

The following summary is for informational purposes only. It should not be interpreted, or relied upon, as legal advice. Please consult with competent legal counsel for legal advice on any matters within the Board's jurisdiction.

I. Overview of the Quick Payment Act: Interest Penalty Claims

Under the Quick Payment Act, each agency of the District of Columbia government, under the direct control of the Mayor, which acquires property or services from a business concern but which does not make payment for each complete delivered item of property or service by the required payment date, shall pay an interest penalty to the business concern in accordance with DC Code § 2-221.02 on the amount of the payment which is due. DC Code § 2-221.02(a)(1). *See also* DC Mun. Regs. Tit. 1, §§ 1700 *et seq.* A contractor's claim for interest penalties which a District agency has failed to pay should be filed with the contracting officer for a decision. DC Code § 2-221.04.

II. Filing an Interest Penalty Claim with the Contracting Officer

The contractor shall file a claim for interest penalties and any amendments to such claim within 90 days after the principal is paid, except that if the contractor notifies the contracting officer in writing of the contractor's intent to file a claim within the 90-day period, the contractor shall be allowed 180 days after the principal is paid to file such claim. DC Code § 2-221.04(a)(4). The contracting officer shall issue a decision within 30 days from the receipt of any claim submitted. DC Code § 2-221.04(a)(2).

III. Filing an Appeal of the Contracting Officer's Decision with the Contract Appeals Board

Within 90 days from the receipt of a decision of the contracting officer, the contractor may appeal the contracting officer's decision to the Contract Appeals Board. DC Code § 2-221.04(a)(3). Note that interest penalties do not continue to accrue: (A) after the filing of an appeal for the penalties with the Contract Appeals Board; or (B) for more than one year. DC Code § 2-221.04(a)(1).

IV. Exclusions

Unless otherwise provided, the Quick Payment Act shall not be construed to require interest penalties on payments which are not made by the required payment date by reason of a dispute between a District agency and a business concern over the amount of that payment or other allegations concerning compliance with a contract. Claims concerning any dispute, and any interest which may be payable with respect to the period while the dispute is being resolved, shall be subject to the ruling of the Contract Appeals Board. DC Code § 2-221.04(b).