

Subsec. (f). Pub. L. 105-264, §3(a)(3)(B), (D), redesignated subsec. (d) as (f), substituted "subsection (e)" for "subsection (c)", and inserted at end "This reporting requirement expires December 31, 1998." Former subsec. (f) redesignated (h).

Subsecs. (g), (h). Pub. L. 105-264, §3(a)(3)(B), redesignated subsecs. (e) and (f) as (g) and (h), respectively. Former subsec. (g) redesignated (i).

Subsec. (i). Pub. L. 105-264, §3(a)(3)(B), redesignated subsec. (g) as (i).

Subsec. (i)(1). Pub. L. 105-264, §3(a)(3)(E), substituted "subsection (c)" for "subsection (a)".

Subsec. (j). Pub. L. 105-264, §3(a)(3)(F), added subsec. (j).

1996—Subsec. (f). Pub. L. 104-316, §202(o)(1), substituted "Treasury prescribes" for "Treasury and the Comptroller General prescribe jointly".

Subsec. (g)(1). Pub. L. 104-316, §202(o)(2), substituted "Administrator of General Services" for "Comptroller General".

1995—Subsec. (b)(1). Pub. L. 104-88, §306(1), (2), substituted "under title 49 or on file with" for "on file with the Interstate Commerce Commission," and struck out "or" after the semicolon at end.

Subsec. (b)(2). Pub. L. 104-88, §306(4), added par. (2). Former par. (2) redesignated (3).

Subsec. (b)(3). Pub. L. 104-88, §306(3), (5), redesignated par. (2) as (3) and substituted "sections 10721, 13712, and 15504" for "sections 10721-10724".

1994—Subsec. (b)(1). Pub. L. 103-272, §5(i)(2), substituted "section 40102(a) of title 49" for "the Federal Aviation Act of 1958".

Subsec. (d). Pub. L. 103-272, §4(f)(1)(N), which directed the substitution of "miscellaneous receipts" for "miscellaneous receipt", was repealed by Pub. L. 103-429.

1993—Subsecs. (c) and (d). Pub. L. 103-123 amended subsecs. (c) and (d) generally. Prior to amendment, subsecs. (c) and (d) read as follows:

"(c) Expenses of transportation audit contracts and contract administration shall be financed from overpayments collected from carriers on transportation bills paid by the Government and other similar type refunds at not to exceed 40 percent of such collections annually. Payment to any contractor shall not exceed 50 percent of the overpayments identified by any contract audit.

"(d) At least annually, and as determined by the Administrator, after making adequate provision for expenses of refunds to carriers, transportation audit contracts, and contract administration authorized in subsection (c), the balance of the overpayments collected by the General Services Administration shall be transferred to miscellaneous receipt of the Treasury. A report of receipts, disbursements, and transfers (to miscellaneous receipts) pursuant to this section shall be made annually in connection with the budget estimates to the Director of the Office of Management and Budget and to the Congress."

1986—Subsec. (a). Pub. L. 99-627, §1(1), amended first sentence generally, substituting "may be paid before the Administrator of General Services conducts an audit, in accordance with regulations that the Administrator shall prescribe" for "shall be paid before the Administrator of General Services conducts an audit".

Subsecs. (c) to (g). Pub. L. 99-627, §1(2), (3), added subsecs. (c) to (e) and redesignated former subsecs. (c) and (d) as (f) and (g), respectively.

1984—Subsec. (b)(1). Pub. L. 98-443 substituted "Secretary of Transportation with respect to foreign air transportation (as defined in the Federal Aviation Act of 1958)" for "Civil Aeronautics Board".

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-264 effective 18 months after Oct. 19, 1998, see section 3(b) of Pub. L. 105-264, set out as a note under section 3322 of this title.

EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by Pub. L. 104-88 effective Jan. 1, 1996, see section 2 of Pub. L. 104-88, set out as an Effective

Date note under section 1301 of Title 49, Transportation.

EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103-429, §7(a), Oct. 31, 1994, 108 Stat. 4388, provided that the amendment made by that section is effective July 5, 1994.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-443 effective Jan. 1, 1985, see section 9(v) of Pub. L. 98-443, set out as a note under section 5314 of Title 5, Government Organization and Employees.

TASK FORCE

Pub. L. 99-627, §2, Nov. 7, 1986, 100 Stat. 3508, provided that:

"(a) Within 60 days after the date of enactment of this Act [Nov. 7, 1986], the Administrator of General Services shall establish a task force to study and investigate the feasibility, desirability, and economy of an integrated, automated system that Federal agencies may use in managing the transportation of property for the United States.

"(b) The task force established under subsection (a) shall—

"(1) be chaired by a representative of the Administrator;

"(2) include representatives of the Department of Defense and other Federal agencies significantly involved in the transportation of property for the United States; and

"(3) solicit the views of private businesses with expertise in the matters being considered by the task force.

"(c) In studying and investigating the integrated, automated system, the task force shall consider including in that system such elements as automated routing, rating, documentation, payment, and auditing.

"(d) Each department, agency, and instrumentality of the Federal Government shall furnish to the task force, upon its request, such data, reports, and other information (not otherwise prohibited by law) as the task force deems necessary to carry out its functions under this section.

"(e) The head of each such department, agency, and instrumentality may provide to the task force such services and personnel as the task force requests on such basis (reimbursable or otherwise) as may be agreed upon between such department, agency, or instrumentality and the task force.

"(f) The task force shall submit a final report on the results of its study and investigation to the Congress not later than July 1, 1988."

§ 3727. Assignments of claims

(a) In this section, "assignment" means—

(1) a transfer or assignment of any part of a claim against the United States Government or of an interest in the claim; or

(2) the authorization to receive payment for any part of the claim.

(b) An assignment may be made only after a claim is allowed, the amount of the claim is decided, and a warrant for payment of the claim has been issued. The assignment shall specify the warrant, must be made freely, and must be attested to by 2 witnesses. The person making the assignment shall acknowledge it before an official who may acknowledge a deed, and the official shall certify the assignment. The certificate shall state that the official completely explained the assignment when it was acknowledged. An assignment under this subsection is valid for any purpose.

(c) Subsection (b) of this section does not apply to an assignment to a financing institu-

tion of money due or to become due under a contract providing for payments totaling at least \$1,000 when—

(1) the contract does not forbid an assignment;

(2) unless the contract expressly provides otherwise, the assignment—

(A) is for the entire amount not already paid;

(B) is made to only one party, except that it may be made to a party as agent or trustee for more than one party participating in the financing; and

(C) may not be reassigned; and

(3) the assignee files a written notice of the assignment and a copy of the assignment with the contracting official or the head of the agency, the surety on a bond on the contract, and any disbursing official for the contract.

(d) During a war or national emergency proclaimed by the President or declared by law and ended by proclamation or law, a contract with the Department of Defense, the General Services Administration, the Department of Energy (when carrying out duties and powers formerly carried out by the Atomic Energy Commission), or other agency the President designates may provide, or may be changed without consideration to provide, that a future payment under the contract to an assignee is not subject to reduction or setoff. A payment subsequently due under the contract (even after the war or emergency is ended) shall be paid to the assignee without a reduction or setoff for liability of the assignor—

(1) to the Government independent of the contract; or

(2) because of renegotiation, fine, penalty (except an amount that may be collected or withheld under, or because the assignor does not comply with, the contract), taxes, social security contributions, or withholding or failing to withhold taxes or social security contributions, arising from, or independent of, the contract.

(e)(1) An assignee under this section does not have to make restitution of, refund, or repay the amount received because of the liability of the assignor to the Government that arises from or is independent of the contract.

(2) The Government may not collect or reclaim money paid to a person receiving an amount under an assignment or allotment of pay or allowances authorized by law when liability may exist because of the death of the person making the assignment or allotment.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 976.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
3727(a)	31:203(1st par. words before 9th comma).	R.S. §3477; May 27, 1908, ch. 206(last par. on p. 411), 35 Stat. 411; Oct. 9, 1940, ch. 779, §1(related to §3477), 54 Stat. 1029; May 15, 1951, ch. 75, §1(related to §1 related to §3477), 65 Stat. 41.
3727(b)	31:203(1st par. words after 9th comma, 3d, last pars.).	
3727(c)	31:203(2d par.).	

HISTORICAL AND REVISION NOTES—CONTINUED

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
3727(d)	31:203(5th par.).	
3727(e)(1)	31:203(4th par.).	
3727(e)(2)	31:239.	Aug. 10, 1956, ch. 1041, §45, 70A Stat. 638.

In subsection (a)(1), the words “or share thereof” and “whether absolute or conditional, and whatever may be the consideration therefor” are omitted as surplus. In clause (2), the word “authorization” is substituted for “powers of attorney, orders, or other authorities” to eliminate unnecessary words.

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

In subsection (b), the words “Except as hereinafter provided” are omitted as unnecessary. The words “read and” are omitted as surplus. The words “to the person acknowledging the same” are omitted as unnecessary. The text of 31:203(1st par. last sentence) is omitted as superseded by 39:410. The words “Notwithstanding any law to the contrary governing the validity of assignments” and the text of 31:203(last par.) are omitted as unnecessary.

In subsection (c), before clause (1), the words “bank, trust company, or other . . . including any Federal lending agency” are omitted as surplus. The words “of money due or to become due under a contract providing for payments totaling at least \$1,000” are substituted for “in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating \$1,000 or more” to eliminate unnecessary words. The text of 31:203(2d par. proviso cl. 1) is omitted as executed. In clause (1), the words “in the case of any contract entered into after October 9, 1940” are omitted as executed. In clause (2)(A), the words “payable under such contract” are omitted as surplus. In clause (3), the words “true” and “instrument of” are omitted as surplus. The words “department or” are omitted because of the restatement. The words “if any” and “to make payment” are omitted as surplus.

In subsection (d), before clause (1), the words “During a war or national emergency proclaimed by the President or declared by law and ended by proclamation or law” are substituted for “in time of war or national emergency proclaimed by the President (including the national emergency proclaimed December 16, 1950) or by Act or joint resolution of the Congress and until such war or national emergency has been terminated in such manner” to eliminate unnecessary words. The words “Department of Energy (when carrying out duties and powers formerly carried out by the Atomic Energy Commission)” are substituted for “Atomic Energy Commission” (which was reconstituted as the Energy Research and Development Administration by 42:5813 and 5814 because of 42:7151(a) and 7293. The words “other department or . . . of the United States . . . except any such contract under which full payment has been made” and “of any moneys due or to become due under such contract” before “shall not be subject” are omitted as surplus. The words “A payment subsequently due under the contract (even after the war or emergency is ended) shall be paid to the assignee without” are substituted for “and if such provision or one to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract, whether during or after such war or emergency . . . hereafter” to eliminate unnecessary words. The words “of any nature” are omitted as surplus. In clause (1), the words “or any department or agency thereof” are omitted as unnecessary. In clause (2), the words “under any renegotiation statute or under any statutory renegotiation article in the contract” are omitted as surplus.

Subsection (e)(1) is substituted for 31:203(4th par.) to eliminate unnecessary words.

In subsection (e)(2), the words “person receiving an amount under an assignment or allotment” are substituted for “assignees, transferees, or allottees” for clarity and consistency. The words “or to others for them” and “with respect to such assignments, transfers, or allotments or the use of such moneys” are omitted as surplus. The words “person making the assignment or allotment” are substituted for “assignors, transferors, or allotters” for clarity and consistency.

§ 3728. Setoff against judgment

(a) The Secretary of the Treasury shall withhold paying that part of a judgment against the United States Government presented to the Secretary that is equal to a debt the plaintiff owes the Government.

(b) The Secretary shall—

(1) discharge the debt if the plaintiff agrees to the setoff and discharges a part of the judgment equal to the debt; or

(2)(A) withhold payment of an additional amount the Secretary decides will cover legal costs of bringing a civil action for the debt if the plaintiff denies the debt or does not agree to the setoff; and

(B) have a civil action brought if one has not already been brought.

(c) If the Government loses a civil action to recover a debt or recovers less than the amount the Secretary withholds under this section, the Secretary shall pay the plaintiff the balance and interest of 6 percent for the time the money is withheld.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 977; Pub. L. 104-316, title II, § 202(p), Oct. 19, 1996, 110 Stat. 3844.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
3728(a)	31:227(1st sentence words before semicolon).	Mar. 3, 1875, ch. 149, 18 Stat. 481; restated Mar. 3, 1933, ch. 212, § 13, 47 Stat. 1516.
3728(b)	31:227(1st sentence words after semicolon, 2d, 3d sentences).	
3728(c)	31:227(last sentence).	

In the section, the words “of the United States” are omitted as unnecessary.

In subsection (a), the words “final . . . recovered . . . duly allowed by legal authority”, “for payment”, and “in any manner, whether as principal or surety” are omitted as surplus.

In subsection (b)(1), the words “due from the plaintiff to the United States” are omitted as surplus.

In subsection (b)(2)(A), the words “of such judgment”, “be sufficient to”, and “charges and” are omitted as surplus. The words “of bringing a civil action” are substituted for “in prosecuting the debt” for consistency in the revised title and with other titles of the United States Code. The words “of the United States to final judgment” and “to the United States” are omitted as surplus.

Subsection (b)(2)(B) is substituted for 31:227(3d sentence) for consistency and to eliminate unnecessary words.

In subsection (c), the words “for debt and costs”, “thereon”, and “from the plaintiff” are omitted as surplus.

AMENDMENTS

1996—Subsec. (a). Pub. L. 104-316, § 202(p)(1), (2), substituted “Secretary of the Treasury” for “Comptroller

General” before “shall withhold” and “Secretary” for “Comptroller General” after “presented to the”.

Subsecs. (b), (c). Pub. L. 104-316, § 202(p)(2), substituted “Secretary” for “Comptroller General” wherever appearing.

§ 3729. False claims

(a) LIABILITY FOR CERTAIN ACTS.—

(1) IN GENERAL.—Subject to paragraph (2), any person who—

(A) knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

(B) knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim;

(C) conspires to commit a violation of subparagraph (A), (B), (D), (E), (F), or (G);

(D) has possession, custody, or control of property or money used, or to be used, by the Government and knowingly delivers, or causes to be delivered, less than all of that money or property;

(E) is authorized to make or deliver a document certifying receipt of property used, or to be used, by the Government and, intending to defraud the Government, makes or delivers the receipt without completely knowing that the information on the receipt is true;

(F) knowingly buys, or receives as a pledge of an obligation or debt, public property from an officer or employee of the Government, or a member of the Armed Forces, who lawfully may not sell or pledge property; or

(G) knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the Government, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the Government,

is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, as adjusted by the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note; Public Law 104-410¹), plus 3 times the amount of damages which the Government sustains because of the act of that person.

(2) REDUCED DAMAGES.—If the court finds that—

(A) the person committing the violation of this subsection furnished officials of the United States responsible for investigating false claims violations with all information known to such person about the violation within 30 days after the date on which the defendant first obtained the information;

(B) such person fully cooperated with any Government investigation of such violation; and

(C) at the time such person furnished the United States with the information about the violation, no criminal prosecution, civil action, or administrative action had commenced under this title with respect to such

¹ So in original. Probably should be “101-410”.