

(b) Nothing in this subpart precludes the compromise, suspension, or termination of collection actions where appropriate under the standards implementing the Federal Claims Collection Act, 31 U.S.C. 3711, namely, 31 CFR Parts 900-904; or the waiver of a debt where appropriate under 5 U.S.C. 5584 or 5 U.S.C. 5524a.

§ 1650.104 Definitions.

For the purpose of this subpart, terms are defined as follows:

(a) *Agency* means:

(1) An Executive agency as defined in section 105 of title 5, United States Code, including the U.S. Postal Service and the U.S. Postal Rate Commission;

(2) A military department as defined in section 102 of title 5, United States Code;

(3) An agency or court in the judicial branch, including a court as defined in section 610 of title 28, United States Code, the District Court for the Northern Mariana Islands, and the Judicial Panel on Multidistrict Litigation;

(4) An agency of the legislative branch, including the U.S. Senate and the U.S. House of Representatives; and

(5) Other independent establishments that are entities of the Federal Government.

(b) *Commission* means those officers, employees, and agents of the Equal Employment Opportunity Commission who are responsible for debt collection activities.

(c) *Debt* means money owed by an employee of the Federal Government to an agency of the Federal Government, including direct loans, loans insured or guaranteed by the United States and all other amounts due the Government from fees, leases, rents, royalties, services, sales of real or personal property, overpayments, penalties, damages, interest, fines and forfeitures (except those arising under the Uniform Code of Military Justice), erroneous salary payments, and all other similar amounts owing to the Federal Government.

(d) *Disposable pay* means that part of current basic pay, special pay, incentive pay, retired pay, retainer pay, or, in the case of an employee not entitled to basic pay, other authorized pay remaining after the deduction of any

amount required by law to be withheld. Deductions described in 5 CFR 581.105(b) through (f) will be used to determine disposable pay subject to salary offset.

(e) *Employee* means a current employee of an agency, including a current member of the Armed Forces or a Reserve of the Armed Forces (Reserves).

(f) *Salary Offset* means the collection of a debt under 5 U.S.C. 5514 by deduction(s) at one or more officially established pay intervals from the current pay account of an employee without his or her consent.

§ 1650.105 Notice of Debt.

(a) *Timing and contents of notice.* Notice of the Commission's intent to collect a debt by salary offset shall be given at least 30 days before salary offset deductions are to begin. The written notice shall include the following:

(1) The Commission's determination that a debt is owed, including the origin, nature, and amount of the debt;

(2) The Commission's intention to collect the debt by means of deduction from the employee's current disposable pay account until the debt and all accumulated interest, penalties, and administrative costs are paid in full;

(3) The estimated amount, frequency, beginning date, and duration of the intended deductions;

(4) An explanation of the Commission's policy concerning interest, penalties, and administrative costs;

(5) The employee's right to inspect and copy the Commission's records pertaining to the debt or to receive copies of such records if the employee is unable personally to inspect the records, due to geographical or other constraints;

(6) The opportunity to propose a voluntary repayment schedule and agreement that is acceptable to the Commission in lieu of the proposed offset;

(7) The employee's right to a hearing conducted by an impartial hearing official (an Administrative Law Judge or an individual not under the supervision or control of the Chair) with respect to the existence and amount of the debt claimed or the repayment schedule (*i.e.*, the percentage of disposable pay to be deducted each pay period); the