(E) the head of the agency has established procedures to—
(i) disclose promptly, to each consumer reporting agency to which the original disclosure was made, a substantial change in the condition or amount of the claim;
(ii) verify or correct promptly information about the claim on request of a consumer reporting agency for verification of information disclosed; and
(iii) get satisfactory assurances from each consumer reporting agency that the agency is complying with all laws of the United States related to providing consumer credit information; and
(F) the information disclosed to the consumer reporting agency is limited to—
(i) information necessary to establish the identity of the person, including name, address, and taxpayer identification number;
(ii) the amount, status, and history of the claim; and
(iii) the agency or program under which the claim arose.
(2) Before disclosing information to a consumer reporting agency under paragraph (1) of this subsection and at other times allowed by law, the head of an executive, judicial, or legislative agency shall provide, on request of a person alleged by the agency to be responsible for the claim, for a review of the obligation of the person, including an opportunity for reconsideration of the initial decision on the claim.
(3) Before disclosing information to a consumer reporting agency under paragraph (1) of this subsection, the head of an executive, judicial, or legislative agency shall take reasonable action to locate a person for whom the head of the agency does not have a current address to send the notice under paragraph (1)(C).
(4) The head of each executive agency shall require, as a condition for insuring or guaranteeing any loan, financing, or other extension of credit under any law to a person, that the lender provide information relating to the extension of credit to consumer reporting agencies or commercial reporting agencies, as appropriate.
(5) The head of each executive agency may provide to a consumer reporting agency or commercial reporting agency information from a system of records that a person is responsible for a claim which is current, if notice required by section 552a(e)(4) of title 5 indicates that information in the system may be disclosed to a consumer reporting agency or commercial reporting agency, respectively.
(f)(1) The Secretary of Defense may suspend or terminate an action by the Secretary or by the Secretary of a military department under subsection (a) to collect a claim against the estate of a person who died while serving on active duty as a member of the Army, Navy, Air Force, Marine Corps, or Coast Guard during a period when the Coast Guard is operating as a service in the Navy if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.
(2) The Secretary of Homeland Security may

suspend or terminate an action by the Secretary under subsection (a) to collect a claim against the estate of a person who died while serving on active duty as a member of the Coast Guard if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.

(3) The Secretary of Veterans Affairs may suspend or terminate an action by the Secretary under subsection (a) to collect a claim against the estate of a person who died while serving on active duty as a member of the Army, Navy, Air Force, Marine Corps, or Coast Guard during a period when the Coast Guard is operating as a service in the Navy if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.

(4) In this subsection, the term ‘‘active duty’’ has the meaning given that term in section 101 of title 10.

(g)(1) If a nontax debt or claim owed to the United States has been delinquent for a period of 180 days—

(A) the head of the executive, judicial, or legislative agency that administers the program that gave rise to the debt or claim shall transfer the debt or claim to the Secretary of the Treasury; and

(B) upon such transfer the Secretary of the Treasury shall take appropriate action to collect or terminate collection actions on the debt or claim.

(2) Paragraph (1) shall not apply—

(A) to any debt or claim that—

(i) is in litigation or foreclosure;

(ii) will be disposed of under an asset sales program within 1 year after becoming eligible for sale, or later than 1 year if consistent with an asset sales program and a schedule established by the agency and approved by the Director of the Office of Management and Budget;

(iii) has been referred to a private collection contractor for collection for a period of time determined by the Secretary of the Treasury;

(iv) has been referred by, or with the consent of, the Secretary of the Treasury to a debt collection center for a period of time determined by the Secretary of the Treasury; or

(v) will be collected under internal offset, if such offset is sufficient to collect the claim within 3 years after the date the debt or claim is first delinquent; and

(B) to any other specific class of debt or claim, as determined by the Secretary of the Treasury at the request of the head of an executive, judicial, or legislative agency or otherwise.

(3) For purposes of this section, the Secretary of the Treasury may designate, and withdraw such designation of debt collection centers operated by other Federal agencies. The Secretary of the Treasury shall designate such centers on the basis of their performance in collecting delinquent claims owed to the Government.

(4) At the discretion of the Secretary of the Treasury, referral of a nontax claim may be made to—

[2] So in original.
(A) any executive department or agency operating
a debt collection center for servicing,
collection, compromise, or suspension or termination
of collection action;
(B) a private collection contractor operating
under a contract for servicing or collection action;
or
(C) the Department of Justice for litigation.
(5) Nontax claims referred or transferred under
this section shall be serviced, collected, or compromised,
or collection action thereon suspended
or terminated, in accordance with otherwise
applicable statutory requirements and authorities.
Executive departments and agencies
operating debt collection centers may enter into
agreements with the Secretary of the Treasury
to carry out the purposes of this subsection. The
Secretary of the Treasury shall—
(A) maintain competition in carrying out
this subsection;
(B) maximize collections of delinquent debts
by placing delinquent debts quickly;
(C) maintain a schedule of private collection
contractors and debt collection centers eligible
for referral of claims; and
(D) refer delinquent debts to the person most
appropriate to collect the type or amount of
claim involved.
(6) Any agency operating a debt collection
center to which nontax claims are referred or
transferred under this subsection may charge a
fee sufficient to cover the full cost of implementing
this subsection. The agency transferring
or referring the nontax claim shall be
charged the fee, and the agency charging the fee
shall collect such fee by retaining the amount of
the fee from amounts collected pursuant to this
subsection. Agencies may agree to pay through
a different method, or to fund an activity from
another account or from revenue received from
the procedure described under section 3720C of
this title. Amounts charged under this subsection
concerning delinquent claims may be
considered as costs pursuant to section 3717(e) of
this title.
(7) Notwithstanding any other law concerning
the depositing and collection of Federal payments,
including section 3302(b) of this title,
agencies collecting fees may retain the fees
from amounts collected. Any fee charged pursuant
to this subsection shall be deposited into an
account to be determined by the executive department
or agency operating the debt collection
center charging the fee (in this subsection
referred to in this section [2] as the ''Account'').
Amounts deposited in the Account shall be
available until expended to cover costs associated
with the implementation and operation of
Governmentwide debt collection activities.
Costs properly chargeable to the Account include—
(A) the costs of computer hardware and software,
word processing and telecommunications
equipment, and other equipment, supplies,
and furniture;
(B) personnel training and travel costs;
(C) other personnel and administrative
costs;
(D) the costs of any contract for identification,

billing, or collection services; and
(E) reasonable costs incurred by the Secretary of the Treasury, including services and utilities provided by the Secretary, and administration of the Account.
(8) Not later than January 1 of each year, there shall be deposited into the Treasury as miscellaneous receipts an amount equal to the amount of unobligated balances remaining in the Account at the close of business on September 30 of the preceding year, minus any part of such balance that the executive department or agency operating the debt collection center determines is necessary to cover or defray the costs under this subsection for the fiscal year in which the deposit is made.
(9) Before discharging any delinquent debt owed to any executive, judicial, or legislative agency, the head of such agency shall take all appropriate steps to collect such debt, including (as applicable)—
(A) administrative offset,
(B) tax refund offset,
(C) Federal salary offset,
(D) referral to private collection contractors,
(E) referral to agencies operating a debt collection center,
(F) reporting delinquencies to credit reporting bureaus,
(G) garnishing the wages of delinquent debtors, and
(H) litigation or foreclosure.
(10) To carry out the purposes of this subsection, the Secretary of the Treasury may prescribe such rules, regulations, and procedures as the Secretary considers necessary and transfer such funds from funds appropriated to the Department of the Treasury as may be necessary to meet existing liabilities and obligations incurred prior to the receipt of revenues that result from debt collections.
(h)(1) The head of an executive, judicial, or legislative agency acting under subsection (a)(1), (2), or (3) of this section to collect a claim, compromise a claim, or terminate collection action on a claim may obtain a consumer report (as that term is defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)) or comparable credit information on any person who is liable for the claim.
(2) The obtaining of a consumer report under this subsection is deemed to be a circumstance or purpose authorized or listed under section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b).
(i)(1) The head of an executive, judicial, or legislative agency may sell, subject to section 504(b) of the Federal Credit Reform Act of 1990 and using competitive procedures, any nontax debt owed to the United States that is delinquent for more than 90 days. Appropriate fees charged by a contractor to assist in the conduct of a sale under this subsection may be payable from the proceeds of the sale.
(2) After terminating collection action, the head of an executive, judicial, or legislative agency shall sell, using competitive procedures, any nontax debt or class of nontax debts owed to

the United States, if the Secretary of the Treasury

determines the sale is in the best interests
of the United States.
(3) Sales of nontax debt under this subsection—
(A) shall be for—
(i) cash, or
(ii) cash and a residuary equity or profit
participation, if the head of the agency reasonably
determines that the proceeds will be
greater than sale solely for cash,
(B) shall be without recourse, but may include
the use of guarantees if otherwise authorized,
and
(C) shall transfer to the purchaser all rights
of the Government to demand payment of the
nontax debt, other than with respect to a residuary
equity or profit participation under
subparagraph (A)(ii).
(4)(A) Within one year after the date of enactment
of the Debt Collection Improvement Act of
1996, each executive agency with current and delinquent
collateralized nontax debts shall report
to the Congress on the valuation of its existing
portfolio of loans, notes and guarantees, and
other collateralized debts based on standards developed
by the Director of the Office of Management
and Budget, in consultation with the Secretary
of the Treasury.
(B) The Director of the Office of Management
and Budget shall determine what information is
required to be reported to comply with subparagraph
(A). At a minimum, for each financing account
and for each liquidating account (as those
terms are defined in sections 502(7) and 502(8), respectively,
of the Federal Credit Reform Act of
1990) the following information shall be reported:
(i) The cumulative balance of current debts
outstanding, the estimated net present value
of such debts, the annual administrative expenses
of those debts (including the portion of
salaries and expenses that are directly related
thereto), and the estimated net proceeds that
would be received by the Government if such
debts were sold.
(ii) The cumulative balance of delinquent
debts, debts outstanding, the estimated net
present value of such debts, the annual administrative
expenses of those debts (including
the portion of salaries and expenses that are
directly related thereto), and the estimated
net proceeds that would be received by the
Government if such debts were sold.
(iii) The cumulative balance of guaranteed
loans outstanding, the estimated net present
value of such guarantees, the annual administrative
expenses of such guarantees (including
the portion of salaries and expenses that are
directly related to such guaranteed loans), and
the estimated net proceeds that would be received
by the Government if such loan guarantees
were sold.
(iv) The cumulative balance of defaulted
loans that were previously guaranteed and
have resulted in loans receivables, the estimated
net present value of such loan assets,
the annual administrative expenses of such
loan assets (including the portion of salaries
and expenses that are directly related to such
loan assets), and the estimated net proceeds
that would be received by the Government if
such loan assets were sold.

(v) The marketability of all debts.
(5) This subsection is not intended to limit existing statutory authority of agencies to sell loans, debts, or other assets.
(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 971; Pub. L. 97–452, § 1(15), Jan. 12, 1983, 96 Stat. 2470; Pub. L. 98–216, § 1(5), Feb. 14, 1984, 98 Stat. 4; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095; Pub. L. 101–552, § 8(b), Nov. 15, 1990, 104 Stat. 2746; Pub. L. 102–365, § 4(a)(4), Sept. 3, 1992, 106 Stat. 973; Pub. L. 103–272, § 5(i)(1), July 5, 1994, 108 Stat. 1375; Pub. L. 104–106, div. A, title X, § 1089, Feb. 10, 1996, 110 Stat. 459; Pub. L. 104–134, title III, § 31001(c)(1), (g)(1)(C), (k), (m)(1), (p), Apr. 26, 1996, 110 Stat. 1321–359, 1321–363, 1321–365, 1321–366, 1321–371; Pub. L. 104–201, div. A, title X, § 1010, Sept. 23, 1996, 110 Stat. 2635; Pub. L. 104–316, title I, § 115(g)(1), Oct. 19, 1996, 110 Stat. 3834; Pub. L. 109–241, title IX, § 902(b)(4), July 11, 2006, 120 Stat. 566; Pub. L. 110–389, title VIII, § 801(a), Oct. 10, 2008, 122 Stat. 4185.)

HISTORICAL AND REVISION NOTES

1982 ACT

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3711(a)	31:952(a)(less words between 1st and 2d commas), (b)(1st sentence less words between 6th and 7th commas).	July 19, 1966, Pub. L. 89–508, § 3, 80 Stat. 309.
3711(b)	31:952(b)(2d sentence, last sentence words after semicolon).	
3711(c)(1)	31:952(b)(last sentence words before semicolon).	
3711(c)(2)	31:952(note).	July 8, 1976, Pub. L. 94–348, § 3(e), 90 Stat. 818.
3711(d)	31:952(c).	
3711(e)	31:952(a)(words between 1st and 2d commas), (b)(1st sentence words between 6th and 7th commas).	

In the section, the words ''executive or legislative agency'' are substituted for ''agency'' because of the restatement. The words ''or his designee'' are omitted as unnecessary.

In subsection (a), the word ''Government'' is added for consistency. In clause (2), the words ''including the General Accounting Office'' are omitted as surplus. In clause (3), the word ''financial'' is omitted as surplus.

In subsections (b) and (d), the word ''official'' is substituted for ''officer'' for consistency.

In subsection (b), the words ''Comptroller General'' are substituted for ''General Accounting Office'' for consistency. The words ''has the same authority that the head of the agency has'' are substituted for ''have the foregoing authority'' for clarity. The words ''by another agency'' are omitted as surplus. The words ''only . . . may compromise'' are substituted for ''nor shall the head of an agency, other than . . . have authority to compromise'' to eliminate unnecessary words.

In subsection (c)(1), the words ''that appears to be fraudulent, false, or misrepresented by'' are substituted for ''as to which there is an indication of fraud, the presentation of a false claim, or misrepresentation on the part of'' to eliminate unnecessary words. The words ''the debtor or . . . other'' and ''in whole or in part'' are omitted as surplus.

In subsection (c)(2), the words ''Notwithstanding any provision of the Federal Claims Collection Act of 1966''

are omitted as unnecessary. The words ''arising'' and

''an amount'' are omitted as surplus.
In subsection (d), the words ''effected . . . authority conferred by'', ''on the debtor and on all officials, agencies, and courts of the United States'', ''destroyed'', and ''with a person primarily responsible'' are omitted as surplus.
In subsection (e), the words ''in conformity with'' are omitted as surplus.
1983 ACT

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
3711(f)(1)	31 App.:952(d)(1).	July 19, 1966, Pub. L. 89–508, 80 Stat. 308, § 3(d)(1)–(3); added Oct. 25, 1982, Pub. L. 97–365, § 3, 96 Stat. 1749.
3711(f)(2)	31 App.:952(d)(2).	
3711(f)(3)	31 App.:952(d)(3).	

In subsection (f)(1), before clause (A), the word ''Government'' is substituted for ''United States'' for consistency in the revised title and with other titles of the United States Code. The words ''subsection (a) of this section, or under any other'' are omitted as surplus.
The word ''law'' is substituted for ''statutory authority'' to eliminate unnecessary words. In clause (A), the words ''for the system of records'' are omitted as surplus.
In clause (C)(iii), the word ''intended'' is omitted as surplus. In clause (E)(ii), the words ''as appropriate'' and ''any or all'' are omitted as surplus. In clause (E)(iii), the words ''all laws of the United States'' are coextensive with and substituted for ''the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) and any other Federal law''.
1984 ACT
This is necessary to reflect the transfer of the nonpositive law provisions of title 49 to title 49 appendix.
REFERENCES IN TEXT
Sections 502(7), 502(8), and 504(b) of the Federal Credit Reform Act of 1990, referred to in subsec. (i)(1), (4)(B), are classified to sections 661a(7), 661a(8), and 661c(b), respectively, of Title 2, The Congress.
The date of enactment of the Debt Collection Improvement Act of 1996, referred to in subsec. (i)(4)(A), is the date of enactment of section 31001 of Pub. L. 104–134, which was approved Apr. 26, 1996.
AMENDMENTS
2008—Subsec. (f)(3), (4). Pub. L. 110–389 added par. (3) and redesignated former par. (3) as (4).
2006—Subsec. (f)(2). Pub. L. 109–241 substituted ''Secretary of Homeland Security'' for ''Secretary of Transportation''.
1996—Subsec. (a). Pub. L. 104–134, § 31001(c)(1), which directed that this section be amended by substituting ''the head of an executive, judicial, or legislative agency'' for ''the head of an executive or legislative agency'' wherever appearing, was executed in introductory provisions by substituting ''The head of an executive, judicial, or legislative agency'' for ''The head of an executive or legislative agency'', to reflect the probable intent of Congress.
Subsec. (a)(2). Pub. L. 104–316, § 115(g)(1)(A), inserted '', 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'' before ''; and'' at end.
Subsec. (b). Pub. L. 104–316, § 115(g)(1)(B), (C), redesignated subsec. (c) as (b) and struck out former subsec. (b) which read as follows: ''The Comptroller General has the same authority that the head of the agency has under subsection (a) of this section when the claim is referred to the Comptroller General for further collection action. Only the Comptroller General may compromise a claim arising out of an exception the Comptroller General makes in the account of an accountable official.''
Subsec. (c). Pub. L. 104–316, § 115(g)(1)(C), redesignated subsec. (d) as (c). Former subsec. (c) redesignated (b).
Subsec. (c)(1). Pub. L. 104–134, § 31001(c)(1), which directed that this section be amended by substituting ''the head of an executive, judicial, or legislative agency'' for ''the head of an executive or legislative agency'' wherever appearing, was executed by substituting ''The

head of an executive, judicial, or legislative agency''
for ''The head of an executive or legislative agency'', to
reflect the probable intent of Congress.
Subsec. (d). Pub. L. 104–316, § 115(g)(1)(C), (D), redesignated
subsec. (e) as (d) and in par. (2) struck out ''and
the Comptroller General'' before ''may prescribe'' and
''jointly'' after ''prescribe''. Former subsec. (d) redesignated
(c).
Subsec. (e). Pub. L. 104–316, § 115(g)(1)(C), redesignated
subsec. (f) as (e). Former subsec. (e) redesignated (d).
Pub. L. 104–134, § 31001(c)(1), which directed that this
section be amended by substituting ''the head of an executive,
judicial, or legislative agency'' for ''the head
of an executive or legislative agency'' wherever appearing,
was executed in introductory provisions by substituting
''The head of an executive, judicial, or legislative
agency'' for ''The head of an executive or legislative
agency'', to reflect the probable intent of Congress.
Subsec. (e)(2). Pub. L. 104–134, § 31001(g)(1)(C), inserted
'', the Secretary of the Treasury,'' after ''Attorney
General''.
Subsec. (f). Pub. L. 104–316, § 115(g)(1)(C), redesignated
the subsec. (g), relating to authority to suspend or terminate
collection actions against deceased members, as
(f). Former subsec. (f) redesignated (e).
Subsec. (f)(1). Pub. L. 104–134, § 31001(c)(1), (k)(1), (2),
in introductory provisions substituted ''the head of an
executive, judicial, or legislative agency shall'' for ''the
head of an executive or legislative agency may'' and ''a
person'' for ''an individual''.
Subsec. (f)(1)(C), (D), (F). Pub. L. 104–134, § 31001(k)(3),
substituted ''the person'' for ''the individual'' wherever
appearing.
Subsec. (f)(2). Pub. L. 104–134, § 31001(c)(1), (k)(2), (3),
substituted ''the head of an executive, judicial, or legislative
agency'' for ''the head of an executive or legislative
agency'', ''a person'' for ''an individual'', and ''the
person'' for ''the individual''.
Subsec. (f)(3). Pub. L. 104–134, § 31001(c)(1), (k)(2), substituted
''the head of an executive, judicial, or legislative
agency'' for ''the head of an executive or legislative
agency'' and ''a person'' for ''an individual''.
Subsec. (f)(4), (5). Pub. L. 104–134, § 31001(k)(4), added
pars. (4) and (5).
Subsec. (g). Pub. L. 104–316, § 115(g)(1)(C), redesignated
the subsec. (g), relating to authority to suspend or terminate
collection actions against deceased members, as
(f).
Pub. L. 104–134, § 31001(m)(1), added subsec. (g) relating
to transfer of debt or claim to Secretary of the
Treasury in case of delinquency.
Pub. L. 104–106 added subsec. (g) relating to authority
to suspend or terminate collection actions against deceased
members.
Subsec. (g)(1). Pub. L. 104–201, § 1010(1), substituted
''Marine Corps, or Coast Guard during a period when
the Coast Guard is operating as a service in the Navy''
for ''or Marine Corps''.
Subsec. (g)(2), (3). Pub. L. 104–201, § 1010(2), (3), added
par. (2) and redesignated former par. (2) as (3).
Subsec. (h). Pub. L. 104–134, § 31001(m)(1), added subsec.
(h).
Subsec. (i). Pub. L. 104–134, § 31001(p), added subsec.
(i).
1994—Subsec. (c)(2). Pub. L. 103–272 substituted ''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'' for
''section 6 of the Act of March 2, 1893 (45 U.S.C. 6), section
4 of the Act of April 14, 1910 (45 U.S.C. 13), section
9 of the Act of February 17, 1911 (45 U.S.C. 34), and section
25(h) of the Interstate Commerce Act (49 App.
U.S.C. 26(h))''.

1992—Subsec. (c)(2). Pub. L. 102–365 substituted ''$500''
for ''$250''.
1990—Subsec. (a)(2). Pub. L. 101–552 substituted
''$100,000 (excluding interest) or such higher amount as
the Attorney General may from time to time prescribe''
for ''$20,000 (excluding interest)''.

1986—Subsec. (f)(1). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954''.
1984—Subsec. (c)(2). Pub. L. 98–216 substituted ''(49 App. U.S.C. 26(h))'' for ''(49 U.S.C. 26(h))''.
1983—Subsec. (f). Pub. L. 97–452 added subsec. (f).
SAVINGS PROVISION
Section 31001(n) of Pub. L. 104–134 provided that: ''Effective October 1, 1995, section 11 of the Administrative Dispute Resolution Act (Public Law 101–552, [former] 5 U.S.C. 571 note) shall not apply to the amendment made by section 8(b) of such Act [amending this section].''
GUIDELINES
Section 31001(aa)(1) of Pub. L. 104–134 provided that: ''The Secretary of the Treasury, in consultation with concerned Federal agencies, may establish guidelines, including information on outstanding debt, to assist agencies in the performance and monitoring of debt collection activities.''
REPORT
Section 31001(aa)(2) of Pub. L. 104–134 provided that: ''Not later than 3 years after the date of enactment of this Act [Apr. 26, 1996], the Secretary of the Treasury shall report to the Congress on collection services provided by Federal agencies or entities collecting debt on behalf of other Federal agencies under the authorities contained in section 3711(g) of title 31, United States Code, as added by subsection (m) of this section.''
STANDARDS AND POLICIES FOR COMPROMISING, WRITINGDOWN, FORGIVING, OR DISCHARGING INDEBTEDNESS
Section 31001(bb) of Pub. L. 104–134 provided that: ''The Director of the Office of Management and Budget shall—
''(1) review the standards and policies of each Federal agency for compromising, writing-down, forgiving, or discharging indebtedness arising from programs of the agency;
''(2) determine whether those standards and policies are consistent and protect the interests of the United States;
''(3) in the case of any Federal agency standard or policy that the Director determines is not consistent or does not protect the interests of the United States, direct the head of the agency to make appropriate modifications to the standard or policy; and
''(4) report annually to the Congress on—
''(A) deficiencies in the standards and policies of Federal agencies for compromising, writing-down, forgiving, or discharging indebtedness; and
''(B) progress made in improving those standards and policies.''
EXISTING AGENCY AUTHORITY TO LITIGATE, SETTLE, COMPROMISE, OR CLOSE CLAIMS
Pub. L. 89–508, § 4, July 19, 1966, 80 Stat. 309, provided that: ''Nothing in this Act [now this section] shall increase or diminish the existing authority of the head of an agency to litigate claims, or diminish his existing authority to settle, compromise, or close claims.''

§ 3712. Time limitations for presenting certain claims of the Government

(a) CLAIMS OVER FORGED OR UNAUTHORIZED ENDORSEMENTS.—
(1) PERIOD FOR CLAIMS.—If the Secretary of the Treasury determines that a Treasury check has been paid over a forged or unauthorized endorsement, the Secretary may reclaim the amount of such check from the presenting bank or any other endorser that has breached its guarantee of endorsements prior to—
(A) the end of the 1-year period beginning on the date of payment; or
(B) the expiration of the 180-day period beginning on the close of the period described in subparagraph (A) if a timely claim is received under section 3702.
(2) CIVIL ACTIONS.—(A) Except as provided in subparagraph (B), the United States may bring a civil action to enforce the liability of an endorser,

transferor, depository, or fiscal agent
on a forged or unauthorized signature or endorsement
on, or a change in, a check or warrant
issued by the Secretary of the Treasury,
the United States Postal Service, or any disbursing
official or agent not later than 1 year
after a check or warrant is presented to the
drawee for payment.
(B) If the United States has given an endorser
written notice of a claim against the
endorser within the time allowed by subparagraph
(A), the 1-year period for bringing a civil
action on that claim under subparagraph (A)
shall be extended by 3 years.
(3) EFFECT ON AGENCY AUTHORITY.—Nothing
in this subsection shall be construed to limit
the authority of any agency under subchapter
II of chapter 37 of this title.
(b) Notwithstanding subsection (a) of this section,
a civil action may be brought within 2
years after the claim is discovered when an endorser,
transferor, depositary, or fiscal agent
fraudulently conceals the claim from an officer
or employee of the Government entitled to bring
the civil action.
(c) The Comptroller General shall credit the
appropriate account of the Treasury for the
amount of a check or warrant for which a civil
action cannot be brought because notice was not
given within the time required under subsection
(a) of this section if the failure to give notice
was not the result of negligence of the Secretary.
(d) The Government waives all claims against
a person arising from dual pay from the Government
if the dual pay is not reported to the
Comptroller General for collection within 6
years from the last date of a period of dual pay.
(e) TREASURY CHECK OFFSET.—
(1) IN GENERAL.—To facilitate collection of
amounts owed by presenting banks pursuant
to subsection (a) or (b), upon the direction of
the Secretary, a Federal reserve bank shall
withhold credit from banks presenting Treasury
checks for ultimate charge to the account
of the United States Treasury. By presenting
Treasury checks for payment a presenting
bank is deemed to authorize this offset.
(2) ATTEMPT TO COLLECT REQUIRED.—Prior to
directing offset under subsection (a)(1), the
Secretary shall first attempt to collect
amounts owed in the manner provided by sections
3711 and 3716.
(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 971; Pub.
L. 100–86, title X, § 1004(a), Aug. 10, 1987, 101 Stat.
659; Pub. L. 104–134, title III, § 31001(d)(4), Apr. 26,
1996, 110 Stat. 1321–362.)