528.103-2 Performance bonds.

- (a) The contracting officer shall not require performance bonds for building service contracts unless a written determination is made explaining why the bond is essential to protect the Government's interest and justifying the additional cost of the bonding requirement.
- (b) The contracting officer may require a performance bond for building service contracts over \$150,000 awarded under Section 8(a) of the Small Business Act as amended (15 U.S.C. 637(a)) if it is determined under 528.103-2(a) that a performance bond is essential to protect the Government's interest.
- (c) The contracting officer shall not require a performance bond for building service contracts awarded to AbilityOne nonprofit agencies (41 U.S.C. chapter 85).
- (d) Consider the circumstances and determine the penal amount of the performance bond on a case-by-case basis.

Parent topic: <u>528.103 Performance and payment bonds for other than construction contracts.</u>