§ 3701. Definitions and application

(a) In this chapter—

(1) “administrative offset” means withholding funds payable by the United States (including funds payable by the United States on behalf of a State government) to, or held by the United States for, a person to satisfy a claim.

(2) “calendar quarter” means a 3-month period beginning on January 1, April 1, July 1, or October 1.

(3) “consumer reporting agency” means—

(A) a consumer reporting agency as that term is defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a (f)); or

(B) a person that, for money or on a cooperative basis, regularly—

(i) gets information on consumers to give the information to a consumer reporting agency; or

(ii) serves as a marketing agent under an arrangement allowing a third party to get the information from a consumer reporting agency.

(4) “executive, judicial, or legislative agency” means a department, agency, court, court administrative office, or instrumentality in the executive, judicial, or legislative branch of Government, including government corporations.

(5) “military department” means the Departments of the Army, Navy, and Air Force.

(6) “system of records” has the same meaning given that term in section 552a (a)(5) of title 5.

(7) “uniformed services” means the Army, Navy, Air Force, Marine Corps, Coast Guard, Commissioned Corps of the National Oceanic and Atmospheric Administration, and Commissioned Corps of the Public Health Service.

(8) “nontax” means, with respect to any debt or claim, any debt or claim other than a debt or claim under the Internal Revenue Code of 1986.

(b) In subchapter II of this chapter and subsection (a)(8) of this section, the term “claim” or “debt” means any amount of funds or property that has been determined by an appropriate official of the Federal Government to be owed to the United States by a person, organization, or entity other than another Federal agency. A claim includes, without limitation—

(A) funds owed on account of loans made, insured, or guaranteed by the Government, including any deficiency or any difference between the price obtained by the Government in the sale of a property and the amount owed to the Government on a mortgage on the property,

(B) expenditures of nonappropriated funds, including actual and administrative costs related to shoplifting, theft detection, and theft prevention,

(C) over-payments, including payments disallowed by audits performed by the Inspector General of the agency administering the program,

(D) any amount the United States is authorized by statute to collect for the benefit of any person,

(E) the unpaid share of any non-Federal partner in a program involving a Federal payment and a matching, or cost-sharing, payment by the non-Federal partner,

(F) any fines or penalties assessed by an agency; 1 and

(G) other amounts of money or property owed to the Government.
(2) For purposes of section 3716 of this title, each of the terms “claim” and “debt” includes an amount of funds or property owed by a person to a State (including any past-due support being enforced by the State), the District of Columbia, American Samoa, Guam, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Commonwealth of Puerto Rico.

(c) In sections 3716 and 3717 of this title, the term “person” does not include an agency of the United States Government.

(d) Sections 3711(e) and 3716–3719 of this title do not apply to a claim or debt under, or to an amount payable under—

(1) the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.),
(2) the Social Security Act (42 U.S.C. 301 et seq.), except to the extent provided under sections 204(f) and 1631(b)(4) of such Act and section 3716(c) of this title, or
(3) the tariff laws of the United States.

(e) In section 3716 of this title—

(1) “creditor agency” means any agency owed a claim that seeks to collect that claim through administrative offset; and
(2) “payment certifying agency” means any agency that has transmitted a voucher to a disbursing official for disbursement.

(f) In section 3711 of this title, “private collection contractor” means private debt collectors under contract with an agency to collect a nontax debt or claim owed the United States. The term includes private debt collectors, collection agencies, and commercial attorneys.

Footnotes
1 So in original. The semicolon probably should be a comma.


Historical and Revision Notes

1982 Act

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<th>Revised Section</th>
<th>Source (U.S. Code)</th>
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<td>3701(3)</td>
<td>31:240(2).</td>
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Clause (1) is substituted for 31:951(a) for consistency. The text of 31:951(b) is omitted as unnecessary because of laws vesting authority in the commission, board, or other group of individuals and for consistency in the revised title and with other titles of the United States Code.

In clause (2), the text of 31:240(1) is omitted as unnecessary because of the restatement.
### Revised Section

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<tr>
<td>3701(a)(4), (5)</td>
<td>31:3701(1), (2).</td>
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<td>3701(a)(6)</td>
<td>31 App.:952(d)(4) (B), (C).</td>
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<td>31:3701(3).</td>
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<td>3701(c)</td>
<td>31 App.:952(e)(8).</td>
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In subsections (a)(1), (b), and (c), the word “Government” is added for consistency in the revised title and with other titles of the United States Code.

In subsection (a)(3)(B), before clause (i), the word “money” is substituted for “monetary fees, dues” to eliminate unnecessary words. The words “engages in whole or in part in the practice of” are omitted as surplus. In clause (i), the words “credit or other” and “(as defined in clause (i) of this subparagraph)” are omitted as surplus.

In subsection (a)(6), 31 App.:952(d)(4)(C) is omitted as unnecessary.

In subsection (b), the words “all . . . from fees, duties, leases, rents, royalties, services, sales of real or personal property, overpayments, fines, penalties, damages, interest, taxes, forfeitures, and other sources” are omitted as surplus.

In subsection (c), the words “unit of general” are added for consistency in the revised title.

In subsection (d), the word “arising” is omitted as surplus.

### References in Text

The Internal Revenue Code of 1986, referred to in subsec. (a)(8) and (d)(1), is classified to Title 26, Internal Revenue Code.

The Social Security Act, referred to in subsec. (d)(2), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (§ 301 et seq.) of Title 42, The Public Health and Welfare. Sections 204(f) and 1631(b)(4) of the Act are classified to sections 404 (f) and 1383 (b)(4), respectively, of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The tariff laws of the United States, referred to in subsec. (d)(3), are classified generally to Title 19, Customs Duties.

### Amendments


1999—Subsec. (d)(2). Pub. L. 106–169 substituted “sections 204 (f) and 1631 (b)(4)” for “section 204 (f)”.

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1996—Subsec. (a)(1). Pub. L. 104–134, § 31001(z)(1)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “‘administrative offset’ means withholding money payable by the United States Government to, or held by the Government for, a person to satisfy a debt the person owes the Government.”

Subsec. (a)(4). Pub. L. 104–134, § 31001(c)(2), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “‘executive or legislative agency’ means a department, agency, or instrumentality in the executive or legislative branch of the Government.”


Subsec. (b). Pub. L. 104–134, § 31001(z)(1)(B), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “In subchapter II of this chapter, ‘claim’ includes amounts owing on account of loans insured or guaranteed by the Government and other amounts due the Government.”

Subsec. (c). Pub. L. 104–134, § 31001(d)(1), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “In sections 3716 and 3717 of this title, ‘person’ does not include an agency of the United States Government, of a State government, or of a unit of general local government.”


Pub. L. 104–134, § 31001(z)(1)(D), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “Sections 3711 (f) and 3716–3719 of this title do not apply to a claim or debt under, or to an amount payable under, the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.), the Social Security Act (42 U.S.C. 301 et seq.), except to the extent provided under section 204(f) of such Act (42 U.S.C. 404 (f)), or the tariff laws of the United States.”

Subsecs. (e), (f). Pub. L. 104–134, § 31001(z)(1)(C), added subsecs. (e) and (f).

1994—Subsec. (d). Pub. L. 103–387 inserted “‘except to the extent provided under section 204(f) of such Act (42 U.S.C. 301 et seq.).’” after “the Social Security Act (42 U.S.C. 301 et seq.).”


1983—Pub. L. 97–452 designated existing provisions as subsec. (a), added pars. (1), (2), and (3), redesignated former par. (1) as (4) and substituted “Government” for “United States Government”, redesignated former par. (2) as (5), added par. (6), redesignated former par. (3) as (7) and struck out “the” before “Commissioned Corps” in two places, and added subsecs. (b) to (d).

Effective Date of 1999 Amendment

Effective Date of 1994 Amendment

Short Title of 1996 Amendment
Section 31001(a)(1) of Pub. L. 104–134 provided that: “This section [enacting sections 3720B to 3720E of this title, amending this section, sections 3322, 3325, 3331, 3332, 3343, 3711, 3712, 3716 to 3719, 3720A, and 7701 of this title, section 5514 of Title 5, Government Organization and Employees, sections 6050P, 6103, and 6402 of Title 26, Internal Revenue Code, and sections 404 and 664 of Title 42, The Public Health and Welfare, enacting provisions set out as notes under this section, sections 3322, 3711, 3716, and 3719 of this title, and section 2461 of Title 28, Judiciary and Judicial Procedure, amending provisions set out as notes under this section and section 2461 of Title 28, and repealing provisions set out as notes under section 3718 of this title] may be cited as the ‘Debt Collection Improvement Act of 1996’.”

Short Title of 1986 Amendment
Pub. L. 99–562, § 1, Oct. 27, 1986, 100 Stat. 3153, provided that: “This Act [enacting sections 3732 and 3733 of this title and amending sections 3729 to 3731 of this title and section 287 of Title 18, Crimes and Criminal Procedure] may be cited as the ‘False Claims Amendments Act of 1986’.”
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.

Purposes of 1996 Amendment

Section 31001(b) of Pub. L. 104–134 provided that: “The purposes of this section [see Short Title of 1996 Amendment note above] are the following:

“(1) To maximize collections of delinquent debts owed to the Government by ensuring quick action to enforce recovery of debts and the use of all appropriate collection tools.

“(2) To minimize the costs of debt collection by consolidating related functions and activities and utilizing interagency teams.

“(3) To reduce losses arising from debt management activities by requiring proper screening of potential borrowers, aggressive monitoring of all accounts, and sharing of information within and among Federal agencies.

“(4) To ensure that the public is fully informed of the Federal Government’s debt collection policies and that debtors are cognizant of their financial obligations to repay amounts owed to the Federal Government.

“(5) To ensure that debtors have all appropriate due process rights, including the ability to verify, challenge, and compromise claims, and access to administrative appeals procedures which are both reasonable and protect the interests of the United States.

“(6) To encourage agencies, when appropriate, to sell delinquent debt, particularly debts with underlying collateral.

“(7) To rely on the experience and expertise of private sector professionals to provide debt collection services to Federal agencies.”

United States Senate as Legislative Agency; Regulations Promulgated by Secretary of Senate

Pub. L. 101–163, title I, § 11, Nov. 21, 1989, 103 Stat. 1046, provided that:

“(a) For purposes of subchapters I and II of chapter 37 of title 31, United States Code (relating to claims of or against the United States Government), the United States Senate shall be considered to be a legislative agency (as defined in section 3701(a)(4) of such title), and the Secretary of the Senate shall be deemed to be the head of such legislative agency.

“(b) Regulations prescribed by the Secretary of the Senate pursuant to section 3716 of title 31, United States Code, shall not become effective until they are approved by the Senate Committee on Rules and Administration.”