

Subpart B—Administrative and Tax Refund Offset

§ 513.20 What debts can the Commission refer to Treasury for collection by administrative and tax refund offset?

(a) The Commission may refer any past due, legally enforceable nonjudgment debt of a person to the Treasury for administrative and tax refund offset if the debt:

(1) Has been delinquent for at least three months and will not have been delinquent more than 10 years at the time the offset is made;

(2) Is at least \$25.00 or another amount established by Treasury.

(b) Debts reduced to judgment may be referred to Treasury for tax refund offset at any time.

§ 513.21 What notice will a debtor be given of the Commission's intent to collect a debt through administrative and tax refund offset?

(a) The Commission will give the debtor written notice of its intent to offset before initiating the offset. Notice will be mailed to the debtor at the debtor's last known address as determined by the Commission.

(b) The notice will state the amount of the debt and notify the debtor that:

(1) The debt is past due and, unless repaid within 60 days after the date of the notice, the Commission will refer the debt to Treasury for administrative and tax refund offset;

(2) The debtor has 60 calendar days to present evidence that all or part of the debt is not past-due or legally enforceable; and

(3) The debtor has an opportunity to make a written agreement to repay the debt.

Subpart C—Salary Offset

§ 513.30 When may the Commission use salary offset to collect debts?

(a) The Commission collects debts owed by employees to the Federal Government by means of salary offset under the authority of: 5 U.S.C. 5514; 31 U.S.C. 3716; 5 CFR part 550, subpart K; 31 CFR 285.7; and this subpart. Salary offset is applicable when the Commission is attempting to collect a debt

owed by an individual employed by the Commission or another agency.

(b) Nothing in the regulations in this subpart precludes the compromise, suspension, or termination of collection actions under the Federal Claims Collection Act of 1966, as amended, or the Federal Claims Collection Standards.

(c) A levy pursuant to the Internal Revenue Code takes precedence over a salary offset under this subpart, as provided in 5 U.S.C. 5514(d) and 31 U.S.C. 3716.

(d) The regulations in this subpart do not apply to any case where collection of a debt by salary offset is explicitly prohibited by another statute.

(e) This subpart's regulations covering notice, hearing, written responses, and final decisions do not apply to:

(1) Any routine intra-agency adjustment in pay that is attributable to clerical or administrative error or delay in processing pay documents that have occurred within the four pay periods preceding the adjustment, or any adjustment to collect a debt amounting to \$50 or less. However, at the time of any adjustment, or as soon thereafter as possible, the Commission's payroll agency will provide the employee with a written notice of the nature and amount of the adjustment and a contact point for appealing the adjustment.

(2) Any negative adjustment to pay that arises from the debtor's election of coverage or a change in coverage under a Federal benefits program requiring periodic deductions from pay, if the amount to be recovered was accumulated over four or fewer pay periods. However, at the time of the adjustment, the Commission's payroll agent will provide in the debtor's earnings statement a clear statement informing the debtor of the previous overpayment.

(f) An employee's involuntary payment of all or any of the debt through salary offset will not be construed as a waiver of any rights that the employee may have under the law, unless there are statutory or contractual provisions to the contrary.