Natl. Found. on Arts and Humanities

§ 1150.40 Under what circumstances will the Endowment collect amounts that I owe to the Endowment (or some other Federal agency) by offsetting the debt against payments that the Endowment (or some other Federal agency) owes me?

(a) The regulations in this subpart apply to the collection of any debts you owe to the Endowment, or to any request from another Federal agency that the Endowment collect a debt you owe by offsetting your debt against a payment the Endowment owes you. Administrative offset is authorized under Section 5 of the Federal Claims Collection Act of 1966, as amended (31 U.S.C. 3716). The Endowment shall carry out administrative offset in accordance with the provisions of the Federal Claims Collection Standards; the regulations in this subpart are intended only to supplement the provisions of the Federal Claims Collection Standards.

(b) The Chairperson, after attempting to collect a debt you owe to the Endowment under Section 3(a) of the Federal Claims Collection Act of 1966, as
§ 1150.41 How will the Endowment request that my debt to the Endowment be collected by offset against some payment that another Federal agency owes me?

The Chairperson may request that funds due and payable to you by another Federal agency instead be paid to the Endowment to satisfy a debt you owe to the Endowment. In requesting administrative offset, the Endowment will certify in writing to the Federal agency that is holding funds for you:

(a) That you owe the debt;
(b) The amount and basis of the debt; and
(c) That the Endowment has complied with the requirements of 31 U.S.C. 3716, its own administrative offset regulations in this subpart, and the applicable provisions of the Federal Claims Collection Standards with respect to providing you with due process.

§ 1150.42 What procedures will the Endowment use to collect amounts I owe to a Federal agency by offsetting a payment that the Endowment would otherwise make to me?

(a) Any Federal agency may request that the Endowment administratively offset funds due and payable to you in order to collect a debt you owe to that agency. The Endowment will initiate the requested offset only upon:

1. Receipt of written certification from the creditor agency stating:
   (i) That you owe the debt;
   (ii) The amount and basis of the debt;
   (iii) That the agency has prescribed regulations for the exercise of administrative offset; and
   (iv) That the agency has complied with its own administrative offset regulations and with the applicable provisions of the Federal Claims Collection Standards, including providing you with any required hearing or review; and
2. A determination by the Chairperson that offsetting funds payable to you by the Endowment in order to collect a debt owed by you would be in the best interest of the United States as determined by the facts and circumstances of the particular case, and that such an offset would not otherwise be contrary to law.

(b) Multiple debts. In instances where two or more creditor agencies are seeking administrative offsets, or where two or more debts are owed to a single creditor agency, the Endowment may, in its discretion, allocate the amount it owes to you to the creditor agencies in accordance with the best interest of the United States as determined by the facts and circumstances of the particular case, paying special attention to applicable statutes of limitations.

§ 1150.43 When may the Endowment make an offset in an expedited manner?

The Endowment may effect an administrative offset against a payment to be made to you before completion of the procedures required by §§1150.41 and 1150.42 if failure to take the offset would substantially jeopardize the Endowment’s ability to collect the debt and the time before the payment is to be made does not reasonably permit the completion of those procedures. An expedited offset will be followed promptly by the completion of those procedures. Amounts recovered by offset, but later found not to be owed to the Endowment, will be promptly refunded.