

§1018.20

or suspending or terminating collection action. A claim may not be subdivided to avoid the monetary limitation established by 31 U.S.C. 3711(a)(2) and §1018.5 of this part.

Subpart B—Administrative Collection of Claims

§1018.20 Written demand for payment.

(a) The Board shall make appropriate written demand upon the debtor for payment of money in terms which specify:

(1) The basis for the indebtedness and the right of the debtor to request review within the Board;

(2) The amount claimed;

(3) The date by which payment is to be made, which normally should not be more than 30 days from the date that the initial demand letter statement was mailed, unless otherwise specified by contractual agreement, established by Federal statute or regulation, or agreed to under a payment agreement;

(4) The applicable standards for assessing interest, penalties, and administrative costs (4 CFR 102.13 and 49 CFR 1018.30); and

(5) The applicable policy for reporting the delinquent debt to consumer reporting agencies.

(b) The Board normally shall send three progressively stronger written demands at not more than 30-day intervals, unless circumstances indicate that alternative remedies better protect the Government's interest, that the debtor has explicitly refused to pay, or that sending a further demand is futile. Depending upon the circumstances of the particular case, the second and third demands may:

(1) Offer or seek to confer with the debtor;

(2) State the amount of the interest and penalties that will be added on a daily basis, as well as the administrative costs that will be added to the debt until the debt is paid; and

(3) State that the authorized collection procedures include any procedure authorized in this part including:

(i) Contacts with the debtor's employer when the debtor is employed by the Federal Government or is a member of the military establishment or the Coast Guard;

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(ii) Possible referral of the debt to a private agency for collection;

(iii) Possible reporting of the delinquent debt to consumer reporting agencies in accordance with the guidelines and standards contained in 4 CFR 102.5 and the Board's procedures set forth in §1018.23 of this part;

(iv) The suspension or revocation of a license or other remedy under §1018.25 of this part;

(v) Installment payments possibly requiring security; and

(vi) The right to refer claims to GAO or DOJ for litigation.

(c) The failure to state in a letter of demand a matter described in §1018.20 is not a defense for a debtor and does not prevent the Board from proceeding with respect to that matter.

[58 FR 7749, Feb. 9, 1993; 58 FR 11099, Feb. 23, 1993]

§1018.21 Telephone inquiries and investigations.

(a) If a debtor has not responded to one or more written demands, the Board shall make reasonable efforts by telephone to determine the debtor's intentions. If the debtor cannot be reached by telephone at the debtor's place of employment, the Board may telephone the debtor at his or her residence between 8 a.m. and 9 p.m.

(b) The Board may undertake an investigation to locate a debtor, if the whereabouts of a debtor is a problem, or if a debtor cannot be contacted by telephone. The Board may also send a representative to a debtor's place of employment if the debtor cannot be contacted by phone or the debtor does not respond to written demands by the Board for payment of claims.

(c) The Board under 15 U.S.C. 1681(f) may obtain consumer credit information from private firms, including name, address, former address, place of employment, and former place of employment of a debtor.

§1018.22 Personal interviews.

(a) The Board may seek an interview with the debtor at the offices of the Board when:

(1) A matter involved in the claim needs clarification;

(2) Information is needed concerning the debtor's circumstances; or