

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

AWG Docket No. 10-0327

In re: Betty Chew,

Petitioner

Decision and Order

This matter is before the Administrative Law Judge upon the request of Betty Chew 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 August 27, 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 a telephonic hearing on November 9, 2010. Due to a need to evacuate the building in Washington, DC, the hearing was postponed until November 22, 2010.

The Respondent complied with that Order and a Narrative was filed, together with supporting documentation on September 28, 2010. Betty Chew did contact the Office of Administrative Judge Judges with a telephone number at which she might be reached, but failed to file any documentation with the Hearing Clerk. In her request for hearing, she indicated that she was unaware of what the debt was for. During the hearing, she acknowledged the debt and testified concerning her general financial condition, including the fact that she was currently being garnished by the Internal Revenue Service.

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 October 31, 1991, Betty Chew and her husband Harry E. Chew, Sr. (now deceased) assumed a home mortgage loan in the amount of \$55,000.00 from Farmers Home Administration (FmHA), United States Department of Agriculture (USDA), now Rural Development (RD) for property located in Lusby, Maryland . On the same date, the borrowers also obtained a loan also from FmHA in the amount of \$21,500.00, both of which loans were secured by a real estate mortgage. RX-3.
2. The Petitioner defaulted on the loans and the property was sold at a foreclosure sale on September 16, 1998 with proceeds realized from that sale in the amount of \$37,751.75, leaving a balance due of \$63,667.42. RX-4.
3. Treasury offsets totaling \$8,918.62 exclusive of Treasury fees have been received. RX-4.
4. The remaining unpaid debt is in the amount of \$54,748.80 exclusive of potential Treasury fees. RX-4, 5.
5. The Petitioner is currently being garnished by another federal agency.

Conclusions of Law

1. Betty Chew is indebted to USDA Rural Development in the amount of \$54,748.80 exclusive of potential Treasury fees for the mortgage loans extended to her.
2. As Ms. Chew is currently being garnished, she cannot be subjected to administrative wage garnishment for the debt to USDA until such time as the prior debt is satisfied or released.

3. The Respondent is **NOT** entitled to administratively garnish the wages of the Betty Chew at this time.

Order

4. For the foregoing reasons, the wages of Betty Chew shall **NOT** be subjected to administrative wage garnishment until such time as the prior debt is satisfied or released.

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

Peter M. Davenport
Chief Administrative Law Judge

Date: November 22, 2010

Copies to: Betty Chew
Mary Kimball
Dale Theurer

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