

TITLE 31 - MONEY AND FINANCE
SUBTITLE III - FINANCIAL MANAGEMENT
CHAPTER 37 - CLAIMS
SUBCHAPTER III - CLAIMS AGAINST THE UNITED STATES GOVERNMENT

§ 3727. Assignments of claims

(a) In this section, “assignment” means—

(1) a transfer or assignment of any part of a claim against the United States Government or of an interest in the claim; or

(2) the authorization to receive payment for any part of the claim.

(b) An assignment may be made only after a claim is allowed, the amount of the claim is decided, and a warrant for payment of the claim has been issued. The assignment shall specify the warrant, must be made freely, and must be attested to by 2 witnesses. The person making the assignment shall acknowledge it before an official who may acknowledge a deed, and the official shall certify the assignment. The certificate shall state that the official completely explained the assignment when it was acknowledged. An assignment under this subsection is valid for any purpose.

(c) Subsection (b) of this section does not apply to an assignment to a financing institution of money due or to become due under a contract providing for payments totaling at least $1,000 when—

(1) the contract does not forbid an assignment;

(2) unless the contract expressly provides otherwise, the assignment—

(A) is for the entire amount not already paid;

(B) is made to only one party, except that it may be made to a party as agent or trustee for more than one party participating in the financing; and

(C) may not be reassigned; and

(3) the assignee files a written notice of the assignment and a copy of the assignment with the contracting official or the head of the agency, the surety on a bond on the contract, and any disbursing official for the contract.

(d) During a war or national emergency proclaimed by the President or declared by law and ended by proclamation or law, a contract with the Department of Defense, the General Services Administration, the Department of Energy (when carrying out duties and powers formerly carried out by the Atomic Energy Commission), or other agency the President designates may provide, or may be changed without consideration to provide, that a future payment under the contract to an assignee is not subject to reduction or setoff. A payment subsequently due under the contract (even after the war or emergency is ended) shall be paid to the assignee without a reduction or setoff for liability of the assignor—

(1) to the Government independent of the contract; or

(2) because of renegotiation, fine, penalty (except an amount that may be collected or withheld under, or because the assignor does not comply with, the contract), taxes, social security contributions, or withholding or failing to withhold taxes or social security contributions, arising from, or independent of, the contract.

(e) (1) An assignee under this section does not have to make restitution of, refund, or repay the amount received because of the liability of the assignor to the Government that arises from or is independent of the contract.

(2) The Government may not collect or reclaim money paid to a person receiving an amount under an assignment or allotment of pay or allowances authorized by law when liability may exist because of the death of the person making the assignment or allotment.

### Revised Section | Source (U.S. Code) | Source (Statutes at Large)
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3727(a) | 31:203(1st par. words before 9th comma). | R.S. § 3477; May 27, 1908, ch. 206(last par. on p. 411), 35 Stat. 411; Oct. 9, 1940, ch. 779, § 1(related to § 3477), 54 Stat. 1029; May 15, 1951, ch. 75, § 1 (related to § 1 related to § 3477), 65 Stat. 41.
3727(c) | 31:203(2d par.). |
3727(d) | 31:203(5th par.). |
3727(e)(1) | 31:203(4th par.). |
3727(e)(2) | 31:239. |

In subsection (a)(1), the words “or share thereof” and “whether absolute or conditional, and whatever may be the consideration therefor” are omitted as surplus. In clause (2), the word “authorization” is substituted for “powers of attorney, orders, or other authorities” to eliminate unnecessary words.

In subsections (b) and (c), the word “official” is substituted for “officer” for consistency in the revised title and with other titles of the United States Code.

In subsection (b), the words “Except as hereinafter provided” are omitted as unnecessary. The words “read and” are omitted as surplus. The words “to the person acknowledging the same” are omitted as unnecessary. The text of 31:203(1st par. last sentence) is omitted as superseded by 39:410. The words “Notwithstanding any law to the contrary governing the validity of assignments” and the text of 31:203(last par.) are omitted as unnecessary.

In subsection (c), before clause (1), the words “bank, trust company, or other . . . including any Federal lending agency” are omitted as surplus. The words “of money due or to become due under a contract providing for payments totaling at least $1,000” are substituted for “in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating $1,000 or more” to eliminate unnecessary words. The text of 31:203(2d par. proviso cl. 1) is omitted as executed. In clause (1), the words “in the case of any contract entered into after October 9, 1940” are omitted as executed. In clause (2)(A), the words “payable under such contract” are omitted as surplus. In clause (3), the words “true” and “instrument of” are omitted as surplus. The words “department or” are omitted because of the restatement. The words “if any” and “to make payment” are omitted as surplus.

In subsection (d), before clause (1), the words “During a war or national emergency proclaimed by the President or declared by law and ended by proclamation or law” are substituted for “in time of war or national emergency proclaimed by the President (including the national emergency proclaimed December 16, 1950) or by Act or joint resolution of the Congress and until such war or national emergency has been terminated in such manner” to eliminate unnecessary words. The words “Department of Energy (when carrying out duties and powers formerly carried out by the Atomic Energy Commission)” are substituted for “Atomic Energy Commission” (which was reconstituted as the Energy Research and Development Administration by 42:5813 and 5814) because of 42:7151(a) and 7293. The words “other department or . . . of the United States . . . except any such contract under which full payment has been made” and “of any moneys due or to become due under such contract” before “shall not be subject” are omitted as surplus. The words “A payment subsequently due under the contract (even after the war or emergency is ended) shall be paid to the assignee without” are substituted for “and if such provision or one to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract, whether during or after such war or emergency . . . hereafter” to eliminate unnecessary words. The words “of any nature” are omitted as
surplus. In clause (1), the words “or any department or agency thereof” are omitted as unnecessary. In clause (2), the words “under any renegotiation statute or under any statutory renegotiation article in the contract” are omitted as surplus.

Subsection (e)(1) is substituted for 31:203(4th par.) to eliminate unnecessary words.

In subsection (e)(2), the words “person receiving an amount under an assignment or allotment” are substituted for “assignees, transferees, or allottees” for clarity and consistency. The words “or to others for them” and “with respect to such assignments, transfers, or allotments or the use of such moneys” are omitted as surplus. The words “person making the assignment or allotment” are substituted for “assignors, transferors, or allotters” for clarity and consistency.