

**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

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P. 11

04704

FILE: B-189019

DATE: December 27, 1977

MATTER OF: Department of Interior, National Park Service -  
Request for Advance Decision

**DIGEST:**

GAO will not object to payment of one-half of contract price to each of two claimants each of whom purports to be the assignee of contractor's right to receive payment, where each claimant has agreed to accept payment in full satisfaction of all claims arising under contract.

The Department of Interior, National Park Service (NPS) has requested an advance decision as to which of two claimants is entitled to receive payment under contract No. CX1340-6-D007 for two water storage tanks held by A-1 Industries, Inc. (A-1). Subsequent to that request the claimants, Commercial Credit Business Loans, Inc. (Commercial) and Douglas Plastics, Inc. (Douglas), agreed that each would accept \$7,068.60 as full satisfaction of their claims against NPS. By terms of the contract with A-1, NPS owes A-1 \$14,137.20.

Briefly, the record indicates that on May 2, 1977 NPS received a letter from Commercial informing it that A-1 had assigned the proceeds of its contract to Commercial. The actual instrument of assignment was not presented until June 20. Subsequently, on May 5, NPS was orally advised by an official of Douglas that it was A-1's supplier and that it would deliver the second tank if NPS would pay it directly. The contracting officer, who was not informed of Commercial's earlier purported assignment, informed Douglas that it would be paid directly if it could get an assignment from A-1. By letter dated May 17, A-1 purported to transfer "sales and collection for payment rights" to Douglas. The tank was installed by Douglas on June 24. Neither Commercial nor Douglas has been paid although each maintains that it possesses a right as assignee to all the proceeds due under the subject contract.

B-189819

To the extent that the Government does not have any claims against the contractor, it is merely a stakeholder of the funds in its possession since performance under the contract has been completed and the only real concern of the Government is that payment results in a valid acquittance. B-179163, November 30, 1973. In view of the agreement between the claimants, this Office has no objection to NPS paying Commercial and Douglas each \$7,068.60 in full satisfaction of the amount owing under the contract.

  
Deputy Comptroller General  
of the United States