

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	AWG Docket No. 10-0338
)	
Susan Thompson Garcia,)	
)	
Petitioner)	Decision and Order

Pursuant to a Hearing Notice, I held a hearing by telephone, on June 16, 2011, at 11:00 AM Eastern Time, in consideration of a Petition seeking to dispute Petitioner's obligation to pay a debt that Petitioner, Susan Thompson (now Susan Thompson Garcia), incurred when she assumed a single family mortgage loan that had been given by Respondent, USDA, Rural Development's predecessor (USDA-FHA). The assumed loan was in the amount of \$33,553.93, and, on November 30, 1984, it was assumed to facilitate the purchase of a primary residence located in Crockett, Texas. However, the loan was not paid and a foreclosure sale was held, on March 3, 1998, that resulted in USDA receiving \$15,397.00 when Petitioner owed \$44,224.93 for principal, interest and fees respecting the unpaid loan. After application of the sale proceeds, Petitioner still owed \$28,827.93. She presently owes \$28,827.93 plus \$8,071.82 in fees to Treasury, or \$36,899.75 total. Respondent has initiated administrative garnishment of Petitioner's wages for the nonpayment of the amount still owed. At the hearing, Petitioner represented herself and Mary Kimball, represented Respondent. Both Petitioner and Ms. Kimball were sworn.

Petitioner as instructed by the Hearing Notice filed: 1. completed forms respecting her current employment, general financial information, assets and liabilities, and monthly income and expenses; 2. a narrative of events or reasons concerning the existence of the alleged debt and her ability to repay all or part of it; 3. supporting exhibits with a list of the exhibits and a list of witnesses who would testify in support of his petition. Petitioner is separated from her husband, Alberto Garcia, has two daughters ages 14 and 23, both of whom are in school, and she is employed as a Senior Recruiter earning a gross monthly income of [REDACTED] or net monthly income of [REDACTED]. Her monthly expenses are: rent-[REDACTED] car payments-[REDACTED] gasoline-[REDACTED] electricity-[REDACTED] natural gas-[REDACTED]; food-[REDACTED] cable TV & internet phone-[REDACTED] life insurance-[REDACTED] clothing-[REDACTED]; trash/water-[REDACTED] car insurance-[REDACTED] college fund-[REDACTED] and credit card payments-[REDACTED]. Total monthly expenses are: \$ [REDACTED]. The monthly expenses exceed her monthly net income. Respondent's representative, Mary Kimball, Accountant for the New Initiatives Branch, USDA Rural Development, filed supporting documents and gave testimony showing that the debt owed to it by Petitioner has a present balance of \$28,927.93 plus \$8,071.82 in fees that are being assessed by Treasury for its collection efforts, or \$36,899.75 total.

Under these circumstances, there is no present disposable monthly income available for garnishment and the proceedings to garnish Petitioner's wages are hereby suspended and shall not be resumed for six (6) months from the date of this Order.

Dated: June 17, 2011

Victor W. Palmer
Administrative Law Judge