

<i>NATIONAL MARINE FISHERIES SERVICE INSTRUCTION 31-109-01</i> <i>August 30, 2007</i>	
<i>Financial Management and Budget</i> <i>Policy on NMFS Permits Issuance Under the Debt Collection Improvement Act of 1996,</i> <i>NMFSPD 31-109</i>	
<i>PROCEDURES FOR CHECKING DELINQUENT FEDERAL DEBT PRIOR TO</i> <i>PERMIT ISSUANCE</i>	
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<i>SUMMARY OF REVISIONS:</i>	

1. Background

The Debt Collection Improvement Act of 1996 (DCIA) requires Federal agencies to confirm whether applicants for Federal financial assistance, including licenses or permits, owe delinquent non-tax debt to the Federal government. Unless prohibited by law, NMFS will deny, suspend, or revoke licenses, permits, or other privileges within its area of responsibility for any inexcusable or willful failure of a debtor to pay a lawful debt. The Treasury Department's Financial Management Service (FMS) is the agency responsible for implementing the DCIA. Federal agencies are required by the DCIA to submit delinquent debt (delinquent by more than 180 days) to FMS for collection and for maintaining debt information supporting barring delinquent debtors from receiving Federal financial assistance, licenses, permits, or other privileges. The Taxpayer Identification Numbers (TIN) and names of submitted debtors are maintained in the Treasury Offset Program (TOP) database.

2. Purpose

To specify procedures bringing NMFS processing of applications for licenses, permits, or other privileges into full compliance with the DCIA.

3. Authority

Debt Collection Improvement Act of 1996, 31 U.S.C. Section 7701, and 15 CFR Parts 19, 21, and 22.

4. Scope

This directive will apply to NMFS processing of all applications, except those submitted by a Federal agency, for licenses, permits, or other privileges to ensure compliance with the DCIA.

5. Definitions

5.1 Authorizing Official means the Director, Office of Management and Budget, who is responsible for designating NMFS employees and contractors authorized to access the Treasury Department Financial Management Service's (FMS) Debt Check Program (Debt Check).

5.2 Authorized User means an official authorized by the Director, Office of Management and Budget, to use Debt Check to determine if an applicant is delinquent on Federal debt. Authorized Users must sign the "Statement of Nondisclosure" established by NAO 216-100 to ensure the information they handle is not publicly released.

5.3 Debt means any amount of money, funds, or property that has been determined by an appropriate official of the Federal Government to be owed to the United States by a person (excluding debts arising under the Internal Revenue Code).

5.4 Debt Check means FMS's Debt Check Program which is an internet-based web site that provides limited information about delinquent Federal debt to authorized Federal agencies.

5.5 Delinquent Debt means a debt that has not been paid by the date specified in the agency's initial written demand for payment or applicable agreement or instrument (including a post-delinquency payment agreement) unless other satisfactory payment arrangements have been made.

5.6 Financial Management Service (FMS) is the bureau of the Treasury Department responsible for the centralized collection of delinquent debts through the offset of Federal payments and other means.

5.7 Person means an individual, corporation, partnership, association, organization, or any other type of entity other than a Federal, State, or local government agency.

5.8 Taxpayer Identification Number (TIN) means the identifying number described under section 6109 of the Internal Revenue Code which for an individual generally is an individual's social security number and for businesses generally is a business' employer identification number. Debt check will be based on the TIN of the applicant, the SSN for individuals and the BIN for corporations. For partnerships not having a BIN, the SSNs of the partners will be used. If one partner is identified by TOP as a delinquent debtor, the application will be denied.

5.9 TOP Database means the database of delinquent debt maintained by FMS.

6. Process

FMS administers the Debt Check Program which NMFS and other authorized users can access online to determine if applicants for Federal assistance owe delinquent Federal

debt.

6.1 Authorizing Official. As agreed upon by FMS and NMFS, the NMFS Director, Office of Management and Budget, is the Authorizing Official for NMFS. The NMFS Director will approve NMFS employees or contractors authorized to access Debt Check and inform FMS of authorized users.

6.2 Authorized Users. Each NMFS office which processes licenses, permits, or other privileges will designate a Debt Check Authorized User (or Users) subject to the approval of the Authorizing Official. Authorized Users proposed by Regional Permit Offices will be submitted through the Regional Management and Budget Office to the NMFS Director, Office of Management and Budget. The Office of the Chief Information Officer will maintain a current list of approved Authorized Users. Once approved, Authorized Users will submit applicants for debt check prior to approval/issuance of the license, permit, or other privilege. The debt check request will include applicant's name and Taxpayer Identification Number (TIN).

6.3 Debt Check Procedure. The NMFS Authorized Users will access the Debt Check Program to initiate debt check of the applicant. The Authorized User enters the applicant's TIN and name. Debt Check searches its database (Treasury Offset Program (TOP)) to determine whether the applicant's TIN and name match the TIN and name of a person associated with delinquent debt. Debt Check will provide the following information at the time of the inquiry:

No match—The TIN provided by NMFS does not match any TIN contained in the Debt Check database.

Full match—The TIN and name supplied match a TIN and name in the database. Debt Check provides creditor agency contact information for the delinquent debt.

Partial match-- only the TIN matches. Debt Check provides creditor agency contact information for the delinquent debt.

6.4 Identified Debt Follow-up Procedure. When Debt Check indicates a Partial Match, the NMFS office processing the application will recheck the accuracy of the data submitted to TOP. When Debt Check identifies an applicant as a delinquent debtor, through a Full Match or rechecked Partial Match, the NMFS office processing the application will notify the applicant that the application for a license, permit, or other privilege cannot be processed until the delinquent debt is resolved. The NMFS office will notify the applicant of its ability to deny, suspend, or revoke privileges based on delinquent debt. NMFS will provide the applicant with contact information for the creditor agency for information about the delinquent debt. Notification will be in writing and delivered in the same manner used by the NMFS office for notification of other matters impeding the processing of an application. Upon resolution of the delinquent debt with the creditor agency and its subsequent notification to the FMS Debt Check Program of that resolution, the applicant may reapply for the license, permit, or other privilege. Upon receipt of a reapplication, the Authorized User in the NMFS office involved will resubmit the applicant for debt check. If Debt Check doesn't indicate delinquent debt the NMFS office may process the application.

6.5 Documentation. Each office making permit-related debt check determinations will maintain the following information in an automated Debt Check Database: Applicant name, TIN, type of permit applied for, date of application, date of TOP debt check, results of TOP debt check (No Match, Match, Partial Match), creditor agency and contact information for Match or Partial Match, date of applicant notification of application denial, date of TOP recheck for reapplications, results of TOP recheck, and date of application approval, issuance of an Interim Permit, or final denial.

6.6 Implementation Schedule. The procedures for checking Federal debt prior to issuing permits, licenses, or other privileges will be implemented on a one year Interim Trial Period basis commencing on the date of publication of the Omnibus Rule governing permitting under the DCIA. Situations and problems encountered during the trial period may result in modification of the procedures. Interim permits, licenses, or other privileges may be issued during the Interim Trial Period when the validity of the delinquent debt determination is in question or when circumstances indicate that denial of the application would be inappropriate

7. Responsibilities

The FMS Help Desk will provide technical assistance with Debt Check to NMFS. The Help Desk can be reached on 202-874-4357 during normal business hours.

These Debt Check procedures are subject to refinement after execution of a Memorandum of Understanding between NMFS and FMS establishing the roles and responsibilities of each agency in connection with the use of FSM's Debt Check Program.

8. References

Debt Collection Improvement Act of 1996, 31 U.S.C. Section 7701
Debt Check User Guide, Financial Management Service
Commerce Debt Collection, 15 CFR Parts 19, 21, and 22