

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)
) **AWG Docket No. 11-0163**
Bart J. Crosnoe)
)
Petitioner) **Decision and Order**

1. The hearing by telephone was held on May 4, 2011. Bart J. Crosnoe, the Petitioner (“Petitioner Bart Crosnoe”), represents himself (appears *pro se*).
2. Rural Development, an agency of the United States Department of Agriculture (USDA), is the Respondent (“USDA Rural Development”) and is represented by Mary E. Kimball. The address for USDA Rural Development for this case is

Mary E. Kimball, Branch Accountant
USDA / RD New Program Initiatives Branch
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4300 Goodfellow Blvd
St Louis MO 63120-1703

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3. I encourage **Petitioner Bart Crosnoe and the collection agency** to work together to **establish a repayment schedule** rather than proceeding with garnishment, even though this Decision authorizes garnishment in a limited amount beginning June 2012. Petitioner Bart Crosnoe, obviously, will have to make himself available to the collection agency if he wants to negotiate. *See* paragraph 11.

Summary of the Facts Presented

4. USDA Rural Development’s Exhibits, plus Narrative, Witness & Exhibit List, were filed on April 12 and May 6, 2011, and are admitted into evidence, together with the testimony of Ms. Kimball.

5. Petitioner Bart Crosnoe's completed "Consumer Debtor Financial Statement," prepared by his wife Barbara Crosnoe and filed on April 28, 2011; plus the revised "Consumer Debtor Financial Statement" filed May 3, 2011 with the accompanying documents, are admitted into evidence, together with the testimony of Petitioner Bart Crosnoe and the testimony of his wife Barbara Crosnoe.
6. Petitioner Bart Crosnoe owes to USDA Rural Development **\$8,014.08** in repayment of a Farmers Home Administration loan assumed in 1995 for a home in Iowa, the balance of which is now unsecured ("the debt").
7. Potential Treasury fees in the amount of 28% (the collection agency keeps 25% of what it collects; Treasury keeps another 3%) on **\$8,014.08**, would increase the current balance by \$2,243.94, to \$10,258.02. *See* USDA Rural Development Exhibits, esp. RX 5.
8. Petitioner Bart Crosnoe is repaying more than \$4,000.00 in medical expenses as he endured a stroke in January 2011 and requires quarterly MRIs for tumors in his neck. He owes considerable amounts on additional indebtedness, particularly 2010 income taxes, his home, his truck and truck repair.
9. Petitioner Bart Crosnoe's disposable income is probably close to ██████████0 per month. [Disposable income is gross pay minus income tax, Social Security, Medicare, and health insurance withholding; and in certain situations minus other employee benefits contributions that are required to be withheld.] Although Garnishment at 15% of Petitioner Bart Crosnoe's disposable pay would yield roughly ██████████0 per month in repayment of the debt, he cannot withstand garnishment in that amount without hardship. To prevent hardship, potential garnishment to repay "the debt" (*see* paragraph 6) must be limited to 0% of Petitioner Bart Crosnoe's disposable pay through May 2012; then up to 7% of Petitioner Bart Crosnoe's disposable pay beginning June 2012 through May 2013; then up to 15% of Petitioner Bart Crosnoe's disposable pay thereafter. 31 C.F.R. § 285.11.
10. Petitioner Bart Crosnoe is responsible and willing and able to negotiate the disposition of the debt with Treasury's collection agency.

Discussion

11. Through May 2012, no garnishment is authorized. Beginning June 2012 through May 2013, garnishment up to 7% of Petitioner Bart Crosnoe's disposable pay is authorized; and thereafter, garnishment up to 15% of Petitioner Bart Crosnoe's disposable pay is authorized. *See* paragraphs 8, 9 and 10. I encourage **Petitioner Bart Crosnoe and the collection agency to negotiate promptly** the repayment of the debt. Petitioner Bart Crosnoe, this will require **you** to telephone the collection agency after you receive this Decision. The toll-free number for you to call is **1-888-826-3127**. Petitioner Bart Crosnoe,

you may choose to offer to the collection agency to compromise the debt for an amount you are able to pay, to settle the claim for less.

Findings, Analysis and Conclusions

12. The Secretary of Agriculture has jurisdiction over the parties, Petitioner Bart Crosnoe and USDA Rural Development; and over the subject matter, which is administrative wage garnishment.
13. Petitioner Bart Crosnoe owes the debt described in paragraphs 6 and 7.
14. **Garnishment is authorized**, as follows: through May 2012, **no** garnishment. *I am NOT, however, ordering any amounts already collected through garnishment of Petitioner Bart Crosnoe's pay prior to implementation of this Decision to be returned to Petitioner Bart Crosnoe.* Beginning June 2012 through May 2013, garnishment up to 7% of Petitioner Bart Crosnoe's disposable pay; and thereafter, garnishment up to 15% of Petitioner Bart Crosnoe's disposable pay. 31 C.F.R. § 285.11.
15. Repayment of the debt may also occur through **offset** of Petitioner Bart Crosnoe's **income tax refunds** or other **Federal monies** payable to the order of Mr. Crosnoe.

Order

16. Until the debt is repaid, Petitioner Bart Crosnoe shall give notice to USDA Rural Development 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).
17. USDA Rural Development, and those collecting on its behalf, are **not** authorized to proceed with garnishment through May 2012. Beginning June 2012 through May 2013, garnishment up to 7% of Petitioner Bart Crosnoe's disposable pay is authorized; and garnishment up to 15% of Petitioner Bart Crosnoe's disposable pay thereafter. 31 C.F.R. § 285.11.

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

Done at Washington, D.C.
this 11th day of May 2011

s/ Jill S. Clifton

Jill S. Clifton
Administrative Law Judge

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