

(g)(1)(A) Except as provided in paragraph (2)—

(i) any amount collected under this chapter shall be credited first to reimburse the authority or other Federal entity that expended costs in support of the investigation or prosecution of the action, including any court or hearing costs; and

(ii) amounts reimbursed under clause (i) shall—

(I) be deposited in—

(aa) the appropriations account of the authority or other Federal entity from which the costs described in subparagraph (A) were obligated;

(bb) a similar appropriations account of the authority or other Federal entity; or

(cc) if the authority or other Federal entity expended nonappropriated funds, another appropriate account; and

(II) remain available until expended.

(B) Any amount remaining after reimbursements described in subparagraph (A) shall be deposited as miscellaneous receipts in the Treasury of the United States.

(2)(A) Any amount of a penalty or assessment imposed by the United States Postal Service under this chapter shall be deposited in the Postal Service Fund established by section 2003 of title 39.

(B) Any amount of a penalty or assessment imposed by the Secretary of Health and Human Services under this chapter with respect to a claim or statement made in connection with old age and survivors benefits under title II of the Social Security Act shall be deposited in the Federal Old-Age and Survivors Insurance Trust Fund.

(C) Any amount of a penalty or assessment imposed by the Secretary of Health and Human Services under this chapter with respect to a claim or statement made in connection with disability benefits under title II of the Social Security Act shall be deposited in the Federal Disability Insurance Trust Fund.

(D) Any amount of a penalty or assessment imposed by the Secretary of Health and Human Services under this chapter with respect to a claim or statement made in connection with benefits under part A of title XVIII of the Social Security Act shall be deposited in the Federal Hospital Insurance Trust Fund.

(E) Any amount of a penalty or assessment imposed by the Secretary of Health and Human Services under this chapter with respect to a claim or statement made in connection with benefits under part B of title XVIII of the Social Security Act shall be deposited in the Federal Supplementary Medical Insurance Trust Fund.

(Added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1945; amended Pub. L. 102-572, title IX, § 902(b)(1), Oct. 29, 1992, 106 Stat. 4516; Pub. L. 118-159, div. E, title LII, § 5203(d), Dec. 23, 2024, 138 Stat. 2440.)

Editorial Notes

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (g)(2)(B) to (E), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title II and parts A and B of title XVIII of the Social

Security Act are classified generally to subchapter II (§ 401 et seq.) and parts A (§ 1395c et seq.) and B (§ 1395j et seq.) of subchapter XVIII, respectively, of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

2024—Subsec. (g)(1). Pub. L. 118-159 amended par. (1) generally. Prior to amendment, par. (1) read as follows: “Except as provided in paragraph (2) of this subsection, any amount of penalty or assessment collected under this chapter shall be deposited as miscellaneous receipts in the Treasury of the United States.”

1992—Subsec. (e). Pub. L. 102-572 substituted “United States Court of Federal Claims” for “United States Claims Court”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-572 effective Oct. 29, 1992, see section 911 of Pub. L. 102-572, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

§ 3807. Right to administrative offset

(a) The amount of any penalty or assessment which has become final under section 3803 of this title, or for which a judgment has been entered under section 3805(e) or 3806 of this title, or any amount agreed upon in a settlement or compromise under section 3803(j) or 3806(f) of this title, may be collected by administrative offset under section 3716 of this title, except that an administrative offset may not be made under this subsection against a refund of an overpayment of Federal taxes, then or later owing by the United States to the person liable for such penalty or assessment.

(b) All amounts collected pursuant to this section shall be remitted to the Secretary of the Treasury for deposit in accordance with section 3806(g) of this title.

(Added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947.)

§ 3808. Limitations

(a) A notice to the person alleged to be liable with respect to a claim or statement shall be mailed or delivered in accordance with section 3803(d)(1) not later than the later of—

(1) 6 years after the date on which the violation of section 3802 is committed; or

(2) 3 years after the date on which facts material to the action are known or reasonably should have been known by the authority head, but in no event more than 10 years after the date on which the violation is committed.

(b) A civil action to recover a penalty or assessment under section 3806 of this title shall be commenced within 3 years after the date on which the determination of liability for such penalty or assessment becomes final.

(c) If at any time during the course of proceedings brought pursuant to this chapter the authority head receives or discovers any specific information regarding bribery, gratuities, conflict of interest, or other corruption or similar activity in relation to a false claim or statement, the authority head shall immediately report such information to the Attorney General,

and in the case of an authority in which an Office of Inspector General is established by chapter 4 of title 5 or by any other Federal law, to the Inspector General of that authority.

(Added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947; amended Pub. L. 117-286, § 4(b)(57), Dec. 27, 2022, 136 Stat. 4349; Pub. L. 118-159, div. E, title LII, § 5203(h), Dec. 23, 2024, 138 Stat. 2443.)

Editorial Notes

AMENDMENTS

2024—Subsec. (a). Pub. L. 118-159 added subsec. (a) and struck out former subsec. (a) which read as follows: “A hearing under section 3803(d)(2) of this title with respect to a claim or statement shall be commenced within 6 years after the date on which such claim or statement is made, presented, or submitted.”

2022—Subsec. (c). Pub. L. 117-286 substituted “chapter 4 of title 5” for “the Inspector General Act of 1978”.

§ 3809. Regulations

Within 180 days after the date of enactment of this chapter, each authority head shall promulgate rules and regulations necessary to implement the provisions of this chapter. Such rules and regulations shall—

(1) ensure that investigating officials and reviewing officials are not responsible for conducting the hearing required in section 3803(f) of this title, making the determinations required by subsections (f) and (h) of section 3803 of this title, or making collections under section 3806 of this title; and

(2) require a reviewing official to include in any notice required by section 3803(a)(2) of this title a statement which specifies that the reviewing official has determined that there is a reasonable prospect of collecting, from a person with respect to whom the reviewing official is referring allegations of liability in such notice, the amount for which such person may be liable.

(Added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947.)

Editorial Notes

REFERENCES IN TEXT

The date of enactment of this chapter, referred to in text, means the date of enactment of Pub. L. 99-509 which was approved Oct. 21, 1986.

[§ 3810. Repealed. Pub. L. 104-66, title III, § 3001(c)(1), Dec. 21, 1995, 109 Stat. 734]

Section, added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1947, required annual reports to Congress.

§ 3811. Effect on other law

(a) This chapter does not diminish the responsibility of any agency to comply with the provisions of chapter 35 of title 44.

(b) This chapter does not supersede the provisions of section 3512 of title 44.

(c) For purposes of this section, the term “agency” has the same meaning as in section 3502(1) of title 44.

(Added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1948.)

§ 3812. Prohibition against delegation

Any function, duty, or responsibility which this chapter specifies be carried out by the Attorney General or an Assistant Attorney General designated by the Attorney General, shall not be delegated to, or carried out by, any other officer or employee of the Department of Justice.

(Added Pub. L. 99-509, title VI, § 6103(a), Oct. 21, 1986, 100 Stat. 1948.)

CHAPTER 39—PROMPT PAYMENT

Sec.

3901.	Definitions and application.
3902.	Interest penalties.
3903.	Regulations.
3904.	Limitations on discount payments.
3905.	Payment provisions relating to construction contracts.

[3906.]

Repealed.]

3907. Relationship to other laws.

Editorial Notes

AMENDMENTS

1998—Pub. L. 105-362, title XIII, § 1301(c)(2)(C), Nov. 10, 1998, 112 Stat. 3293, struck out item 3906 “Reports”.

1988—Pub. L. 100-496, § 9(b), Oct. 17, 1988, 102 Stat. 2463, added item 3905 and redesignated former items 3905 and 3906 as 3906 and 3907, respectively.

§ 3901. Definitions and application

(a) In this chapter—

(1) “agency” has the same meaning given that term in section 551(1) of title 5 and includes an entity being operated, and the head of the agency identifies the entity as being operated, only as an instrumentality of the agency to carry out a program of the agency.

(2) “business concern” means—

(A) a person carrying on a trade or business; and

(B) a nonprofit entity operating as a contractor.

(3) “proper invoice” is an invoice containing or accompanied by substantiating documentation the Director of the Office of Management and Budget may require by regulation and the head of the appropriate agency may require by regulation or contract.

(4) for the purposes of determining a payment due date and the date upon which any late payment interest penalty shall begin to accrue, the head of the agency is deemed to receive an invoice—

(A) on the later of—

(i) the date on which the place or person designated by the agency to first receive such invoice actually receives a proper invoice; or

(ii) on the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is actually delivered or performance of the services is actually completed, as the case may be, unless—

(I) the agency has actually accepted such property or services before such 7th day; or

(II) the contract (except in the case of a contract for the procurement of a