

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

AWG Docket No. 10-0180

In re: RYAN WILSON,

Petitioner

DECISION AND ORDER

This matter is before the Administrative Law Judge upon the request of the Petitioner, Ryan Wilson, for a hearing to address the existence or amount of a debt alleged to be due, and if established, the terms of any repayment prior to imposition of an administrative wage garnishment. On April 26, 2010, a Prehearing Order was entered to facilitate a meaningful conference with the parties as to how the case would be resolved, to direct the exchange of information and documentation concerning the existence of the debt, and setting the matter for telephonic hearing on July 29, 2010.

The Respondent complied with that Order and a Narrative was filed, together with supporting documentation on June 15, 2010. The Petitioner has provided information concerning his financial condition and participated during the telephonic hearing. During the hearing, the Petitioner indicated that he had been working only about 10 months after previously being laid off. The financial information reflects minimal income for a family of five and demonstrates financial hardship at this time.

On the basis of the record before me, nothing further having been received from the Petitioner, the following Findings of Fact, Conclusions of Law and Order will be entered.

Findings of Fact

1. On April 2, 2004, Ryan Wilson and Melanie Toups, now Melanie Wilson, applied for and received a home mortgage loan guarantee from the United States Department of Agriculture (USDA) Rural Development (RD) (Exhibit RX-1) and on April 28, 2004 obtained a home mortgage loan for property located in Belleville, Arkansas from US Bank Home Mortgage for \$84,400.00.
2. In 2008, the Petitioner defaulted on the mortgage loan and foreclosure proceedings were initiated. RX-2.
3. US Bank Home Mortgage submitted a loss claim and USDA paid the lender the sum of \$31,868.72 for accrued interest, protective advances, liquidation costs and property sale costs. RX-2-3.
4. Treasury offsets totaling \$10,520.00 exclusive of Treasury fees have been received. RX-5.
5. The remaining unpaid debt is in the amount of \$21,348.72, exclusive of Treasury fees. RX-5.
6. The Petitioner has been working less than twelve consecutive months.
7. The Petitioner's financial information reflects minimal income for a family of five and demonstrates financial hardship at this time.

Conclusions of Law

1. Ryan Wilson is indebted to USDA Rural Development in the amount of \$21,348.72, exclusive of Treasury fees for the mortgage loan guarantee extended to him.
2. Due to the Petitioner having been employed for less than a twelve month period, his wages are not eligible to be garnished at this time.
3. By reason of demonstrated financial hardship, proceedings to administratively garnish the Petitioner's wages should be terminated at this time, but may be reinstated after one year provided there has been significant improvement in his financial condition.
4. The termination of administrative wage garnishment proceedings shall not affect other action taken under the Treasury offset program.
5. The Respondent is **NOT** entitled to administratively garnish the wages of the Petitioner.

Order

For the foregoing reasons, the administrative wage garnishment proceedings shall be terminated and this case **DISMISSED**.

Copies of this Decision and order shall be served upon the parties by the Hearing Clerk's Office.

Done at Washington, D.C.
July 29, 2010

PETER M. DAVENPORT
Chief Administrative Law Judge

Copies to: Ryan Wilson
Mary Kimball
Dale Theurer