

Peace Corps

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such appeal to the attention of the Director, Peace Corps, or designee identified in such denial. Such appeal should be addressed to Director, Peace Corps, c/o Office of Administrative Services, Room P-314, 806 Connecticut Avenue, NW., Washington, DC 20526.

(b) The Director, or designee, shall review a request from a denial of access and shall make a determination with respect to such appeal within 30 days after receipt thereof. Notice of such determination shall be provided to the individual making the request in writing. If such appeal is denied in whole or in part, such notice shall include notification of the right of the person making such request to have judicial review of the denial as provided in the Act.

§ 308.18 Fees.

No fees shall be charged for search time or for any other time expended by the agency to produce a record. Copies of records may be charged for at the rate of 10 cents per page provided that one copy of any record shall be provided free of charge.

PART 309—DEBT COLLECTION

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AUTHORITY: 31 U.S.C. 3701-3719; 5 U.S.C. 5514; 22 U.S.C. 2503(b); 31 U.S.C. 3720A; 31 CFR part 285; 5 CFR 550, subpart K.

SOURCE: 73 FR 18155, Apr. 3, 2008, unless otherwise noted.

Subpart A—General Provisions

§ 309.1 General purpose.

This part prescribes the procedures to be used by the United States Peace Corps (Peace Corps) in the collection and/or disposal of non-tax debts owed to Peace Corps and to the United States.

§ 309.2 Scope.

(a) *Applicability of Federal Claims Collection Standards (FCCS).* Peace Corps hereby adopts the provisions of the Federal Claims Collections Standards (31 CFR parts 900-904) and, except as set forth in this part or otherwise provided by law, Peace Corps will conduct administrative actions to collect claims (including offset, compromise, suspension, termination, disclosure and referral) in accordance with the FCCS.

(b) This part is not applicable to:

(1) Peace Corps claims against another Federal agency, any foreign country or any political subdivision thereof, or any public international organization.

(2) Debts arising out of acquisitions contracts subject to the Federal Acquisition Regulation (FAR) shall be determined, collected, compromised, terminated, or settled in accordance with those regulations (see 49 CFR part 32).

(3) Claims where the Peace Corps Director (or designee) determines that the achievement of the purposes of the Peace Corps Act, as amended, 22 U.S.C. 2501 *et seq.*, or any other provision of law administered by the Peace Corps require a different course of action.

§ 309.3 Definitions.

As used in this part (except where the context clearly indicates, or where the term is otherwise defined elsewhere in this part) the following definitions shall apply:

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(a) *Administrative offset* means withholding funds payable by the United States to, or held by the United States for, a person to satisfy a debt owed by the person to the United States.

(b) *Administrative wage garnishment* means the process by which a Federal agency orders a non-Federal employer to withhold amounts from an employee's wages to satisfy a debt the employee owes to the United States.

(c) *Compromise* means that the creditor agency accepts less than the full amount of an outstanding debt in full satisfaction of the entire amount of the debt.

(d) *Debt* or *claim* means an amount of money which has been determined by an appropriate agency official to be owed to the United States from any person. As used in this part, the terms *debt* and *claim* are synonymous.

(e) *Debtor* means a person who owes the Federal Government money.

(f) *Delinquent debt* means any debt, which has not been paid by the date specified in an agency's initial written notification or in an applicable agreement, unless other satisfactory payment arrangements have been made.

(g) *Discharge* means the release of a debtor from personal liability for a debt. Further collection action is prohibited.

(h) *Disposable pay* has the same meaning as that term is defined in 5 CFR § 550.1103.

(i) *Employee* means a current employee of the Peace Corps or other Federal agency, including a member of the Armed Forces or Reserve of the Armed Forces of the United States.

(j) *FCCS* means the Federal Claims Collection Standards jointly published by the Department of the Treasury and the Department of Justice at 31 CFR parts 900–904.

(k) *Person* means an individual, corporation, partnership, association, organization, State or local government, or any other type of entity other than a Federal agency, foreign government, or public international organization.

(l) *Salary offset* means the withholding of amounts from the current pay account of a Federal employee to satisfy a debt owed by that employee to the United States.

(m) *Suspension* means the temporary cessation of an active debt collection pending the occurrence of an anticipated event.

(n) *Termination* means the cessation of all active debt collection action for the foreseeable future.

(o) *Waiver* means the decision to forgo collection of a debt owed to the United States as permitted or required by law.

§ 309.4 Other procedures or actions.

(a) Nothing contained in this regulation is intended to require Peace Corps to duplicate administrative proceedings required by contract or other laws or regulations.

(b) Nothing in this regulation is intended to preclude utilization of informal administrative actions or remedies which may be available.

(c) Nothing contained in this regulation is intended to deter Peace Corps from demanding the return of specific property or from demanding the return of the property or the payment of its value.

(d) The failure of Peace Corps to comply with any provision in this regulation shall not serve as a defense to the debt.

§ 309.5 Interest, penalties, and administrative costs.

(a) Except as otherwise provided by statute, contract or excluded in accordance with FCCS, Peace Corps will assess:

(1) Interest on unpaid debts in accordance with 31 CFR 901.9.

(2) Penalty charges at a rate of 6 percent a year or such other rate as authorized by law on any portion of a claim that is delinquent for more than 90 days.

(3) Administrative charges to cover the costs of processing and handling delinquent debts.

(4) Late payment charges that shall be computed from the date of mailing or hand delivery of the notice of the claim and interest requirements.

(b) When a debt is paid in partial or installment payments, amounts received shall be applied first to outstanding penalty and administrative cost charges, second to accrued interest, and then to outstanding principal.

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(c) *Waiver.* Peace Corps will consider waiver of interest, penalties and/or administrative costs in accordance with the FCCS, 31 CFR 901.9(g).

§ 309.6 Collection in installments.

Whenever feasible, and except as required otherwise by law, debts owed to the United States, together with interest, penalties, and administrative costs as required by this regulation, should be collected in one lump sum. This is true whether the debt is being collected under administrative offset, including salary offset, or by another method, including voluntary payment. However, if the debtor is financially unable to pay the indebtedness in one lump sum, payment may be accepted in regular installments. If Peace Corps agrees to accept payment in installments, it may require a legally enforceable written agreement from the debtor that specifies all of the terms of the arrangement and which contains a provision accelerating the debt in the event the debtor defaults. The size and frequency of the payments should bear a reasonable relation to the size of the debt and ability of the debtor to pay. If possible, the installment payments should be sufficient in size and frequency to liquidate the Government's claim within three years.

§ 309.7 Designation.

The Chief Financial Officer is delegated authority and designated to perform all the duties for which the Director is responsible under the forgoing statutes and joint regulations.

Subpart B—Collection Actions

§ 309.8 Application.

(a) Peace Corps shall aggressively collect claims and debts in accordance with these regulations and applicable law.

(b) Peace Corps will transfer to the Department of the Treasury, Financial Management Service (FMS) any past due, legally enforceable non-tax debt that has been delinquent for 180 days or more so that FMS may take appropriate action to collect the debt or take other appropriate action in accordance with applicable law and regulation.

(c) Peace Corps may transfer any past due, legally enforceable debt that has been delinquent for fewer than 180 days to FMS for collection in accordance with applicable law and regulation. (See 31 CFR part 285.)

§ 309.9 Notice—written demand for payment.

(a) Upon determination that a debt is owed to Peace Corps or the United States, Peace Corps shall promptly hand deliver or send by first-class mail (to the debtor's most current address in the records of Peace Corps) at least one written notice (e.g. Bill of Collection or demand letter) informing the debtor of the consequences of failing to pay or otherwise resolve a Peace Corps debt, subject to paragraph (c) of this section. Written demand under this subpart may be preceded by other appropriate actions under this part and or the FCCS, including but not limited to actions taken under the procedures applicable to administrative offset, including salary offset.

(b) The written notice shall inform the debtor of:

(1) The nature and amount of the debt, and the facts giving rise to the debt;

(2) The date by which payment should be made to avoid the imposition of interest, penalties, and administrative costs, and the enforced collection actions described in § 309.5 of this part;

(3) The applicable standards for imposing interest, penalties and administrative costs to delinquent debts;

(4) Peace Corps' willingness to discuss alternative payment arrangements and how the debtor may enter into a written agreement to repay the debt under terms acceptable to Peace Corps;

(5) The name, address, and telephone number of a contact person or office within Peace Corps;

(6) Peace Corps' intention to enforce collection if the debtor fails to pay or otherwise resolve the debt, by taking one or more of the following actions:

(i) Offset from Federal payments otherwise due to the debtor, including income tax refunds, salary, certain benefit payments, retirement, vendor payments, travel reimbursement and advances, and other Federal payments;