

(c) PENALTIES FOR VIOLATIONS.—The regulations prescribed under subsection (a) shall—

(1) provide—

(A) for the reimbursement of charges for unauthorized or erroneous purchases, in appropriate cases; and

(B) for appropriate adverse personnel actions or other punishment to be imposed in cases in which employees of the Department of Defense violate such regulations or are negligent or engage in misuse, abuse, or fraud with respect to a purchase card, including removal in appropriate cases; and

(2) provide that a violation of such regulations by a person subject to chapter 47 of this title (the Uniform Code of Military Justice) is punishable as a violation of section 892 of this title (article 92 of the Uniform Code of Military Justice).

(Added Pub. L. 106–65, div. A, title IX, §933(a)(1), Oct. 5, 1999, 113 Stat. 728; amended Pub. L. 107–314, div. A, title X, §1007(a), (b)(1), Dec. 2, 2002, 116 Stat. 2633, 2634; Pub. L. 110–417, [div. A], title X, §1003(a), Oct. 14, 2008, 122 Stat. 4582; Pub. L. 112–194, §2(b), Oct. 5, 2012, 126 Stat. 1447.)

TRANSFER OF SECTION

Pub. L. 116–283, div. A, title XVIII, §§ 1801(d), 1864(b), Jan. 1, 2021, 134 Stat. 4151, 4279, provided that, effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, this section is transferred to chapter 367 of this title, as amended by section 1864(a) of Pub. L. 116–283, inserted after section 4753, and redesignated as section 4754 of this title. See Effective Date of 2021 Amendment note below.

AMENDMENTS

2012—Subsec. (b)(2) to (15). Pub. L. 112–194 added pars. (2), (11) to (13), and (15) and redesignated former pars. (2) to (7) and (8) as (3) to (8) and (14), respectively.

2008—Subsec. (c)(1). Pub. L. 110–417 substituted “provide—” for “provide”, added subpar. (A), and substituted “(B) for” for “for”.

2002—Pub. L. 107–314, §1007(b)(1)(A), substituted “purchase” for “credit” in section catchline.

Subsec. (a). Pub. L. 107–314, §1007(a)(1), (b)(1)(B), (C), substituted “Purchase” for “Credit” in heading and “purchase” for “credit” in two places in text and struck out “, acting through the Under Secretary of Defense (Comptroller),” after “Secretary of Defense”.

Subsec. (b)(1) to (6). Pub. L. 107–314, §1007(b)(1)(C), substituted “purchase” for “credit” wherever appearing.

Subsec. (b)(7) to (10). Pub. L. 107–314, §1007(a)(2), added pars. (7) to (10).

Subsec. (c). Pub. L. 107–314, §1007(a)(2), added subsec. (c).

EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116–283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116–283, set out as a note preceding section 3001 of this title.

REGULATIONS

Pub. L. 106–65, div. A, title IX, §933(b)(1), Oct. 5, 1999, 113 Stat. 730, provided that: “Regulations under section 2784 of title 10, United States Code, as added by subsection (a), shall be prescribed not later than 180 days after the date of the enactment of this Act [Oct. 5, 1999].”

CREDITING OF REFUNDS

Pub. L. 110–116, div. A, title VIII, §8067, Nov. 13, 2007, 121 Stat. 1329, provided that: “Beginning in the current fiscal year and hereafter, refunds attributable to the use of the Government travel card, refunds attributable to the use of the Government Purchase Card and refunds attributable to official Government travel arranged by Government Contracted Travel Management Centers may be credited to operation and maintenance, and research, development, test and evaluation accounts of the Department of Defense which are current when the refunds are received.”

GOVERNMENT CHARGE CARD ACCOUNTS: LIMITATION ON NUMBER; REQUIREMENTS FOR ISSUANCE; DISCIPLINARY ACTION FOR MISUSE; REPORT

Pub. L. 107–248, title VIII, §8149, Oct. 23, 2002, 116 Stat. 1572, as amended by Pub. L. 108–87, title VIII, §8144, Sept. 30, 2003, 117 Stat. 1108, provided that:

“(a) LIMITATION ON NUMBER OF GOVERNMENT CHARGE CARD ACCOUNTS DURING FISCAL YEAR 2003.—The total number of accounts for government purchase charge cards and government travel charge cards for Department of Defense personnel during fiscal year 2003 may not exceed 1,500,000 accounts.

“(b) REQUIREMENT FOR CREDITWORTHINESS FOR ISSUANCE OF GOVERNMENT CHARGE CARD.—(1) The Secretary of Defense shall evaluate the creditworthiness of an individual before issuing the individual a government purchase charge card or government travel charge card.

“(2) An individual may not be issued a government purchase charge card or government travel charge card if the individual is found not credit worthy as a result of the evaluation under paragraph (1).

“(3) This subsection shall remain in effect for fiscal year 2004.

“(c) DISCIPLINARY ACTION FOR MISUSE OF GOVERNMENT CHARGE CARD.—(1) The Secretary shall establish guidelines and procedures for disciplinary actions to be taken against Department personnel for improper, fraudulent, or abusive use of government purchase charge cards and government travel charge cards.

“(2) The guidelines and procedures under this subsection shall include appropriate disciplinary actions for use of charge cards for purposes, and at establishments, that are inconsistent with the official business of the Department or with applicable standards of conduct.

“(3) The disciplinary actions under this subsection may include—

“(A) the review of the security clearance of the individual involved; and

“(B) the modification or revocation of such security clearance in light of the review.

“(4) The guidelines and procedures under this subsection shall apply uniformly among the Armed Forces and among the elements of the Department.

“(d) REPORT.—Not later than June 30, 2003, the Secretary shall submit to the congressional defense committees [Committees on Armed Services of the Senate and House of Representatives and Subcommittees on Defense of the Committees on Appropriations of the Senate and House of Representatives] a report on the implementation of the requirements and limitations in this section, including the guidelines and procedures established under subsection (c).”

§ 2784a. Management of travel cards

(a) DISBURSEMENT OF TRAVEL ALLOWANCES DIRECTLY TO CREDITORS.—(1) The Secretary of Defense shall require that any part of a travel or transportation allowance of an employee of the Department of Defense or a member of the armed forces be disbursed directly to the issuer of a Defense travel card if the amount is disbursed to the issuer in payment of amounts of

expenses of official travel that are charged by the employee or member on the Defense travel card.

(2) The Secretary of Defense may waive the requirement for a direct payment to a travel card issuer under paragraph (1) in any case the Secretary determines appropriate.

(3) For the purposes of this subsection, the travel and transportation allowances referred to in paragraph (1) are amounts to which an employee of the Department of Defense is entitled under section 5702 of title 5 or a member of the armed forces is entitled under section 474 of title 37.

(b) OFFSETS FOR DELINQUENT TRAVEL CARD CHARGES.—(1) The Secretary of Defense may require that there be deducted and withheld from any basic pay payable to an employee of the Department of Defense or a member of the armed forces any amount that is owed by the employee or member to a creditor by reason of one or more charges of expenses of official travel of the employee or member on a Defense travel card issued by the creditor if the employee or member—

(A) is delinquent in the payment of such amount under the terms of the contract under which the card is issued; and

(B) does not dispute the amount of the delinquency.

(2) The amount deducted and withheld from pay under paragraph (1) with respect to a debt owed a creditor as described in that paragraph shall be disbursed to the creditor to reduce the amount of the debt.

(3) The amount of pay deducted and withheld from the pay owed to an employee or member with respect to a pay period under paragraph (1) may not exceed 15 percent of the disposable pay of the employee or member for that pay period, except that a higher amount may be deducted and withheld with the written consent of the employee or member.

(4) The Secretary of Defense shall prescribe procedures for deducting and withholding amounts from pay under this subsection. The procedures shall be substantially equivalent to the procedures under section 3716 of title 31.

(c) OFFSETS OF RETIRED PAY.—In the case of a former employee of the Department of Defense or a retired member of the armed forces who is receiving retired pay and who owes an amount to a creditor by reason of one or more charges on a Defense travel card that were made before the retirement of the employee or member, the Secretary may require amounts to be deducted and withheld from any retired pay of the former employee or retired member in the same manner and subject to the same conditions as the Secretary deducts and withholds amounts from basic pay payable to an employee or member under subsection (b).

(d) DETERMINATIONS OF CREDITWORTHINESS FOR ISSUANCE OF DEFENSE TRAVEL CARD.—(1) The Secretary of Defense shall evaluate the creditworthiness of an employee of the Department of Defense or a member of armed forces before issuing a Defense travel card to such an employee or member. The evaluation may include an examination of the individual's credit history in available credit records.

(2) An individual may not be issued a Defense travel card if the individual is found not creditworthy as a result of the evaluation required under paragraph (1).

(e) REGULATIONS ON DISCIPLINARY ACTION.—(1) The Secretary of Defense shall prescribe regulations for making determinations regarding the taking of disciplinary action, including assessment of penalties, against Department of Defense personnel for improper, fraudulent, or abusive use of Defense travel cards by such personnel.

(2) The regulations prescribed under paragraph (1) shall—

(A) provide for appropriate adverse personnel actions or other punishment to be imposed in cases in which employees of the Department of Defense violate such regulations or are negligent or engage in misuse, abuse, or fraud with respect to a Defense travel card, including removal in appropriate cases; and

(B) provide that a violation of such regulations by a person subject to chapter 47 of this title (the Uniform Code of Military Justice) is punishable as a violation of section 892 of this title (article 92 of the Uniform Code of Military Justice).

(f) DEFINITIONS.—In this section:

(1) The term “Defense travel card” means a charge or credit card that—

(A) is issued to an employee of the Department of Defense or a member of the armed forces under a contract entered into by the Department of Defense with the issuer of the card; and

(B) is to be used for charging expenses incurred by the employee or member in connection with official travel.

(2) The term “disposable pay”, with respect to a pay period, means the amount equal to the excess of the amount of basic pay or retired pay, as the case may be, payable for the pay period over the total of the amounts deducted and withheld from such pay.

(3) The term “retired pay” means—

(A) in the case of a former employee of the Department of Defense, any retirement benefit payable to that individual, out of the Civil Service Retirement and Disability Fund, based (in whole or in part) on service performed by such individual as a civilian employee of the Department of Defense; and

(B) in the case of a retired member of the armed forces or member of the Fleet Reserve or Fleet Marine Corps Reserve, retired or retainer pay to which the member is entitled.

(g) EXCLUSION OF COAST GUARD.—This section does not apply to the Coast Guard.

(Added Pub. L. 107-314, div. A, title X, §1008(a), Dec. 2, 2002, 116 Stat. 2634; amended Pub. L. 108-136, div. A, title X, §1009(a)-(c)(1), Nov. 24, 2003, 117 Stat. 1587, 1588; Pub. L. 109-364, div. A, title X, §1071(a)(25), Oct. 17, 2006, 120 Stat. 2399; Pub. L. 112-81, div. A, title VI, §631(f)(4)(A), Dec. 31, 2011, 125 Stat. 1465; Pub. L. 112-239, div. A, title X, §1076(a)(9), Jan. 2, 2013, 126 Stat. 1948.)

AMENDMENTS

2013—Subsec. (a)(3). Pub. L. 112-239, §1076(a)(9), made technical amendment to directory language of Pub. L. 112-81, §631(f)(4)(A). See 2011 Amendment note below.

2011—Subsec. (a)(3). Pub. L. 112–81, §631(f)(4)(A), as amended by Pub. L. 112–239, §1076(a)(9), substituted “474” for “404”.

2006—Subsec. (a)(2). Pub. L. 109–364 substituted “card” for “care”.

2003—Subsec. (a)(1). Pub. L. 108–136, §1009(a)(1), substituted “The Secretary of Defense shall require” for “The Secretary of Defense may require”.

Subsec. (a)(2), (3). Pub. L. 108–136, §1009(a)(2), (3), added par. (2) and redesignated former par. (2) as (3).

Subsecs. (d) to (g). Pub. L. 108–136, §1009(b), (c)(1), added subsecs. (d) and (e) and redesignated former subsecs. (d) and (e) as (f) and (g), respectively.

EFFECTIVE DATE OF 2013 AMENDMENT

Pub. L. 112–239, div. A, title X, §1076(a), Jan. 2, 2013, 126 Stat. 1947, provided that the amendment made by section 1076(a)(9) is effective Dec. 31, 2011, and as if included in Pub. L. 112–81 as enacted.

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.

§ 2785. Remittance addresses: regulation of alterations

The Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall prescribe regulations setting forth controls on alteration of remittance addresses. Those regulations shall ensure that—

(1) a remittance address for a disbursement that is provided by an officer or employee of the Department of Defense authorizing or requesting the disbursement is not altered by any officer or employee of the department authorized to prepare the disbursement; and

(2) a remittance address for a disbursement is altered only if the alteration—

(A) is requested by the person to whom the disbursement is authorized to be remitted; and

(B) is made by an officer or employee authorized to do so who is not an officer or employee referred to in paragraph (1).

(Added Pub. L. 106–65, div. A, title IX, §933(a)(1), Oct. 5, 1999, 113 Stat. 729.)

REGULATIONS

Pub. L. 106–65, div. A, title IX, §933(b)(2), Oct. 5, 1999, 113 Stat. 730, provided that: “Regulations under section 2785 of title 10, United States Code, as added by subsection (a), shall be prescribed not later than 180 days after the date of the enactment of this Act [Oct. 5, 1999].”

§ 2786. Department of Defense payments by electronic transfers of funds: exercise of authority for waivers

With respect to any Federal payment of funds covered by section 3332(f) of title 31 (relating to electronic funds transfers) for which payment is made or authorized by the Department of Defense, the waiver authority provided in paragraph (2)(A)(i) of that section shall be exercised by the Secretary of Defense. The Secretary of

Defense shall carry out the authority provided under the preceding sentence in consultation with the Secretary of the Treasury.

(Added Pub. L. 106–65, div. A, title X, §1008(a)(1), Oct. 5, 1999, 113 Stat. 737.)

SAVINGS PROVISION

Pub. L. 106–65, div. A, title X, §1008(a)(3), Oct. 5, 1999, 113 Stat. 738, provided that: “Any waiver in effect on the date of the enactment of this Act [Oct. 5, 1999] under paragraph (2)(A)(i) of section 3332(f) of title 31, United States Code, shall remain in effect until otherwise provided by the Secretary of Defense under section 2786 of title 10, United States Code, as added by paragraph (1).”

§ 2787. Reports of survey

(a) ACTION ON REPORTS OF SURVEY.—Under regulations prescribed pursuant to subsection (c), any officer of the Army, Navy, Air Force, Marine Corps, or Space Force or any civilian employee of the Department of Defense designated in accordance with those regulations may act upon reports of surveys and vouchers pertaining to the loss, spoilage, unserviceability, unsuitability, or destruction of, or damage to, property of the United States under the control of the Department of Defense.

(b) FINALITY OF ACTION.—(1) Action taken under subsection (a) is final except as provided in paragraph (2).

(2) An action holding a person pecuniarily liable for loss, spoilage, destruction, or damage is not final until approved by a person designated to do so by the Secretary of a military department, commander of a combatant command, or Director of a Defense Agency, as the case may be, who has jurisdiction of the person held pecuniarily liable. The person designated to provide final approval shall be an officer of an armed force, or a civilian employee, under the jurisdiction of the official making the designation.

(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.

(Added Pub. L. 107–314, div. A, title X, §1006(a)(1), Dec. 2, 2002, 116 Stat. 2632; amended Pub. L. 116–283, div. A, title IX, §924(b)(3)(HH), Jan. 1, 2021, 134 Stat. 3822.)

AMENDMENTS

2021—Subsec. (a). Pub. L. 116–283 substituted “Marine Corps, or Space Force” for “or Marine Corps”.

EFFECTIVE DATE

Pub. L. 107–314, div. A, title X, §1006(d), Dec. 2, 2002, 116 Stat. 2633, provided that: “The amendments made by this section [enacting this section, amending section 1007 of Title 37, Pay and Allowances of the Uniformed Services, and repealing sections 4835 and 9835 of this title] shall apply with respect to the loss, spoilage, unserviceability, unsuitability, or destruction of, or damage to, property of the United States under the control of the Department of Defense occurring on or after the effective date of regulations prescribed pursuant to section 2787 of title 10, United States Code, as added by subsection (a).”

§ 2788. Property accountability: regulations

The Secretary of a military department may prescribe regulations for the accounting for the property of that department and the fixing of responsibility for that property.