

CLIENT ALERT

OMB Announces New "Goal" for Agencies to Accelerate Payments to Small Businesses

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On the heels of the announcement of the President's latest jobs initiative, on September 14, 2011, OMB established a new policy that agencies should accelerate payments to small business contractors, with a goal of making payments to small businesses within 15 days of receiving appropriate invoicing documents. As the policy makes no revisions to the Prompt Payment Act and imposes no new penalties for failing to achieve the 15-day goal, the degree of actual agency implementation will determine whether this is an effective first step toward improving small businesses' cash flow.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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