

## § 367.2

## 20 CFR Ch. II (4–1–10 Edition)

who were charged with the responsibility to discover and collect such debts. This part specifies the agency procedures that will be followed by the Board for referral and collection by administrative offset.

[62 FR 19220, Apr. 21, 1997]

### § 367.2 Past-due legally enforceable debt.

A past-due legally enforceable debt which may be referred to another governmental agency for administrative offset is a debt:

(a) Which arose under any statute administered by the Board or under any contract; and with respect to debts referred to the Department of Treasury, is a nontax debt;

(b) Which is an obligation of a debtor who is a natural person or a business;

(c) Which, except in the case of a judgment debt, has been delinquent at least three months but not more than ten years at the time the offset is made;

(d) Which is at least \$25.00;

(e) With respect to which the rights described in part 260 or 320 of this chapter or the applicable law regarding reconsideration, waiver, and appeal, if applicable, have been exhausted;

(f) With respect to which:

(1) The Board's records do not contain evidence that the debtor (or, if an individual, his or her spouse) has filed for bankruptcy under title 11 of the United States Code; or

(2) The Board can clearly establish at the time of the referral that the automatic stay under section 362 of the Bankruptcy Code has been lifted or is no longer in effect with respect to the debtor (or, if an individual, his or her spouse) and the debt was not discharged in the bankruptcy proceeding; or

(3) The Board's records do not contain evidence that foreclosure is pending on collateral securing the debt.

(g) Which cannot currently be collected pursuant to the salary offset provisions of 5 U.S.C. 5514(a)(1);

(h) Which cannot currently be collected by administrative offset under § 255.6 or § 340.6 of this chapter against amounts payable to the debtor under any statute administered by the Board;

(i) With respect to which the Board has notified, or has made a reasonable attempt to notify, the debtor that the debt is past due, and that unless the debtor repays the debt within 60 days, the debt will be referred to any other agency of the United States government for offset against any money owed the debtor by that agency; and

(j) With respect to which the Board has given the debtor at least 60 days from the date of the notification required in paragraph (i) of this section to present evidence that all or part of the debt is not past due or legally enforceable, has considered evidence, if any, presented by the debtor, and has determined that the amount of such debt is past due and legally enforceable; and

(k) Which has not been referred to the Department of Justice or which is not otherwise in litigation with the Board.

[56 FR 46375, Sept. 12, 1991, as amended at 60 FR 66073, Dec. 21, 1995; 62 FR 19220, Apr. 21, 1997]

### § 367.3 Board responsibilities.

(a) The Board may delegate to an employee or employees the responsibility for collecting any claims owed the Board by means of administrative offset, except that all nontax debts over 180 days delinquent shall be referred to the Department of Treasury for administrative offset through the Treasury Offset Program as required by 31 U.S.C. 3716;

(b) Except for mandatory referral of claims to the Department of Treasury or as otherwise directed by the Secretary of Treasury, before collecting a claim by means of administrative offset, the Board must ensure that administrative offset is feasible, allowable, and appropriate, and must notify the debtor of the Board's policies for collecting a claim by means of administrative offset.

(c) Except for mandatory referral of claims to the Department of Treasury or as otherwise directed by the Secretary of Treasury, whether collection by administrative offset is feasible is a determination to be made on a case-by-case basis, in the exercise of its sound discretion. The Board shall consider not only whether administrative offset