

(c) (1) This subsection applies to the resolution of disputes relating to construction contracts that have been entered into.

(2) Within 30 days of the filing of a notice of a claim, the contractor shall submit to the procurement agency a written explanation of the claim containing:

(i) The amount of the claim;

(ii) The facts upon which the claim is based;  
and

(iii) All pertinent data and correspondence that may substantiate the claim.

(3) The claim shall be reviewed by the procurement agency head or, if the agency is a part of a principal department or an equivalent unit of State government, by the Secretary or the equivalent official unless review has been delegated to the agency head by regulation.

(4) Within 180 days after receipt of the claim, the agency head, Secretary, or equivalent official shall investigate the claim and notify the contractor, in writing, of a decision regarding resolution of the claim. The 180 day time limit may be extended by mutual agreement of the parties.

(5) (i) A decision not to pay a claim is a final action for the purposes of appeal to the Board of Contract Appeals.

(ii) Failure to reach a decision within the time limits under paragraph (4) of this subsection shall be deemed to be a decision not to pay the claim.

(6) At the time of final payment, the agency shall:

(i) release the retainage due to the contractor; and

(ii) pay any interest accrued on the retainage due and payable to the contractor from the time of payment of the semifinal estimate.

(d) The decision of the procurement officer to resolve or not to resolve a dispute shall be reviewed by the agency head unless otherwise provided by regulation. If the agency is part of one of the principal departments or an equivalent unit of government, the decision shall be reviewed by the Secretary or his equivalent unless delegated to the agency head by regulation. The reviewing authority may approve or disapprove the procurement officer's decision. In disapproving a decision not to resolve the dispute, the reviewing authority may order the procurement officer to effect a resolution. The decision of the reviewing