

DEPARTMENT OF DEFENSE**GENERAL SERVICES
ADMINISTRATION****NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION****48 CFR Parts 28 and 52**

[FAR Case 98-014]

RIN 9000-AI21

**Federal Acquisition Regulation;
Increased Payment Protection**

AGENCIES: Department of Defense (DoD),
General Services Administration (GSA),
and National Aeronautics and Space
Administration (NASA).

ACTION: Withdrawal of proposed rule.

SUMMARY: The Civilian Agency
Acquisition Council and the Defense
Acquisition Regulations Council

(Councils) agreed to withdraw FAR Case 98-014, Increased Payment Protection, in light of the recent enactment of the Construction Industry Payment Protection Act of 1999, Public Law 106-49. The proposed rule was published in the **Federal Register** at 63 FR 71711, December 29, 1998.

FOR FURTHER INFORMATION CONTACT: The FAR Secretariat, Room 4035, GS Building, Washington, DC 20405, (202) 501-4755 for information pertaining to status or publication schedules. For clarification of content, contact Mr. Jack O'Neill, Procurement Analyst, at (202) 501-3856. Please cite FAR case 98-014, withdrawal.

SUPPLEMENTARY INFORMATION:**A. Background**

The rule which was published in the **Federal Register** at 63 FR 71711, December 29, 1998, proposed to increase the required penal amount of

payment bonds on construction contracts over \$6,250,000 and to allow the contracting officer to increase the amount of any payment bond or alternative payment protection to an amount not to exceed the contract price, if the contracting officer decides that a greater amount is appropriate.

Due to the recent enactment of the Construction Industry Payment Protection Act of 1999, Public Law 106-49, this rule is being withdrawn and proposed changes will be overtaken by the revisions and regulatory changes that will result from the legislation.

List of Subjects in 48 CFR Parts 28 and 52

Government procurement.

Dated: October 21, 1999.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.
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