

Presidio Trust

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Subpart C—Procedures for Offset of Presidio Trust Payments To Collect Debts Owed To Other Federal Agencies

- 1011.21 How do other Federal agencies use the offset process to collect debts from payments issued by the Presidio Trust?
- 1011.22 What does the Presidio Trust do upon receipt of a request to offset the salary of a Presidio Trust employee to collect a debt owed by the employee to another Federal agency?

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SOURCE: 70 FR 73588, Dec. 13, 2005, unless otherwise noted.

Subpart A—General Provisions

§ 1011.1 What definitions apply to the regulations in this part?

As used in this part:

Administrative offset or *offset* means withholding funds payable by the United States (including funds payable by the United States on behalf of a State Government) to, or held by the United States for, a person to satisfy a debt owed by the person. The term “administrative offset” includes, without limitation, the offset of federal salary, vendor, retirement, and Social Security benefit payments. The terms “centralized administrative offset” and “centralized offset” refer to the process by which the Treasury Department's Financial Management Service offsets federal payments through the Treasury Offset Program.

Administrative wage garnishment means the process by which a Federal agency may, without first obtaining a court order, order a non-Federal employer to withhold amounts from a

debtor's wages to satisfy a delinquent debt.

Agency or *Federal agency* means a department, agency, court, court administrative office, or instrumentality in the executive, judicial or legislative branch of the federal government, including government corporations.

Certification means a written statement received by a paying agency or disbursing official that requests the paying agency or disbursing official to offset the salary of an employee and specifies that required procedural protections have been afforded the employee.

Compromise means the settlement or forgiveness of all or a portion of a debt.

Creditor agency means any Federal agency that is owed a debt and includes a debt collection center when it is acting on behalf of the Presidio Trust.

Debt means any amount of money, funds or property that has been determined by an appropriate agency official to be owed to the United States by a person. As used in this part, the term “debt” does not include debts arising under the Internal Revenue Code.

Debt collection center means the Treasury Department or any agency or division designated by the Secretary of the Treasury with authority to collect debts on behalf of creditor agencies.

Debtor means a person who owes a debt to the United States.

Delinquent debt means a debt that has not been paid by the date specified in the Presidio Trust's initial written demand for payment or applicable agreement or instrument (including a post-delinquency payment agreement) unless other satisfactory payment arrangements have been made.

Disposable pay means that part of an employee's pay that remains after deductions that are required by law to be withheld have been made.

Employee or *Federal employee* means a current employee of the Presidio Trust or other Federal agency, including a current member of the Armed Forces, Reserve of the Armed Forces of the United States or of the National Guard.

FCCS means the Federal Claims Collection Standards, which were jointly published by the Departments of the

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Treasury and Justice and codified at 31 CFR parts 900-904.

FMS means the Financial Management Service, a bureau of the Treasury Department, which is responsible for the centralized collection of delinquent debts through the offset of Federal payments and other means.

IRS means the Internal Revenue Service.

Paying agency means any agency that is making payments of any kind to a debtor. In some cases, the Presidio Trust may be both the paying agency and the creditor agency.

Person means an individual, corporation, partnership, association, organization, state or local government, or any other type of entity other than a Federal agency.

Private collection contractor means a private debt collector under contract with an agency to collect a non-tax debt owed to the Presidio Trust.

Salary offset means a type of administrative offset to collect a debt owed by a Federal employee from the current pay account of the employee.

Tax refund offset means the reduction of a tax refund by the amount of a delinquent debt owed to the Presidio Trust.

Treasury Department means the United States Department of the Treasury.

Treasury Offset Program means the Treasury Department's program for withholding funds payable by the United States to a person to satisfy a debt owed by the person utilizing the Financial Management Service's system that compares information about payments with information about debts.

§ 1011.2 Why is the Presidio Trust issuing these regulations and what do they cover?

(a) *Scope.* The Presidio Trust is issuing these regulations to provide procedures for the collection of debts owed to the Presidio Trust. This part also provides procedures for collection of other debts owed to the United States when a request for offset of a Treasury payment is received by the Treasury Department from another agency (for example, when a Presidio Trust employee owes a debt to the

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United States Department of Education).

(b) *Applicability.* (1) This part applies to the Presidio Trust when collecting a debt and to persons who owe a debt to the Presidio Trust, or to Federal agencies requesting offset of a payment issued by the Presidio Trust as a paying agency (including salary payments to Presidio Trust employees).

(2) This part does not apply to tax debts.

(3) Nothing in this part precludes collection or disposition of any debt under statutes and regulations other than those described in this part.

(c) *Additional policies, guidelines and procedures.* The Presidio Trust may adopt additional policies, guidelines and procedures consistent with this part and other applicable law.

(d) *Duplication not required.* Nothing in this part requires the Presidio Trust to duplicate notices or administrative proceedings required by contract, this part or other laws or regulations.

(e) *Use of multiple collection remedies allowed.* The Presidio Trust may simultaneously use multiple collection remedies to collect a debt, except as prohibited by law. This part is intended to promote aggressive debt collection, using for each debt all available collection remedies. These remedies are not listed in any prescribed order to provide the Presidio Trust with flexibility in determining which remedies will be most efficient in collecting the particular debt.

(f) *Cross-servicing with the Treasury Department.* These regulations authorize the Presidio Trust to enter a cross-servicing agreement with the Treasury Department under which the Treasury Department will take authorized action to collect debts owed to the Presidio Trust.

§ 1011.3 Do these regulations adopt the Federal Claims Collections Standards?

This part adopts and incorporates all provisions of the FCCS. This part also supplements the FCCS by prescribing procedures consistent with the FCCS, as necessary and appropriate for Presidio Trust operations.