

ARTHUR A. CARRON, JR.

NOVEMBER 28, 1995.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HYDE, from the Committee on the Judiciary,
submitted the following

REPORT

[To accompany H.R. 418]

The Committee on the Judiciary, to whom was referred the bill (H.R. 418) for the relief of Arthur A. Carron, Jr., having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

H.R. 418 would waive the time limitation of section 3702(b) of Title 31, United States Code, with respect to a claim by Arthur A. Carron, Jr., for amounts due to him from the Department of the Navy in connection with checks issued to him by the Department in 1966 and 1971, but which were not presented for payment by Mr. Carron until after the checks were cancelled in accordance with law.

BACKGROUND

Mr. Arthur A. Carron, Jr. has three checks that are at issue:

- (1) Treasury check 2,831,843, dated 18 October 1966, in the amount of \$10,850.74, for a cash savings account;
- (2) Treasury check 70,445,856, dated 29 January 1971, in the amount of \$1,361.00, for salary and expenses; and
- (3) Treasury check 71,681,041, dated 1 April 1971, in the amount of \$562.25, for retired pay.

The three checks were initially received by Mr. Carron's wife while he was at sea, and were retained by her without his knowledge. He only recently came into possession of the checks. Under 31 U.S.C. § 3702(b), a claim against the Government which is not presented to the General Accounting Office, or the agency whose activities give rise to the claim, within six years after the claim ac-

crues is barred. Because Mr. Carron's claims accrued in 1966 and 1971, and were not presented within the statutory period, they are barred under section 3702(b). Given these circumstances, the Department of the Navy is without legal authority to issue replacement checks to Mr. Carron. The effect of H.R. 418 would be waive the statutory bar to payment of these claims.

AGENCY REPORT

In a September 9, 1994, letter to the House Judiciary Committee, the Department of the Navy stated that generally the Department of Defense opposes private relief legislation of this type, which has the effect of waiving the statute of limitations in a preferential manner. The letter noted, however, that a primary reason for a claims statute of limitations is to ensure that claims are presented in a timely manner so that the facts incident to the claim can be obtained and evaluated with the assurance that they are accurate. In this case, Mr. Carron has physical possession of all three checks, and while the Department has been unable to ascertain whether payment was ever made with respect to the 18 October 1966 and 29 January 1971 checks due to loss of Mr. Carron's pay records, the Department was able to determine that payment was never made for the 1 April 1971 check, which was his first check for retired pay. Under these circumstances, the Department determined that it is reasonable to conclude that payment has not previously been made with respect to any of the three checks. Accordingly, under the unique circumstances of this case, the Department does not oppose the proposed legislation.

COMMITTEE ACTION

During the 103d Congress, the Subcommittee on Administrative Law and Governmental Relations held a markup on H.R. 3917. A reporting quorum was not present for a final vote. This bill was identical to the now-pending H.R. 418. The full Committee, by unanimous consent, ordered H.R. 3917 reported to the House, which passed it on October 7, 1994 (H. Rpt. 103-837). The Senate did not act on H.R. 3917 before adjournment of the 103d Congress.

In the 104th Congress, on July 13, 1995, the Subcommittee on Immigration and Claims favorably recommended the bill H.R. 418, to the Judiciary Committee.

On October 24, 1995, the Committee on the Judiciary favorably ordered reported by voice vote H.R. 418.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, the Committee reports that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT FINDINGS

No findings or recommendations of the Committee on Government Reform and Oversight were received as referred to in clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 2(l)(3)(B) of House rule XI is inapplicable because this legislation does not provide new budgetary authority or increased tax expenditures.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

In compliance with clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives, the Committee sets forth, with respect to the bill, H.R. 1315, the following estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 6, 1995.

Hon. HENRY J. HYDE,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 418, a bill for the relief of Arthur J. Carron, Jr., as ordered reported by the House Committee on the Judiciary on October 24, 1995. The bill would require the Secretary of the Treasury to make a payment of about \$13,000. We expect this outlay would occur in fiscal year 1996. Because the bill would result in new direct spending, pay-as-you-go procedures would apply.

Enactment of H.R. 418 would not affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,

JUNE E. O'NEILL, *Director.*

AGENCY VIEWS

The report of the Department of the Navy concerning the claim of Arthur J. Carron, Jr., is as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, September 9, 1994.

Hon. JACK BROOKS,
*Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: This is to present the views of the Department of Defense with respect to H.R. 3917, 103rd Congress, a bill "For the relief of Arthur A. Carron, Jr."

The purpose of H.R. 3917 is to waive the time limitation of section 3702(b) of title 31, United States Code, with respect to a claim by Arthur A. Carron, Jr., for amounts due to him from the Depart-

ment of the Navy in connection with checks issued to Mr. Carron by the Department of the Navy in 1966 and 1971, but which were not presented for payment by Mr. Carron until after the checks were cancelled in accordance with law.

The checks in issue are as follows:

- (1) Treasury check 2,831,843, dated 18 October 1966, in the amount of \$10,850.74, for a cash savings account;
- (2) Treasury check 70,445,856, dated 29 January 1971, in the amount of \$1,361.00, for salary and expenses; and
- (3) Treasury check 71,681,041, dated 1 April 1971, in the amount of \$562.25, for retired pay.

Mr. Carron has advised that the three checks were initially received by his wife and were retained by her without his knowledge, and that only recently did he come into possession of the checks. Under 31 U.S.C. §3702(b), a claim against the government which is not presented to the General Accounting Office, or the agency whose activities gave rise to the claim, within six years after the claim accrues is barred. Because Mr. Carron's claims accrued in 1966 and 1971, and were not presented within the statutory period, they are barred under section 3702(b). Given these circumstances, the Department of the Navy is without legal authority to issue replacement checks to Mr. Carron. The effect of H.R. 3917 would be to waive the statutory bar to payment of these claims.

The Department of Defense generally opposes private relief legislation of this type, which has the effect of waiving the statute of limitations in a preferential manner. It is noted, however, that a primary reason for a claims statute of limitations is to ensure that claims are presented in a timely manner so that the facts incident to the claim can be obtained and evaluated with the assurance that they are accurate. In this case, Mr. Carron has physical possession of all three checks, and while the Department has been unable to ascertain whether payment was ever made with respect to the 18 October 1966 and 29 January 1971 checks due to loss of Mr. Carron's pay records, we were able to determine that payment was never made for the 1 April 1971 check, which was his first check for retired pay. Under these circumstances, it is reasonable to conclude that payment has not previously been made with respect to any of the three checks. Accordingly, under the unique circumstances of this case, the Department does not oppose the proposed legislation.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Sincerely,

R.J. NATTER.