

## PART 818—PERSONAL FINANCIAL RESPONSIBILITY

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AUTHORITY: 10 U.S.C. 8013, 15 U.S.C. 1673, 42 U.S.C. 659, 661, 662, 665.

SOURCE: 53 FR 24689, June 30, 1988, unless otherwise noted.

NOTE: This part is derived from Air Force Regulation 35-18.

Part 806 of this chapter states the basic policies and instructions governing the disclosure of records and tells members of the public what they must do to inspect or obtain copies of the material referenced herein.

Part 807 of this chapter states the procedures for issuing publications and forms to the public.

### Subpart A—General

#### § 818.0 Purpose.

This part establishes Air Force policy governing alleged delinquent financial obligations. It outlines procedures for processing claims of this nature. It implements 32 CFR parts 43, 43a and 81. It applies to all active Air Force instal-

lations and members and US Air Force Reserve (USAFR) units and members. This part does not apply to Air National Guard (ANG) units and members. This part is affected by the Privacy Act of 1974. System of Records Notice F030MPCB—Indebtedness, Non-support, Paternity, applies.

#### § 818.1 Air Force policy.

Air Force members are expected to pay their financial obligations in a proper and timely manner. For the purpose of this part, financial obligations are divided into two categories: Personal indebtedness, and dependent support. As a general rule, the Air Force has no legal authority to require its members or their family members to pay personal financial obligations. Enforcement is a matter for civil authorities. However, the Air Force can, under certain conditions, divert part of a member's pay for debts owed to the United States or any of its instrumentalities (see § 818.11) or to satisfy delinquent child support and alimony payments (see §§ 818.15 and 818.16). Administrative or disciplinary action may be taken against Air Force members in cases of continued financial irresponsibility. Such action is taken to improve discipline and maintain the standards of conduct expected of Air Force personnel, but cannot be used to enforce private civil obligations.

#### § 818.2 Explanation of terms.

(a) *A proper and timely manner.* A manner which, under the circumstances, does not discredit the Air Force.

(b) *Financial obligation.* A legal obligation acknowledged by the member in which there is no reasonable dispute as to the facts, or one reduced to judgment. The judgment must conform to the Soldiers' and Sailors' Civil Relief Act of 1940, as amended (50 U.S.C. app. 501, (1970)), if applicable.

(c) *Claimant or complainant.* Any business or person seeking help in obtaining settlement of an alleged financial obligation or making a claim of delinquency concerning such matters.

(d) *Creditor.* Any person or business that extends or offers credit, or to whom or to which a debt is owed. This term includes lending institutions

(such as centralized charge systems) which, although not a party to the original transaction, seek help in obtaining settlement.

(e) *Debt collector.* Any person or agency whose business is primarily the collection of debts owed to another person or business.

(f) *Dependent.* Spouse and unmarried children—includes stepchildren, adopted children, and illegitimate children dependent on the military member. It may include others duly constituted (see DOD Military Pay and Allowances Entitlements Manual and AFR 30–20, Issue and control of Identification (ID Cards)).

### § 818.3 Responsibilities.

Specific responsibilities for ensuring Air Force standards are met:

(a) Major commands (MAJCOM), separate operating agencies (SOA), and direct reporting units (DRU) monitor and provide guidance to subordinate units, as required, to ensure compliance with established procedures.

(b) Initial active duty indoctrination sites ensure that a comprehensive block of instruction on personal financial management is included in teaching guides or course curriculums, as appropriate. This instruction should emphasize the Air Force policy regarding personal indebtedness and dependent support (§ 818.1) and the merits and benefits of the PFMP and the BRP. (See § 818.5(b)(2) (i) and (ii)).

(c) Installation commanders:

(1) Develop appropriate guidance to assure compliance with prescribed procedures.

(2) Coordinate on all responses to high-level, executive, and congressional inquiries.

(d) Chiefs, CBPO:

(1) Through the CBPO Special Actions Unit, process all complaints according to this part.

(2) Upon request, provide UIF policy guidance to the unit commander.

(3) Coordinate on all responses to high level, executive, and congressional inquiries.

(e) Unit commanders:

(1) Implement required procedures at the unit level.

(2) Review all the available facts surrounding a complaint of personal in-

debtedness, or of nonsupport or inadequate support of dependents, and initiate appropriate action.

(3) Ensure complainants are provided a prompt reply that explains Air Force policy. At the unit commander's discretion, the first sergeant may respond to initial complaints. Second and subsequent inquiries require a reply by the unit commander.

(4) Advise members of the requirement to meet their financial and dependent support obligations and inform them that failure to do so damages their reputation and affects the public image of all Air Force personnel. At the unit commander's discretion the first sergeant may provide initial counseling to enlisted members. Second and subsequent inquiries require counseling by the unit commander.

(5) Refer personnel who have evidenced financial irresponsibility to the local PFMP manager for counseling on a mandatory but confidential basis.

(6) Coordinate on all responses to high-level, executive, and congressional inquiries that pertain to personnel assigned to the unit.

(7) Consider administrative or disciplinary action against members in cases of continued financial irresponsibility, fraud, deceit, criminal conduct, or failure to support dependents. Consult the staff judge advocate for guidance.

(f) Air Force members:

(1) Are expected to pay their just financial obligations in a proper and timely manner.

(2) Are expected to provide regular and adequate support to their dependents.

(3) Maintain reasonable contact with their creditors and dependents to minimize Air Force involvement.

(g) PFMP managers:

(1) Establish a consultant function to assist personnel in financial management matters, or other subjects as deemed appropriate to the needs of the local base population.

(2) Advise commanders regarding Air Force policy.

(h) Staff judge advocates:

(1) Advise commanders on the application of Air Force policy on individual cases. Include advice on administrative