

after Aug. 10, 1987, or on such later date as the Secretary of the Treasury may prescribe in regulations. See Effective Date note below.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE

Section 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 an Effective Date of 1987 Amendment note under section 3328 of this title.

##### REGULATIONS

For provision permitting Secretary of the Treasury to prescribe rules, regulations, and procedures as necessary to implement this section, 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.

#### § 3335. Timely disbursement of Federal funds

(a) Each head of an executive agency (other than the Tennessee Valley Authority) shall, under such regulations as the Secretary of the Treasury shall prescribe, provide for the timely disbursement of Federal funds through cash, checks, electronic funds transfer, or any other means identified by the Secretary.

(b) The Secretary may collect from any executive agency which does not comply with subsection (a) a charge in an amount the Secretary determines to be the cost to the general fund of the Treasury caused by such noncompliance.

(c) The amounts of charges collected from an executive agency under this section shall be deposited in the Treasury and credited as miscellaneous receipts.

(d) Any charge assessed by the Secretary under this section, to the maximum extent practicable—

(1) shall be paid out of appropriations available for executive agency operations; and

(2) shall not be paid from amounts available for funding programs of an executive agency.

(Added Pub. L. 101-453, §4(a), Oct. 24, 1990, 104 Stat. 1058.)

#### Statutory Notes and Related Subsidiaries

##### REGULATIONS

Pub. L. 101-453, §4(c), Oct. 24, 1990, 104 Stat. 1059, as amended by Pub. L. 102-589, §2(1), Nov. 10, 1992, 106 Stat. 5133, provided that: "The Secretary of the Treasury shall prescribe regulations under section 3335 of title 31, United States Code, as added by subsection (a), to ensure the full implementation of that section."

#### § 3336. Electronic benefit transfer pilot

(a) The Congress finds that:

(1) Electronic benefit transfer (EBT) is a safe, reliable, and economical way to provide benefit payments to individuals who do not have an account at a financial institution.

(2) The designation of financial institutions as financial agents of the Federal Government for EBT is an appropriate and reasonable use of the Secretary's authority to designate financial agents.

(3) A joint federal-state<sup>1</sup> EBT system offers convenience and economies of scale for those

states<sup>1</sup> (and their citizens) that wish to deliver<sup>1</sup> state-administered benefits on a single card by entering into a partnership with the federal<sup>1</sup> government.<sup>1</sup>

(4) The Secretary's designation of a financial agent to deliver EBT is a specialized service not available through ordinary business channels and may be offered to the states<sup>1</sup> pursuant to section 6501 *et seq.* of this title.

(b) The Secretary shall continue to carry out the existing EBT pilot to disburse benefit payments electronically to recipients who do not have an account at a financial institution, which shall include the designation of one or more financial institution<sup>2</sup> as a financial agent of the Government, and the offering to the participating states<sup>1</sup> of the opportunity to contract with the financial agent selected by the Secretary, as described in the Invitation for Expressions of Interest to Acquire EBT Services for the Southern Alliance of States dated March 9, 1995, as amended as of June 30, 1995, July 7, 1995, and August 1, 1995.

(c) The selection and designation of financial agents, the design of the pilot program, and any other matter associated with or related to the EBT pilot described in subsection (b) shall not be subject to judicial review.

(Added Pub. L. 104-208, div. A, title I, §101(f) [title VI, §664], Sept. 30, 1996, 110 Stat. 3009-314, 3009-385.)

#### SUBCHAPTER III—MISCELLANEOUS

#### § 3341. Sale of Government warrants, checks, drafts, and obligations

(a) A disbursing official of the United States Government may sell a Government warrant, check, draft, or obligation not the property of the official at a premium, or dispose of the proceeds of the warrant, check, draft, or obligation, only if the official deposits the premium and the proceeds in the Treasury or with a depository for the credit of the Government.

(b) A disbursing official violating subsection (a) of this section shall be dismissed immediately.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 956.)

##### HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3341(a) .....	31:544(words before last semicolon).	R.S. §3652.
3341(b) .....	31:544(words after last semicolon).	

In subsection (a), the words "disbursing official" are substituted for "officer" for clarity and consistency in the revised title. The words "either directly or indirectly" and "or dispose of to any person" are omitted as surplus. The words "Government warrant, check, draft, or obligation" are substituted for "Treasury note, draft, warrant, or other public security" for consistency in the revised title. The words "or sell . . . avails or . . . in his hands for disbursement" are omitted as surplus. The words "only if the official deposits the premium and the proceeds in the Treasury or with a depository" are substituted for "without making return of such premium, and accounting therefor by

<sup>1</sup> So in original. Probably should be capitalized.

<sup>2</sup> So in original. Probably should be "institutions".

charging the same in his account” for clarity and consistency in the chapter.

In subsection (b), the words “from office” are omitted as unnecessary.

### § 3342. Check cashing and exchange transactions

(a) A disbursing official of the United States Government may—

(1) cash and negotiate negotiable instruments payable in United States currency or currency of a foreign country;

(2) exchange United States currency, coins, and negotiable instruments and currency, coins, and negotiable instruments of foreign countries; and

(3) cash checks drawn on the Treasury to accommodate United States citizens in a foreign country, but only if—

(A) satisfactory banking facilities are not available in the foreign country; and

(B) a check is presented by the payee who is a United States citizen.

(b) A disbursing official may act under subsection (a)(1) and (2) of this section only for the following:

(1) An official purpose.

(2) Personnel of the Government.

(3) A dependent of personnel of the Government, but only—

(A) at a United States installation at which adequate banking facilities are not available; and

(B) in the case of negotiation of negotiable instruments, if the dependent’s sponsor authorizes, in writing, the presentation of negotiable instruments to the disbursing official for negotiation.

(4) A veteran hospitalized or living in an institution operated by an agency.

(5) A contractor, or personnel of a contractor, carrying out a Government project.

(6) Personnel of an authorized agency not part of the Government that operates with an agency of the Government.

(7) A Federal credit union (as defined in section 101(1) of the Federal Credit Union Act (12 U.S.C. 1752(1))) that at the request of the Secretary of Defense is operating on a United States military installation in a foreign country, but only if that country does not permit contractor-operated military banking facilities to operate on such installations.

(8) A member of the military forces of an allied or coalition nation who is participating in a combined operation, combined exercise, or combined humanitarian or peacekeeping mission with the Armed Forces of the United States, but—

(A) only if—

(i) such disbursing official action for members of the military forces of that nation is approved by the senior United States military commander assigned to that operation, exercise, or mission; and

(ii) that nation has guaranteed payment for any deficiency resulting from such disbursing official action; and

(B) in the case of negotiable instruments, only for a negotiable instrument drawn on a financial institution located in the United

States or on a foreign branch of such an institution.

(c)(1) An amount held by the disbursing official that is available for expenditure may be used to carry out subsection (a) of this section with the approval of the head of the agency having jurisdiction over the amount.

(2) The head of an agency having jurisdiction over a disbursing official may offset, within the same fiscal year, a deficiency resulting from a transaction under subsection (a) of this section with a gain from a transaction under subsection (a). A gain in the account of a disbursing official not used to offset deficiencies under subsection (a) shall be deposited in the Treasury as miscellaneous receipts.

(3) The amount of any deficiency resulting from cashing a check for a dependent under subsection (b)(3), including any charges assessed against the disbursing official by a financial institution for insufficient funds to pay the check, may be offset from the pay of the dependent’s sponsor.

(4) Amounts necessary to adjust for deficiencies in the account of a disbursing official because of transactions under subsection (a) of this section are authorized to be appropriated.

(d) The Secretary of the Treasury and, with the approval of the Secretary, the head of an agency having jurisdiction over a disbursing official, may issue regulations to carry out this section. However, under conditions the Secretary decides are necessary, the Secretary may delegate to the head of an agency the authority to issue regulations applying to a disbursing official that is an officer or employee of the agency.

(e) Regulations prescribed under subsection (d) shall include regulations that define the terms “dependent” and “sponsor” for the purposes of this section. In the regulations, the term “dependent”, with respect to a member of a uniformed service, shall have the meaning given that term in section 401 of title 37.

(f) With respect to automated teller machines on naval vessels, the authority of a disbursing official of the United States Government under subsection (a) also includes the following:

(1) The authority to provide operating funds to the automated teller machines.

(2) The authority to accept, for safekeeping, deposits and transfers of funds made through the automated teller machines.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 957; Pub. L. 104-106, div. A, title X, § 1090, Feb. 10, 1996, 110 Stat. 459; Pub. L. 104-201, div. A, title X, § 1011, Sept. 23, 1996, 110 Stat. 2635; Pub. L. 106-65, div. A, title III, § 372, Oct. 5, 1999, 113 Stat. 580; Pub. L. 108-136, div. A, title XII, § 1224, Nov. 24, 2003, 117 Stat. 1653.)

#### HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
3342(a) .....	31:492a(less 1st sentence words between 2d-7th commas, last sentence).	Dec. 23, 1944, ch. 716, §§ 1-3, 58 Stat. 921; restated June 16, 1953, ch. 115, 67 Stat. 61.
3342(b) .....	31:492a(1st sentence words between 2d-7th commas).	