

collection agency to work together to establish a repayment schedule rather than immediately proceeding with garnishment, even though this Decision authorizes garnishment, up to 15% of Ms. Mitchell's disposable pay.

Findings of the Fact

1. On April 6, 2005, Adrian Mitchell obtained a loan from USDA Farmers Home Administration in the amount of \$86,200.00. The loan was used to purchase a residence at 708 Savannah Ave., Quitman, Georgia 31643. (RX-1).

2. Ms. Mitchell defaulted on the loan and a foreclosure sale was held on January 6, 2009. The amount owed on the loan at the time of the sale was \$82,251.78 in principal, \$11,598.32 in interest and \$3,897.73 in fees for a total amount due of \$97,747.83. (RX-3.)

3. USDA received \$71,250.00 from the sale of the house. Subsequent receipts from Treasury were \$2,675.00 leaving a balance due USDA on the loan from Ms. Mitchell of \$23,822.83. Potential fees due to the U.S. Treasury pursuant to the Loan Agreement are \$6,670.39. (Narrative, RX-3, RX-4.)

Conclusions of Law

1. The Secretary of Agriculture has jurisdiction over the parties, Ms. Mitchell and USDA Rural Development Agency; and over the subject matter, which is administrative wage garnishment.

2. Petitioner Adrian Mitchell is indebted to USDA's Rural Development Agency, Rural Housing Service program in the amount of \$23,822.83.

3. In addition, Ms. Mitchell is indebted for potential fees to the US Treasury in the amount of \$6,670.39.

4. All procedural requirements for administrative wage garnishment set forth in 31 C.F.R. ¶ 285.11 have been met.

Order

Until the debt is fully paid, Ms. Mitchell shall give notice to USDA Rural Development Agency, Rural Housing Service or those collecting on its behalf, of any changes in his mailing address; delivery address for commercial carriers such as FedEx or UPS; FAX number(s); phone number(s); or e-mail address(es).

USDA Rural Development Agency, and those collecting on its behalf, are authorized to proceed with garnishment, up to 15% of Ms. Mitchell's disposable pay.

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

Done at Washington, D.C.
this 24th day of August 2010

STEPHEN M. REILLY
Hearing Official