

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

In re:	)	AWG Docket No. 11-0067
	)	
Ethel Williams,	)	
	)	
Petitioner	)	<b>Decision and Order</b>

On February 22, 2011, I held a hearing on a Petition to Dismiss the administrative wage garnishment proceeding to collect the debt allegedly owed to Respondent, USDA, Rural Development for losses it incurred under a mortgage assumed by the Petitioner and on a loan Respondent, USDA Rural Development gave to Petitioner, Ethel Williams. Petitioner represented herself and USDA Rural Development was represented by Mary Kimball. Petitioner and Mary Kimball were each duly sworn.

Respondent sustained financial loss on the loan assumed by Petitioner and on the loan given to Petitioner to finance her purchase of a home at WH Turner Lane, Hazelhurst, MS 39083. The assumed loan was in the amount of \$31,550.00, and the new loan, dated July 18, 1989 was in the amount of \$6,950.00. The payments on the loans were not met and a short sale was held on April 19, 2000. Respondent received \$25,700 from the sale of the house when a balance of \$38,313.39 was still owed to USDA, Rural Development for principal, accrued interest, unpaid taxes and other expenses. Since the sale, \$2,877.84 has been collected by the United States Treasury Department. The amount that is presently owed on the debt is \$9,558.20 plus potential fees to Treasury of \$2,867.46, or \$12,425.66 total.

Petitioner resides with her husband who is unemployed and her 20 year old daughter who attends college. Petitioner is employed as a Deputy Clerk by the Copiah County Board of Supervisors and is paid a net bi-weekly salary of [REDACTED] so that her net monthly income is [REDACTED]. Her monthly household expenses are: auto loan-[REDACTED] auto insurance-[REDACTED] tuition-[REDACTED]; health insurance-[REDACTED] loans-[REDACTED] and [REDACTED]; gasoline-[REDACTED]; electric-[REDACTED] natural gas-[REDACTED] food-[REDACTED] medical-[REDACTED] clothing-[REDACTED] trash-[REDACTED]; miscellaneous-[REDACTED]. I have concluded that the collection of any part of the debt during the next six (6) months would cause Petitioner undue, financial hardship within the meaning and intent of the provisions of 31 C.F.R. § 285.11.

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 showed that she would suffer undue financial hardship if any amount of money is garnished from her disposable income at any time during the next six (6) months. During that time, Mrs. Williams 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 three (6) months from the date of this Order.

Dated:

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Victor W. Palmer  
Administrative Law Judge