Public Law 86-695

AN ACT

September 2, 1960
[S 3487]

To amend the "Anti-Kickback Statute" to extend it to all negotiated contracts.

"Anti-Kickback Statute", amendment.
41 USC 51-54.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act of March 8, 1946 (60 Stat. 37), entitled "An Act to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee or cost reimbursable contracts of the United States, of paying fees or kickbacks, or of granting gifts or gratuities to employees of a cost-plus-a-fixed-fee or cost reimbursable prime contractors or of higher tier subcontractors for the purpose of securing the award of subcontracts or orders" is hereby amended to read as follows:

Negotiated contracts.
Fees or kickbacks prohibited.

"That the payment of any fee, commission, or compensation of any kind or the granting of any gift or gratuity of any kind, either directly or indirectly, by or on behalf of a subcontractor, as hereinafter defined, (1) to any officer, partner, employee, or agent of a prime contractor holding a negotiated contract entered into by any department, agency, or establishment of the United States for the furnishing of supplies, materials, equipment or services of any kind whatsoever; or to any such prime contractor or (2) to any officer, partner, employee, or agent of a higher tier subcontractor holding a subcontract under the prime contract, or to any such subcontractor either as an inducement for the award of a subcontract or order from the prime contractor or any subcontractor, or as an acknowledgment of a subcontract or order previously awarded, is hereby prohibited. The amount of any such fee, commission, or compensation or the cost or expense of any such gratuity or gift, whether heretofore or hereafter paid or incurred by the subcontractor, shall not be charged, either directly or indirectly, as a part of the contract price charged by the subcontractor to the prime contractor or higher tier subcontractor.

Recovery by U.S.

The amount of any such fee, cost, or expense shall be recoverable on behalf of the United States from the subcontractor or the recipient thereof by setoff of moneys otherwise owing to the subcontractor either directly by the United States, or by a prime contractor under any contract or by an action in an appropriate court of the United States. Upon a showing that a subcontractor paid fees, commissions, or compensation or granted gifts or gratuities to an officer, partner, employee, or agent of a prime contractor or of another higher tier subcontractor, in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the cost of such expense was included in the price of the subcontract or order and ultimately borne by the United States. Upon the direction of the contracting department or agency or of the General Accounting Office, the prime contractor shall withhold from sums otherwise due a subcontractor any amount reported to have been found to have been paid by a subcontractor as a fee, commission, or compensation or as a gift or gratuity to an officer, partner, employee, or agent of the prime contractor or another higher tier subcontractor.

Definitions.

"SEC. 2. For the purpose of this Act, the term 'subcontractor' is defined as any person, including a corporation, partnership, or business association of any kind, who holds an agreement or purchase order to perform all or any part of the work or to make or furnish any article or service required for the performance of a negotiated contract or of a subcontract entered thereunder; the term 'person' shall include any subcontractor, corporation, association, trust, joint-stock company, partnership, or individual; and the term 'negotiated contract' means made without formal advertising.

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"SEC. 3. For the purpose of ascertaining whether such fees, commissions, compensation, gifts, or gratuities have been paid or granted by a subcontractor, the General Accounting Office shall have the power to inspect the plants and to audit the books and records of any prime contractor or subcontractor engaged in the performance of a negotiated contract. Power of GAO.

"SEC. 4. Any person who shall knowingly, directly or indirectly, make or receive any such prohibited payment shall be fined not more than $10,000 or be imprisoned for not more than two years, or both." Penalties.

Approved September 2, 1960.

## Public Law 86-696

AN ACT

To provide for the striking of medals in commemoration of the one hundredth anniversary of the founding of the State of Idaho as a Territory.

September 2, 1960
[S. 3160]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in the commemoration of the one hundredth anniversary of the founding of the State of Idaho as a Territory, the Secretary of the Treasury is authorized and directed to strike and furnish to the Idaho Territorial Centennial Commission not more than ten thousand medals of either silver or bronze or both, of a suitable size and with suitable emblems, devices, and inscriptions to be determined by the Idaho Territorial Centennial Commission subject to the approval of the Secretary of the Treasury. The medals shall be made and delivered at such times as required by the Commission in quantities of not less than two thousand, but no medals shall be made after December 31, 1963. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes. Idaho. Centennial medals.

SEC. 2. (a) The Secretary of the Treasury shall cause such medals to be struck and furnished at no less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

(b) Upon authorization from the Idaho Territorial Centennial Commission, the Secretary of the Treasury shall cause duplicates in silver or bronze or both of such medal to be coined, and sold, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof (including labor).

Approved September 2, 1960.

## Public Law 86-697

AN ACT

To provide for the striking of medal in commemoration of Century 21 Exposition to be held in Seattle, Washington.

September 2, 1960
[S. 3532]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, in commemoration of Century 21 Exposition, to be held in Seattle, Washington, beginning April 21, 1962, and ending October 21, 1962, the Secretary of the Treasury is authorized and directed to strike and furnish to the Century 21 Commission not more than five hundred thousand medals with suitable emblems, devices, and inscriptions to be determined by Century 21 Exposition, Seattle, Wash. Medal.