

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

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
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 104-410<sup>1</sup>), 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

<sup>1</sup> So in original. Probably should be “101-410”.