

ries of the Commerce Control List contained in Supplement No. 1 to part 774 of subtitle B of title 15 of the Code of Federal Regulations.”

[Pub. L. 112-81, div. A, title XII, §1243(c), Dec. 31, 2011, 125 Stat. 1646, provided that: “The amendments made by this section [amending section 1211 of Pub. L. 109-163, set out above] take effect on the date of the enactment of this Act [Dec. 31, 2011] and apply with respect to contracts and subcontracts of the Department of Defense entered into on or after the date of the enactment of this Act.”]

#### § 4651. Expenditure of appropriations: limitation

(a) Money appropriated to the Department of Defense may not be spent under a contract other than a contract for personal services unless that contract provides that—

(1) the United States may, by written notice to the contractor, terminate the right of the contractor to proceed under the contract if the Secretary concerned or his designee finds, after notice and hearing, that the contractor, or his agent or other representative, offered or gave any gratuity, such as entertainment or a gift, to an officer, official, or employee of the United States to obtain a contract or favorable treatment in the awarding, amending, or making of determinations concerning the performance, of a contract; and

(2) if a contract is terminated under clause (1), the United States has the same remedies against the contractor that it would have had if the contractor had breached the contract and, in addition to other damages, is entitled to exemplary damages in an amount at least three, but not more than 10, as determined by the Secretary or his designee, times the cost incurred by the contractor in giving gratuities to the officer, official, or employee concerned.

The existence of facts upon which the Secretary makes findings under clause (1) may be reviewed by any competent court.

(b) This section does not apply to a contract that is for an amount not greater than the simplified acquisition threshold (as defined in section 134 of title 41).

(Added Pub. L. 87-651, title II, §207(a), Sept. 7, 1962, 76 Stat. 520, §2207; amended Pub. L. 104-106, div. A, title VIII, §801, Feb. 10, 1996, 110 Stat. 389; Pub. L. 111-350, §5(b)(5), Jan. 4, 2011, 124 Stat. 3842; renumbered §4651, Pub. L. 116-283, div. A, title XVIII, §1862(b), Jan. 1, 2021, 134 Stat. 4277.)

#### HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2207 .....	5:174d.	June 30, 1954, ch. 432, §719, 68 Stat. 353.

The following substitutions are made: “spent” for “expended”; “United States” for “Government”; “if a contract is terminated under clause (1)” for “that in the event any such contract is so terminated”; and “has . . . that it would have had if” for “shall be entitled . . . to pursue . . . as it could pursue in the event of”. The word “official” is inserted for clarity. The words “entered into after June 30, 1954” are omitted as executed.

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 4651, Aug. 10, 1956, ch. 1041, 70A Stat. 260; Pub. L. 99-145, title XIII, §1301(b)(3)(C), Nov. 8, 1985,

99 Stat. 736, related to issuance of arms, tentage, and equipment necessary for proper military training to institutions not maintaining units of the Reserve Officers’ Training Corps, prior to repeal by Pub. L. 112-239, div. A, title V, §552(b), Jan. 2, 2013, 126 Stat. 1741.

#### AMENDMENTS

2021—Pub. L. 116-283 renumbered section 2207 of this title as this section.

2011—Subsec. (b). Pub. L. 111-350 substituted “section 134 of title 41” for “section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))”.

1996—Pub. L. 104-106 designated existing provisions as subsec. (a) and added subsec. (b).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

#### § 4652. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs

No funds appropriated by the Congress may be obligated or expended to assist any contractor of the Department of Defense in preparing any material, report, lists, or analysis with respect to the actual or projected economic or employment impact in a particular State or congressional district of an acquisition program for which all research, development, testing, and evaluation has not been completed.

(Added Pub. L. 103-355, title VII, §7202(a)(1), Oct. 13, 1994, 108 Stat. 3379, §2247; renumbered §2249, Pub. L. 104-106, div. D, title XLIII, §4321(b)(2)(A), Feb. 10, 1996, 110 Stat. 672; renumbered §4652, Pub. L. 116-283, div. A, title XVIII, §1862(b), Jan. 1, 2021, 134 Stat. 4277.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 4652 was renumbered section 7652 of this title.

#### AMENDMENTS

2021—Pub. L. 116-283 renumbered section 2249 of this title as this section.

1996—Pub. L. 104-106 renumbered section 2247 of this title as section 2249.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

##### EFFECTIVE DATE

For effective date and applicability of section, see section 10001 of Pub. L. 103-355 set out as an Effective Date of 1994 Amendment note under section 8752 of this title.

#### § 4653. Prohibition on use of funds to relieve economic dislocations

(a) In order to help avoid the uneconomic use of Department of Defense funds in the procure-

ment of goods and services, the Congress finds that it is necessary to prohibit the use of such funds for certain purposes.

(b) No funds appropriated to or for the use of the Department of Defense may be used to pay, in connection with any contract awarded by the Department of Defense, a price differential for the purpose of relieving economic dislocations.

(Added Pub. L. 97-86, title IX, §913(a)(1), Dec. 1, 1981, 95 Stat. 1123, §2392; renumbered §4653, Pub. L. 116-283, div. A, title XVIII, §1862(b), Jan. 1, 2021, 134 Stat. 4277.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 4653 was renumbered section 7653 of this title.

##### AMENDMENTS

2021—Pub. L. 116-283 renumbered section 2392 of this title as this section.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

#### § 4654. Prohibition against doing business with certain offerors or contractors

(a)(1) Except as provided in paragraph (2), the Secretary of a military department may not solicit an offer from, award a contract to, extend an existing contract with, or, when approval by the Secretary of the award of a subcontract is required, approve the award of a subcontract to, an offeror or contractor which to the Secretary's knowledge has been debarred or suspended by another Federal agency unless—

(A) in the case of debarment, the debarment of the offeror or contractor by all other agencies has been terminated or the period of time specified for such debarment has expired; and

(B) in the case of a suspension, the period of time specified by all other agencies for the suspension of the offeror or contractor has expired.

(2) Paragraph (1) does not apply in any case in which the Secretary concerned determines that there is a compelling reason to solicit an offer from, award a contract to, extend a contract with, or approve a subcontract with such offeror or contractor.

(b) Whenever the Secretary concerned makes a determination described in subsection (a)(2), he shall, at the time of the determination, transmit a notice to the Administrator of General Services describing the determination. The Administrator of General Services shall maintain each such notice on a publicly accessible website to the maximum extent practicable.

(c) In this section:

(1) The term “debar” means to exclude, pursuant to established administrative procedures, from Government contracting and subcontracting for a specified period of time commensurate with the seriousness of the failure or offense or the inadequacy of performance.

(2) The term “suspend” means to disqualify, pursuant to established administrative procedures, from Government contracting and subcontracting for a temporary period of time because a concern or individual is suspected of engaging in criminal, fraudulent, or seriously improper conduct.

(d) The Secretary of Defense shall prescribe in regulations a requirement that each contractor under contract with the Department of Defense shall require each contractor to whom it awards a contract (in this section referred to as a subcontractor) to disclose to the contractor whether the subcontractor is or is not, as of the time of the award of the subcontract, debarred or suspended by the Federal Government from Government contracting or subcontracting. The requirement shall apply to any subcontractor whose subcontract is in an amount greater than the simplified acquisition threshold (as defined in section 134 of title 41). The requirement shall not apply in the case of a subcontract for the acquisition of commercial products or commercial services (as defined in sections 103 and 103a, respectively, of title 41).

(Added Pub. L. 97-86, title IX, §914(a), Dec. 1, 1981, 95 Stat. 1124, §2393; amended Pub. L. 100-180, div. A, title XII, §1231(17), Dec. 4, 1987, 101 Stat. 1161; Pub. L. 101-510, div. A, title VIII, §813, Nov. 5, 1990, 104 Stat. 1596; Pub. L. 102-190, div. A, title X, §1061(a)(11), Dec. 5, 1991, 105 Stat. 1473; Pub. L. 103-355, title IV, §4102(e), title VIII, §8105(c), Oct. 13, 1994, 108 Stat. 3340, 3392; Pub. L. 111-350, §5(b)(24), Jan. 4, 2011, 124 Stat. 3844; Pub. L. 113-66, div. A, title VIII, §813, Dec. 26, 2013, 127 Stat. 808; Pub. L. 115-232, div. A, title VIII, §836(e)(3), Aug. 13, 2018, 132 Stat. 1869; renumbered §4654, Pub. L. 116-283, div. A, title XVIII, §1862(b), Jan. 1, 2021, 134 Stat. 4277.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 4654 was renumbered section 7654 of this title.

##### AMENDMENTS

2021—Pub. L. 116-283 renumbered section 2393 of this title as this section.

2018—Subsec. (d). Pub. L. 115-232 substituted “commercial products or commercial services (as defined in sections 103 and 103a, respectively, of title 41)” for “commercial items (as defined in section 103 of title 41)”.

2013—Subsec. (b). Pub. L. 113-66 substituted “on a publicly accessible website to the maximum extent practicable” for “in a file available for public inspection”.

2011—Subsec. (d). Pub. L. 111-350 substituted “section 134 of title 41” for “section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))” and “section 103 of title 41” for “section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))”.

1994—Subsec. (d). Pub. L. 103-355 substituted “greater than the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)))” for “above the small purchase amount established in section 2304(g) of this title.” in second sentence and inserted at end “The requirement shall not apply in the case of a subcontract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).”