

## **RIGHTS, RESPONSIBILITIES, COSTS AND COLLECTION ALTERNATIVES**

**YOUR RIGHTS.** You have the right to an explanation of the basis and nature of the debt, an accounting and how we calculated the debt.

If you would like to inspect the documents that form the basis of the debt, please request a copy from the Case Officer assigned to your case. Copies will be provided free of charge. The Case Officer's contact information can be found on the billing letter.

You may dispute the information in the documents, submit additional material for consideration and request that we review or reconsider the determination of the debt. This request should be made within 60 days of the date of the invoice.

You may request a written repayment agreement in lieu of paying the entire balance of your debt at one time. Reconsideration for other than prompt full payment requires a review of your financial condition, including access to recent income tax returns. If funds are collected in excess of the debt, they will be promptly refunded to you, unless prohibited by law.

**INSURANCE COVERAGE.** If you have insurance coverage, contact your insurance agent to determine whether your policy covers any of the costs you are being billed.

**BANKRUPTCY.** If you file for bankruptcy, or if you were in bankruptcy at the time of the incident and an automatic stay is in effect, you are not subject to any offset during the stay. Please notify us of the stay by sending evidence about the bankruptcy proceedings.

**JOINT INCOME TAX RETURN.** If you file a joint income tax return, contact the Internal Revenue Service before filing your return to protect the share of your spouse's tax return refund. IRS Form 8379 is required.

**INTEREST.** Any balance not paid within 30 days of the original bill notice is a delinquent balance. A delinquent balance will subject you to additional charges for interest from the date of delinquency.

**TREASURY DEPARTMENT DEBT MANAGEMENT SERVICE (DMS).** Outstanding debts that are 60 days or older are eligible for referral to the DMS for collection action. In addition, we are required to refer debts that are 120 days delinquent to the DMS for further collection action. If the delinquent debt is referred to DMS for collection, additional fees will be added to the amount due. Those fees will vary based on whether DMS collects the debt directly or through a private collection agency. Debts may be referred to the Justice Department for collection by litigation at any time.

**TREASURY OFFSET PROGRAM (TOP).** In addition to the above fees, you may be charged a fee for tax offset or federal salary offset if collection is made through TOP. A separate fee is charged each time a collection is made. The U.S. Treasury is not required to send notice to debtors before it offsets payments.

**ADMINISTRATIVE OFFSET.** The DMS may collect your debt through administrative offset. DMS may withhold money owed to you by the United States Government. The offset includes:

- Income tax refunds
- Certain Social Security benefits
- Black Lung Program benefits
- Salaries of federal employees (up to 15% of current net disposable pay per pay period until debt is paid).
- Retirement benefits, including railroad, federal and military benefits
- Vendor or contractor payments
- Travel reimbursements and advances

**ADMINISTRATIVE WAGE GARNISHMENT (AWG).** The DMS may also collect the debt through administrative wage garnishment (AWG) without a court hearing. The DMS may contact your employer and garnish a portion of your net disposable pay. If AWG is used in the collection of the debt, you may request a hearing to review the debt by notification to the agency on or before the 15th business day following the mailing of the administrative wage garnishment notice. The notification will stay the withholding order until the debtor has been provided the requested hearing. Failure to timely request a hearing by notification to the agency on or before the 15th business day following the mailing of the administrative wage garnishment notice will still entitle you to a hearing upon request, but will not delay the withholding order. 31 CFR § 285.11(f).

**CONSUMER REPORTING AGENCIES.** The debt may be reported to consumer reporting agencies. The information that may be disclosed to consumer reporting agencies includes the debtor's:

- Name and Address
- Social Security Number
- Taxpayer Identification Number
- Amount, status, and history of the debt
- The program under which the debt arose

**DELINQUENT DEBTS ARE A BAR TO CERTAIN FEDERAL PROGRAMS.** Debtors owing money to the U.S. Government are barred from obtaining federal loans, including student loans and FHA mortgages, federal loan insurance, federal grants, or federal guarantees.

**PENALTIES FOR MAKING FALSE STATEMENTS.** Information provided by you must represent all material facts and must be true to the best of your knowledge and belief. Misrepresentation of facts in this matter is subject to prosecution under Federal law, including but not limited to 18 USC§ 1001, and 31 USC§ 3729.