(End of clause)

7. Section 552.232–70 is revised as follows:

552.232–70 Invoice payments.

As prescribed in 532.908(a)(1), insert the following clause:

INVOICE PAYMENTS (MAR 1998)

(a) The due date for making invoice payments by the designated payment office is:

(1) For orders placed electronically by the General Services Administration (GSA) Federal Supply Service (FSS), and to be paid by GSA through electronic funds transfer (EFT), the later of the following two events:

(i) The 10th day after the designated billing office receives a proper invoice from the Contractor. If the designated billing office fails to annotate the invoice with the date of receipt at the time of receipt, the invoice payment due date shall be the 10th day after the date of the Contractor's invoice; provided the Contractor submitted a proper invoice and no disagreement exists over quantity, quality, or Contractor compliance with contract requirements.

(ii) The 10th day after Government acceptance of supplies delivered or services performed by the Contractor.

(2) For all other orders, the later of the following two events:

(i) The 30th day after the designated billing office receives a proper invoice from the Contractor. If the designated billing office fails to annotate the invoice with the date of receipt at the time of receipt, the invoice payment due date shall be the 30th day after the date of the Contractor's invoice; provided the Contractor submitted a proper invoice and no disagreement exists over quantity, quality, or Contractor compliance with contract requirements.

(ii) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor.

(3) On a final invoice, if the payment amount is subject to contract settlement actions, acceptance occurs on the effective date of the contract settlement.

(b) The General Services Administration will issue payment on the due date in (a)(1) above if the Contractor complies with full cycle electronic commerce. Full cycle electronic commerce includes all the following elements:

(1) The Contractor must receive and fulfill electronic data interchange (EDI) purchase orders (transaction set 850).

(2) The Contractor must generate and submit to the Government valid EDI invoices (transaction set 810).

(3) The Contractor's financial institution must receive and process, on behalf of the Contractor, EFT payments through the Automated Clearing House (ACH) system.

(4) The EDI transaction sets in (b)(1) through (b)(3) above must adhere to implementation conventions provided by GSA.

(c) If any of the conditions in (b) above do not occur, the 10 day payment due dates in (a)(1) become 30 day payment due dates.

(d) All other provisions of the Prompt Payment Act (31 U.S.C. 3901 *et seq.*) and Office of Management and Budget (OMB) Circular A–125, Prompt Payment, apply.

(End of clause)

Dated: February 27, 1998.

Ida M. Ustad,

Deputy Associate Administrator, Office of Acquisition Policy.

[FR Doc. 98–6664 Filed 3–13–98; 8:45 am]

BILLING CODE 6820–61–P

GENERAL SERVICES ADMINISTRATION

48 CFR Chapter 5

General Services Administration Acquisition Regulation; Small Entity Compliance Guide

AGENCY: Office of Acquisition Policy, GSA.

ACTION: Small Entity Compliance Guide.

SUMMARY: This Small Entity Compliance Guide has been prepared in accordance with Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121). It summarizes Change 77 which amended the General Services Administration Acquisition Regulation (GSAR) to authorize payment of invoices in 10 days for Federal Supply Schedule (FSS) Stock, Special Order, and Schedules contracts when the contractor agrees to full cycle electronic commerce. Further information regarding this change may be obtained by referring to Change 77 which precedes this notice.

DATES: The interim rule is effective March 16, 1998.

FOR FURTHER INFORMATION CONTACT: Gloria Sochon, GSA Acquisition Policy Division, (202) 208–6726.

SUPPLEMENTARY INFORMATION: The interim rule provides the opportunity for public comments. Interested parties may submit comments on or before May 15, 1998. Submit comments in writing to: General Services Administration, Office of Acquisition Policy, GSA

Acquisition Policy Division (MVP), 1800 F Street, NW, Room 4012, Washington, DC 20405.

The interim rule affects both GSA contracting personnel and commercial entities submitting offers under the FSS Stock, Special Order, and Schedule programs. The following is a summary of the most significant provisions of the interim rule as it applies to these programs:

• To encourage contractor participation in electronic commerce, GSA will pay invoices in 10 days for contractors who agree to process orders and invoices electronically using implementation conventions provided by GSA.

• Because not all contractors are EDI capable, full cycle EC is not mandatory. Contractors who do not agree to the terms will be paid under standard Prompt Payment Act (31 U.S.C. 3903) procedures and suffer no adverse consequences.

• "Full cycle electronic commerce" means the use of electronic data interchange (EDI) and electronic funds transfer (EFT):

(a) By the Government, to place purchase or delivery orders, receive invoices, and pay invoices.

(b) By the Contractor, to accept and fill orders, submit invoices, and receive payment.

• Full cycle electronic commerce includes all the following elements:

(a) The Contractor must receive and fulfill electronic data interchange (EDI) purchase orders (transaction set 850).

(b) The Contractor must generate and submit to the Government valid EDI invoices (transaction set 810).

(c) The Contractor's financial institution must receive and process, on behalf of the Contractor, EFT payments through the Automated Clearing House (ACH) system.

(d) The EDI transaction sets in (i) through (iii) above must adhere to implementation conventions provided by GSA.

Dated: February 27, 1998.

Ida M. Ustad,

Deputy Associate Administrator, Office of Acquisition Policy.

[FR Doc. 98–5903 Filed 3–13–98; 8:45 am]

BILLING CODE 6820–61–P