

effect on Sept. 27, 1979, prior to repeal by Pub. L. 104-201, div. C, title XXXV, § 3546(a)(4), Sept. 23, 1996, 110 Stat. 2868.

PART 3—TRANSITION AUTHORITY

**§§ 3851, 3852. Repealed. Pub. L. 104-201, div. C, title XXXV, § 3546(a)(4), Sept. 23, 1996, 110 Stat. 2868**

Section 3851, Pub. L. 96-70, title II, § 2401, Sept. 27, 1979, 93 Stat. 495, related to vesting of authority in the President during transition period.

Section 3852, Pub. L. 96-70, title II, § 2402, Sept. 27, 1979, 93 Stat. 495, related to commitment of prisoners to custody of Attorney General or Commission.

SUBCHAPTER III—GENERAL PROVISIONS

PART 1—PROCUREMENT

**Editorial Notes**

PRIOR PROVISIONS

A prior part 1, consisting of section 3861, related to cemeteries, prior to repeal by Pub. L. 104-201, div. C, title XXXV, § 3546(a)(5), Sept. 23, 1996, 110 Stat. 2868.

**§ 3861. Procurement system**

**(a) Panama Canal Acquisition Regulation**

(1) The Commission shall establish by regulation a comprehensive procurement system. The regulation shall be known as the “Panama Canal Acquisition Regulation” (in this section referred to as the “Regulation”) and shall provide for the procurement of goods and services by the Commission in a manner that—

(A) applies the fundamental operating principles and procedures in the Federal Acquisition Regulation;

(B) uses efficient commercial standards of practice; and

(C) is suitable for adoption and uninterrupted use by the Republic of Panama after the Canal Transfer Date.

(2) The Regulation shall contain provisions regarding the establishment of the Panama Canal Board of Contract Appeals described in section 3862 of this title.

**(b) Supplement to Regulation**

The Commission shall develop a Supplement to the Regulation (in this section referred to as the “Supplement”) that identifies both the provisions of Federal law applicable to procurement of goods and services by the Commission and the provisions of Federal law waived by the Commission under subsection (c).

**(c) Waiver authority**

(1) Subject to paragraph (2), the Commission shall determine which provisions of Federal law should not apply to procurement by the Commission and may waive those laws for purposes of the Regulation and Supplement.

(2) For purposes of paragraph (1), the Commission may not waive—

(A) chapter 21 of title 41;

(B) chapter 71 of title 41, other than section 7104(b) of title 41; or

(C) civil rights, environmental, or labor laws.

**(d) Consultation with Administrator for Federal Procurement Policy**

In establishing the Regulation and developing the Supplement, the Commission shall consult

with the Administrator for Federal Procurement Policy.

**(e) Effective date**

The Regulation and the Supplement shall take effect on the date of publication in the Federal Register, or January 1, 1999, whichever is earlier.

(Pub. L. 96-70, title III, § 3101, as added Pub. L. 105-85, div. C, title XXXV, § 3541, Nov. 18, 1997, 111 Stat. 2070.)

**Editorial Notes**

CODIFICATION

In subsec. (c)(2)(A), “chapter 21 of title 41” substituted for “section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423)” on authority of Pub. L. 111-350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

In subsec. (c)(2)(B), “chapter 71 of title 41, other than section 7104(b) of title 41” substituted for “the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.), other than section 10(a) of such Act (41 U.S.C. 609(a))” on authority of Pub. L. 111-350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

PRIOR PROVISIONS

A prior section 3861, Pub. L. 96-70, title III, § 3101, Sept. 27, 1979, 93 Stat. 496, related to disinterment, transportation, and reinterment of remains, prior to repeal by Pub. L. 104-201, div. C, title XXXV, § 3546(a)(5), Sept. 23, 1996, 110 Stat. 2868.

**§ 3862. Panama Canal Board of Contract Appeals**

**(a) Establishment**

(1) The Secretary of Defense, in consultation with the Commission, may establish a board of contract appeals, to be known as the Panama Canal Board of Contract Appeals, in accordance with sections 7105(a), (c) to (e), (g), 7106(a), and 7107(a) of title 41. Except as otherwise provided by this section, the Panama Canal Board of Contract Appeals (in this section referred to as the “Board”) shall be subject to chapter 71 of title 41 in the same manner as any other agency board of contract appeals established under that chapter.

(2) The Board shall consist of three members. At least one member of the Board shall be licensed to practice law in the Republic of Panama. Individuals appointed to the Board shall take an oath of office, the form of which shall be prescribed by the Secretary of Defense.

(3) Compensation for members of the Board of Contract Appeals shall be established by the Commission’s supervisory board. The annual compensation established for members may not exceed the rate of basic pay established for level IV of the Executive Schedule under section 5315 of title 5. The compensation of a member may not be reduced during the member’s term of office from the level established at the time of the appointment of the member.

**(b) Exclusive jurisdiction to decide appeals**

Notwithstanding section 7104(b)(1) of title 41 or any other provision of law, the Board shall have exclusive jurisdiction to decide an appeal from a decision of a contracting officer under section 7105(e) of title 41.

**(c) Exclusive jurisdiction to decide protests**

The Board shall decide protests submitted to it under this subsection by interested parties in