



Department of Defense DIRECTIVE

NUMBER 1340.22

January 8, 2005

Certified Current as of May 31, 2007

GC, DoD

SUBJECT: Waiver of Debts Resulting from Erroneous Payments of Pay and Allowances

- References:
- (a) DoD Directive 1340.22, same subject as above, July 10, 2003 (hereby canceled)
 - (b) Section 2774 of title 10, United States Code
 - (c) Section 716 of title 32, United States Code
 - (d) Section 5584 of title 5, United States Code
 - (e) DoD Directive 5118.3, "Under Secretary of Defense (Comptroller) (USD(C))/Chief Financial Officer (CFO), Department of Defense," January 6, 1997
 - (f) DoD Directive 1342.20, "Department of Defense *Education Activity (DoDEA)*," *November 28, 2005*

1. REISSUANCE AND PURPOSE

This Directive reissues reference (a) to establish policy and assign responsibilities for considering applications for the waiver of debts resulting from erroneous payments of pay and allowances (including travel and transportation allowances) to or on behalf of members of the Uniformed Services and civilian DoD employees under references (b) through (d).

2. APPLICABILITY AND SCOPE

This Directive applies to:

2.1. The Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities in the Department of Defense (hereafter referred to collectively as the "DoD Components").

2.2 The Coast Guard, when it is not operating as a Service in the Navy under the agreement with the Department of Homeland Security, and the Commissioned Corps of the Public Health Service (PHS) and the National Oceanic and Atmospheric Administration (NOAA) under agreements with the Departments of Health and Human Services and Commerce (hereafter referred to collectively as the " non-DoD Components").

3. DEFINITIONS

Terms used in this Directive are defined in enclosure 1.

4. POLICY

It is DoD policy that:

4.1. The officials designated in this Directive exercise waiver authority that, by statute or delegation, is vested in the Department of Defense.

4.2. Waiver applications shall be processed in accordance with all pertinent statutes and regulations, and after consideration of other relevant authorities.

5. RESPONSIBILITIES

5.1. The General Counsel of the Department of Defense shall:

5.1.1. If the aggregate amount of the debt is more than \$1,500, deny or grant all or part of a waiver application.

5.1.2. Decide appeals in accordance with procedures promulgated under subparagraph 5.1.3.

5.1.3. Develop overall waiver policies and promulgate procedures for considering waiver applications, including an initial determination process and a process to appeal an initial determination.

5.2. The Heads of the DoD Components shall:

5.2.1. Consistent with responsibilities promulgated under subparagraph 5.1.3., establish procedures within the DoD Component for the submission of waiver applications relating to debts resulting from the DoD Component's activity, which shall be referred to the appropriate official for consideration as set forth in paragraphs 5.1., 5.4., 5.5., or 5.6.

5.2.2. Ensure compliance with this Directive and policies and procedures promulgated under subparagraph 5.1.3.

5.3. The Heads of the Non-DoD Components concerning debts resulting from that Component's activity shall:

5.3.1. If the aggregate amount of the debt is \$1,500 or less, deny or grant all or part of a waiver application pursuant to reference (b).

5.3.2. If the aggregate amount of the debt is more than \$1,500:

5.3.2.1. Deny a waiver application in its entirety; or

5.3.2.2. Refer a waiver application for consideration with a recommendation that all or part of the application be granted, in accordance with procedures promulgated under subparagraph 5.1.3.

5.4. The Under Secretary of Defense (Comptroller)/Chief Financial Officer concerning debts (except those described in paragraphs 5.5. and 5.6.) resulting from DoD Component activity shall:

5.4.1. If the aggregate amount of the debt is \$1,500 or less, deny or grant all or part of a waiver application pursuant to enclosure 2 of DoD Directive 5118.3 (reference (e)).

5.4.2. If the aggregate amount of the debt is more than \$1,500:

5.4.2.1. Deny a waiver application in its entirety; or

5.4.2.2. Refer a waiver application for consideration with a recommendation that all or part of the application be granted, in accordance with procedures promulgated under subparagraph 5.1.3.

5.5. The Director, Department of Defense Education Activity, under the Under Secretary of Defense for Personnel and Readiness concerning debts of civilian employees resulting from that Component's activity shall:

5.5.1. If the aggregate amount of the debt is \$1,500 or less, deny or grant all or part of a waiver application pursuant to DoD Directive 1342.20 (reference (f)).

5.5.2. If the aggregate amount of the debt is more than \$1,500:

5.5.2.1. Deny a waiver application in its entirety; or

5.5.2.2. Refer a waiver application for consideration with a recommendation that all or part of the application be granted, in accordance with procedures promulgated under subparagraph 5.1.3.

5.6. The Director, National Security Agency, under the Under Secretary of Defense for Intelligence concerning debts resulting from that Component's activity shall:

5.6.1. If the aggregate amount of the debt is \$1,500 or less, deny or grant all or part of a waiver application.

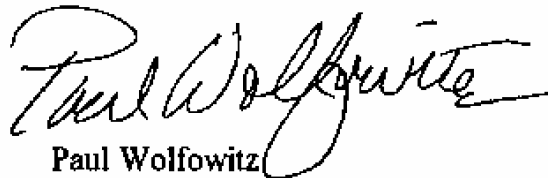
5.6.2. If the aggregate amount of the debt is more than \$1,500:

5.6.2.1. Deny a waiver application in its entirety; or

5.6.2.2. Refer a waiver application for consideration with a recommendation that all or part of the application be granted, in accordance with procedures promulgated under subparagraph 5.1.3.

6. EFFECTIVE DATE

This Directive is effective immediately.


Paul Wolfowitz
Deputy Secretary of Defense

Enclosures - 1
E1. Definitions

E1. ENCLOSURE 1

DEFINITIONS

E1.1. DEFINED TERMS

E1.1.1. Debt. An amount an individual owes the Government as the result of erroneous payments of pay and allowances (including travel and transportation allowances) to or on behalf of members of the Uniformed Services or civilian DoD employees.

E1.1.2. Erroneous Payment. A payment that is not in strict conformity with applicable laws or regulations.

E1.1.3. Uniformed Services. The Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, and the Commissioned Corps of the PHS and the NOAA.

E1.1.4. Waiver Application. A request that the United States relinquishes its claim against an individual for a debt resulting from erroneous payments of pay or allowances (including travel and transportation allowances) under references (b), (c), or (d).