



DEPARTMENT OF ENERGY

10 CFR Part 1013

RIN 1990-AA55

Administrative False Claims and Procedures

AGENCY: Office of the General Counsel, Department of Energy (DOE).

ACTION: Final rule.

SUMMARY: DOE publishes this final rule to revise its regulations issued under the Program Fraud Civil Remedies Act of 1986 (“PFCRA”), amended by the Administrative False Claims Act of 2023 (“the AFCA”). The AFCA, formerly PFCRA, pertains to the Federal Government’s ability to combat fraud involving Federal funds by allowing for the imposition of civil penalties and assessments against persons who make, submit, or present, or cause to be made, submitted, or presented, false, fictitious, or fraudulent claims or written statements to the government. The final rule updates DOE regulations to reflect recent amendments to the statute. The updates reflect the new title; increase the maximum amount for claims from \$150,000 to \$1 million; allow for reverse false claims; define new terms; extend the statute of limitations for bringing claims; require DOE to notify the Attorney General before settlement of allegations; and establish a process for crediting recovered costs. Under the statute, the heads of executive agencies, including the Secretary of Energy, are required to promulgate regulations and procedures to carry out the statute. The statute also requires the heads of executive agencies to review and update existing agency regulations to ensure compliance with the AFCA.

DATES: The rule is effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

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I. Introduction, Background and Summary of Final Rule

Part 1013 of title 10 of the Code of Federal Regulations (“Part 1013”), was originally promulgated to implement PFCRA, codified at 31 U.S.C. 3801 through 3812. PFCRA required all authorities, defined to include DOE, to promulgate regulations necessary to implement the statutory provisions. Part 1013 details administrative procedures for imposing civil penalties and assessments against persons who make, submit, or present, or cause to be made, submitted, or presented, false, fictitious, or fraudulent claims or written statements to DOE or to its agents. Part 1013 also specifies the hearing and appeal rights of persons subject to allegations of liability for such penalties and assessments.

The AFCA, enacted on December 23, 2024, under section 5203 of the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025, Public Law 118-159 (“NDAA for FY 2025”) amended provisions of PFCRA to strengthen DOE’s ability to prosecute fraud committed against the government. The amended law changed the short title from PFCRA to the AFCA. In addition, the AFCA required authority heads, including the Secretary of Energy, not later than 180 days after the date of enactment, to promulgate regulations and procedures to carry out the AFCA and the amendments made by it, and to review and update existing regulations and procedures to ensure compliance with AFCA and the amendments made by the AFCA. Pub. L. 118–159, div. E, title LII, section 5203(j), Dec. 23, 2024, 138 Stat. 2443. The AFCA is the statutory authority for this regulatory action.

DOE is issuing this final rule to carry out the AFCA and bring its part 1013 regulations into compliance with statutory changes made by the AFCA. These statutory changes include changing the short title of PFCRA to the AFCA; allowing recovery for reverse false claims; adding new definitions; increasing the jurisdictional claim cap from \$150,000 to \$1 million; adding an inflation adjustment to the claim cap; providing for the recovery of investigative and prosecutive costs as no-year funds; and requiring notifications to the Attorney General of settlements in advance of full authorizations and before the date allegations of liability may be referred to a presiding officer.

II. Section-by-Section Analysis

DOE amends part 1013 as follows:

1. The part heading of this part is changed from “Program Fraud Civil Remedies and Procedures” to “Administrative False Claims and Procedures” to reflect the renaming of PFCRA effected by the statutory change to the short title.
2. The basis of § 1013.1(a) is amended in the final rule to change a reference and citation from PFCRA to the Administrative False Claims Act of 2023, which reflects the change in the short title of the statutory authority for part 1013.
3. In § 1013.2 the definition of “claim” is changed in the final rule to mirror the updated definition from section 3801(a)(3) of the AFCA. The word “an” from the statutory language has been replaced with “the” in the regulation for consistency with the rest of § 1013.2. Definitions of the terms “material” and “obligation” have also been added to mirror the newly added definitions in sections 3801(a)(10) and (11) of the AFCA.
4. Section 1013.3(a) is amended to allow for penalties and assessments against individuals who improperly conceal or decrease an obligation to the government (reverse false claims) in accordance with the expanded definition of “claim” in the amended section 3801(a)(3)(c) of the AFCA. The changes to § 1013.3(a) reflect the expanded scope of the AFCA. The changes to § 1013.3(a) reflect the changes in section 3802(a) of the AFCA and are structured similarly.

Section 1013.3(a)(iv) adds paragraphs (A) and (B) to adopt the sentence structure of section 3802(a)(1) of the AFCA and to recognize DOE's ability to pursue penalties and assessments when no payment has been made by the government, but an individual has fraudulently avoided or decreased an obligation. Section 1013.3(a)(iv)(A) is added before the language concerning the civil penalties cap, which has been separated into a new sentence and is succeeded by "and". Section 1013.3(a)(iv)(B) is added after paragraph (A) and the following language is inserted to reflect the structure of section 3802(a)(1)(D) of the AFCA: "(B) except as provided in paragraph (5) of this paragraph, such person shall also be subject to an assessment, in lieu of damages sustained by the United States because of such claim, of not more than twice the amount of such claim, or the portion of such claim, which is determined under this Part to be a violation of the preceding sentence."

Section 1013.3(a)(5) is amended to add paragraphs (i) and (ii) to reflect the structure of amended section 3802(a)(3) of the AFCA. In order to mirror the language from section 3802(a)(3)(A) of the AFCA, "[e]xcept as provided in paragraph (iv)(B), an assessment shall not be made if payment by the Government has not been made on such claim" is added to the end of § 1013.3(a)(5)(i) of the regulation. In addition, the following language has been added to § 1013.3(a)(5)(ii) of the regulation in order to address the AFCA's cap on assessments made for reverse false claims newly created in section 3801(a)(3)(C), and redefined accordingly in § 1013.2(c), when an individual has fraudulently reduced or avoided an obligation to an authority, which is defined in title 31 of the U.S. Code to include DOE: "(ii) [i]n the case of a claim described in § 1013.2(c), an assessment shall not be made in an amount more than double the value of the property, services, or money that was wrongfully withheld from the authority." These regulatory changes are made to reflect the language and structure from the expanded definition of "claim" in section 3801(a)(3)(c) in the AFCA, which allows for reverse false claims.

5. Section 1013.4(b) is amended to replace the phrase “Program Fraud Civil Remedies Act” with “Administrative False Claims Act of 2023.” This change is made to mirror the change to the short title of the AFCA.

6. Section 1013.6(a) is changed to reflect the increased cap on claims in amended section 3803(c)(1) of the AFCA. Specifically, “\$150,000” in § 1013.6(a)(2) is changed to “\$1,000,000”, the new statutory claim cap. Paragraph (3) is added to § 1013.6(a) of the regulation in order to incorporate the statutory inflationary adjustment language from section 3803(c)(3) of the AFCA. The statutory language provides that the statutory cap shall be adjusted for inflation in the same manner and to the same extent as civil monetary penalties under the Federal Civil Penalties Inflation Adjustment Act. The language added to § 1013.6(a)(3) of the regulation “[t]he maximum amount in paragraph (a)(2) shall be adjusted for inflation in the same manner and to the same extent as civil monetary penalties under the Federal Civil Penalties Inflation Adjustment Act (28 U.S.C. 2461 note)” mirrors the language in section 3803(c)(3) of the AFCA.

7. Section 1013.45 of the regulation is amended to reflect changes to the accounting process enacted in section 3806(g)(1) of the AFCA to reimburse an authority that expended costs in investigating or prosecuting an action under the AFCA using funds recovered pursuant to an action taken under the AFCA. Section 3806(g)(1) of the AFCA provides for the recovery of investigative and prosecutive costs as no-year funds. Section 1013.45 of the regulation is accordingly changed by replacing language directing amounts collected pursuant to part 1013 to be deposited as miscellaneous receipts in the Treasury of the United States, with language directing the amounts to be deposited in accordance with 31 U.S.C. 3806(g). This change reflects the revised accounting structure mandated by the AFCA.

8. Section 1013.46 of the regulation is changed to reflect requirements in amended section 3803(j) of the AFCA that authority reviewing officials notify the Attorney General in writing before entering into a settlement agreement and before the date a reviewing official may refer allegations of liability to a presiding officer, defined in title 31 of the U.S. code to include

administrative law judges appointed pursuant to 5 U.S.C. 3105. Section 1013.46(b) of the regulation is amended to include language reflecting the reporting requirements mandated by section 3803(j) of the AFCA, which states “A reviewing official shall notify the Attorney General in writing not later than 30 days before entering into any agreement to compromise or settle allegations of liability under section 3802 and before the date on which the reviewing official is permitted to refer allegations of liability to a presiding officer under paragraph (b).” The amendments to § 1013.46(b) newly add § 1013.46(b)(1) and § 1013.46(b)(2), in which the term “presiding officer” from the statutory language in section 3803(j) is substituted for the term “ALJ” for consistency with the rest of § 1013.46.

9. Section 1013.47 is amended to reflect the revision to the statute of limitations for prosecuting claims mandated by amended section 3808(a) of the AFCA. The amended language of § 1013.46(a) of the regulation mirrors the structure and substance of the amendments to section 3808(a) of the AFCA.

III. Good Cause for Dispensing with Notice and Comment

In accordance with the Administrative Procedure Act (APA), an agency may waive the notice and comment procedure if it finds, for good cause, that it is “impracticable, unnecessary, or contrary to the public interest.” 5 U.S.C. 553(b). Additionally, 5 U.S.C. 553(d) provides that an agency may waive the 30-day delayed effective date upon finding of good cause.

DOE finds good cause that notice and comment for this rule is unnecessary due to the nature of the revisions. This final rule simply makes changes to part 1013 in accordance with the AFCA. Comments cannot alter the regulation given that the changes made to part 1013 by this rule mirror those directed by that law.

Accordingly, DOE has concluded that there is good cause to publish this final rule without prior opportunity for public comment because the action merely aligns part 1013 with the statute. A delay in effective date is unnecessary for these same reasons. Therefore, these

amendments are published as final and are effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

IV. Regulatory Review

A. Executive Order 12866

Executive Order (“E.O.”) 12866, “Regulatory Planning and Review,” requires agencies, to the extent permitted by law, to (1) propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify); (2) tailor regulations to impose the least burden on society, consistent with obtaining regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations; (3) select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity); (4) to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt; and (5) identify and assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public. DOE emphasizes as well that E.O. 13563 requires agencies to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible. In its guidance, the Office of Information and Regulatory Affairs (“OIRA”) in the Office of Management and Budget (“OMB”) has emphasized that such techniques may include identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes. For the reasons stated in the preamble, this final rule is consistent with these principles.

Section 6(a) of E.O. 12866 also requires agencies to submit “significant regulatory actions” to OIRA for review. OIRA has determined that this regulatory action does not constitute

a “significant regulatory action” under section 3(f) of E.O. 12866. Accordingly, this action was not submitted to OIRA for review under E.O. 12866.

B. Additional Executive Orders and Presidential Memoranda

DOE has examined this final rule and has determined that it is consistent with the policies and directives outlined in E.O. 14154 “Unleashing American Energy,” E.O. 14192, “Unleashing Prosperity Through Deregulation,” and Presidential Memorandum, “Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis.”

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. As discussed previously, DOE has determined that providing notice and opportunity for public comment on this final rule is unnecessary. Therefore, no regulatory flexibility analysis has been prepared for this final rule.

The changes to part 1013 are summarized in section II of this document. DOE reviewed this final rule under the provisions of the Regulatory Flexibility Act and the policies and procedures published on February 19, 2003. 68 FR 7990. This final rule updates DOE’s regulations in accordance with statutory changes. The regulations and the statutory updates are part of a scheme designed to impose penalties on those who make, submit, or present a false, fictitious, or fraudulent claim or written statement to DOE. The initial regulations promulgated following the enactment of PFCRA were found not to impose any additional burdens or impact on small entities. The updates expand the type and value of claims that may be subject to civil penalties and assessments by DOE. They do not substantially change the nature of the conduct subject to these civil penalties and assessments. Therefore, DOE certifies that the final rule would not have a “significant economic impact on a substantial number of small entities.” Accordingly, DOE has not prepared a regulatory flexibility analysis for this rulemaking.

D. Paperwork Reduction Act

This direct final rule imposes no new information or record-keeping requirements. Accordingly, OMB clearance is not required under the Paperwork Reduction Act. (44 U.S.C. 3501 *et seq.*).

E. National Environmental Policy Act of 1969

DOE has considered this final rule in accordance with NEPA, as amended, DOE's NEPA implementing regulations, set forth in 10 CFR part 1021, and DOE's NEPA implementing procedures published outside the Code of Federal Regulations on June 30, 2025. DOE has determined that NEPA does not apply to this action as this final rule is an administrative and routine action excepted from NEPA review and is necessary to bring DOE's program fraud regulations into conformance with the AFCA. DOE has determined that this rulemaking is a Federal action, but it is not "major" and therefore not subject to NEPA. This action is one to which NEPA does not apply because it does not fall within the definition of "major Federal action" in section 111(10) of NEPA, 42 U.S.C. 4336e(10) (See Section 2.1(c)(5) of DOE's NEPA implementing procedures outside of the CFR). For more information, please see appendix A of 10 CFR part 1021 ("A5, Interpretive rulemakings with no change in environmental effect") and appendix A of DOE's NEPA implementing procedures, A5, Interpretive rulemakings with no change in environmental effect (June 30, 2025).

F. Executive Order 13132

E.O. 13132, "Federalism," 64 FR 43255 (Aug. 10, 1999), imposes certain requirements on Federal agencies formulating and implementing policies or regulations that preempt State law or that have federalism implications. Agencies are required to examine the constitutional and statutory authority supporting any action that would limit the policymaking discretion of the States and to carefully assess the necessity for such actions. DOE has examined this rule and has determined that it would not have a substantial direct effect on the States, on the relationship between the Federal Government and the States, or on the distribution of power and

responsibilities among the various levels of government. No further action is required by Executive Order 13132.

G. Executive Order 12988

With respect to the review of existing regulations and the promulgation of new regulations, section 3(a) of E.O. 12988, “Civil Justice Reform,” 61 FR 4729 (February 7, 1996), imposes on executive agencies the general duty to adhere to the following requirements: (1) eliminate drafting errors and ambiguity, (2) write regulations to minimize litigation, and (3) provide a clear legal standard for affected conduct rather than a general standard and promote simplification and burden reduction. Regarding the review required by section 3(a), section 3(b) of E.O. 12988 specifically requires that executive agencies make every reasonable effort to ensure that the regulation (1) clearly specifies the preemptive effect, if any, (2) clearly specifies any effect on existing Federal law or regulation, (3) provides a clear legal standard for affected conduct while promoting simplification and burden reduction, (4) specifies the retroactive effect, if any, (5) adequately defines key terms, and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General. Section 3(c) of E.O. 12988 requires executive agencies to review regulations in light of applicable standards in section 3(a) and section 3(b) to determine whether they are met or it is unreasonable to meet one or more of them. DOE has completed the required review and determined that, to the extent permitted by law, this rule meets the relevant standards of E.O. 12988.

H. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) generally requires Federal agencies to examine closely the impacts of regulatory actions on State, local, and tribal governments. Section 201 excepts agencies from assessing effects on State, local or tribal governments or the private sector of rules that incorporate requirements specifically set forth in law. Because this rule incorporates requirements specifically set forth in the AFCA, DOE is not required to assess its regulatory effects under section 201. Unfunded Mandates Reform Act

sections 202 and 205 do not apply to this action because they apply only to rules for which a general notice of proposed rulemaking is published. Nevertheless, DOE has determined that this regulatory action does not impose a Federal mandate on State, local, or tribal governments or on the public sector.

I. Treasury and General Government Appropriations Act, 1999

Section 654 of the Treasury and General Government Appropriations Act, 1999 (Pub. L. 105–277) requires Federal agencies to issue a Family Policymaking Assessment for any rule that may affect family well-being. This final rule would not have any impact on the autonomy or integrity of the family as an institution. Accordingly, DOE has concluded that it is not necessary to prepare a Family Policymaking Assessment.

J. Treasury and General Government Appropriations Act, 2001

The Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516, note) provides for agencies to review most disseminations of information to the public under guidelines established by each agency pursuant to general guidelines issued by OMB. OMB’s guidelines were published at 67 FR 8452 (Feb. 22, 2002), and DOE’s guidelines were published at 67 FR 62446 (Oct. 7, 2002). DOE has reviewed this final rule under OMB and DOE guidelines and has concluded that it is consistent with applicable policies in those guidelines.

K. Executive Order 13211

E.O. 13211, “Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use,” 66 FR 28355 (May 22, 2001), requires Federal agencies to prepare and submit to OMB, a Statement of Energy Effects for any significant energy action. A “significant energy action” is defined as any action by an agency that promulgated or is expected to lead to promulgation of a final rule, and that: (1) is a significant regulatory action under Executive Order 12866, or any successor order and (2) is likely to have a significant adverse effect on the supply, distribution, or use of energy; or (3) is designated by the Administrator of OIRA as a significant energy action. For any significant energy action, the agency must give a detailed statement of

any adverse effects on energy supply, distribution, or use should the proposal be implemented, and of reasonable alternatives to the action and their expected benefits on energy supply, distribution, and use. This rule would not have a significant adverse effect on the supply, distribution, or use of energy and is therefore not a significant energy action. Accordingly, DOE has not prepared a Statement of Energy Effects.

L. Congressional Notification

As required by 5 U.S.C. 801, DOE will submit to Congress a report regarding the issuance of this final rule prior to the effective date set forth at the outset of this rulemaking. The report will state that it has been determined that the rule is not a “major rule” as defined by 5 U.S.C. 801(2).

V. Approval of the Office of the Secretary

The Secretary of Energy has approved publication of this final rule.

List of Subjects in 10 CFR Part 1013

Administrative practice and procedure, Department of Energy, Fraud, Penalties.

Signing Authority

This document of the Department of Energy was signed on July 7, 2026, by Jonathan Brightbill, General Counsel, U.S. Department of Energy, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC, on July 8, 2026.

Jennifer Hartzell,
Alternate Federal Register Liaison Officer,
U.S. Department of Energy.

For the reasons set forth in the preamble, DOE amends part 1013 of chapter X of title 10, Code of Federal Regulations as set forth below:

PART 1013 – ADMINISTRATIVE FALSE CLAIMS AND PROCEDURES

1. The authority citation for part 1013 continues to read as follows:

Authority: 31 U.S.C. 3801–3812; 28 U.S.C. 2461 note.

2. Revise the part heading to read as set forth above.

3. Amend § 1013.1 by revising paragraph (a) to read as follows:

§ 1013.1 Basis and purpose.

(a) *Basis.* This part implements the Administrative False Claims Act of 2023, Pub. L. 118–159, div. E, title LII, section 5203(j), 138 Stat. 2440-43 (Dec. 23, 2024), codified at 31 U.S.C. 3801–3812. 31 U.S.C. 3809 of the statute requires each authority head to promulgate regulations necessary to implement the provisions of the statute.

* * * * *

4. Amend § 1013.2 by:

- a. Revising paragraph (c) of the definition for “Claim”; and
- b. Adding, in alphabetical order, definitions for “Material” and “Obligation”.

The revision and additions read as follows:

§ 1013.2 Definitions.

* * * * *

Claim * * *

* * * * *

(c) Made to the authority which has the effect of concealing or improperly avoiding or decreasing an obligation to pay or transmit property, services, or money to the authority.

* * * * *

Material means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property.

Obligation means an established duty, whether or not fixed, arising from an express or implied contractual, grantor-grantee, or licensor-licensee relationship, from a fee-based or similar relationship, from statute or regulation, or from the retention of any overpayment.

* * * *

5. Amend § 1013.3 by revising paragraphs (a)(1)(iv) and (a)(5) to read as follows:

§ 1013.3 Basis for civil penalties and assessments.

(a) * * *

(1) * * *

(iv) Is for payment for the provision of property or services which the person has not provided as claimed, shall be subject, in addition to any other remedy that may be prescribed by law, to:

(A) A civil penalty of not more than \$14,308 for each such claim. And

(B) Except as provided in paragraph (a)(5) of this section, such person shall also be subject to an assessment, in lieu of damages sustained by the United States because of such claim, of not more than twice the amount of such claim, or the portion of such claim, which is determined under this part to be a violation of the preceding sentence.

* * * *

(5)(i) If the Government has made any payment (including transferred property or provided services) on a claim, a person subject to a civil penalty under paragraph (a)(1) of this section shall also be subject to an assessment of not more than twice the amount of such claim or that portion thereof that is determined to be in violation of paragraph (a)(1) of this section. Such assessment shall be in lieu of damages sustained by the Government because of such claim. Except as provided in paragraph (a)(5)(ii) of this section, an assessment shall not be made if payment by the Government has not been made on such claim.

(ii) In the case of a claim described in § 1013.2(c), an assessment shall not be made in an amount more than double the value of the property, services, or money that was wrongfully withheld from the authority.

* * * * *

6. Amend § 1013.4 by revising paragraph (b) to read as follows:

§ 1013.4 Investigation.

* * * * *

(b) If the investigating official concludes that an action under the Administrative False Claims Act of 2023 may be warranted, the investigating official shall submit a report containing the findings and conclusions of such investigation to the reviewing official.

* * * * *

7. Amend § 1013.6 by:

- a. In paragraph (a)(2), removing the amount “\$150,000” and adding in its place “\$1,000,000”;
- and
- b. Adding paragraph (a)(3).

The addition reads as follows:

§ 1013.6 Prerequisites for issuing a complaint.

(a) * * *

(3) The maximum amount in paragraph (a)(2) of this section shall be adjusted for inflation in the same manner and to the same extent as civil monetary penalties under the Federal Civil Penalties Inflation Adjustment Act (28 U.S.C. 2461 note).

* * * * *

8. Revise § 1013.45 to read as follows:

§ 1013.45 Deposit in Treasury of United States.

All amounts collected pursuant to this part shall be deposited in accordance with 31 U.S.C. 3806(g).

9. Amend § 1013.46 by revising paragraph (b) to read as follows:

§ 1013.46 Compromise or settlement.

* * * * *

(b)(1) The reviewing official has the exclusive authority to compromise or settle a case under this part at any time after the date on which the reviewing official is permitted to issue a complaint and before the date on which the ALJ issues an initial decision.

(2) A reviewing official shall notify the Attorney General in writing not later than 30 days before entering into any agreement to compromise or settle a case under this part and before the date on which the reviewing official is permitted to refer allegations of liability to the ALJ under 31 U.S.C. 3803(b).

* * * * *

10. Amend § 1013.47 by revising paragraph (a) to read as follows:

§ 1013.47 Limitations.

(a) A notice to the person alleged to be liable with respect to a claim or statement shall be mailed or delivered in accordance with § 1013.8 of this part not later than the later of—

(1) 6 years after the date on which the violation of § 1013.3 is committed; or

(2) 3 years after the date on which facts material to the action are known or reasonably should have been known by the authority head, but in no event more than 10 years after the date on which the violation is committed.

* * * * *