Department of Justice (DOJ)

Litigation Referral

2026 Symposium

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Cross-Servicing Collection Tools

- Demand letters and phone calls
- Referral to the Treasury Offset Program
- Reporting to Credit Bureaus
- Resolution of disputes
- Payment agreements, Administrative Wage Garnishment (AWG), and compromise agreements
- Referral to private collection agencies (PCAs)
- Administrative Resolutions
- Referral to the Department of Justice (DOJ)

Benefits of DOJ Referral

- DOJ or private counsel can file a lawsuit against the debtor
- Compulsory discovery procedures under oath
- Financial examinations to locate assets
- Depositions of debtors and third-parties
- Consent judgments - Debtor agrees to be held liable for some or all of the debt
- Court can enter a judgment ordering debtor to pay
- Judgments last forever and appear on credit report
- Liens can be obtained
- Collections!- In FY25, referred 527 debts valued at $52.6 million, and DOJ collected $2.5 million

Debts Reviewed for DOJ Referral

- Fiscal Service Automated System Criteria
  - Creditor agency permits Fiscal Service to refer its debts to DOJ (designated in the agency’s program profile)
  - Debt balance >$2,500
  - More than 8 months before statute of limitations expires
  - No pending or active payment agreement, AWG, dispute, Administrative Resolution
  - Debt returned from 2nd PCA
- Fiscal Service/PCA collectors recommend litigation
- Creditor agencies request review of specific debts

Factors Considered for DOJ Referral

- Can debt be collected efficiently through administrative remedies?
- Taxpayer ID for debtor?
- Valid address for debtor?
- Does the debtor have assets/ability to pay?
    - Use credit reports, commercial databases, and review information available on the Internet
- Does Fiscal Service have sufficient documentation from the creditor agency for DOJ to establish a case?

Required Documentation

- Certificate of Indebtedness
- Claims Collection Litigation Report (CCLR) - provides information about the debtor, debt, basis of the debt, and collection efforts by the creditor agency, Fiscal Service, and PCAs.
- Credit report
- Information on assets, such as real estate, income, and personal property
- Secretary of State information
- Any correspondence to/from debtor
- Proof of debt (POD)

How Creditor Agencies Can Help

- Prior to recalling a debt, the creditor agency should ensure that the debt has not been referred to DOJ
- Comply with litigation hold and record retention requirements
- Provide complete documentation
- Provide timely responses to requests for documentation and compromise approval
- Be available to participate in conference calls with DOJ
- Have live witnesses available, when required
- If contacted directly by DOJ for anything other than POD, refer them to Treasury

Bureau of the Fiscal Service

Questions/Contacts

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