

the Secretary, the loss was caused by a hostile action incident to war or a warlike action by a military force.

(c) LIMITATION.—The Secretary may provide reimbursement under this section for a loss described in subsection (b) only to the extent that the loss is not reimbursed under insurance or under the authority of another provision of law.

(d) APPLICABILITY OF OTHER AUTHORITIES AND REQUIREMENTS.—Subsections (b), (d), (e), (f), and (g) of section 2733 of this title shall apply to a request for a reimbursement under this section as if the request were a claim against the United States.

(Added Pub. L. 103-337, div. A, title V, §557(a), Oct. 5, 1994, 108 Stat. 2775.)

EFFECTIVE DATE

Section 557(c) of Pub. L. 103-337 provided that:

“(1) Section 2738 of title 10, United States Code, as added by subsection (a), applies with respect to losses incurred after June 30, 1990.

“(2) In the case of a loss incurred after June 30, 1990, and before the date of the enactment of this Act [Oct. 5, 1994], a request for reimbursement shall be filed with the Secretary of the military department concerned not later than two years after such date of enactment.”

§ 2739. Amounts recovered from third parties for loss or damage to personal property shipped or stored at Government expense: crediting to appropriations

(a) CREDITING OF COLLECTIONS.—Any qualifying military department third-party collection shall be credited to the appropriate current appropriation. Amounts so credited shall be merged with the funds in that appropriation and shall be available for the same period and purposes as the funds with which merged.

(b) APPROPRIATE CURRENT APPROPRIATION.—For purposes of subsection (a), the appropriate current appropriation with respect to a qualifying military department third-party collection is the appropriation currently available, as of the date of the collection, for the payment of claims by that military department for loss or damage of personal property shipped or stored at Government expense.

(c) QUALIFYING MILITARY DEPARTMENT THIRD-PARTY COLLECTIONS.—For purposes of subsection (a), a qualifying military department third-party collection is any amount that a military department collects under sections 3711, 3716, 3717, and 3721 of title 31 from a third party for a loss or damage to personal property that occurred during shipment or storage of the property at Government expense and for which the Secretary of the military department paid the owner in settlement of a claim.

(Added Pub. L. 105-261, div. A, title X, §1010(a)(1), Oct. 17, 1998, 112 Stat. 2117.)

EFFECTIVE DATE

Pub. L. 105-261, div. A, title X, §1010(b), Oct. 17, 1998, 112 Stat. 2117, provided that: “Section 2739 of title 10, United States Code, as added by subsection (a), applies with respect to amounts collected by a military department on or after the date of the enactment of this Act [Oct. 17, 1998].”

§ 2740. Property loss: reimbursement of members and civilian employees for full replacement value of household effects when contractor reimbursement not available

The Secretary of Defense and the Secretaries of the military departments, in paying a claim under section 3721 of title 31 arising from loss or damage to household goods stored or transported at the expense of the Department of Defense, may pay the claim on the basis of full replacement value in any of the following cases in which reimbursement for the full replacement value for the loss or damage is not available directly from a carrier under section 2636a of this title:

(1) A case in which—

(A) the lost or damaged goods were stored or transported under a contract, tender, or solicitation in accordance with section 2636a of this title that requires the transportation service provider to settle claims on the basis of full replacement value; and

(B) the loss or damage occurred under circumstances that exclude the transportation service provider from liability.

(2) A case in which—

(A) the loss or damage occurred while the lost or damaged goods were in the possession of an ocean carrier that was transporting, loading, or unloading the goods under a Department of Defense contract for ocean carriage; and

(B) the land-based portions of the transportation were under contracts, in accordance with section 2636a of this title, that require the land carriers to settle claims on the basis of full replacement value.

(3) A case in which—

(A) the lost or damaged goods were transported or stored under a contract or solicitation that requires at least one of the transportation service providers or carriers that handled the shipment to settle claims on the basis of full replacement value pursuant to section 2636a of this title;

(B) the lost or damaged goods have been in the custody of more than one independent contractor or transportation service provider; and

(C) a claim submitted to the delivering transportation service provider or carrier is denied in whole or in part because the loss or damage occurred while the lost or damaged goods were in the custody of a prior transportation service provider or carrier or government entity.

(Added Pub. L. 111-383, div. A, title III, §354(a)(1), Jan. 7, 2011, 124 Stat. 4194.)

EFFECTIVE DATE

Pub. L. 111-383, div. A, title III, §354(b), Jan. 7, 2011, 124 Stat. 4195, provided that: “Section 2740 of title 10, United States Code, as added by subsection (a), shall apply with respect to losses incurred after the date of the enactment of this Act [Jan. 7, 2011].”

CHAPTER 165—ACCOUNTABILITY AND RESPONSIBILITY

Sec.
2771.

Final settlement of accounts: deceased members.

- Sec.
2772. Share of fines and forfeitures to benefit Armed Forces Retirement Home.
2773. Designation, powers, and accountability of deputy disbursing officials.
- 2773a. Departmental accountable officials.
- 2773b. Parking of funds: prohibition; penalties.
2774. Claims for overpayment of pay and allowances and of travel and transportation allowances.
2775. Liability of members assigned to military housing.
2776. Use of receipts of public money for current expenditures.
2777. Requisitions for advances and removal of charges outstanding in accounts of advances.
- [2778. Repealed.]
2779. Use of funds because of fluctuations in currency exchange rates of foreign countries.
2780. Debt collection.
2781. Availability of appropriations: exchange fees; losses in accounts.
2782. Damage to real property: disposition of amounts recovered.
2783. Nonappropriated fund instrumentalities: financial management and use of nonappropriated funds.
2784. Management of purchase cards.
- 2784a. Management of travel cards.
2785. Remittance addresses: regulation of alterations.
2786. Department of Defense payments by electronic transfers of funds: exercise of authority for waivers.
2787. Reports of survey.
2788. Property accountability: regulations.
2789. Individual equipment: unauthorized disposition.
2790. Recovery of improperly disposed of Department of Defense property.

AMENDMENTS

- 2011—Pub. L. 111-383, div. A, title III, § 355(b), Jan. 7, 2011, 124 Stat. 4197, added item 2790.
- 2008—Pub. L. 110-181, div. A, title III, § 375(b), Jan. 28, 2008, 122 Stat. 83, added items 2788 and 2789.
- 2006—Pub. L. 109-364, div. A, title X, § 1053(a)(2), Oct. 17, 2006, 120 Stat. 2396, added item 2773b.
- 2002—Pub. L. 107-314, div. A, title X, §§ 1005(b), 1006(a)(2), 1007(b)(2), 1008(b), Dec. 2, 2002, 116 Stat. 2632-2635, substituted “purchase” for “credit” in item 2784 and added items 2773a, 2784a, and 2787.
- 1999—Pub. L. 106-65, div. A, title IX, § 933(a)(2), title X, § 1008(a)(2), Oct. 5, 1999, 113 Stat. 730, 738, added items 2784 to 2786.
- 1996—Pub. L. 104-316, title I, § 105(d), Oct. 19, 1996, 110 Stat. 3830, struck out item 2778 “Accounts of the military departments”.
- Pub. L. 104-106, div. B, title XXVIII, § 2821(b), Feb. 10, 1996, 110 Stat. 556, added item 2782.
- 1993—Pub. L. 103-160, div. A, title XI, § 1182(a)(8)(C), Nov. 30, 1993, 107 Stat. 1771, added item 2783.
- 1990—Pub. L. 101-510, div. A, title XIV, § 1405(c)(2), title XV, § 1533(a)(4)(B), Nov. 5, 1990, 104 Stat. 1680, 1734, substituted “Retirement Home” for “retirement homes” in item 2772 and struck out item 2782 “Unobligated balances withdrawn from availability for obligation: limitations on restoration”.
- 1989—Pub. L. 101-189, div. A, title III, § 342(a)(2), title XVI, § 1603(a)(2), Nov. 29, 1989, 103 Stat. 1420, 1598, added items 2772 and 2782.
- 1988—Pub. L. 100-370, § 1(m)(2), July 19, 1988, 102 Stat. 850, added item 2781.
- 1987—Pub. L. 100-26, § 7(j)(7)(C), Apr. 21, 1987, 101 Stat. 283, substituted “allowances and of” for “allowances, and” in item 2774.
- 1986—Pub. L. 99-661, div. A, title XIII, § 1309(b), Nov. 14, 1986, 100 Stat. 3983, added item 2780.
- 1985—Pub. L. 99-224, § 2(b), Dec. 28, 1985, 99 Stat. 1742, substituted “and” for “other than” in item 2774.

Pub. L. 99-167, title VIII, § 802(d)(2), Dec. 3, 1985, 99 Stat. 987, substituted “assigned to military housing” for “for damage to housing and related equipment and furnishings” in item 2775.

1984—Pub. L. 98-407, title VIII, § 801(a)(2), Aug. 28, 1984, 98 Stat. 1518, substituted “members for damage to housing and related equipment and furnishings” for “member for damages to family housing, equipment, and furnishings” in item 2775.

1982—Pub. L. 97-258, § 2(b)(7)(A), (8)(A), Sept. 13, 1982, 96 Stat. 1054, substituted “Designation, powers, and accountability of deputy disbursing officials” for “Accountability for public money: disbursing officers; agent officers” in item 2773 and added items 2776, 2777, 2778, and 2779.

1980—Pub. L. 96-513, title V, § 511(96), Dec. 12, 1980, 94 Stat. 2928, struck out item 2772 “Withholding pay of officers”.

Pub. L. 96-418, title V, § 506(b), Oct. 10, 1980, 94 Stat. 1766, added item 2775.

1972—Pub. L. 92-453, § 1(2), Oct. 2, 1972, 86 Stat. 759, added item 2774.

1962—Pub. L. 87-480, § 1(1)(B), June 8, 1962, 76 Stat. 94, added item 2773.

§ 2771. Final settlement of accounts: deceased members

(a) In the settlement of the accounts of a deceased member of the armed forces, an amount due from the armed force of which he was a member shall be paid to the person highest on the following list living on the date of death:

(1) Beneficiary designated by him in writing to receive such an amount, if the designation is received, before the deceased member's death, at the place named in regulations to be prescribed by the Secretary concerned.

(2) Surviving spouse.

(3) Children and their descendants, by representation.

(4) Father and mother in equal parts or, if either is dead, the survivor.

(5) Legal representative.

(6) Person entitled under the law of the domicile of the deceased member.

(b) Designations and changes of designation of beneficiaries under subsection (a)(1) are subject to regulations to be prescribed by the Secretary concerned. So far as practicable, these regulations shall be uniform for the uniformed services.

(c) Payments under subsection (a) shall be made by the Secretary of Defense.

(d) A payment under this section bars recovery by any other person of the amount paid.

(Aug. 10, 1956, ch. 1041, 70A Stat. 155; Pub. L. 85-861, § 1(56), Sept. 2, 1958, 72 Stat. 1461; Pub. L. 86-641, July 12, 1960, 74 Stat. 473; Pub. L. 89-718, § 8(a), Nov. 2, 1966, 80 Stat. 1117; Pub. L. 96-513, title V, § 511(97), Dec. 12, 1980, 94 Stat. 2928; Pub. L. 103-160, div. A, title XI, § 1182(a)(11), Nov. 30, 1993, 107 Stat. 1771; Pub. L. 104-316, title II, § 202(f), Oct. 19, 1996, 110 Stat. 3842.)

HISTORICAL AND REVISION NOTES 1956 ACT

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2771(a)	10:868 (less proviso). 34:941a (less proviso).	June 30, 1906, ch. 3914, § 1 (last par. under “State or Territorial Homes for Disabled Soldiers and Sailors”); restated Dec. 7, 1944, ch. 519; restated Feb. 25, 1946, ch. 35, § 4, 60 Stat. 30.
2771(b)	10:868 (proviso). 34:941a (proviso).	

HISTORICAL AND REVISION NOTES—CONTINUED
1956 ACT

<i>Revised section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
		Feb. 25, 1946, ch. 35, §1, 60 Stat. 30; Aug. 4, 1949, ch. 393, §18, 63 Stat. 560.

In subsections (a) and (b), the words "General Accounting Office" are substituted for the words "accounting officers", for clarity.

In subsection (a), the word "member" is substituted for the words "officers or enlisted persons", in 10:868 and 34:941a. The words "his legal representative" are substituted for the words "a duly appointed legal representative of the estate", since an estate, being property and not an entity, has no representative. The words "duly appointed" are omitted as surplusage. The words "highest on the following list" are substituted for the words "following order of precedence", in 10:868 and 34:941a. Clauses (1)–(4) are substituted for the words between the first and second colons of 10:868 and 34:941a. The words "Surviving spouse" are substituted for the words "widow or widower" after the words "First, to".

In subsection (b), the words "That this section shall not be so construed as to prevent", "or persons", and "actually", in 10:868 and 34:941a, are omitted as surplusage.

1958 ACT

<i>Revised section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
2771(a)	37:361. 37:362. 37:365.	July 12, 1955, ch. 328, §§1-3, 4 (less proviso), 5 (first sentence), 69 Stat. 295, 296.
2771(b)	37:364 (less proviso).	
2771(c)	37:363 (less last sentence).	
2771(d)	37:363 (last sentence).	

In subsection (a), the definition of the term "Department", in 37:361, is omitted as unnecessary, since the particular departments referred to are spelled out in the revised text. The definition of the term "uniformed services", in 37:361, is omitted as covered by the word "member" in this revised section and by sections 3 and 4 of the Act enacting this revised section. Clauses (1)–(6) are substituted for the last 5 clauses of 37:362. The words "regulations to be prescribed by the Secretary concerned" are substituted for the words "regulations of the Department concerned", since the "Department", as such, cannot issue regulations.

In subsection (a)(2), the words "surviving spouse" are substituted for the words "widow or widower". As defined in section 101(32), "spouse" includes a widower.

In subsection (b), the words "are subject to" are substituted for the words "shall be made under".

In subsection (c), the word "Under" is substituted for the words "Subject to". The words "rules and" are omitted as surplusage.

AMENDMENTS

1996—Subsec. (c). Pub. L. 104-316 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "Under such regulations as the Comptroller General may prescribe, payments under subsection (a) shall be made by the military department concerned or the Department of Transportation, as the case may be. Payment under clause (6) of subsection (a) shall be made—

"(1) upon settlement by the General Accounting Office; or

"(2) as otherwise authorized by the Comptroller General."

1993—Subsec. (a). Pub. L. 103-160, §1182(a)(11)(A), struck out "who dies after December 31, 1955" after "armed forces" in introductory provisions.

Subsec. (b). Pub. L. 103-160, §1182(a)(11)(B), substituted "for the uniformed services" for "for the

armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service".

1980—Subsec. (b). Pub. L. 96-513, §511(97)(A), substituted "National Oceanic and Atmospheric Administration" for "Environmental Science Services Administration".

Subsec. (c). Pub. L. 96-513, §511(97)(B), substituted "Department of Transportation" for "Department of the Treasury".

1966—Subsec. (b). Pub. L. 89-718 substituted "Environmental Science Services Administration" for "Coast and Geodetic Survey".

1960—Subsec. (c). Pub. L. 86-641 substituted provisions requiring payment under clause (6) of subsection (a) to be made upon settlement by the General Accounting Office or as otherwise authorized by the Comptroller General for provisions which permitted payments under clauses (2) to (6) of subsection (a) to be made only after settlement by the General Accounting Office.

1958—Subsec. (a). Pub. L. 85-861 amended subsec. (a) generally to restrict application of section to members of the armed forces who die after Dec. 31, 1955, and to permit payment to the designated beneficiaries, surviving spouse, children and their descendants, and to parents before payment to the legal representative.

Subsec. (b). Pub. L. 85-861 substituted provisions relating to designations and changes of designation of beneficiaries for provisions which authorized reimbursement of funeral expenses.

Subsecs. (c), (d). Pub. L. 85-861 added subsecs. (c) and (d).

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-513 effective Dec. 12, 1980, see section 701(b)(3) of Pub. L. 96-513, set out as a note under section 101 of this title.

REPEALS

The directory language of, but not the amendment made by, Pub. L. 89-718, §8(a), Nov. 2, 1966, 80 Stat. 1117, cited as a credit to this section, was repealed by Pub. L. 97-295, §6(b), Oct. 12, 1982, 96 Stat. 1314.

TRANSFER OF FUNCTIONS

For transfer of functions of Public Health Service, see note set out under section 802 of this title.

FINAL SETTLEMENT OF ACCOUNTS OF MEMBERS WHO DIED BEFORE JANUARY 1, 1960

Pub. L. 85-861, §29, Sept. 2, 1958, 72 Stat. 1563, authorized the General Accounting Office, in the settlement of the accounts of a member of the Army, Navy, Air Force, or Marine Corps who died before Jan. 1, 1956, to allow any amount due to the person highest on a list of persons living on the date of settlement and to provide reimbursement for funeral expenses from the amount due the decedent's estate.

DESIGNATION OF BENEFICIARY MADE BEFORE JANUARY 1, 1956

Section 31 of Pub. L. 85-861 provided that: "The designation of a beneficiary made for the purposes of any six months' death gratuity, including the designation of a person whose right to the gratuity does not depend upon that designation, and received in the military department concerned, the Department of the Treasury, the Department of Commerce, or the Department of Health, Education, and Welfare, as the case may be, before January 1, 1956, is considered as the designation of a beneficiary for the purposes of section 2771 of title 10, United States Code [this section], section 714 of title 32, United States Code, and sections 3 and 4 of this Act [amending section 857a of Title 33, and section 213a of Title 42], in the absence of a designation under one of those sections, unless the member making the designation was missing, missing in action, in the hands of a hostile force, or interned in a foreign country any time after July 11, 1955, and before January 1, 1956."

§ 2772. Share of fines and forfeitures to benefit Armed Forces Retirement Home

(a) DEPOSIT REQUIRED.—The Secretary of the military department concerned or, in the case of the Coast Guard, the Commandant shall deposit in the Armed Forces Retirement Home Trust Fund a percentage (determined under subsection (b)) of the following amounts:

(1) The amount of forfeitures and fines adjudged against an enlisted member, warrant officer, or limited duty officer of the armed forces by sentence of a court martial or under authority of section 815 of this title (article 15) over and above any amount that may be due from the member, warrant officer, or limited duty officer for the reimbursement of the United States or any individual.

(2) The amount of forfeitures on account of the desertion of an enlisted member, warrant officer, or limited duty officer of the armed forces.

(b) DETERMINATION OF PERCENTAGE.—The Armed Forces Retirement Home Board shall determine, on the basis of the financial needs of the Armed Forces Retirement Home, the percentage of the amounts referred to in subsection (a) to be deposited in the trust fund referred to in such subsection.

(Added Pub. L. 101-189, div. A, title III, § 342(a)(1), Nov. 29, 1989, 103 Stat. 1419; amended Pub. L. 101-510, div. A, title XV, § 1533(a)(3), (4)(A), Nov. 5, 1990, 104 Stat. 1733; Pub. L. 111-281, title II, § 205(b)(1), Oct. 15, 2010, 124 Stat. 2911.)

PRIOR PROVISIONS

A prior section 2772, act Aug. 10, 1956, ch. 1041, 70A Stat. 156, authorized withholding of pay of officers of the Army, Navy, Air Force, or Marine Corps, and is covered by section 1007 of Title 37, Pay and Allowances of the Uniformed Services, prior to repeal by Pub. L. 87-649, § 14c(3), Sept. 7, 1962, 76 Stat. 501, effective Nov. 1, 1962.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111-281, § 205(b)(1)(A), inserted “or, in the case of the Coast Guard, the Commandant” after “concerned” in introductory provisions.

Subsec. (c). Pub. L. 111-281, § 205(b)(1)(B), struck out subsec. (c). Text read as follows: “In this section, the term ‘armed forces’ does not include the Coast Guard when it is not operating as a service in the Navy.”

1990—Pub. L. 101-510, § 1533(a)(4)(A), substituted “Retirement Home” for “retirement homes” in section catchline and amended text generally, substituting subsecs. (a) to (c) relating to shares of fines and forfeitures to benefit the Armed Forces Retirement Home for former subsecs. (a) and (b) relating to shares of fines and forfeitures to benefit the Soldiers’ Home and the Naval Home.

Pub. L. 101-510, § 1533(a)(3), inserted “and forfeitures” after “fines” in subsecs. (a)(1)(A) and (b)(1)(A) and substituted “, warrant officer, or limited duty officer” for “or warrant officer” wherever appearing.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 1533(a)(3) of Pub. L. 101-510 provided that the amendment by that section was effective Nov. 5, 1990, prior to repeal by Pub. L. 107-107, div. A, title XIV, § 1409, Dec. 28, 2001, 115 Stat. 1265.

Amendment by section 1533(a)(4)(A) of Pub. L. 101-510 effective one year after Nov. 5, 1990, see section 1541 of Pub. L. 101-510, formerly set out as an Effective Date

note under section 401 of Title 24, Hospitals and Asylums.

EFFECTIVE DATE

Section 342(b) of Pub. L. 101-189 provided that:

“(1) Subsection (a) of section 2772 of such title [10 U.S.C. 2772(a)], as added by subsection (a), shall apply with respect to fines and forfeitures adjudged after the date of the enactment of this Act [Nov. 29, 1989].

“(2) Subsection (b) of such section shall apply with respect to fines and forfeitures adjudged after May 31, 1990.”

§ 2773. Designation, powers, and accountability of deputy disbursing officials

(a)(1) Subject to paragraph (3), a disbursing official of the Department of Defense may designate a deputy disbursing official—

(A) to make payments as the agent of the disbursing official;

(B) to sign checks drawn on disbursing accounts of the Secretary of the Treasury; and

(C) to carry out other duties required under law.

(2) The penalties for misconduct that apply to a disbursing official apply to a deputy disbursing official designated under this subsection.

(3) A disbursing official may make a designation under paragraph (1) only with the approval of the Secretary of Defense or, in the case of a disbursing official of a military department, the Secretary of that military department.

(b)(1) If a disbursing official of the Department of Defense dies, becomes disabled, or is separated from office, a deputy disbursing official may continue the accounts and payments in the name of the former disbursing official until the last day of the 2d month after the month in which the death, disability, or separation occurs. The accounts and payments shall be allowed, audited, and settled as provided by law. The Secretary of the Treasury shall honor checks signed in the name of the former disbursing official in the same way as if the former disbursing official had continued in office.

(2) The deputy disbursing official, and not the former disbursing official or the estate of the former disbursing official, is liable for the actions of the deputy disbursing official under this subsection.

(Added Pub. L. 87-480, § 1(1)(A), June 8, 1962, 76 Stat. 94; amended Pub. L. 97-258, § 2(b)(7)(B), Sept. 13, 1982, 96 Stat. 1054; Pub. L. 104-106, div. A, title IX, § 913(a)(2), Feb. 10, 1996, 110 Stat. 410.)

HISTORICAL AND REVISION NOTES
1982 ACT

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2773(a)	10:2773. 31:103a.	July 3, 1926, ch. 775, 44 Stat. 888; June 6, 1972, Pub. L. 92-310, § 231(bb), 86 Stat. 212.
2773(b)	31:103b.	July 31, 1953, ch. 300, 67 Stat. 296; June 6, 1972, Pub. L. 92-310, § 231(ff), 86 Stat. 213.

In the section, the words “disbursing official” are substituted for “disbursing officer” for consistency with other titles of the United States Code. The words “Secretary of the Treasury” are substituted for “Treasurer of the United States” because of section

1(a) of Reorganization Plan No. 26 of 1950 (eff. July 31, 1950, 64 Stat. 1280), restated as section 321 of the revised title contained in section 1 of the bill. The text of 10:2773 is omitted as being superseded by 31:103a and 103b.

In subsection (a)(1), before clause (A), the words “With the approval of a Secretary of a military department when the Secretary considers it necessary” are substituted for “When, in the opinion of the Secretary of the Army, Navy, or Air Force, the exigencies of the service so require . . . with the approval of the head of their executive department” in 31:103a because of 10:101(7), to eliminate unnecessary words, and for consistency. The title of Secretary of War was changed to Secretary of the Army by section 205(a) of the Act of July 26, 1947 (ch. 343, 61 Stat. 501), and by sections 1 and 53 of the Act of August 10, 1956 (ch. 1041, 70A Stat. 157, 676). The Secretary of the Air Force is included because of sections 205(a) and 207(a) and (f) of the Act of July 26, 1947 (ch. 343, 61 Stat. 501, 502), and section 1 of the Act of August 10, 1956 (ch. 1041, 70A Stat. 488). The words “deputy disbursing official” are substituted for “deputies” for clarity. In clause (A), the words “to make payments” are substituted for “for the purpose of having them make disbursements” to eliminate unnecessary words. In clause (C), the words “to be performed by such disbursing officers” are omitted as unnecessary.

In subsection (a)(2), the words “deputy disbursing official” are substituted for “agent officer” for clarity and consistency.

In subsection (b)(1), the word “disabled” is substituted for “incapacity” for consistency in the title. The word “until” is substituted for “for a period of time not to extend beyond” to eliminate unnecessary words.

In subsection (b)(2), the words “The deputy disbursing official, and not the former disbursing official or the estate of the former disbursing official” are substituted for “The former disbursing officer or his estate . . . but the deputy disbursing officer shall be responsible therefor” for clarity and because of the restatement. The word “liable” is substituted for “subject to any legal liability or penalty” to eliminate unnecessary words. The word “actions” is substituted for “official acts and defaults”. The words “in the name or in the place of the former disbursing officer” are omitted as unnecessary.

AMENDMENTS

1996—Subsec. (a)(1). Pub. L. 104-106, §913(a)(2)(A)(i), substituted “Subject to paragraph (3), a disbursing official of the Department of Defense” for “With the approval of a Secretary of a military department when the Secretary considers it necessary, a disbursing official of the military department”.

Subsec. (a)(3). Pub. L. 104-106, §913(a)(2)(A)(ii), added par. (3).

Subsec. (b)(1). Pub. L. 104-106, §913(a)(2)(B), substituted “the Department of Defense” for “any military department”.

1982—Pub. L. 97-258 substituted provisions authorizing a disbursing official of a military department to designate a deputy disbursing official with the same duties and penalties for misconduct as those of the disbursing official and allowing a deputy disbursing official to continue the accounts and payments in the name of a former disbursing official for two months after the death, disability, or separation of the former disbursing official for provisions authorizing any officer of an armed force accountable for public money to entrust it to another officer of an armed force to make disbursement as his agent, with both officers pecuniarily responsible to the United States for that money.

§ 2773a. Departmental accountable officials

(a) DESIGNATION BY SECRETARY OF DEFENSE.—The Secretary of Defense may designate any civilian employee of the Department of Defense or member of the armed forces under the Sec-

retary’s jurisdiction who is described in subsection (b) as an employee or member who, in addition to any other potential accountability, may be held accountable through personal monetary liability for an illegal, improper, or incorrect payment made by the Department of Defense described in subsection (c). Any such designation shall be in writing. Any employee or member who is so designated may be referred to as a “departmental accountable official”.

(b) COVERED EMPLOYEES AND MEMBERS.—An employee or member of the armed forces described in this subsection is an employee or member who—

(1) is responsible in the performance of the employee’s or member’s duties for providing to a certifying official of the Department of Defense information, data, or services that are directly relied upon by the certifying official in the certification of vouchers for payment; and

(2) is not otherwise accountable under subtitle III of title 31 or any other provision of law for payments made on the basis of such vouchers.

(c) PECUNIARY LIABILITY.—(1) The Secretary of Defense may subject a departmental accountable official to pecuniary liability for an illegal, improper, or incorrect payment made by the Department of Defense if the Secretary determines that such payment—

(A) resulted from information, data, or services that that official provided to a certifying official and upon which that certifying official directly relies in certifying the voucher supporting that payment; and

(B) was the result of fault or negligence on the part of that departmental accountable official.

(2) Pecuniary liability under this subsection shall apply in the same manner and to the same extent as applies to an official accountable under subtitle III of title 31.

(3) Any pecuniary liability of a departmental accountable official under this subsection for a loss to the United States resulting from an illegal, improper, or incorrect payment is joint and several with that of any other officer or employee of the United States or member of the uniformed services who is pecuniarily liable for such loss.

(d) CERTIFYING OFFICIAL DEFINED.—In this section, the term “certifying official” means an employee who has the responsibilities specified in section 3528(a) of title 31.

(Added Pub. L. 107-314, div. A, title X, §1005(a), Dec. 2, 2002, 116 Stat. 2631; amended Pub. L. 109-163, div. A, title X, §1056(c)(8), Jan. 6, 2006, 119 Stat. 3440.)

AMENDMENTS

2006—Subsec. (a). Pub. L. 109-163 inserted “by” after “incorrect payment made”.

§ 2773b. Parking of funds: prohibition; penalties

(a) PROHIBITION.—An officer or employee of the Department of Defense may not direct the designation of funds for a particular purpose in the budget of the President, as submitted to Congress pursuant to section 1105 of title 31, or the

supporting documents of the Department of Defense component of such budget, with the knowledge or intent that such funds, if made available to the Department, will not be used for the purpose for which they are designated.

(b) PENALTIES.—The direction of the designation of funds in violation of the prohibition in subsection (a) shall be treated for purposes of chapter 13 of title 31 as a violation of section 1341(a)(1)(A) of such title.

(Added Pub. L. 109-364, div. A, title X, §1053(a)(1), Oct. 17, 2006, 120 Stat. 2396.)

EFFECTIVE DATE

Pub. L. 109-364, div. A, title X, §1053(b), Oct. 17, 2006, 120 Stat. 2396, provided that:

“(1) IN GENERAL.—The amendments made by subsection (a) [enacting this section] shall take effect on the date that is 31 days after the date of the enactment of this Act [Oct. 17, 2006].

“(2) MODIFICATION OF CERTAIN POLICIES AND REGULATIONS.—Not later than 30 days after the date of the enactment of this Act [Oct. 17, 2006], the Secretary of Defense shall modify the policies and regulations of the Department of Defense regarding the preparation and submittal to Congress of budget materials for the Department of Defense to take into account section 2773b of title 10, United States Code, as added by subsection (a).”

§ 2774. Claims for overpayment of pay and allowances and of travel and transportation allowances

(a) A claim of the United States against a person arising out of an erroneous payment of any pay or allowances made before, on, or after October 2, 1972, or arising out of an erroneous payment of travel and transportation allowances, to or on behalf of a member or former member of the uniformed services, the collection of which would be against equity and good conscience and not in the best interest of the United States, may be waived in whole or in part by—

(1) the Director of the Office of Management and Budget; or

(2) the Secretary concerned, as defined in section 101(5) of title 37, when—

(A) the claim is in an amount aggregating not more than \$10,000; and

(B) the waiver is made in accordance with standards which the Director of the Office of Management and Budget shall prescribe.

(b) The Director of the Office of Management and Budget or the Secretary concerned, as the case may be, may not exercise his authority under this section to waive any claim—

(1) if, in his opinion, there exists, in connection with the claim, an indication of fraud, misrepresentation, fault, or lack of good faith on the part of the member or any other person having an interest in obtaining a waiver of the claim; or

(2) if application for waiver is received in his office after the expiration of five years immediately following the date on which the erroneous payment was discovered.

(c) A person who has repaid to the United States all or part of the amount of a claim, with respect to which a waiver is granted under this section, is entitled, to the extent of the waiver, to refund, by the department concerned at the

time of the erroneous payment, of the amount repaid to the United States, if he applies to that department for that refund within two years following the effective date of the waiver. The Secretary concerned shall pay from current applicable appropriations that refund in accordance with this section.

(d) In the audit and settlement of accounts of any accountable officer or official, full credit shall be given for any amounts with respect to which collection by the United States is waived under this section.

(e) An erroneous payment, the collection of which is waived under this section, is considered a valid payment for all purposes.

(f) This section does not affect any authority under any other law to litigate, settle, compromise, or waive any claim of the United States.

(Added Pub. L. 92-453, §1(1), Oct. 2, 1972, 86 Stat. 758; amended Pub. L. 96-513, title V, §511(98), Dec. 12, 1980, 94 Stat. 2928; Pub. L. 99-224, §2(a), Dec. 28, 1985, 99 Stat. 1741; Pub. L. 100-26, §7(j)(7)(A), (B), Apr. 21, 1987, 101 Stat. 283; Pub. L. 102-190, div. A, title VI, §657(b), Dec. 5, 1991, 105 Stat. 1393; Pub. L. 104-316, title I, §105(b), Oct. 19, 1996, 110 Stat. 3830; Pub. L. 109-364, div. A, title VI, §671(a), Oct. 17, 2006, 120 Stat. 2270.)

AMENDMENTS

2006—Subsec. (a)(2)(A). Pub. L. 109-364, §671(a)(1), substituted “\$10,000” for “\$1,500”.

Subsec. (b)(2). Pub. L. 109-364, §671(a)(2), substituted “five years” for “three years”.

1996—Subsec. (a). Pub. L. 104-316, §105(b)(1), substituted “Director of the Office of Management and Budget” for “Comptroller General” in par. (1), and in par. (2) inserted “and” at end of subpar. (A), redesignated subpar. (C) as (B) and substituted “Director of the Office of Management and Budget” for “Comptroller General”, and struck out former subpar. (B) which read as follows “the claim is not the subject of an exception made by the Comptroller General in the account of any accountable officer or official; and”.

Subsec. (b). Pub. L. 104-316, §105(b)(2), substituted “Director of the Office of Management and Budget” for “Comptroller General”.

1991—Subsec. (a)(2)(A). Pub. L. 102-190 substituted “\$1,500” for “\$500”.

1987—Pub. L. 100-26, §7(j)(7)(A), substituted “allowances and of” for “allowances, and” in section catchline.

Subsec. (a). Pub. L. 100-26, §7(j)(7)(B), struck out “as defined in section 101(3) of title 37,” after “uniformed services.”.

1985—Pub. L. 99-224, §2(a)(1), substituted “and” for “other than” in section catchline.

Subsec. (a). Pub. L. 99-224, §2(a)(2), substituted “made before, on, or after October 2, 1972, or arising out of an erroneous payment of travel and transportation allowances” for “, other than travel and transportation allowances, made before or after October 2, 1972”.

Subsec. (b)(2). Pub. L. 99-224, §2(a)(3), struck out “of pay or allowances, other than travel and transportation allowances,” after “payment”.

1980—Subsec. (a). Pub. L. 96-513 substituted “October 2, 1972” for “the effective date of this section”.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-364, div. A, title VI, §671(c), Oct. 17, 2006, 120 Stat. 2270, provided that: “The amendments made by this section [amending this section and section 716 of Title 32, National Guard] shall take effect on March 1, 2007.”

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-316 effective 60 days after Oct. 19, 1996, see section 101(e) of Pub. L. 104-316, set out as a note under section 130c of Title 2, The Congress.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-224 applicable to any claim arising out of an erroneous payment of travel and transportation allowances made on or after Dec. 28, 1985, see section 4 of Pub. L. 99-224, set out as a note under section 5584 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-513 effective Dec. 12, 1980, see section 701(b)(3) of Pub. L. 96-513, set out as a note under section 101 of this title.

CANCELLATION OF DEBTS UP TO \$2,500 OF UNIFORMED SERVICE MEMBERS INCURRED IN CONNECTION WITH OPERATION DESERT SHIELD/STORM

Pub. L. 104-61, title VIII, § 8052, Dec. 1, 1995, 109 Stat. 662, provided that: "Notwithstanding any other provision of law, the Secretary of Defense may, when he considers it in the best interest of the United States, cancel any part of an indebtedness, up to \$2,500, that is or was owed to the United States by a member or former member of a uniformed service if such indebtedness, as determined by the Secretary, was incurred in connection with Operation Desert Shield/Storm: *Provided*, That the amount of an indebtedness previously paid by a member or former member and cancelled under this section shall be refunded to the member."

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 103-335, title VIII, § 8060, Sept. 30, 1994, 108 Stat. 2633.

Pub. L. 103-139, title VIII, § 8071, Nov. 11, 1993, 107 Stat. 1457.

Pub. L. 102-396, title IX, § 9100, Oct. 6, 1992, 106 Stat. 1926.

Pub. L. 102-172, title VIII, § 8138, Nov. 26, 1991, 105 Stat. 1212.

§ 2775. Liability of members assigned to military housing

(a)(1) A member of the armed forces shall be liable to the United States for damage to any family housing unit or unaccompanied personnel housing unit, or damage to or loss of any equipment or furnishings of any family housing unit or unaccompanied personnel housing unit, assigned to or provided such member if (as determined under regulations prescribed by the Secretary of Defense or the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy) the damage or loss was caused by the abuse or negligence of the member (or a dependent of the member) or of a guest of the member (or a dependent of the member).

(2) A member of the armed forces—

(A) who is assigned or provided a family housing unit; and

(B) who fails to clean satisfactorily that housing unit (as determined under regulations prescribed by the Secretary of Defense or the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy) upon termination of the assignment or provision of that housing unit,

shall be liable to the United States for the cost of cleaning made necessary as a result of that failure.

(b) The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, may establish limitations on liability under this section, including (in the case of liability under subsection (a)(1)) different limitations based upon the degree of abuse or negligence involved, and may compromise or waive a claim of the United States under this section.

(c)(1) The Secretary concerned may deduct from a member's pay an amount sufficient to pay for the cost of any repair or replacement made necessary as the result of any abuse or negligence referred to in subsection (a)(1), or the cost of any cleaning made necessary by a failure to clean satisfactorily a family housing unit referred to in subsection (a)(2), for which the member is liable. Regulations implementing this section may also provide for the collection of amounts owed under this section by any other authorized means.

(2) The final determination of an amount to be deducted from the pay of an officer of an armed force in accordance with regulations prescribed under this section shall be deemed to be a special order authorizing such deduction for the purposes of section 1007 of title 37.

(d) Amounts received under this section shall be credited to the family housing operations and maintenance account, in the case of damage to a family housing unit (or the equipment or furnishings of a family housing unit) or failure to clean satisfactorily a family housing unit, or to the operations and maintenance account, in the case of damage to an unaccompanied personnel housing unit (or the equipment or furnishings of an unaccompanied personnel housing unit), of the military department or defense agency concerned, or the operating expenses account of the Coast Guard, as appropriate. Amounts so credited shall be available for use for the same purposes and under the same circumstances as other funds in those accounts.

(e) The Secretary of Defense, and the Secretary of Homeland Security with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section. Such regulations shall include—

(1) regulations for determining the cost of repairs and replacements made necessary as the result of abuse or negligence for which a member is liable under subsection (a)(1);

(2) regulations for determining the cost of cleaning made necessary as a result of the failure to clean satisfactorily for which a member is liable under subsection (a)(2); and

(3) provisions for limitations of liability, the compromise or waiver of claims, and the collection of amounts owed under this section.

(Added Pub. L. 96-418, title V, § 506(a), Oct. 10, 1980, 94 Stat. 1765; amended Pub. L. 97-214, § 10(a)(6), July 12, 1982, 96 Stat. 175; Pub. L. 98-407, title VIII, § 801(a)(1), Aug. 28, 1984, 98 Stat. 1517; Pub. L. 99-167, title VIII, § 802(a)-(d)(1), Dec. 3, 1985, 99 Stat. 986; Pub. L. 99-661, div. A, title XIII, § 1343(a)(19), Nov. 14, 1986, 100 Stat. 3993; Pub. L. 107-296, title XVII, § 1704(b)(1), Nov. 25, 2002, 116 Stat. 2314.)

AMENDMENTS

2002—Subsecs. (a)(1), (2)(B), (b), (e). Pub. L. 107-296 substituted “of Homeland Security” for “of Transportation”.

1986—Subsec. (a)(1). Pub. L. 99-661, §1343(a)(19)(A), substituted “(as determined under regulations prescribed by the Secretary of Defense or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy) the” for “it is determined, under regulations prescribed by the Secretary of Defense and the Secretary of Transportation when the Coast Guard is not operating as a service in the Navy, that the”.

Subsec. (b). Pub. L. 99-661, §1343(a)(19)(B), inserted a comma after “Secretary of Defense”, substituted “with respect to the Coast Guard when it” for “when the Coast Guard”, and inserted a comma after “Navy”.

Subsec. (e). Pub. L. 99-661, §1343(a)(19)(C), substituted “with respect to the Coast Guard when it” for “when the Coast Guard”.

1985—Pub. L. 99-167, §802(d)(1), substituted “assigned to military housing” for “for damage to housing and related equipment and furnishings” in section catchline.

Subsec. (a). Pub. L. 99-167, §802(a), (b)(1), designated existing provisions as par. (1), and in par. (1) as so designated, inserted “and the Secretary of Transportation when the Coast Guard is not operating as a service in the Navy”, and added par. (2).

Subsec. (b). Pub. L. 99-167, §802(b)(1), (c)(1), inserted “and the Secretary of Transportation when the Coast Guard is not operating as a service in the Navy” and “(in the case of liability under subsection (a)(1))”.

Subsec. (c)(1). Pub. L. 99-167, §802(c)(2), substituted “subsection (a)(1), or the cost of any cleaning made necessary by a failure to clean satisfactorily a family housing unit referred to in subsection (a)(2),” for “subsection (a)”.

Subsec. (d). Pub. L. 99-167, §802(b)(2), (c)(3), inserted “or failure to clean satisfactorily a family housing unit” and “, or the operating expenses account of the Coast Guard, as appropriate”.

Subsec. (e). Pub. L. 99-167, §802(c)(4), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Secretary of Defense shall prescribe regulations to carry out the provisions of this section, including (1) regulations for determining the cost of repairs and replacements made necessary as the result of abuse or negligence referred to in subsection (a), and (2) regulations providing for limitations of liability, the compromise or waiver of claims, and the collection of amounts owed under this section.”

1984—Pub. L. 98-407 substituted “Liability of members for damage to housing and related equipment and furnishings” for “Liability of member for damages to family housing, equipment, and furnishings” in section catchline.

Subsec. (a). Pub. L. 98-407 amended subsec. (a) generally, inserting references to unaccompanied personnel housing units, and expanding liability of members of the Armed Forces to include damages caused by the abuse or negligence of a guest of the member or of a dependent of the member.

Subsec. (b). Pub. L. 98-407 added subsec. (b). Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 98-407 redesignated former subsec. (b) as (c), in subsec. (c)(1) as so redesignated substituted reference to any abuse or negligence for which the member is liable for reference to any abuse or negligence on the part of such member or any dependent of such member, inserted provision that regulations implementing this section may also provide for the collection of amounts owed under this section by any other authorized means, and in subsec. (c)(2), as so redesignated, substituted reference to regulations prescribed under this section for reference to regulations issued under this section. Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 98-407 redesignated former subsec. (c) as (d) and substituted provisions requiring that

amounts received under this section be credited either to the family housing operations and maintenance account of the department or agency concerned, (in the case of damage to family housing or equipment or furnishings therein) or the operations and maintenance account of the department or agency concerned (in the case of damage to an unaccompanied personnel housing unit or equipment or furnishings therein) for provisions that amounts deducted from members’ pay under this section had to be credited to the Department of Defense Military Family Housing Management Account provided for in section 2831 of this title. Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 98-407 redesignated former subsec. (d) as (e)(1), substituted reference to abuse or negligence referred to in subsec. (a) for reference to abuse or negligence on the part of a member or dependent of a member, and added par. (2).

1982—Subsec. (c). Pub. L. 97-214, §10(a)(6), substituted “Military Family Housing Management Account provided for in section 2831 of this title” for “family housing management account established under section 501 of Public Law 87-554 (76 Stat. 236; 42 U.S.C. 1594a-1)”.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-296 effective on the date of transfer of the Coast Guard to the Department of Homeland Security, see section 1704(g) of Pub. L. 107-296, set out as a note under section 101 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-214 effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing authorized before, on, or after such date, see section 12(a) of Pub. L. 97-214, set out as an Effective Date note under section 2801 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1980, see section 608 of title VI of Pub. L. 96-418, set out as an Effective Date of 1980 Amendment note under section 2675 of this title.

PROMULGATION OF REGULATIONS AND APPLICABILITY OF 1984 AMENDMENTS

Section 801(b) of Pub. L. 98-407 provided that:

“(1) Regulations shall be prescribed under subsection (e) of section 2775 of title 10, United States Code, as amended by subsection (a), not later than 180 days after the date of the enactment of this Act [Aug. 28, 1984]. That section shall apply with respect to the liability of a member under such section for damage or loss to an unaccompanied personnel housing unit (or the equipment or furnishings of an unaccompanied personnel housing unit) or for damage or loss caused by a guest of the member or of a dependent of the member to a family housing unit (or the equipment or furnishings of a family housing unit) only in the case of damage or loss caused on or after the date that such regulations take effect.

“(2) The authority of the Secretary of Defense under subsection (b) of such section is applicable to any claim of the United States under such section, whether such claim arose before, on, or after the date of the enactment of this Act [Aug. 28, 1984].”

§ 2776. Use of receipts of public money for current expenditures

Without deposit to the credit of the Secretary of the Treasury and without withdrawal on money requisitions, a disbursing official of the Department of Defense may use receipts of public money charged in the disbursing official’s accounts (except receipts to be credited to river, harbor, and flood control appropriations) for current expenditures, with necessary bookkeeping adjustments being made.

(Added Pub. L. 97-258, §2(b)(8)(B), Sept. 13, 1982, 96 Stat. 1055.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2776	31:493a.	Aug. 1, 1953, ch. 305, §611, 67 Stat. 350.

The words “disbursing official” are substituted for “officer . . . on disbursing duty” for consistency with other titles of the United States Code. The words “On and after August 1, 1953” are omitted as executed. The words “Secretary of the Treasury” are substituted for “Treasury of the United States” because of section 1(a) of Reorganization Plan No. 26 of 1950 (eff. July 31, 1950, 64 Stat. 1280), restated in section 321 of the revised title contained in section 1 of the bill. The words “from sales or other sources” are omitted as surplus. The words “with” and “being” are added because of the restatement. The words “of appropriations, funds, and accounts to be . . . in the settlement of their disbursing accounts” are omitted as unnecessary.

PRIOR PROVISIONS

Act Aug. 1, 1953, cited as the source of this section in the Historical and Revision Notes above, is known as the Department of Defense Appropriation Act, 1954. Similar provisions were contained in the following appropriation acts:

- July 10, 1952, ch. 630, title VI, §613, 66 Stat. 532.
- Oct. 18, 1951, ch. 512, title VI, §613, 65 Stat. 446.
- Sept. 6, 1950, ch. 896, Ch. X, title VI, §615, 64 Stat. 753.
- Oct. 29, 1949, ch. 787, title VI, §618, 63 Stat. 1020.
- June 24, 1948, ch. 632, 62 Stat. 651.
- July 30, 1947, ch. 357, title I, §1, 61 Stat. 551.
- July 16, 1946, ch. 583, §1, 60 Stat. 543.
- July 3, 1945, ch. 265, §1, 59 Stat. 386.
- June 28, 1944, ch. 303, §1, 58 Stat. 575.
- July 1, 1943, ch. 185, §1, 57 Stat. 349.
- July 2, 1942, ch. 477, §1, 56 Stat. 613.
- June 30, 1941, ch. 262, §1, 55 Stat. 369.
- June 13, 1940, ch. 343, §1, 54 Stat. 355.
- Apr. 26, 1939, ch. 88, §1, 53 Stat. 597.
- June 11, 1938, ch. 347, §1, 52 Stat. 646.
- July 1, 1937, ch. 423, §1, 50 Stat. 446.

§ 2777. Requisitions for advances and removal of charges outstanding in accounts of advances

(a) The Secretary of a military department may issue to a disbursing official or agent of the department a requisition for an advance of not more than the total appropriation for the department. The amount advanced shall be—

- (1) under an “account of advances” for the department;
- (2) on a proper voucher;
- (3) only for obligations payable under specific appropriations;
- (4) charged to, and within the limits of, each specific appropriation; and
- (5) returned to the account of advances.

(b) A charge outstanding in an account of advances of a military department shall be removed by crediting the account of advances of the department and deducting the amount of the charge from an appropriation made available for advances to the department when—

- (1) relief has been granted or may be granted later to a disbursing official or agent of the department operating under an account of advances and under a law having no provision for removing charges outstanding in an account of advances; or

(2) the charge has been—

- (A) outstanding in the account of advances of the department for 2 complete fiscal years; and
- (B) certified by the head of the department as uncollectable.

(c) Subsection (b) does not affect the financial liability of a disbursing official or agent.

(Added Pub. L. 97-258, §2(b)(8)(B), Sept. 13, 1982, 96 Stat. 1055; amended Pub. L. 98-525, title XIV, §1405(43), Oct. 19, 1984, 98 Stat. 2625; Pub. L. 104-316, title I, §105(c), Oct. 19, 1996, 110 Stat. 3830.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2777(a)	31:536, 537.	June 5, 1920, ch. 240 (1st, 2d pars. under heading “Advances to Disbursing Officers”), 41 Stat. 975.
	31:539, 540.	June 19, 1878, ch. 312, §§1, 2, 20 Stat. 167.
2777(b), (c).	31:95b (related to Army, Navy, Air Force).	June 4, 1954, ch. 264, §1 (related to Army, Navy, Air Force), 68 Stat. 175; June 6, 1972, Pub. L. 92-310, §231(gg), 86 Stat. 213.

In the section, the words “disbursing official” are substituted for “disbursing officers” for consistency with other titles of the United States Code.

In subsection (a), before clause (1), the words “Secretary of a military department” are substituted for “Secretary of the Army” in 31:536 and for “Secretary of the Navy” in 31:539 because of 10:101(7). The title of Secretary of War was changed to Secretary of the Army by section 205(a) of the Act of July 26, 1947 (ch. 343, 61 Stat. 501), and by sections 1 and 53 of the Act of August 10, 1956 (ch. 1041, 70A Stat. 157, 676). The Secretary of the Air Force is included because of sections 205(a) and 207(a) and (f) of the Act of July 26, 1947 (ch. 343, 61 Stat. 501, 502), and section 1 of the Act of August 10, 1956 (ch. 1041, 70A Stat. 488). In clause (1), the word “General” in 31:539 is omitted as surplus. In clause (3), the words “and ‘Pay of the Navy’ shall be used only for its legitimate purpose, as provided by law” are omitted as unnecessary. In clause (5), the words “by pay and counterwarrant” in 31:537 and 540 are omitted as unnecessary.

In subsection (b), before clause (1), the word “appropriate” is omitted as surplus. The words “deducting the amount of the charge from” are substituted for “debiting” for clarity. In clause (2)(B), the word “concerned” is omitted as surplus.

In subsection (c), the words “in any way” and “of the United States” are omitted as surplus.

AMENDMENTS

1996—Subsec. (b)(2)(B). Pub. L. 104-316 struck out “to the Comptroller General” after “head of the department”.

1984—Subsec. (c). Pub. L. 98-525 struck out “of this section” after “Subsection (b)”.

[§ 2778. Repealed. Pub. L. 104-316, title I, § 105(d), Oct. 19, 1996, 110 Stat. 3830]

Section, added Pub. L. 97-258, §2(b)(8)(B), Sept. 13, 1982, 96 Stat. 1055, related to management of accounts of military departments by Comptroller General.

§ 2779. Use of funds because of fluctuations in currency exchange rates of foreign countries

(a) TRANSFERS BACK TO FOREIGN CURRENCY FLUCTUATIONS APPROPRIATION.—(1) Funds trans-

ferred from the appropriation “Foreign Currency Fluctuations, Defense” may be transferred back to the appropriation—

(A) when the funds are not needed to pay obligations incurred because of fluctuations in currency exchange rates of foreign countries in the appropriation to which the funds were originally transferred; and

(B) because of subsequent favorable fluctuations in the rates or because other funds are, or become, available to pay the obligations.

(2) A transfer back to the Foreign Currency Fluctuations, Defense appropriation may not be made after the end of the second fiscal year after the fiscal year that the appropriation to which the funds were originally transferred is available for obligation.

(b) FUNDING FOR LOSSES IN MILITARY CONSTRUCTION AND FAMILY HOUSING.—(1) One hundred million dollars, plus \$25,000,000 from Family Housing, Defense, are appropriated to the Secretary of Defense, to remain available until spent. The appropriation is available only to provide funds to eliminate losses in military construction or expenses of family housing for the Department of Defense caused by fluctuations in currency exchange rates of foreign countries that changed after a budget request was submitted to Congress.

(2) Funds provided under this subsection are merged with and are available for the same purpose and for the same time period as the appropriation to which they are applied. An authorization or limitation limiting the amount that may be obligated or spent is increased to the extent necessary to reflect fluctuations in exchange rates from those used in preparing the budget submission.

(3) An obligation payable in the currency of a foreign country may be recorded as an obligation based on exchange rates used in preparing a budget submission. A change reflecting fluctuations in the exchange rate may be recorded as a disbursement is made.

(c) TRANSFERS TO MILITARY PERSONNEL ACCOUNTS.—The Secretary of Defense may transfer funds to military personnel appropriations for a fiscal year out of funds available to the Department of Defense for that fiscal year under the appropriation “Foreign Currency Fluctuations, Defense”.

(d) TRANSFERS TO FOREIGN CURRENCY FLUCTUATIONS ACCOUNT.—(1) The Secretary of Defense may transfer to the appropriation “Foreign Currency Fluctuations, Defense” unobligated amounts of funds appropriated for operation and maintenance and unobligated amounts of funds appropriated for military personnel.

(2) Any transfer from an appropriation under paragraph (1) shall be made not later than the end of the second fiscal year following the fiscal year for which the appropriation is provided.

(3) Any transfer made pursuant to the authority provided in this subsection shall be limited so that the amount in the appropriation “Foreign Currency Fluctuations, Defense” does not exceed \$970,000,000 at the time the transfer is made.

(e) CONDITIONS OF AVAILABILITY FOR TRANSFERRED FUNDS.—Amounts transferred under subsection (c) or (d) shall be merged with and be

available for the same purposes and for the same period as the appropriations to which transferred.

(Added Pub. L. 97-258, §2(b)(8)(B), Sept. 13, 1982, 96 Stat. 1056; amended Pub. L. 101-510, div. A, title XIII, §1301(15), Nov. 5, 1990, 104 Stat. 1668; Pub. L. 104-106, div. A, title IX, §911(a)-(c), (e), Feb. 10, 1996, 110 Stat. 406, 407.)

HISTORICAL AND REVISION NOTES

<i>Revised section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
2779(a)	31:628-2.	July 25, 1979, Pub. L. 96-38, §100 (last par. under heading “General Provisions”), 93 Stat. 100.
2779(b)	31:628-3.	Nov. 30, 1979, Pub. L. 96-130, §100 (par. under heading “Foreign Currency Fluctuation, Construction, Defense”), 93 Stat. 1019.

In subsection (a)(1), before clause (A), the words “during the current fiscal year or on and after July 25, 1979” are omitted as executed. The words “from an appropriation to which they were transferred” are omitted as surplus. In clause (A), the words “of foreign countries” are added for consistency.

In subsection (a)(2), the words “back to the Foreign Currency Fluctuations, Defense appropriation” are substituted for “authorized by this provision” for clarity.

In subsection (b)(1), the words “the sum of”, “which shall be derived”, and “to appropriations and funds” are omitted as surplus. The word “only” is added for clarity. The words “for those appropriations or funds” are omitted as surplus. The words “available during fiscal year 1980, or thereafter” are omitted as executed. The words “Department of Defense” are substituted for “military departments and Defense agencies” because of 10:101(5).

In subsection (b)(2), the words “or fund” are omitted as surplus. The words “now or on and after November 30, 1979” are omitted as executed. The words “contained within appropriations or other provisions of law”, “hereby”, and “applicable” are omitted as surplus.

In subsection (b)(3), the words “contracts or other . . . entered into” are omitted as surplus.

PRIOR PROVISIONS

Provisions similar to those in subsec. (d) of this section were contained in Pub. L. 97-377, title I, §101(c) [title VII, §791], Dec. 21, 1982, 96 Stat. 1865, which was set out as a note under section 114 of this title, prior to repeal by Pub. L. 104-106, §911(d)(2).

AMENDMENTS

1996—Subsec. (a). Pub. L. 104-106, §911(e)(1), inserted heading.

Subsec. (a)(2). Pub. L. 104-106, §911(e)(2), substituted “second fiscal year” for “2d fiscal year”.

Subsec. (b). Pub. L. 104-106, §911(e)(3), inserted heading.

Subsec. (c). Pub. L. 104-106, §911(a), added subsec. (c).

Subsec. (d). Pub. L. 104-106, §911(b), added subsec. (d).

Subsec. (e). Pub. L. 104-106, §911(c), added subsec. (e).

1990—Subsec. (b)(4). Pub. L. 101-510 struck out par. (4) which read as follows: “The Secretary each year shall report to Congress on funds made available under this subsection.”

EFFECTIVE DATE OF 1996 AMENDMENT

Section 911(f) of Pub. L. 104-106 provided that: “Subsections (c) and (d) of section 2779 of title 10, United States Code, as added by subsections (a) and (b), and the repeals made by subsection (d) [repealing provisions set out as a note under section 114 of this title], shall apply only with respect to amounts appropriated for a fiscal year after fiscal year 1995.”

§ 2780. Debt collection

(a)(1) Subject to paragraph (2), the Secretary of Defense shall enter into one or more contracts with a person for collection services to recover indebtedness owed to the United States (arising out of activities related to Department of Defense) that is delinquent by more than three months.

(2) The authority of the Secretary to enter into a contract under this section for any fiscal year is subject to the availability of appropriations.

(3) Any such contract shall provide that the person submit to the Secretary a status report on the person's success in collecting such debts at least once each six months. Section 3718 of title 31 shall apply to any such contract, to the extent not inconsistent with this subsection.

(b)(1) Except as provided in paragraph (2), the Secretary of Defense shall disclose to consumer reporting agencies, in accordance with paragraph (1) of section 3711(e) of title 31, information concerning any debt described in subsection (a) of more than \$100 that is delinquent by more than 31 days.

(2) No disclosure shall be made under paragraph (1) with respect to an indebtedness while a decision regarding waiver of collection of the indebtedness is pending under section 2774 of this title or section 716 of title 32, or while a decision regarding remission or cancellation of the indebtedness is pending under section 4837, 6161, or 9837 of this title, unless the Secretary concerned (as defined in section 101(5) of title 37) determines that disclosure under that paragraph pending such decision is in the best interests of the United States.

(Added Pub. L. 99-661, div. A, title XIII, §1309(a), Nov. 14, 1986, 100 Stat. 3982; amended Pub. L. 104-316, title I, §115(g)(2)(C), Oct. 19, 1996, 110 Stat. 3835; Pub. L. 109-364, div. A, title VI, §672(a), Oct. 17, 2006, 120 Stat. 2270.)

AMENDMENTS

2006—Subsec. (b). Pub. L. 109-364 designated existing provisions as par. (1), substituted “Except as provided in paragraph (2), the Secretary of Defense” for “The Secretary”, and added par. (2).

1996—Subsec. (b). Pub. L. 104-316 substituted “section 3711(e)” for “section 3711(f)”.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-364, div. A, title VI, §672(b), Oct. 17, 2006, 120 Stat. 2270, provided that:

“(1) IN GENERAL.—The amendments made by this section [amending this section] shall take effect on March 1, 2007.

“(2) APPLICATION TO PRIOR ACTIONS.—Paragraph (2) of section 2780(b) of title 10, United States Code, as added by subsection (a), shall not be construed to apply to or invalidate any action taken under such section before March 1, 2007.”

CONTRACTS FOR RECOVERY OF INDEBTEDNESS

Pub. L. 101-165, title IX, §9019, Nov. 21, 1989, 103 Stat. 1133, provided that: “During the current fiscal year and hereafter, the Department of Defense may enter into contracts to recover indebtedness to the United States pursuant to section 3718 of title 31, United States Code.”

§ 2781. Availability of appropriations: exchange fees; losses in accounts

Amounts appropriated to the Department of Defense may be used for—

(1) exchange fees; and

(2) losses in the accounts of disbursing officials and agents in accordance with law.

(Added Pub. L. 100-370, §1(m)(1), July 19, 1988, 102 Stat. 849.)

HISTORICAL AND REVISION NOTES

Section is based on Pub. L. 99-190, §101(b) [title VIII, §8006(c)], Dec. 19, 1985, 99 Stat. 1185, 1203.

§ 2782. Damage to real property: disposition of amounts recovered

Except as provided in section 2775 of this title, amounts recovered for damage caused to real property under the jurisdiction of the Secretary of a military department or, with respect to the Defense Agencies, under the jurisdiction of the Secretary of Defense shall be credited to the account available for the repair or replacement of the real property at the time of recovery. In such amounts as are provided in advance in appropriation Acts, amounts so credited shall be available for use for the same purposes and under the same circumstances as other funds in the account.

(Added Pub. L. 104-106, div. B, title XXVIII, §2821(a), Feb. 10, 1996, 110 Stat. 556.)

PRIOR PROVISIONS

A prior section 2782, added Pub. L. 101-189, div. A, title XVI, §1603(a)(1), Nov. 29, 1989, 103 Stat. 1597, related to limits on restoration of unobligated balances withdrawn from availability for obligation, prior to repeal by Pub. L. 101-510, div. A, title XIV, §1405(c)(1), Nov. 5, 1990, 104 Stat. 1680.

§ 2783. Nonappropriated fund instrumentalities: financial management and use of nonappropriated funds

(a) REGULATION OF MANAGEMENT AND USE OF NONAPPROPRIATED FUNDS.—The Secretary of Defense shall prescribe regulations governing—

(1) the purposes for which nonappropriated funds of a nonappropriated fund instrumentality of the United States within the Department of Defense may be expended; and

(2) the financial management of such funds to prevent waste, loss, or unauthorized use.

(b) PENALTIES FOR VIOLATIONS.—(1) A civilian employee of the Department of Defense who is paid from nonappropriated funds and who commits a substantial violation of the regulations prescribed under subsection (a) shall be subject to the same penalties as are provided by law for misuse of appropriations by a civilian employee of the Department of Defense paid from appropriated funds. The Secretary of Defense shall prescribe regulations to carry out this paragraph.

(2) The Secretary shall provide in regulations that a violation of the regulations prescribed under subsection (a) 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).

(c) NOTIFICATION OF VIOLATIONS.—(1) A civilian employee of the Department of Defense (whether paid from nonappropriated funds or from appropriated funds), and a member of the armed forces, whose duties include the obligation of nonappropriated funds, shall notify the Secretary of Defense of information which the person reasonably believes evidences—

(A) a violation by another person of any law, rule, or regulation regarding the management of such funds; or

(B) other mismanagement or gross waste of such funds.

(2) The Secretary of Defense shall designate civilian employees of the Department of Defense or members of the armed forces to receive a notification described in paragraph (1) and ensure the prompt investigation of the validity of information provided in the notification.

(3) The Secretary shall prescribe regulations to protect the confidentiality of a person making a notification under paragraph (1).

(Added Pub. L. 102-484, div. A, title III, §362(a), Oct. 23, 1992, 106 Stat. 2379, §2490a; renumbered §2783 and amended Pub. L. 103-160, div. A, title XI, §1182(a)(8)(A), Nov. 30, 1993, 107 Stat. 1771.)

AMENDMENTS

1993—Pub. L. 103-160 renumbered section 2490a of this title as this section.

Subsec. (b)(2). Pub. L. 103-160, §1182(a)(8)(A)(i), substituted “chapter 47 of this title” for “chapter 47 of title 10, United States Code”, “Justice is” for “Justice), is”, and “section 892 of this title” for “section 892 of such title”.

Subsec. (c)(1). Pub. L. 103-160, §1182(a)(8)(A)(ii), substituted “armed forces” for “Armed Forces”.

STANDARDIZATION OF CERTAIN PROGRAMS AND ACTIVITIES OF MILITARY EXCHANGES

Section 361 of Pub. L. 102-484 provided that:

“(a) STANDARDIZATION OF EXCHANGES.—The Secretary of Defense shall standardize among the military departments the following programs and activities of the military exchanges of the military departments:

“(1) Accounting (including account titles and item descriptions).

“(2) Financial reporting formats.

“(3) Automatic data processing and telecommunications data in order to facilitate the transfer of information among military exchanges.

“(b) TIME AND MANNER.—The standardization of programs and activities required by subsection (a) shall be completed not later than March 31, 1994, and shall be carried out in the most efficient manner practicable.

“(c) REPORT.—Not later than March 31, 1993, the Secretary of Defense shall submit to the Congress a report on other programs and activities of the military exchanges, if any, that the Secretary determines can be economically and efficiently managed through standardization or consolidation under a single nonappropriated fund instrumentality.”

§ 2784. Management of purchase cards

(a) MANAGEMENT OF PURCHASE CARDS.—The Secretary of Defense shall prescribe regulations governing the use and control of all purchase cards and convenience checks that are issued to Department of Defense personnel for official use. Those regulations shall be consistent with regulations that apply Government-wide regarding use of purchase cards by Government personnel for official purposes.

(b) REQUIRED SAFEGUARDS AND INTERNAL CONTROLS.—Regulations under subsection (a) shall include safeguards and internal controls to ensure the following:

(1) That there is a record in the Department of Defense of each holder of a purchase card issued by the Department of Defense for official use, annotated with the limitations on amounts that are applicable to the use of each such card by that purchase card holder.

(2) That the holder of a purchase card and each official with authority to authorize expenditures charged to the purchase card are responsible for—

(A) reconciling the charges appearing on each statement of account for that purchase card with receipts and other supporting documentation; and

(B) forwarding that statement after being so reconciled to the designated disbursing office in a timely manner.

(3) That any disputed purchase card charge, and any discrepancy between a receipt and other supporting documentation and the purchase card statement of account, is resolved in the manner prescribed in the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

(4) That payments on purchase card accounts are made promptly within prescribed deadlines to avoid interest penalties.

(5) That rebates and refunds based on prompt payment on purchase card accounts are properly recorded.

(6) That records of each purchase card transaction (including records on associated contracts, reports, accounts, and invoices) are retained in accordance with standard Government policies on the disposition of records.

(7) That periodic reviews are performed to determine whether each purchase card holder has a need for the purchase card.

(8) That the Inspector General of the Department of Defense, the Inspector General of the Army, the Naval Inspector General, and the Inspector General of the Air Force perform periodic audits to identify—

(A) potentially fraudulent, improper, and abusive uses of purchase cards;

(B) any patterns of improper card holder transactions, such as purchases of prohibited items; and

(C) categories of purchases that should be made by means other than purchase cards in order to better aggregate purchases and obtain lower prices.

(9) That appropriate training is provided to each purchase card holder and each official with responsibility for overseeing the use of purchase cards issued by the Department of Defense.

(10) That the Department of Defense has specific policies regarding the number of purchase cards issued by various organizations and categories of organizations, the credit limits authorized for various categories of card holders, and categories of employees eligible to be issued purchase cards, and that those policies are designed to minimize the financial risk to the Federal Government of the issuance of the

purchase cards and to ensure the integrity of purchase card holders.

(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.)

AMENDMENTS

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).

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 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 404 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 is-

sued 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.)

AMENDMENTS

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.

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, or Marine Corps 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.)

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.

(Added Pub. L. 110-181, div. A, title III, §375(a), Jan. 28, 2008, 122 Stat. 83.)

§ 2789. Individual equipment: unauthorized disposition

(a) PROHIBITION.—No member of the armed forces may sell, lend, pledge, barter, or give any clothing, arms, or equipment furnished to such member by the United States to any person other than a member of the armed forces or an officer of the United States who is authorized to receive it.

(b) SEIZURE OF IMPROPERLY DISPOSED PROPERTY.—If a member of the armed forces has disposed of property in violation of subsection (a) and the property is in the possession of a person who is neither a member of the armed forces nor an officer of the United States who is authorized to receive it, that person has no right to or interest in the property, and any civil or military officer of the United States may seize the property, wherever found, subject to applicable regulations. Possession of such property furnished by the United States to a member of the armed forces by a person who is neither a member of the armed forces, nor an officer of the United States, is prima facie evidence that the property has been disposed of in violation of subsection (a).

(c) DELIVERY OF SEIZED PROPERTY.—If an officer who seizes property under subsection (b) is not authorized to retain it for the United States, the officer shall deliver the property to a person who is authorized to retain it.

(Added Pub. L. 110-181, div. A, title III, §375(a), Jan. 28, 2008, 122 Stat. 83.)

§ 2790. Recovery of improperly disposed of Department of Defense property

(a) PROHIBITION.—No member of the armed forces, civilian employee of the United States

Government, contractor personnel, or other person may sell, lend, pledge, barter, or give any clothing, arms, articles, equipment, or other military or Department of Defense property except in accordance with the statutes and regulations governing Government property.

(b) **TRANSFER OF TITLE OR INTEREST INEFFECTIVE.**—If property has been disposed of in violation of subsection (a), the person holding the property has no right or title to, or interest in, the property.

(c) **AUTHORITY FOR SEIZURE OF IMPROPERLY DISPOSED OF PROPERTY.**—If any person is in the possession of military or Department of Defense property without right or title to, or interest in, the property because it has been disposed of in material violation of subsection (a), any Federal, State, or local law enforcement official may seize the property wherever found. Unless an exception to the warrant requirement under the fourth amendment to the Constitution applies, seizure may be made only—

(1) pursuant to—

(A) a warrant issued by the district court of the United States for the district in which the property is located, or for the district in which the person in possession of the property resides or is subject to service; or

(B) pursuant to an order by such court, issued after a determination of improper transfer under subsection (e); and

(2) after such a court has issued such a warrant or order.

(d) **INAPPLICABILITY TO CERTAIN PROPERTY.**—Subsections (b) and (c) shall not apply to—

(1) property on public display by public or private collectors or museums in secured exhibits; or

(2) property in the collection of any museum or veterans organization or held in a private collection for the purpose of public display, provided that any such property, the possession of which could undermine national security or create a hazard to public health or safety, has been fully demilitarized.

(e) **DETERMINATIONS OF VIOLATIONS.**—(1) The district court of the United States for the district in which the property is located, or the district in which the person in possession of the property resides or is subject to service, shall have jurisdiction, regardless of the current approximated or estimated value of the property, to determine whether property was disposed of in violation of subsection (a). Any such determination shall be by a preponderance of the evidence.

(2) Except as provided in paragraph (3), in the case of property, the possession of which could undermine national security or create a hazard to public health or safety, the determination under paragraph (1) may be made after the seizure of the property, as long as the United States files an action seeking such determination within 90 days after seizure of the property. If the person from whom the property is seized is found to have been lawfully in possession of the property and the return of the property could undermine national security or create a hazard to public health or safety, the Secretary of Defense shall reimburse the person for the market value for the property.

(3) Paragraph (2) shall not apply to any firearm, ammunition, or ammunition component, or firearm part or accessory that is not prohibited for commercial sale.

(f) **DELIVERY OF SEIZED PROPERTY.**—Any law enforcement official who seizes property under subsection (c) and is not authorized to retain it for the United States shall deliver the property to an authorized member of the armed forces or other authorized official of the Department of Defense or the Department of Justice.

(g) **SCOPE OF ENFORCEMENT.**—This section shall apply to the following:

(1) Any military or Department of Defense property disposed of on or after the date of the enactment of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 in a manner that is not in accordance with statutes and regulations governing Government property in effect at the time of the disposal of such property.

(2) Any significant military equipment disposed of on or after January 1, 2002, in a manner that is not in accordance with statutes and regulations governing Government property in effect at the time of the disposal of such significant military equipment.

(h) **RULE OF CONSTRUCTION.**—The authority of this section is in addition to any other authority of the United States with respect to property to which the United States may have right or title.

(i) **DEFINITIONS.**—In this section:

(1) The term “significant military equipment” means defense articles on the United States Munitions List for which special export controls are warranted because of their capacity for substantial military utility or capability.

(2) The term “museum” has the meaning given that term in section 273(1) of the Museum Services Act (20 U.S.C. 9172(1)).

(3) The term “fully demilitarized” means, with respect to equipment or material, the destruction of the military offensive or defensive advantages inherent in the equipment or material, including, at a minimum, the destruction or disabling of key points of such equipment or material, such as the fuselage, tail assembly, wing spar, armor, radar and radomes, armament and armament provisions, operating systems and software, and classified items.

(4) The term “veterans organization” means any organization recognized by the Secretary of Veterans Affairs for the representation of veterans under section 5902 of title 38.

(Added Pub. L. 111-383, div. A, title III, § 355(a), Jan. 7, 2011, 124 Stat. 4195.)

REFERENCES IN TEXT

The date of the enactment of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011, referred to in subsec. (g)(1), is the date of enactment of Pub. L. 111-383, which was approved Jan. 7, 2011.

[CHAPTER 167—REPEALED]

[§ 2791. Repealed. Pub. L. 104-201, div. A, title XI, § 1121(b), Sept. 23, 1996, 110 Stat. 2687]

Section, added Pub. L. 97-295, § 1(50)(C), Oct. 12, 1982, 96 Stat. 1299, related to establishment and duties of Defense Mapping Agency.