

**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**BEFORE THE SECRETARY OF AGRICULTURE**

In re:	)	
	)	<b>AWG Docket No. 10-0301</b>
Stacey Coley	)	
	)	
Petitioner	)	<b>Decision and Order</b>

1. The hearing by telephone was held on October 27, 2010. Ms. Stacey Coley, the Petitioner (“Petitioner Coley”), participated, representing herself (appeared *pro se*). Rural Development, an agency of the United States Department of Agriculture (USDA), is the Respondent (“USDA Rural Development”) and was represented by Mary E. Kimball.

2. The address for USDA Rural Development for this case is

Mary E. Kimball, Branch Accountant  
USDA / RD New Program Initiatives Branch  
Bldg 105 E, FC-22, Post D-2  
4300 Goodfellow Blvd  
St Louis MO 63120-1703

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314.457.4426 FAX

Summary of the Facts Presented

3. Petitioner Coley owes to USDA Rural Development a balance of **\$29,370.41** in repayment of (a) one loan that she assumed in 1996, and (b) a second loan that she borrowed in 1996. Both loans were from the USDA Farmers Home Administration, now known as USDA Rural Development. Petitioner Coley borrowed to buy a home in Georgia, and the **\$29,370.41** balance is now unsecured (“the debt”). See USDA Rural Development Exhibits, plus Narrative, Witness & Exhibit List (filed July 26 and September 2, 2010), which are admitted into evidence, together with the testimony of Mary Kimball.

4. Potential Treasury fees in the amount of 28% (the collection agency keeps 25% of what it collects; Treasury keeps another 3%) on of **\$29,370.41** would increase the current

balance by \$8,223.71, to \$37,594.12. *See* USDA Rural Development Exhibits, esp. RX-6, pages 1 and 2, which have to be added together.

5. Petitioner Coley's testimony and Consumer Debtor Financial Statement (filed September 27, 2010), which are admitted into evidence, prove that she works 35 hours per week as a Cashier and is paid roughly [REDACTED] hour, gross. Petitioner Coley testified that she receives food stamps and that her 3 children who live with her are on Medicaid.

6. Petitioner Coley's disposable pay does not support garnishment, which would create hardship. 31 C.F.R. § 285.11.

7. Petitioner Coley is responsible and willing and able to negotiate the disposition of the debt with Treasury's collection agency.

#### Discussion

8. Through October 31, 2011, NO garnishment is authorized. *See* paragraphs 5 and 6. I encourage **Petitioner Coley and the collection agency to negotiate promptly** the repayment of the debt. Petitioner Coley, this will require **you** to telephone the collection agency after you receive this Decision. Petitioner Coley, you may ask to be considered for "disability inability to pay." The toll-free number for you to call is **1-888-826-3127**.

9. Petitioner Coley has made progress repaying, primarily through her income tax refunds, in 2004, 2007, and 2008. RX-5.

#### Findings, Analysis and Conclusions

10. The Secretary of Agriculture has jurisdiction over the parties, Petitioner Coley and USDA Rural Development; and over the subject matter, which is administrative wage garnishment.

11. Petitioner Coley owes the debt described in paragraphs 3 and 4.

12. **Through October 31, 2011, NO garnishment is authorized.** 31 C.F.R. § 285.11.

13. This Decision does not prevent repayment of the debt through *offset* of Petitioner Coley's **income tax refunds** or other **Federal monies** payable to the order of Ms. Coley.

#### Order

14. Until the debt is repaid, Petitioner Coley shall give notice to USDA Rural Development or those collecting on its behalf, of any changes in her mailing address;

delivery address for commercial carriers such as FedEx or UPS; FAX number(s); phone number(s); or e-mail address(es).

15. USDA Rural Development, and those collecting on its behalf, are **NOT** authorized to proceed with garnishment **through October 31, 2011**.

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

Done at Washington, D.C.  
this 29<sup>th</sup> day of October 2010

s/ Jill S. Clifton

Jill S. Clifton  
Administrative Law Judge

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