

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4615**

OFFERED BY M ____.

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Small Business Pay-
3 ment for Performance Act of 2026”.

4 SEC. 2. EQUITABLE ADJUSTMENTS TO CONSTRUCTION
5 CONTRACTS.

6 (a) IN GENERAL.—Section 15 of the Small Business
7 Act (15 U.S.C. 644) is amended—

(1) by redesignating subsections (x) and (y) as
subsections (y) and (z), respectively; and

(2) by inserting after subsection (w) the following new subsection:

12 “(x) INTERIM PARTIAL PAYMENTS FOR EQUITABLE
13 ADJUSTMENTS TO CONSTRUCTION CONTRACTS.—

“(1) REQUEST FOR AN EQUITABLE ADJUST-
MENT.—A small business concern that was awarded
a contract for construction by an agency may submit
a request for an equitable adjustment to the con-
tracting officer of such agency, in accordance with

1 the procedures of such agency and the procedures
2 applicable to such contract, if the contracting officer
3 directs a change in the terms of the contract per-
4 formance without the agreement of the small busi-
5 ness concern. Such request shall—

6 “(A) be timely made pursuant to the terms
7 of the contract; and

8 “(B) specify the estimated amount re-
9 quired to cover additional costs resulting from
10 such change in the terms.

11 “(2) AMOUNT.—Upon receipt of a request
12 under paragraph (1), the agency shall provide to
13 such concern an interim partial payment in an
14 amount equal to not less than 50 percent of the esti-
15 mated amount under paragraph (1)(B).

16 “(3) LIMITATION.—Any interim partial pay-
17 ment made under this section may not be deemed to
18 be an action to definitize the request for an equi-
19 table adjustment.

20 “(4) FLOW-DOWN OF INTERIM PARTIAL PAY-
21 MENT AMOUNTS.—A small business concern that re-
22 ceives an interim partial payment under this sub-
23 section shall pay to a first tier subcontractor of such
24 concern the portion of each interim partial payment
25 received that is attributable to the increased costs of

1 performance incurred by such subcontractor due to
2 the change in the terms of the contract performance
3 described in paragraph (1). A first tier subcon-
4 tractor that receives a portion of an interim partial
5 payment under this paragraph shall pay to a subcon-
6 tractor (at any tier) the appropriate portion of such
7 payment.”.

8 (b) IMPLEMENTATION.—Not later than 90 days after
9 the date of the enactment of this Act, the Administrator
10 of the Small Business Administration shall issue rules in
11 accordance with the provisions of subchapter II of chap-
12 ter 5 of title 5, United States Code, (commonly referred
13 to as the Administrative Procedures Act) to implement the
14 requirements of this section.

