

HISTORICAL AND REVISION NOTES—CONTINUED

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i> |
|------------------------|---------------------------|-----------------------------------|
| 3342(c)(1) | 31:492a(last sentence). | |
| 3342(c)(2), (3). | 31:492b. | |
| 3342(d) | 31:492c. | |

In the section, the words “disbursing official” are substituted for “disbursing officers” for clarity and consistency in the revised title.

In subsection (a), the words “negotiable instruments” are substituted for “checks, drafts, bills of exchange, and other instruments” for clarity and consistency. Before clause (1), the words “Subject to regulations promulgated pursuant to sections 492a–492c of this title” are omitted as unnecessary. In clause (3), before subclause (A), the words “disbursing officers in foreign countries are also authorized . . . to” are omitted because of the restatement. The word “Treasury” is substituted for “Treasurer of the United States” because of the source provisions restated in section 321 of the revised title and Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280). The words “person who is” are omitted as surplus. In subclause (B), the word “payee” is substituted for “person to whose order they are drawn” to eliminate unnecessary words. The words “who is a United States citizen” are added for clarity.

Subsection (b), before clause (1), is added because of the restatement. In clause (2), the words “the accommodation of” are omitted as surplus. The word “personnel” is substituted for “members of the Armed Forces and civilian personnel” to eliminate unnecessary words and for consistency in the revised title and with other titles of the United States Code. In clause (3), the words “of the Armed Forces of the United States . . . institutions operated by the Veterans’ Administration and other” are omitted as surplus.

In subsection (c)(2), the words “For the purposes of this section” are omitted because of the restatement. The words “in the accounts of such disbursing officers” are omitted as unnecessary. The words “resulting from a transaction under subsection (a) of this section” are added for clarity. The words “not used to offset deficiencies from transactions under subsection (a)” are substituted for “resulting from operations permitted by sections 492a to 492c of this title” for clarity and consistency.

Subsection (c)(3) is substituted for 31:492b(2d sentence) to eliminate unnecessary words and for consistency in the revised title and with other titles of the Code.

In subsection (d), the words “rules and . . . governing the disbursing officers under their respective jurisdictions, as may be deemed necessary or proper . . . the purposes of” are omitted as surplus. The words “under conditions the Secretary decides are necessary” are substituted for “subject to such terms and conditions as he may prescribe” for clarity and consistency. The words “and exercise the function of disbursement pursuant to a delegation by the Secretary of the Treasury” are omitted as unnecessary.

Editorial Notes

AMENDMENTS

2003—Subsec. (b). Pub. L. 108–136, § 1224(b)(1), substituted “only for the following:” for “only for—” in introductory provisions.

Subsec. (b)(1). Pub. L. 108–136, § 1224(b)(2), (5), substituted “An” for “an” and period for semicolon at end.

Subsec. (b)(2). Pub. L. 108–136, § 1224(b)(3), (5), substituted “Personnel” for “personnel” and period for semicolon at end.

Subsec. (b)(3) to (5). Pub. L. 108–136, § 1224(b)(4), (5), substituted “A” for “a” and period for semicolon at end.

Subsec. (b)(6). Pub. L. 108–136, § 1224(b)(3), (6), substituted “Personnel” for “personnel” and period for “; or”.

Subsec. (b)(7). Pub. L. 108–136, § 1224(b)(4), (7), substituted “A” for “a” and “1752(1))” for “1752(1))”.

Subsec. (b)(8). Pub. L. 108–136, § 1224(a), added par. (8).

1999—Subsec. (f). Pub. L. 106–65 added subsec. (f). 1996—Subsec. (b)(3). Pub. L. 104–201, § 1011(1), substituted a semicolon for the period at end.

Pub. L. 104–106, § 1090(a)(2), added par. (3). Former par. (3) redesignated (4).

Subsec. (b)(4) to (6). Pub. L. 104–106, § 1090(a)(1), redesignated pars. (3) to (5) as (4) to (6), respectively.

Subsec. (b)(7). Pub. L. 104–201, § 1011(2)–(4), added par. (7).

Subsec. (c)(3), (4). Pub. L. 104–106, § 1090(b), added par. (3) and redesignated former par. (3) as (4).

Subsec. (e). Pub. L. 104–106, § 1090(c), added subsec. (e).

§ 3343. Check forgery insurance fund

(a) The Department of the Treasury has a special deposit revolving fund, the “Check Forgery Insurance Fund”. Necessary amounts are hereafter appropriated to the Fund out of any moneys in the Treasury not otherwise appropriated, and shall remain available until expended to make the payments required or authorized under this section. The Fund consists of amounts—

- (1) appropriated to the Fund; and
- (2) received under subsection (d) of this section.

(b) The Secretary of the Treasury shall pay from the Fund to a payee or special endorsee of a check drawn on the Treasury or a depository designated by the Secretary the amount of the check without interest if in the determination of the Secretary the payee or special endorsee¹ establishes that—

- (1) the check was lost or stolen without the fault of the payee or a holder that is a special endorsee and whose endorsement is necessary for further negotiation;
- (2) the check was negotiated later and paid by the Secretary or a depository on a forged endorsement of the payee’s or special endorsee’s name; and
- (3) the payee or special endorsee has not participated in any part of the proceeds of the negotiation or payment.

(c) Notwithstanding section 1306 of this title, a check drawn on a designated depository may be paid in the currency of a foreign country when the appropriate accountable official authorizes payment in that currency.

(d) The Secretary shall deposit immediately to the credit of the Fund an amount recovered from a forger or a transferee or party on the check. The Secretary may use amounts in the Fund to reimburse payment certifying or authorizing agencies for any payment that the Secretary determines would otherwise have been payable from the Fund, and may reimburse certifying or authorizing agencies with amounts recovered because of payee nonentitlement. However, currency of a foreign country recovered because of a forged check drawn on a designated depository shall be credited to the Fund or to the foreign currency fund that was charged when payment was made under subsection (b) of this section to the payee or special endorsee.

¹ So in original. Probably should be “endorsee”.

(e) The Secretary may waive any provision of this section as may be necessary to ensure that claimants receive timely payments.

(f) Under such conditions as the Secretary may prescribe, the Secretary may delegate duties and powers of the Secretary under this section to the head of an agency. Consistent with a delegation from the Secretary under this subsection, the head of an agency may redelegate those duties and powers to officers or employees of the agency.

(g) This section does not relieve—

- (1) a forger from civil or criminal liability; or
- (2) a transferee or party on a check after the forgery from liability—

(A) on the express or implied warranty of prior endorsements of the transferee or party; or

(B) to refund amounts to the Secretary.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 957; Pub. L. 104–134, title III, § 31001(x)(3), Apr. 26, 1996, 110 Stat. 1321–377.)

HISTORICAL AND REVISION NOTES

| Revised Section | Source (U.S. Code) | Source (Statutes at Large) |
|-----------------|--|--|
| 3343(a) | 31:561. | Nov. 21, 1941, ch. 489, §§ 1–3, 55 Stat. 777. |
| 3343(b) | 31:562. 31:563a(1st sentence). | Nov. 21, 1941, ch. 489, 55 Stat. 777, § 4; added Dec. 22, 1974, Pub. L. 93–539, § 1(b), 88 Stat. 1738. |
| 3343(c) | 31:563a(2d sentence). | |
| 3343(d) | 31:563(words after 3d comma). 31:563a(last sentence). | |
| 3343(e) | 31:563(words before 3d comma). | |

Subsection (a) is substituted for 31:561 for clarity and consistency in the revised title and with other titles of the United States Code and to eliminate unnecessary words.

In subsection (b), the text of 31:563a(1st sentence) is omitted because of section 321 of the revised title. Before clause (1), the word “Secretary” is substituted for “Treasurer of the United States” before “is authorized and directed” in 31:562 because of the source provisions restated in section 321(c) of the revised title. The words “prior to reclamation” and “heretofore or hereafter” are omitted as unnecessary. The words “Treasury or a depository designated by the Secretary” are substituted for “Treasurer of the United States” before “has been lost or stolen” because of the source provisions restated in section 321 of the revised title and Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280) and for consistency in the revised title. The words “it is established” are omitted as unnecessary. In clause (2), the words “Secretary or a depository” are substituted for “Treasurer” for consistency. In clause (3), the words “either directly or indirectly” are omitted as surplus.

In subsection (c), the words “drawn on a designated depository” are added because of the restatement.

In subsection (d), the words “The Secretary shall deposit immediately to the credit of the Fund amounts recovered from a forger” are substituted for 31:563(words after 3d comma) to eliminate unnecessary words. The words “The liability and restoration provisions of section 563 of this title shall apply with respect to checks drawn on designated depositories” in 31:563a(last sentence) are omitted as unnecessary because of the restatement. The words “because of a forged check drawn on a designated depository” are added for clarity. The words “credited to” are substituted for “used, as required, to reimburse” for clar-

ity and to eliminate unnecessary words. The word “payment” is substituted for “settlement” for consistency. The words “under subsection (b) of this section” are added for clarity.

In subsection (e), the word “Secretary” is substituted for “Treasurer of the United States” because of the source provisions restated in section 321(c) of the revised title.

Editorial Notes

AMENDMENTS

1996—Subsec. (a). Pub. L. 104–134, § 31001(x)(3)(A), amended second sentence generally. Prior to amendment, second sentence read as follows: “Amounts may be appropriated to the Fund.”

Subsec. (b). Pub. L. 104–134, § 31001(x)(3)(B)(i), inserted “in the determination of the Secretary the payee or special endorse establishes that” after “without interest if” in introductory provisions.

Subsec. (b)(2) to (4). Pub. L. 104–134, § 31001(x)(3)(B)(ii)–(iv), inserted “and” at end of par. (2), substituted period for “; and” at end of par. (3), and struck out par. (4) which read as follows: “recovery from the forger, a transferee, or a party on the check after the forgery has been or may be delayed or unsuccessful.”

Subsec. (d). Pub. L. 104–134, § 31001(x)(3)(C), inserted after first sentence “The Secretary may use amounts in the Fund to reimburse payment certifying or authorizing agencies for any payment that the Secretary determines would otherwise have been payable from the Fund, and may reimburse certifying or authorizing agencies with amounts recovered because of payee non-entitlement.”

Subsecs. (e) to (g). Pub. L. 104–134, § 31001(x)(3)(D), (E), added subsecs. (e) and (f) and redesignated former subsec. (e) as (g).

Statutory Notes and Related Subsidiaries

AVAILABILITY OF FUND

Pub. L. 108–447, div. H, title II, § 220(b), Dec. 8, 2004, 118 Stat. 3242, provided that: “The Check Forgery Insurance Fund (31 U.S.C. 3343) shall be available to fund amounts relating to the payment of items listed in 31 U.S.C. 3333(a)(1), as amended above [Pub. L. 108–447, § 220(a)(1)], prior to the enactment of this Act [Dec. 8, 2004].”

SUBCHAPTER IV—IMPROPER PAYMENTS

§ 3351. Definitions

In this subchapter:

(1) **ANNUAL FINANCIAL STATEMENT.**—The term “annual financial statement” means the annual financial statement required under section 3515 of this title or similar provision of law.

(2) **COMPLIANCE.**—The term “compliance” means that an executive agency—

(A) has—

(i) published improper payments information with the annual financial statement of the executive agency for the most recent fiscal year; and

(ii) posted on the website of the executive agency that statement and any accompanying materials required under guidance of the Office of Management and Budget;

(B) if required, has conducted a program specific risk assessment for each program or activity that conforms with the requirements under section 3352(a);