 of the Act to make determinations of need for their respective agency’s contracts, subject to such further guidance as issued by the Office of Federal Procurement Policy.

The authority delegated by this memorandum may be further delegated within the departments and agencies.

This memorandum shall be published in the Federal Register.

WILLIAM J. CLINTON.

§ 6306. Prohibition on Members of Congress making contracts with Federal Government

(a) IN GENERAL.—A Member of Congress may not enter into or benefit from a contract or agreement or any part of a contract or agreement with the Federal Government.

(b) EXEMPTIONS.—

(1) IN GENERAL.—Subsection (a) does not apply to contracts that the Secretary of Agriculture may enter into with farmers.

(2) CERTAIN ACTS.—Subsection (a) does not apply to a contract entered into under—

- (A) the Agricultural Adjustment Act (7 U.S.C. 601 et seq.);
- (B) the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.); or
- (C) the Home Owners' Loan Act (12 U.S.C. 1461 et seq.).

(3) PUBLIC RECORD.—An exemption under this subsection shall be made a matter of public record.

(Pub. L. 111-350, §3, Jan. 4, 2011, 124 Stat. 3805.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6306(a)	41:22 (1st sentence).	R.S. §3741; Feb. 27, 1877, ch. 69, (16th complete par. on p. 249), 19 Stat. 249; Pub. L. 103-355, title VI, §6004, Oct. 13, 1994, 108 Stat. 3364; Pub. L. 104-106, div. D, title XLIII, §4321(i)(12), Feb. 10, 1996, 110 Stat. 676.
6306(b)	41:22 (last sentence).	Jan. 25, 1934, ch. 5, (related to R.S. §3741), 48 Stat. 337; June 27, 1934, ch. 847, title V, §510, 48 Stat. 1264; Aug. 26, 1937, ch. 821, 50 Stat. 838.

In subsection (b)(2), the words “Emergency Farm Mortgage Act of 1933” and “Federal Farm Mortgage Corporation Act” are omitted because all provisions of those Acts have previously been executed or repealed.

In subsection (b)(2)(B), the words “Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.)” are substituted for “Federal Farm Loan Act” and “Farm Credit Act of 1933” because of section 5.40(a), formerly 5.26(a), of the Farm Credit Act of 1971 (Pub. L. 92-181, 12 U.S.C. 2001 note).

In subsection (b)(2)(C), the words “Home Owners' Loan Act” are substituted for “Home Owners' Loan Act of 1933” because of the amendment to 12:1461 made by Public Law 101-73.

§ 6307. Contracts with Federal Government-owned establishments and availability of appropriations

An order or contract placed with a Federal Government-owned establishment for work, material, or the manufacture of material pertaining to an approved project is deemed to be an obligation in the same manner that a similar order or contract placed with a commercial manufacturer or private contractor is an obligation. Appropriations remain available to pay an obligation to a Federal Government-owned establishment just as appropriations remain available to pay an obligation to a commercial manufacturer or private contractor.

(Pub. L. 111-350, §3, Jan. 4, 2011, 124 Stat. 3806.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6307	41:23.	June 5, 1920, ch. 240, (last par. under heading “Purchase of Articles Manufactured at Government Arsenals”), 41 Stat. 975. July 1, 1922, ch. 259, (1st proviso on p. 812), 42 Stat. 812.

The words “heretofore or” are omitted as obsolete. The word “hereafter” is omitted as unnecessary because the provision is restated as permanent law rather than as part of a fiscal year appropriation.

§ 6308. Contracts for transportation of Federal Government securities

When practicable, a contract for transporting bullion, cash, or securities of the Federal Government shall be awarded to the lowest responsible bidder after notice to all parties with means of transportation.

(Pub. L. 111-350, §3, Jan. 4, 2011, 124 Stat. 3806.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6308	41:24.	July 7, 1884, ch. 332, (words after “fifty five thousand dollars” in 3d par. under heading “Miscellaneous Objects Under the Treasury Department”), 23 Stat. 204.

The words “bullion, cash, or securities of the Federal Government” are substituted for “moneys, bullion, coin, notes, bonds, and other securities of the United States, and paper” to eliminate unnecessary words. The word “awarded” is substituted for “let” to use more modern terminology.

§ 6309. Honorable discharge certificate in lieu of birth certificate

(a) IN GENERAL.—An employer described in subsection (b) may not deny employment, on account of failure to produce a birth certificate, to an individual who submits, in lieu of the birth certificate, an honorable discharge certificate (or certificate issued in lieu of an honorable discharge certificate) from the Army, Air Force, Navy, Marine Corps, Space Force, or Coast Guard of the United States, unless the honorable discharge certificate shows on its face that the individual may have been an alien at the time of its issuance.

(b) EMPLOYERS TO WHICH SECTION APPLIES.—An employer referred to in subsection (a) is an employer—

(1) engaged in—

(A) the production, maintenance, or storage of arms, armament, ammunition, implements of war, munitions, machinery, tools, clothing, food, fuel, or any articles or supplies, or parts or ingredients of any articles or supplies; or

(B) the construction, reconstruction, repair, or installation of a building, plant, structure, or facility; and

(2) engaged in the activity described in paragraph (1) under—

(A) a contract with the Federal Government; or

(B) any contract that the President, the Secretary of the Army, the Secretary of the Air Force, the Secretary of the Navy, or the Secretary of the Department in which the Coast Guard is operating certifies to the employer to be necessary to the national defense.

(Pub. L. 111-350, §3, Jan. 4, 2011, 124 Stat. 3806; Pub. L. 116-283, div. A, title IX, §927(e), Jan. 1, 2021, 134 Stat. 3832.)