

(2) The Secretary of Veterans Affairs shall notify the Secretary of the Treasury of each check described under paragraph (1) of this subsection.

(3) The Secretary of Veterans Affairs may exempt a check from paragraph (1) of this subsection if the application of paragraph (1) would reduce, discontinue, or deny benefits for the care of a dependent of an individual in a foreign country.

(b) When the amount of checks (representing payments to an individual under laws administered by the Secretary of Veterans Affairs) transferred under section 3329(b)(4) of this title equals \$1,000, the amounts of additional checks (except checks under contracts of insurance) payable to the individual under those laws shall be deposited in the Treasury as miscellaneous receipts. An amount transferred under section 3329(b)(4) or deposited as miscellaneous receipts is deemed to be payment for all purposes to the individual entitled to payment.

(c) If the payee of a check for pension, compensation, or emergency officers' retirement pay under laws administered by the Secretary of Veterans Affairs dies while the amount of the check is in the special deposit account, the amount is payable (subject to section 3329 of this title and this section) as follows:

(1) after the death of the veteran, to the surviving spouse, or, if there is no surviving spouse, to children of the veteran under 18 years of age at the time of the veteran's death.

(2) after the death of the surviving spouse, to children of the spouse under 18 years of age at the time of the spouse's death.

(3) after the death of an apportionee of a part of the veteran's pension, compensation, or emergency officers' retirement pay but before all of the apportioned amount is paid to the veteran, the apportioned amount not paid.

(4) in any other case, only to the extent necessary to reimburse a person for burial expenses.

(d)(1) A payment may be made under subsection (c) of this section only if a claim for payment is—

(A) filed with the Secretary of Veterans Affairs by the end of the first year after the date of the death of the individual entitled to payment; and

(B) completed by submitting the necessary evidence by the 6th month after the date the Secretary of Veterans Affairs requests the evidence.

(2) Payment shall include only amounts due at the time of death under ratings or decisions existing at the time of the death.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 954; Pub. L. 102-54, § 13(l)(3), (4)(A), June 13, 1991, 105 Stat. 277; Pub. L. 103-272, § 4(f)(1)(I), July 5, 1994, 108 Stat. 1362.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3330(a)	31:123(provisos).	Oct. 9, 1940, ch. 796, 54 Stat. 1086, § 1(provisos); added Dec. 2, 1942, ch. 659, 56 Stat. 1028.
3330(b)	31:124(last par.).	Oct. 9, 1940, ch. 796, § 2(last par.), 3(last par.), 54 Stat. 1086, 1087.

HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3330(c), (d).	31:125(last par.).	

In the section, the words “laws carried out” are substituted for “laws administered”, and the words “Administrator of Veterans Affairs” and “Administrator” are substituted for “Veterans Administration”, for consistency.

In subsection (a)(1), before clause (A), the word “issued” is substituted for “drawn” for clarity and consistency. Clause (A) is substituted for “drawn against funds of the United States” for consistency in the chapter. In clause (C), the words “guardian, curator, conservator, or other” are omitted as surplus. The words “legally responsible for” are substituted for “vested with” for clarity.

In subsection (b), the words “under section 3329(b)(4) of this title” are substituted for “to the special deposit account” for clarity and because of the restatement. The words “deposited in” are substituted for “covered into” for clarity and consistency in the revised title.

In subsection (c), before clause (1), the word “accruing” is omitted as surplus. In clauses (1) and (2), the words “surviving spouse” and “spouse” are substituted for “widow”, and the word “spouse’s” is substituted for “widow’s”, to conform to amendments made generally to title 38 by the Veterans Disability Compensation and Survivor Benefits Act of 1976 (Pub. L. 94-433, 90 Stat. 1374). In clause (1), the words “first to” are omitted as surplus. In clause (4), the word “only” is substituted for “no disbursement whatsoever of such pension, compensation, or emergency officers' retirement pay shall be made or allowed except so much” to eliminate unnecessary words.

In subsection (d)(1)(B), the word “completed” is substituted for “perfected” for clarity.

In subsection (d)(2), the words “and unpaid” are omitted as surplus.

AMENDMENTS

1994—Subsec. (d)(1)(B). Pub. L. 103-272 substituted “Secretary of Veterans Affairs” for “Administrator”.

1991—Pub. L. 102-54, § 13(l)(4)(A), substituted “Department of Veterans Affairs” for “Veterans Administration” in section catchline.

Subsec. (a)(1)(B). Pub. L. 102-54, § 13(l)(3)(A), substituted “Secretary of Veterans Affairs” for “Administrator of Veterans Affairs”.

Subsec. (a)(2), (3). Pub. L. 102-54, § 13(l)(3)(B), substituted “Secretary of Veterans Affairs” for “Administrator”.

Subsecs. (b), (c). Pub. L. 102-54, § 13(l)(3)(C), substituted “laws administered by the Secretary of Veterans Affairs” for “laws carried out by the Administrator”.

Subsec. (d)(1)(A). Pub. L. 102-54, § 13(l)(3)(B), substituted “Secretary of Veterans Affairs” for “Administrator”.

§ 3331. Substitute checks

(a) In this section, “original check”—

(1) means an order for the payment of money—

(A) payable on demand;

(B) that does not bear interest;

(C) drawn by an authorized disbursing official or agent of the United States Government; and

(D) the amount of which is deposited with the Treasury or another account available for payment; and

(2) does not include coins and currency of the Government.

(b) When the Secretary of the Treasury is satisfied that an original check is lost, stolen, destroyed in any part, or is so defaced that the value to the owner or holder is impaired, the Secretary may issue a substitute check to the owner or holder of the original check. Except as provided in subsection (c) or (f) of this section, the substitute check is payable from the amount available to pay the original check.

(c) When the Secretary is satisfied that an original check drawn on a depository in a foreign country or a territory or possession of the United States is lost, stolen, destroyed in part, or is so defaced that its value to the owner or holder is impaired, the drawer of the original check (or another official designated by the Secretary with the approval of the head of the agency on whose behalf the original check was issued) may issue to the owner or holder of the check a substitute check. The drawer or official shall issue the substitute check by the last day of the fiscal year after the fiscal year in which the original check was issued—

- (1) using the current date; and
- (2) drawn on the account of the drawer of the original check or another account available for payment of the substitute.

(d) A substitute check issued under this section—

- (1) may be paid only if the original check has not been paid;
- (2) shall include information necessary to identify the original check;
- (3) that is drawn on the Treasury—
 - (A) is deemed to be an original check; and
 - (B) is paid under the same conditions as the original check; and
- (4) does not relieve a disbursing or certifying official from liability to the Government for payment resulting from erroneously issuing the original check.

(e) Before issuing a substitute check under this section, the Secretary may require the owner or holder of the original check to agree to indemnify the Government with security in the form and amount the Secretary decides is necessary.

(f) The Secretary may waive any provision of this section as may be necessary to ensure that claimants receive timely payments.

(g) Under conditions the Secretary may prescribe, the Secretary may delegate duties and powers of the Secretary under this section to the head of an agency. Consistent with a delegation from the Secretary under this subsection, the head of an agency may delegate those duties and powers to an officer or employee of the agency.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 955; Pub. L. 97-452, §1(11), Jan. 12, 1983, 96 Stat. 2468; Pub. L. 104-134, title III, §31001(x)(2), Apr. 26, 1996, 110 Stat. 1321-377.)

HISTORICAL AND REVISION NOTES
1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3331(a)	31:528(g).	R.S. §3646(a)-(c), (f), (g); Feb. 16, 1865, ch. 123, 23 Stat. 306; Mar. 23, 1906, ch. 1129, 34 Stat. 84; June 19, 1906, ch. 3434, 34 Stat. 301; May 27, 1908, ch. 206(par. beginning on p. 415 amending §§3646, 3647), 35 Stat. 415; Feb. 23, 1909, ch. 174, 35 Stat. 643; Mar. 21, 1916, ch. 52, 39 Stat. 37; July 8, 1937, ch. 444, §9, 50 Stat. 482; Aug. 10, 1939, ch. 665, §§5-7, 53 Stat. 1359; restated Dec. 3, 1945, ch. 515, §1, 59 Stat. 592; July 11, 1947, ch. 222, §4(c), (d)(related to §3646(c)), (e), (f), 61 Stat. 309; Aug. 28, 1957, Pub. L. 85-183, §§4, 5(a), (c), 71 Stat. 465; June 6, 1972, Pub. L. 92-310, §231(s), 86 Stat. 211; Sept. 22, 1978, Pub. L. 95-380, 92 Stat. 725.
3331(b)	31:528(a)(less last 28 words before proviso, proviso).	
3331(c)	31:528(c)(1st sentence 1st-158th words, 171st-195th words).	
3331(d)	31:528(a)(last 28 words before proviso, proviso), (c)(1st sentence 159th-170th words, 237th-last words, last sentence), (f).	
3331(e)	31:528(b), (c)(1st sentence 196th-236th words).	

In subsection (a), before clause (1), the words “The term . . . wherever used” are omitted as unnecessary. In clause (1), before subclause (A), the words “check, warrant, or other” are omitted as surplus. In subclause (C), the word “duly” is omitted as surplus. The words “disbursing official or agent” are substituted for “officer or agent” for consistency in the revised title. The words “any wholly owned or mixed-ownership Government corporation” are omitted as already being included in the restated source provisions and because of section 101 of the revised title. Therefore, the text is not meant to exclude employees of wholly owned Government corporations and mixed-ownership Government corporations. The words “the District of Columbia, or the District Unemployment Compensation Board” are omitted because of section 448 of the Act of December 24, 1973 (Pub. L. 93-198, 87 Stat. 801). The words “or by any entity owned or controlled by the United States” are omitted as unnecessary. In subclause (D), the words “and covered . . . or deposited with the Treasurer of the United States” are omitted as surplus. The words “or another account available for payment” are added for clarity and consistency in the revised section. In clause (2), the word “money” is omitted as being covered by “coins and currency”.

In subsections (b) and (c), the words “When the Secretary is satisfied” are substituted for “whenever it is clearly proved to the satisfaction of the Secretary” to eliminate unnecessary words. The words “mutilated or” are omitted as being covered by “defaced”.

In subsection (c), before clause (1), the words “Notwithstanding the provisions of subsections (a) and (b) of this section” are omitted as unnecessary. The words “including the Panama Canal Zone” are omitted because of the Panama Canal Treaty of 1977. The words “official designated” are substituted for “officer or employee of the United States as may be authorized” for consistency in the revised title and with other titles of the United States Code. The word “agency” is substituted for “department or agency” because of section 101 of the revised title and for consistency. In clause (2), the words “drawn on” are substituted for “drawn against” for consistency in the revised chapter.

In subsection (d)(3), before subclause (A), the word “Treasury” is substituted for “Treasurer of the United States” because of the source provisions restated in section 321 of the revised title and Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280).

In subsection (d)(4), the word “official” is substituted for “officer” for consistency in the revised title and with other titles of the United States Code.

In subsection (e), the words “surety or” are omitted as surplus. The words “the receipt and approval by the Secretary of the Treasury of” are omitted because of the restatement.

1983 ACT

This restates, as 31:3331(f), section 3646(h) of the Revised Statutes that was inadvertently omitted from the codification of title 31 by the Act of Sept. 13, 1982 (Pub. L. 97-258, 96 Stat. 1084). It provides authority for the Secretary of the Treasury to delegate duties and powers related to issuing substitute checks to heads of other agencies.

The words “terms and” are omitted as surplus. The words “duties and powers” are substituted for “power, authority, or discretion” for consistency in the revised title and with other titles of the United States Code. The words “in whole or in part” are omitted as surplus. The words “to such individuals as he may designate within the Treasury Department” are omitted because of 31:321(b)(2). The word “agency” is coextensive with and substituted for “other department or agency of the Government or of any Federal Reserve bank” because of 31:101. The words “terms and conditions” are omitted as surplus.

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-134, § 31001(x)(2)(A), substituted “subsection (c) or (f)” for “subsection (c)”.

Subsecs. (f), (g). Pub. L. 104-134, § 31001(x)(2)(B), (C), added subsec. (f) and redesignated former subsec. (f) as (g).

1983—Subsec. (f). Pub. L. 97-452 added subsec. (f).

EFFECTIVE DATE OF 1983 AMENDMENT

Section 2(i) of Pub. L. 97-452 provided that: “The amendments made by section 1(11), (14), (19), (22), (24), (26), and (27) [amending this section and sections 3702, 5103, 5154, 6501, 9101, 9107, and 9108 of this title] are effective as of September 13, 1982.”

§ 3332. Required direct deposit

(a)(1) Notwithstanding any other provision of law, all Federal wage, salary, and retirement payments shall be paid to recipients of such payments by electronic funds transfer, unless another method has been determined by the Secretary of the Treasury to be appropriate.

(2) Each recipient of Federal wage, salary, or retirement payments shall designate one or more financial institutions or other authorized payment agents and provide the payment certifying or authorizing agency information necessary for the recipient to receive electronic funds transfer payments through each institution so designated.

(b)(1) The head of each agency shall waive the requirements of subsection (a) of this section for a recipient of Federal wage, salary, or retirement payments authorized or certified by the agency upon written request by such recipient.

(2) Federal wage, salary, or retirement payments shall be paid to any recipient granted a waiver under paragraph (1) of this subsection by any method determined appropriate by the Secretary of the Treasury.

(c)(1) The Secretary of the Treasury may waive the requirements of subsection (a) of this

section for any group of recipients upon request by the head of an agency under standards prescribed by the Secretary of the Treasury.

(2) Federal wage, salary, or retirement payments shall be paid to any member of a group granted a waiver under paragraph (1) of this subsection by any method determined appropriate by the Secretary of the Treasury.

(d) This section shall apply only to recipients of Federal wage or salary payments who begin to receive such payments on or after January 1, 1995, and recipients of Federal retirement payments who begin to receive such payments on or after January 1, 1995.

(e)(1) Notwithstanding subsections (a) through (d) of this section, sections 5120(a) and (d) of title 38, and any other provision of law, all Federal payments to a recipient who becomes eligible for that type of payment after 90 days after the date of the enactment of the Debt Collection Improvement Act of 1996 shall be made by electronic funds transfer.

(2) The head of a Federal agency shall, with respect to Federal payments made or authorized by the agency, waive the application of paragraph (1) to a recipient of those payments upon receipt of written certification from the recipient that the recipient does not have an account with a financial institution or an authorized payment agent.

(f)(1) Notwithstanding any other provision of law (including subsections (a) through (e) of this section and sections 5120(a) and (d) of title 38), except as provided in paragraph (2) all Federal payments made after January 1, 1999, shall be made by electronic funds transfer.

(2)(A) The Secretary of the Treasury may waive application of this subsection to payments—

- (i) for individuals or classes of individuals for whom compliance imposes a hardship;
- (ii) for classifications or types of checks; or
- (iii) in other circumstances as may be necessary.

(B) The Secretary of the Treasury shall make determinations under subparagraph (A) based on standards developed by the Secretary.

(g) Each recipient of Federal payments required to be made by electronic funds transfer shall—

- (1) designate 1 or more financial institutions or other authorized agents to which such payments shall be made; and
- (2) provide to the Federal agency that makes or authorizes the payments information necessary for the recipient to receive electronic funds transfer payments through each institution or agent designated under paragraph (1).

(h) The crediting of the amount of a payment to the appropriate account on the books of a financial institution or other authorized payment agent designated by a payment recipient under this section shall constitute a full acquittance to the United States for the amount of the payment.

(i)(1) The Secretary of the Treasury may prescribe regulations that the Secretary considers necessary to carry out this section.

(2) Regulations under this subsection shall ensure that individuals required under subsection