

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

AWG Docket No. 10-0174

In re: PATRICIA A. CANNON,
formerly PATRICIA JOHNSON,

Petitioner

DECISION AND ORDER

This matter is before the Administrative Law Judge upon the request of Patricia Johnson 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. A telephonic hearing on July 28, 2010, at which time Ms. Cannon acknowledged signing the notes and mortgage which gave rise to the obligation, but indicated that she was disable and drawing Social Security benefits. She since has submitted addition proof corroborating her testimony.

On the basis of the entire record before me, the following Findings of Fact, Conclusions of Law and Order will be entered.

Findings of Fact

1. On June 30, 1981, the Petitioner and her then husband Calvin Johnson, Jr. received home mortgage loans in the amounts of \$21,100.00 and \$7,400.00 from

Farmers Home Administration (FmHA), United States Department of Agriculture (USDA), now Rural Development (RD) for property located in Franklin, Virginia . RX-1.

2. The Petitioner and her husband defaulted on the loans and the property was sold at foreclosure on July 6, 2000 with proceeds realized from that sale in the amount of \$24,076.28, leaving a balance due of \$19,338.30. RX-4.

3. Treasury offsets totaling \$2,713.00 exclusive of Treasury fees have been received. RX-5.

4. The remaining unpaid debt is in the amount of \$16,625.30, exclusive of potential Treasury fees. RX-5.

5. The Petitioner is currently unemployed, is disable and drawing Social Security benefits.

Conclusions of Law

1. Patricia A. Cannon is indebted to USDA Rural Development in the amount of \$16,625.30, exclusive of potential Treasury fees for the mortgage loans extended to her.

2. Because the Petitioner is not employed, is disabled and drawing Social Security benefits, she is considered to be under a financial hardship and is not eligible for garnishment.

3. The Respondent is NOT entitled to administratively garnish the wages of the Petitioner.

Order

For the foregoing reasons, the administrative wage garnishment proceedings are **TERMINATED** and this action is **DISMISSED**.

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

Done at Washington, D.C.
August 6, 2010

PETER M. DAVENPORT
Chief Administrative Law Judge

Copies to: Patricia A. Cannon
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