

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	AWG Docket No. 10-0172
)	
Rose Crawford,)	
)	
Petitioner)	Decision and Order

On June 22, 2010, I held a hearing on a Petition to Dismiss an administrative wage garnishment proceeding to collect the debt allegedly owed to Respondent, USDA, Rural Development for a loss it incurred under a Single Family Housing Loan Guarantee. Petitioner was represented by Danny L. Littlefield, Jr., Esquire. Mary Kimball represented and testified for Respondent and was duly sworn. Respondent proved the existence of the debt owed by Petitioner, Rose Crawford, and her former husband, Dustin Crawford, to Respondent for its payment of a loss sustained by JP Morgan Chase Bank, N.A., on a \$82,900.00 home mortgage loan the bank had made to Petitioner and her former husband, on August 13, 2004, for property located at 413 North Oklahoma Street, Pryor, OK. Prior to signing this loan, Rose Crawford and Dustin Crawford signed a Request for Single Family Housing Loan Guarantee, under which they certified and acknowledged that if USDA, Rural Development paid a loss claim on the requested loan, they would reimburse USDA, Rural Development. On January 26, 2006, the Rose Crawford and Dustin Crawford were divorced. Under the Divorce Decree, Dustin Crawford was to assume possession of the real property and ordered to pay the mortgage while holding Rose Crawford harmless. He defaulted on the loan on February 1, 2006. The property was sold on November 20, 2008 for \$57,500.00. After the sale of the property by the bank, USDA, Rural Development paid

\$41,861.86 to JP Morgan Chase Bank, N.A. Dustin Crawford filed Chapter 7 bankruptcy and was discharged from the debt. He later committed suicide, leaving no estate. Rose Crawford was left without the indemnity protection envisioned in the divorce decree. She has since remarried, has a 10 year old step daughter, and a daughter who is 18 months old. Her gross wages are about \$1,800.00 per month, but after normal monthly expenses, her disposable monthly income is about \$150.00 to \$200.00. For reasons of the financial hardship it would cause, wage garnishment is not presently authorized and may not again be instituted for the next twelve (12) months.

Order

For the foregoing reasons, administrative wage garnishment of the wages of the Petitioner, Rose Crawford, is not authorized at this time, and may not be again instituted for the next twelve (12) months.

This matter is stricken from the active docket.

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

Dated: _____

Victor W. Palmer
Administrative Law Judge