

## § 17.76

been granted an exception from referrals to the General Accounting Office. Also, if there is doubt as to whether collection action should be suspended or terminated on a claim, the claim may be referred to the General Accounting Office for advice. When recovery of a judgment is prerequisite to imposition of administrative sanctions, the claim may be referred to the Justice Department for litigation even though termination of collection activity might otherwise be considered.

(b) *Prompt referral.* Such referrals shall be made as early as possible consistent with aggressive collection action, and in any event, well within the statute of limitations for bringing suit against the debtor.

### **§ 17.76 Disclosure to a consumer reporting agency.**

(a) *Definition.* For purposes of this section, individual means a natural person.

(b) *Conditions for disclosure.* The Secretary may disclose to a Consumer Reporting Agency information from a system of records to the effect that an individual is responsible for a debt. Before doing so, the Secretary will ensure that:

(1) The notice for the system of records required by the Privacy Act of 1974 (5 U.S.C. 552a(e)(4)) indicates that the information in the system may be disclosed to a Consumer Reporting Agency;

(2) There has been Departmental review of the debt and a determination that the debt is valid and overdue;

(3) There has been written notice sent to the individual informing the individual:

(i) That payment of the debt is overdue;

(ii) That the Department intends to disclose to a Consumer Reporting Agency, within not less than 60 days after sending the notice, that the individual is responsible for the debt;

(iii) Of the specific information intended to be disclosed to the Consumer Reporting Agency; and

(iv) Of the rights of the individual to a full explanation of the debt, to dispute any information in the records of the Department concerning the debt, as determined by the Secretary, and to

## 24 CFR Subtitle A (4-1-03 Edition)

administrative appeal or review with respect to the debt; and

(4) The individual has neither repaid or agreed to repay the debt under a written repayment plan signed by the individual and agreed to by the Secretary nor has filed for review of the claim under paragraph (c) of this section.

(c) *Limitations on disclosure.* The Secretary may not disclose information to a Consumer Reporting Agency unless the Department has:

(1) Obtained satisfactory assurances from each Consumer Reporting Agency that the agency is complying with the Fair Credit Reporting Act (15 U.S.C. 1681) and any other Federal laws governing the provision of consumer credit information;

(2) Provided, upon request by the individual alleged to be responsible for the claim, the opportunity to review the claim, including an opportunity for reconsideration of the initial decision on the claim; and

(3) Taken reasonable action to locate an individual for whom the Secretary does not have a current address to send a notice under paragraph (b)(3) of this section.

(d) *Additional responsibilities of the Department.* In providing information to a Consumer Reporting Agency, the Department will only disclose:

(1) Information necessary to establish the identity of the individual, including name, address and taxpayer identification number;

(2) The amount, status, and history of the claim; and

(3) The program under which the claim arose.

In all cases, the Department will notify each Consumer Reporting Agency to which the original disclosure was made of any substantial change in the condition or amount of the claim. This includes promptly correcting or verifying information about the claim requested by the Consumer Reporting Agency.

[49 FR 32350, Aug. 14, 1984]

### **§ 17.77 Contracts for collection services.**

The Secretary may enter into a contract or contracts for collection services to recover indebtedness owed the