

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	AWG Docket No. 10-0153
)	
Anthony K. Aldridge,)	
)	
)	
Petitioner)	Decision And Order

Pursuant to a Hearing Notice, I held a hearing in this proceeding by telephone, on June 16, 2010, at 4:00 PM Eastern Time. Petitioner, Anthony K. Aldridge, and Respondent’s representative, Mary E. Kimball, participated and were sworn. Ms. Kimball introduced, identified and authenticated records regularly maintained by USDA, Rural Development that were received as Exhibits RX-1 through RX-5. Petitioner did not offer any documents. At issue is the nonpayment of a debt owed to USDA, Rural Development on a home mortgage loan on property that Mr. Aldridge had owned with his former wife, Tonia M. Aldridge.

Mr. Aldridge testified that under the terms of their divorce decree he and his wife were to be equally responsible for the mortgage loan given to them by USDA Farmers Home Administration. He further testified that his former wife has not paid her share of this debt whereas he has had offsets taken from income tax refunds to which he was otherwise entitled that represent at least half of the total debt owed.

Findings and Conclusions

The evidence establishes that Petitioner and his former wife obtained a loan from USDA Farmers Home Administration in the amount of \$44,500.00 to finance the purchase of their primary residence at RR 2, Box 451, Midkiff, WV 25540-9801 that was

secured by a promissory note dated April 3, 1991.(Exhibit RX-1). They defaulted on the loan and the property was sold pursuant to foreclosure proceedings on March 28, 2000. The sale amount was \$58,617.92 and the net funds received by USDA were \$29,993.00. After the sale funds were posted, Petitioner and his former wife owed \$28,624.92. Since the sale, USDA has received \$9,284.87 from Treasury. A balance of \$19,340.05 is still owed plus fees to Treasury for collection.

It was explained to Petitioner that under the terms of the promissory note that he and his former wife had signed, they are “jointly and severally” liable for its payment which means that all or any part that is unpaid may be collected by the Government, as the secured creditor, from either of them. Petitioner may have recourse under the terms of the divorce decree against his former wife for not paying her share of the debt, but that fact does not bar USDA from obtaining the balance owed to it by garnishing his wages. Petitioner also has the option of seeking to settle the debt with Treasury and was given a telephone number to call.

Inasmuch as USDA, Rural Development has proven that Petitioner, Anthony K. Aldridge is indebted to USDA, Rural Development in the amount of \$19,340.05 plus fees to Treasury for collection, and has not presented evidence sufficient to show that payment of the debt may not be pursued due to operation of law or that its payment would cause him financial hardship within the meaning of 31 C.F.R. § 285.11(f)(8)(ii), his petition is dismissed. Respondent is therefore entitled to administratively garnish the wages of the Petitioner.

Order

For the foregoing reasons, the wages of the Petitioner, Anthony K. Aldridge, shall be subject to administrative wage garnishment at the rate of 15% of disposable pay, or such lesser amount as may be specified in 31 C.F.R. § 285.11 (i).

Copies of this Decision and Order shall be served upon the parties by the Hearing Clerk.

Dated: _____

Victor W. Palmer
Administrative Law Judge