

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

In re:	)	AWG Docket No.10-0435
	)	
Gail Sherfield,	)	
	)	
Petitioner	)	<b>DECISION AND ORDER</b>

This matter is before me upon the request of the Petitioner, Gail Sherfield, for a hearing to contest the efforts of the Respondent, USDA/Rural Development, to garnish her wages in order to collect a debt remaining from a mortgage loan it provided her. Efforts to conduct a scheduled hearing by telephone conference, on December 2, 2010, were unsuccessful in that Gail Sherfield was not at her telephone at the time scheduled. However, prior to the scheduled hearing, Ms. Sherfield did complete and submit a Consumer Debtor Financial Statement in which she stated she was medically disabled and will no longer be working after December. In such event, there will be no wages to garnish and garnishment may not commence until 12 months after she again becomes employed. Moreover, Petitioner may wish to file for bankruptcy and she may be eligible for Social Security disability benefits and Medicaid.

USDA, Rural Development filed documentation showing that petitioner currently owes \$49,150.08 plus potential fees to Treasury of \$13,762.02, or \$62,912.10 total. Accordingly, USDA, Rural Development has met its burden under 31 C.F.R. §285.11(f)(8) that governs administrative wage garnishment hearings, and has proved the existence and the amount of the debt owed by the Petitioner. On the other hand, Petitioner states that she would suffer undue financial hardship if any amount of money is

garnished from her disposable income. In light of the documents filed by Petitioner and her statements, I have concluded that garnishment should not take place at any time during the next six (6) months. During that time, Mrs. Davis should consider the advisability of filing for bankruptcy, her eligibility for Social Security disability benefits and Medicaid. If she is then employed and has wages that may be garnished, she should undertake to contact Treasury to discuss a settlement plan to pay the debt.

Under these circumstances, the proceedings to garnish Petitioner's wages are suspended and may not be resumed for six (6) months from the date of this Order.

Dated:

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Victor W. Palmer  
Administrative Law Judge