

## § 1011.14

collection by administrative wage garnishment. All travel expenses incurred by the debtor in connection with an in-person hearing will be borne by the debtor.

(b) *Not applicable to federal salary offset.* This section does not apply to federal salary offset, the process by which the Presidio Trust collects debts from the salaries of Federal employees (see § 1011.12 of this part).

### **§ 1011.14 How will the Presidio Trust report debts to credit bureaus?**

The Presidio Trust will report delinquent debts to credit bureaus in accordance with the provisions of 31 U.S.C. 3711(e) and the FCCS. At least 60 days prior to reporting a delinquent debt to a consumer reporting agency, the Presidio Trust will send notice to the debtor in accordance with the requirements of § 1011.4 of this part. The Presidio Trust may authorize the FMS to report to credit bureaus those delinquent debts that have been transferred to the FMS under § 1011.9 of this part.

### **§ 1011.15 How will the Presidio Trust refer debts to private collection contractors?**

The Presidio Trust will transfer delinquent debts to the FMS to obtain debt collection services provided by private collection contractors. See § 1011.9 of this part.

### **§ 1011.16 When will the Presidio Trust refer debts to the Department of Justice?**

(a) *Compromise or suspension or termination of collection activity.* The Presidio Trust will refer debts having a principal balance over \$100,000, or such higher amount as authorized by the Attorney General, to the Department of Justice for approval of any compromise of a debt or suspension or termination of collection activity. See the FCCS and § 1011.7 and 1011.8 of this part.

(b) *Litigation.* The Presidio Trust will promptly refer to the Department of Justice for litigation delinquent debts on which aggressive collection activity has been taken in accordance with this part that the Presidio Trust determines should not be compromised, and on which collection activity should not be suspended or terminated. The Pre-

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sidio Trust may authorize the FMS to refer to the Department of Justice for litigation those delinquent debts that have been transferred to the FMS under § 1011.9 of this part.

### **§ 1011.17 Will a debtor who owes a debt be ineligible for Presidio Trust licenses, permits, leases, privileges or services?**

Unless prohibited by law, the Presidio Trust may terminate, suspend or revoke licenses, permits, leases (subject to the terms of the leases), or other privileges or services for any inexcusable or willful failure of a debtor to pay a debt. The Presidio Trust may establish guidelines and procedures governing termination, suspension and revocation for delinquent debtors. If applicable, the Presidio Trust will advise the debtor in the notice required by § 1011.4 of this part of the Presidio Trust's ability to suspend or revoke licenses, permits, leases, or privileges or services.

### **§ 1011.18 How does a debtor request a special review based on a change in circumstances such as catastrophic illness, divorce, death or disability?**

(a) *Material change in circumstances.* A debtor who owes a debt may, at any time, request a special review by the Presidio Trust of the amount of any offset, administrative wage garnishment or voluntary payment, based on materially changed circumstances beyond the control of the debtor such as, without limitation, catastrophic illness, divorce, death or disability.

(b) *Inability to pay.* For purposes of this section, in determining whether an involuntary or voluntary payment would prevent the debtor from meeting essential subsistence expenses (costs incurred for food, housing, clothing, transportation and medical care), the debtor must submit a detailed statement and supporting documents for the debtor, the debtor's, and dependents, indicating:

- (1) Income from all sources;
- (2) Assets;
- (3) Liabilities;
- (4) Number of dependents;
- (5) Expenses for food, housing, clothing and transportation;
- (6) Medical expenses; and
- (7) Exceptional expenses, if any.