

CHAPTER 3

CLAIMS IN FAVOR OF THE UNITED STATES

3-1. Scope of Section. This part implements and supplements AR 27-20 and AR 27-40.

3-2. Military Claims. Claims for damage to or loss or destruction of military property will be processed in accordance with AR 27-20 and AR 27-40. Admiralty claims will be processed in accordance with Chapter 8, AR 27-20, and AR 55-19. Property accounting documents (such as reports of survey) and actions will be handled under AR 735-5.

3-3. Civil Works Claims (Other than Admiralty). Investigations and reports will be conducted and prepared in accordance with AR 27-20. Upon completion of the report, the Division, District, Laboratory or FOA will:

a. Approve or disapprove the report and determine whether there is any legal liability owed to the United States arising out of the incident reported and, if so, the amount of such liability and the party responsible for the debt.

b. Demand for payment. When a determination of liability has been made, a letter demanding payment shall be sent by certified mail, return receipt requested, to the party found liable, unless the claim officer's report is accompanied by payment in full or by a compromise offer supported by tender of payment on which the District Counsel can recommend acceptance. In cases where the amount of liability is not readily determinable, demand will be made based upon the estimated damages. The demand for payment will incorporate a notice of the period within which a reply will be expected (30 days is suggested), and inform the debtor that the interest required under 31 U.S.C. 3717 will accrue if the amount is not promptly paid.

c. Payment. Tender of full payment on a government claim (other than an affirmative admiralty claim in excess of \$100,000) may be accepted by a Division,

ER 27-1-1
15 Sep 96

District, Laboratory or FOA Counsel, who shall, on request, execute and deliver to the debtor a release or receipt in accordance with paragraph 14-19 of AR 27-20. Funds received in payment of claims shall be transmitted to the appropriate disbursing officer for deposit to the proper account.

d. When litigation is required to enforce collection for non-maritime debts up to \$500,000, a report will be prepared in accordance with the Claims Collection Litigation Report Form (Appendix B.) The report should then be sent directly to the Department of Justice, Central Intake Facility, 1110 Bonifant Street, Suite 220, Silver Spring, MD 20910-3312. Litigation reports for claims in excess of \$500,000 shall be prepared in the format specified in paragraph 4-1 of this regulation and forwarded to CECC-K for referral to the Justice Department.

3-4. Affirmative Admiralty Claims.

a. Claims in favor of the United States for damage to a navigation structure are subject to the three-year statute of limitations established by 28 U.S.C. 2415. Claims reports on such incidents will be forwarded to USARCS within one year of the accident, unless repair efforts involve temporary gate removal. In the latter case, the claim report shall be filed within two years of the date of the accident.

b. Administrative jurisdiction for the acceptance and settlement of affirmative admiralty tort claims in excess of \$100,000 is vested in USARCS. Claims below that amount may be settled or compromised in accordance with paragraph 2-7 of this regulation.

c. Claims for wreck removal expenses do not involve damage to government property, and USARCS accordingly does not pursue collection of such debts. Claims for wreck removals will be sent instead to CECC-K for direct referral to the Department of Justice.

d. Direct referral of affirmative admiralty claims to the U.S. Attorney is not authorized.