§ 19.6 When will Commerce entities allow a debtor to pay a Commerce debt in installments instead of one lump sum?

If a debtor is financially unable to pay the Commerce debt in one lump sum, a Commerce entity may accept payment of a Commerce debt in regular installments, in accordance with the provisions of 31 CFR 901.8 and the Commerce entity's policies and procedures.

§ 19.7 When will Commerce entities compromise a Commerce debt?

If a Commerce entity cannot collect the full amount of a Commerce debt, the Commerce entity may compromise the Commerce debt in accordance with the provisions of 31 CFR part 902 and the Commerce entity's policies and procedures. Legal counsel approval to compromise a Commerce debt is required as described in Department of Commerce Credit and Debt Management Operating Standards and Procedures Handbook (currently at *http:// www.osec.doc.gov/ofm/credit/cover.htm*).

§ 19.8 When will Commerce entities suspend or terminate debt collection on a Commerce debt?

If, after pursuing all appropriate means of collection, a Commerce entity determines that a Commerce debt is uncollectible, the Commerce entity may suspend or terminate debt collection activity in accordance with the provisions of 31 CFR part 903 and the Commerce entity's policies and procedures. Legal counsel approval to suspend or terminate collection on a Commerce debt is required as described in Department of Commerce Credit and Debt Management Operating Standards and Procedures Handbook (currently at *http://www.osec.doc.gov/ofm/credit/ cover.htm*). Termination of debt collection activity by a Commerce entity does not discharge the indebtedness.

§ 19.9 When will Commerce entities transfer a Commerce debt to the Treasury Department's Financial Management Service for collection?

(a) Commerce entities will transfer any Commerce debt that is more than 180 days delinquent to the Financial Management Service for debt collec-tion services, a process known as ''cross-servicing.'' See 31 U.S.C. 3711(g) and 31 CFR 285.12. Commerce entities may transfer Commerce debts delin-quent 180 days or less to the Financial Management Service in accordance with the procedures described in 31 CFR 285.12. The Financial Management Service takes appropriate action to collect or compromise the transferred Commerce debt, or to suspend or termi-nate collection action thereon, in ac-cordance with the statutory and regu-latory requirements and authorities applicable to the Commerce debt and the collection action to be taken. See 31 CFR 285.12(b) and 285.12(c)(2). Appro-priate action can include, but is not limited to, contact with the debtor, re-ferral of the Commerce debt to the Treasury Offset Program, private col-lection agencies or the Department of Justice, reporting of the Commerce debt to credit bureaus, and administra-tive wage garnishment.

(b) At least sixty (60) days prior to transferring a Commerce debt to the Financial Management Service, Com-merce entities will send notice to the debtor as required by § 19.4 of this Part. Commerce entities will certify to the Financial Management Service, in writing, that the Commerce debt is valid, delinquent, legally enforceable, and that there are no legal bars to col-lection. In addition, Commerce entities will certify their compliance with all applicable due process and other re-quirements as described in this Part and other Federal laws. See 31 CFR 285.12(i) regarding the certification re-quirement.

(c) As part of its debt collection proc-ess, the Financial Management Service uses the Treasury Offset Program to collect Commerce debts by administra-tive and tax refund offset. See 31 CFR 285.12(g). The Treasury Offset Program is a centralized offset program admin-istered by the Financial Management Service to collect delinquent debts owed to Federal agencies and states (including past-due child support). Under the Treasury Offset Program, before a Federal payment is disbursed, the Financial Management Service compares the name and taxpayer iden-tification number (TIN) of the payee with the names and TINs of debtors