

Collection Improvement Act of 1996 and the amended procedures presented in the Federal Claims Collection Standards jointly issued by the Department of the Treasury (Treasury) and the Department of Justice (DoJ). The change allows GSA to improve its collection of debts due the United States from Federal employees.

DATES: *Effective date:* December 10, 2003.

FOR FURTHER INFORMATION CONTACT: The Regulatory Secretariat, Room 4035, GS Building, Washington, DC 20405, at (202) 501-4755 for information pertaining to status or publication schedules. For clarification of content, contact Mr. Michael J. Kosar, (202) 501-2029. Please cite GSPMR Amendment 2003-02, GSPMR case 2003-105-3.

SUPPLEMENTARY INFORMATION:

A. Background

GSA currently has rules for collecting unpaid debts through salary offset under the provisions of the Debt Collection Act of 1982, the Federal Claims Collection Standards (FCCS) of 1966, and other authorities governing the collection of Federal debts. The change incorporates changes that are presented in the amended FCCS issued jointly by Treasury and DoJ, and the Debt Collection Improvement Act of 1996 (DCIA).

A new subpart B, Centralized Salary Offset Procedures (CSO)—GSA as Creditor Agency, is added to include procedures for notifying Treasury of delinquent Federal employee debtors from another agency who owe debts to GSA. A new subpart C, Centralized Salary Offset Procedures (CSO)—GSA as Paying Agency, is added to include procedures for offsetting debts of a GSA employee or a cross-serviced agency employee that owes a debt to another agency. The DCIA of 1996 requires Federal agencies to match their delinquent debtor records with records of Federal employees, at least annually, to identify Federal employees who owe delinquent debt to the United States. This part implements the requirement under 5 U.S.C. 5514(a)(1) that all Federal agencies, using a process known as centralized salary offset computer matching, identify Federal employees who owe delinquent non-tax debt to the United States. Centralized salary offset computer matching is the computerized comparison of delinquent debt records with records of Federal employees. The purpose of centralized salary offset computer matching is to identify those debtors whose Federal salaries should be offset to collect delinquent debts owed to the Federal Government. This

part specifies the delinquent debt records and Federal employee records that must be included in the salary offset matching process. For purposes of this part, delinquent debt records consist of the debt information submitted to Treasury for purposes of administrative offset as required under 31 U.S.C. 3716(c)(6).

Discussion of Comments

In response to its Notice of Proposed Rule (NPR) concerning Salary Offset for Indebtedness of Federal Employees to the United States (68 FR 41093, July 10, 2003), GSA received internal comments from its National Payroll Center (NPC). A review of the comments is provided in the following comment analysis, including a discussion of GSA's determination whether to incorporate specific suggestions in the final rule. The comment analysis is organized by reference to the paragraph in the NPR.

NPR Sec. 105-56.003, Definitions. The final rule incorporates one commenter's suggestion to list the definitions in alphabetical order.

NPR Sec. 105-56.003(j) and NPR Sec. 105-56.015(m), Definitions. One commenter suggested inserting the word Administration after General Services so the definition reads "Administrator of General Services Administration". The commenter's suggestion and the NPR definitions have the same meaning, however, the NPR definition is considered the more grammatically correct. No change is made to the final rule.

NPR Sec. 105-56.005(b), Employee response. One commenter suggested NPR Sec. 105-56.005(b) specify where an employee should submit their waiver request since the other lettered paragraphs specify a point of contact. They recommend that employees send their signed waiver request to the GSA National Payroll Center (NPC). This suggestion is incorporated in the final rule.

B. Executive Order 12866

GSA has determined that this regulation is not a significant regulatory action as defined in Executive Order 12866, and accordingly, this regulation has not been reviewed by the Office of Management and Budget.

C. Regulatory Flexibility Act

It is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation either (1) results in greater flexibility for GSA to streamline debt collection regulations, or (2) reflects the statutory language contained in the

DCIA. Accordingly, a Regulatory Flexibility Analysis is not required.

D. Executive Order 13132

This regulation will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this regulation does not have sufficient federalism implications to warrant the preparation of a federalism assessment.

E. Unfunded Mandates Reform Act of 1995

This regulation will not result in the expenditure by State, local and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one (1) year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

F. Small Business Regulatory Enforcement Fairness Act of 1996

This rule is not a major rule as defined by section 251 of the Small Business Regulatory Enforcement Act, 5 U.S.C. 804. This rule will not result in an annual effect on the economy of \$100 million or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic or export markets.

G. Paperwork Reduction Act

This rule does not contain information collection requirements that require approval by the Office of Management and Budget under the Paperwork Reduction Act, 44 U.S.C. 3507 *et seq.*

List of Subjects in 41 CFR Part 105-56

Claims, Salary offset, Payments, Administrative practice and procedure, Hearings, Appeals procedures, Debts, Debt collection, Wages, Government employees.

Dated: December 2, 2003.

Stephen A. Perry,
Administrator of General Services.

■ For the reasons set forth in the preamble, GSA amends 41 CFR chapter 105 as follows: