

this title] may be cited as the ‘Debt Collection Improvement Act of 1996’.”

#### SHORT TITLE OF 1986 AMENDMENT

Pub. L. 99-562, §1, Oct. 27, 1986, 100 Stat. 3153, provided that: “This Act [enacting sections 3732 and 3733 of this title and amending sections 3729 to 3731 of this title and section 287 of Title 18, Crimes and Criminal Procedure] may be cited as the ‘False Claims Amendments Act of 1986’.”

#### TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

#### PURPOSES OF 1996 AMENDMENT

Pub. L. 104-134, title III, §31001(b), Apr. 26, 1996, 110 Stat. 1321-358, provided that: “The purposes of this section [see Short Title of 1996 Amendment note above] are the following:

- “(1) To maximize collections of delinquent debts owed to the Government by ensuring quick action to enforce recovery of debts and the use of all appropriate collection tools.
- “(2) To minimize the costs of debt collection by consolidating related functions and activities and utilizing interagency teams.
- “(3) To reduce losses arising from debt management activities by requiring proper screening of potential borrowers, aggressive monitoring of all accounts, and sharing of information within and among Federal agencies.
- “(4) To ensure that the public is fully informed of the Federal Government’s debt collection policies and that debtors are cognizant of their financial obligations to repay amounts owed to the Federal Government.
- “(5) To ensure that debtors have all appropriate due process rights, including the ability to verify, challenge, and compromise claims, and access to administrative appeals procedures which are both reasonable and protect the interests of the United States.
- “(6) To encourage agencies, when appropriate, to sell delinquent debt, particularly debts with underlying collateral.
- “(7) To rely on the experience and expertise of private sector professionals to provide debt collection services to Federal agencies.”

#### UNITED STATES SENATE AS LEGISLATIVE AGENCY; REGULATIONS PROMULGATED BY SECRETARY OF SENATE

Pub. L. 101-163, title I, §11, Nov. 21, 1989, 103 Stat. 1046, provided that:

“(a) For purposes of subchapters I and II of chapter 37 of title 31, United States Code (relating to claims of or against the United States Government), the United States Senate shall be considered to be a legislative agency (as defined in section 3701(a)(4) of such title), and the Secretary of the Senate shall be deemed to be the head of such legislative agency.

“(b) Regulations prescribed by the Secretary of the Senate pursuant to section 3716 of title 31, United States Code, shall not become effective until they are approved by the Senate Committee on Rules and Administration.”

#### § 3702. Authority to settle claims

(a) Except as provided in this chapter or another law, all claims of or against the United States Government shall be settled as follows:

- (1) The Secretary of Defense shall settle—

(A) claims involving uniformed service members’ pay, allowances, travel, transportation, payments for unused accrued leave, retired pay, and survivor benefits; and

(B) claims by transportation carriers involving amounts collected from them for loss or damage incurred to property incident to shipment at Government expense.

(2) The Director of the Office of Personnel Management shall settle claims involving Federal civilian employees’ compensation and leave.

(3) The Administrator of General Services shall settle claims involving expenses incurred by Federal civilian employees for official travel and transportation, and for relocation expenses incident to transfers of official duty station.

(4) The Director of the Office of Management and Budget shall settle claims not otherwise provided for by this subsection or another provision of law.

(b)(1) A claim against the Government presented under this section must contain the signature and address of the claimant or an authorized representative. The claim must be received by the official responsible under subsection (a) for settling the claim or by the agency that conducts the activity from which the claim arises within 6 years after the claim accrues except—

(A) as provided in this chapter or another law; or

(B) a claim of a State, the District of Columbia, or a territory or possession of the United States.

(2) When the claim of a member of the armed forces accrues during war or within 5 years before war begins, the claim must be received within 5 years after peace is established or within the period provided in paragraph (1) of this subsection, whichever is later.

(3) A claim that is not received in the time required under this subsection shall be returned with a copy of this subsection, and no further communication is required.

(c) ONE-YEAR LIMIT FOR CHECK CLAIMS.—(1) Any claim on account of a Treasury check shall be barred unless it is presented to the agency that authorized the issuance of such check within 1 year after the date of issuance of the check or the effective date of this subsection, whichever is later.

(2) Nothing in this subsection affects the underlying obligation of the United States, or any agency thereof, for which a Treasury check was issued.

(d) The official responsible under subsection (a) for settling the claim shall report to Congress on a claim against the Government that is timely presented under this section that may not be adjusted by using an existing appropriation, and that the official believes Congress should consider for legal or equitable reasons. The report shall include recommendations of the official.

(e)(1) The Secretary of Defense may waive the time limitations set forth in subsection (b) or (c) in the case of a claim referred to in subsection (a)(1)(A). In the case of a claim by or with respect to a member of the uniformed services who

is not under the jurisdiction of the Secretary of a military department, such a waiver may be made only upon the request of the Secretary concerned (as defined in section 101 of title 37).

(2) Payment of a claim settled under subsection (a)(1)(A) shall be made from an appropriation that is available, for the fiscal year in which the payment is made, for the same purpose as the appropriation to which the obligation claimed would have been charged if the obligation had been timely paid, except that in the case of a claim for retired pay or survivor benefits, if the obligation claimed would have been paid from a trust fund if timely paid, the payment of the claim shall be made from that trust fund.

(3) This subsection does not apply to a claim in excess of \$25,000.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 970; Pub. L. 97-452, §1(14), Jan. 12, 1983, 96 Stat. 2470; Pub. L. 100-86, title X, §1004(b), Aug. 10, 1987, 101 Stat. 659; Pub. L. 104-201, div. A, title VI, §608, Sept. 23, 1996, 110 Stat. 2542; Pub. L. 104-316, title II, §202(n)(1), Oct. 19, 1996, 110 Stat. 3843; Pub. L. 105-85, div. A, title X, §1012, Nov. 18, 1997, 111 Stat. 1874; Pub. L. 106-398, §1 [[div. A], title VI, §664], Oct. 30, 2000, 114 Stat. 1654, 1654A-168; Pub. L. 107-314, div. A, title VI, §635(a), (b), Dec. 2, 2002, 116 Stat. 2574; Pub. L. 109-163, div. A, title X, §1056(e)(2), Jan. 6, 2006, 119 Stat. 3440.)

HISTORICAL AND REVISION NOTES  
1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3702(a) .....	31:44(1st sentence).	June 10, 1921, ch. 18, §304(1st par. 1st sentence), 42 Stat. 24.
	31:71(related to claims).	R.S. §236(related to claims); June 10, 1921, ch. 18, §305, 42 Stat. 24.
	31:86.	July 31, 1894, ch. 174, §14, 28 Stat. 210.
3702(b)(1)	31:71a(1)(less proviso).	Oct. 9, 1940, ch. 788, 54 Stat. 1061; Jan. 2, 1975, Pub. L. 93-604, §801, 88 Stat. 1965.
	31:237(1)(less proviso).	
3702(b)(2)	31:71a(1)(proviso).	
	31:237(1)(proviso).	
3702(b)(3)	31:71a(2).	
	31:237(2).	
3702(c) .....	31:122.	June 22, 1926, ch. 650, §2, 44 Stat. 761; Aug. 28, 1957, Pub. L. 85-183, §3(a), 71 Stat. 465.
3702(d) .....	31:236.	Apr. 10, 1928, ch. 334, 45 Stat. 413.

In the section, the words “Comptroller General” are substituted for “General Accounting Office” for consistency.

In subsection (a), the words “Except as provided in this chapter or another law” are added for clarity. The words “and demands whatever” and “and adjusted” are omitted as surplus. The words “officers or employees of the General Accounting Office” are substituted for “of his subordinates” for clarity and consistency in the revised title and with other titles of the United States Code.

In subsection (b)(1), before clause (A), the words “or demand” are omitted as surplus. The word “Government” is substituted for “United States” for consistency in the revised title and with other titles of the Code. The word “representative” is substituted for “agent or attorney” to eliminate unnecessary words. The words “received by the Comptroller General” are substituted for “received in said office” for clarity and consistency. The words “the date” are omitted as surplus. Clause (A) is added for clarity. In clause (B), the words “cognizable by the General Accounting Office

under sections 71 and 236 of this title” are omitted as unnecessary because of the restatement.

In subsection (b)(2), the words “member of the armed forces” are substituted for “person serving in the military or naval forces of the United States” for consistency with title 10. The words “to the Comptroller General” are added for clarity.

In subsection (b)(3), the words “to the claimant” are omitted as surplus. The words “not received in the time required” are substituted for “barred by” because of the restatement. The words “no further communication is required” are substituted for “such action shall be a complete response without further communication” to eliminate unnecessary words.

In subsection (c), the text of 31:122(1st sentence words before 2d comma and last sentence) is omitted as executed. The words “Secretary of the Treasury” are substituted for “Treasury Department” for consistency. The word “Secretary” is substituted for “Treasurer of the United States” because of Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280).

In subsection (d), the words “report . . . on” are substituted for “submit the same . . . by a special report . . . the material facts” to eliminate unnecessary words. The words “or demand” are omitted as surplus. The word “Government” is substituted for “United States”, and the words “presented under this section” are substituted for “filed in the General Accounting Office” for consistency. The words “lawfully”, “the use of”, and “thereon” are omitted as surplus.

1983 ACT

This amends 31:3702(b)(2) by inserting a word inadvertently omitted in the codification of title 31.

REFERENCES IN TEXT

The effective date of this subsection, referred to in subsec. (c)(1), probably means the effective date of subsec. (c) of this section as amended by section 1004(b) of Pub. L. 100-86, which is effective 6 months after Aug. 10, 1987, or on such later date as the Secretary of the Treasury may prescribe in regulations. See Effective Date of 1987 Amendment note below.

AMENDMENTS

2006—Subsec. (e)(1). Pub. L. 109-163 amended directory language of Pub. L. 107-314, §635(a). See 2002 Amendment note below.

2002—Subsec. (e)(1). Pub. L. 107-314, §635(b)(1), substituted “The Secretary of Defense” for “Upon the request of the Secretary concerned (as defined in section 101 of title 37, United States Code), the Secretary of Defense”, struck out “and, subject to paragraph (2), settle the claim” before period at end of first sentence, and inserted at end “In the case of a claim by or with respect to a member of the uniformed services who is not under the jurisdiction of the Secretary of a military department, such a waiver may be made only upon the request of the Secretary concerned (as defined in section 101 of title 37).”

Pub. L. 107-314, §635(a), as amended by Pub. L. 109-163, substituted “a claim referred to in subsection (a)(1)(A)” for “a claim for pay, allowances, or payment for unused accrued leave under title 37 or a claim for retired pay under title 10”.

Subsec. (e)(2). Pub. L. 107-314, §635(b)(2), substituted “under subsection (a)(1)(A)” for “under paragraph (1)” and inserted before period at end “, except that in the case of a claim for retired pay or survivor benefits, if the obligation claimed would have been paid from a trust fund if timely paid, the payment of the claim shall be made from that trust fund”.

2000—Subsec. (a)(1)(A). Pub. L. 106-398, §1 [[div. A], title VI, §664(a)], inserted “payments for unused accrued leave,” after “transportation.”.

Subsec. (e)(1). Pub. L. 106-398, §1 [[div. A], title VI, §664(b)], substituted “claim for pay, allowances, or payment for unused accrued leave under title 37 or a claim for retired pay under title 10” for “claim for pay or allowances provided under title 37”.

1997—Subsec. (e)(1). Pub. L. 105–85, §1012(1), substituted “Secretary of Defense” for “Comptroller General”.

Subsec. (e)(2). Pub. L. 105–85, §1012(2), added par. (2) and struck out former par. (2) which read as follows: “Payment of a claim settled under paragraph (1) shall be subject to the availability of appropriations for payment of that particular claim.”

1996—Pub. L. 104–316, §202(n)(1)(A), struck out “of the Comptroller General” after “Authority” in section catchline.

Subsec. (a). Pub. L. 104–316, §202(n)(1)(B), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “Except as provided in this chapter or another law, the Comptroller General shall settle all claims of or against the United States Government. A claim that was not administratively examined before submission to the Comptroller General shall be examined by 2 officers or employees of the General Accounting Office independently of each other.”

Subsec. (b)(1). Pub. L. 104–316, §202(n)(1)(C), in introductory provisions substituted “The claim must be received by the official responsible under subsection (a) for settling the claim or by the agency that conducts the activity from which the claim arises within 6 years after the claim accrues except—” for “The claim must be received by the Comptroller General within 6 years after the claim accrues except—”.

Subsec. (b)(2). Pub. L. 104–316, §202(n)(1)(D), substituted “received” for “presented to the Comptroller General” and “in paragraph” for “in clause”.

Subsec. (b)(3). Pub. L. 104–316, §202(n)(1)(E), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “The Comptroller General shall return a claim not received in the time required under this subsection with a copy of this subsection and no further communication is required.”

Subsec. (d). Pub. L. 104–316, §202(n)(1)(F), substituted “official responsible under subsection (a) for settling the claim” for “Comptroller General” before “shall report to Congress” and “official” for “Comptroller General” before “believes” and before period at end.

Subsec. (e). Pub. L. 104–201 added subsec. (e).

1987—Subsec. (c). Pub. L. 100–86 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “A claim on a check or warrant that the records of the Comptroller General or the Secretary of the Treasury show as being paid must be presented to the Comptroller General or the Secretary within 6 years after the check or warrant was issued.”

1983—Subsec. (b)(2). Pub. L. 97–452 inserted “this” before “subsection”.

#### EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–163, div. A, title X, §1056(e)(2), Jan. 6, 2006, 119 Stat. 3440, as amended by Pub. L. 111–383, div. A, title X, §1075(h)(3), Jan. 7, 2011, 124 Stat. 4377, provided that the amendment by section 1056(e)(2) is effective as of Dec. 2, 2002, and as if included in Pub. L. 107–314 as enacted.

#### EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107–314, div. A, title VI, §635(c), Dec. 2, 2002, 116 Stat. 2574, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to claims against the United States presented to the Secretary of Defense under section 3702 of title 31, United States Code, on or after the date of the enactment of this Act [Dec. 2, 2002].”

#### EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–86 effective 6 months after Aug. 10, 1987, or on such later date as the Secretary of the Treasury may prescribe in regulations, see section 1006 of Pub. L. 100–86, set out as a note under section 3328 of this title.

#### EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97–452, set out as a note under section 3331 of this title.

#### REGULATIONS

For provision permitting Secretary of the Treasury to prescribe rules, regulations, and procedures as necessary to implement amendment by section 1004(b) of Pub. L. 100–86, including recertification of Treasury checks which have been canceled or for which a claim has been asserted or barred, see section 1005 of Pub. L. 100–86, set out as a note under section 3328 of this title.

#### SUBCHAPTER II—CLAIMS OF THE UNITED STATES GOVERNMENT

#### § 3711. Collection and compromise

(a) The head of an executive, judicial, or legislative agency—

(1) shall try to collect a claim of the United States Government for money or property arising out of the activities of, or referred to, the agency;

(2) may compromise a claim of the Government of not more than \$100,000 (excluding interest) or such higher amount as the Attorney General may from time to time prescribe that has not been referred to another executive or legislative agency for further collection action, except that only the Comptroller General may compromise a claim arising out of an exception the Comptroller General makes in the account of an accountable official; and

(3) may suspend or end collection action on a claim referred to in clause (2) of this subsection when it appears that no person liable on the claim has the present or prospective ability to pay a significant amount of the claim or the cost of collecting the claim is likely to be more than the amount recovered.

(b)(1) The head of an executive, judicial, or legislative agency may not act under subsection (a)(2) or (3) of this section on a claim that appears to be fraudulent, false, or misrepresented by a party with an interest in the claim, or that is based on conduct in violation of the antitrust laws.

(2) The Secretary of Transportation may not compromise for less than \$500 a penalty under section 21302 of title 49 for a violation of chapter 203, 205, or 207 of title 49 or a regulation or requirement prescribed or order issued under any of those chapters.

(c) A compromise under this section is final and conclusive unless gotten by fraud, misrepresentation, presenting a false claim, or mutual mistake of fact. An accountable official is not liable for an amount paid or for the value of property lost or damaged if the amount or value is not recovered because of a compromise under this section.

(d) The head of an executive, judicial, or legislative agency acts under—

(1) regulations prescribed by the head of the agency; and

(2) standards that the Attorney General, the Secretary of the Treasury, may prescribe.<sup>1</sup>

(e)(1) When trying to collect a claim of the Government under a law except the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.), the head of an executive, judicial, or legislative agency shall disclose to a consumer reporting

<sup>1</sup> So in original. Probably should be “Attorney General and the Secretary of the Treasury may prescribe jointly.”