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

In re:) AWG Docket No. 11-0204
)
Victoria Taylor Adam,)
)
Petitioner) **Decision and Order**

On June 29, 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 a loss it incurred under an assumed loan in the amount of \$41,750.00 to finance the purchase of a primary residence located at 840 Rockport New Heron Road, New Herron, MS 39140. Petitioner and Mary Kimball, who testified for Respondent, were duly sworn. Respondent proved the existence of the debt owed by Petitioner to Respondent for its payment of a loss it sustained in respect to the loan that Petitioner had assumed on January 23, 2004 that is evidenced by an Assumption Agreement. Petitioner failed to make all of her payments on the loan and the property was sold at a short sale on October 29, 2010. After the sale proceeds were posted and a pre-foreclosure fee added, Petitioner owed USDA, Rural Development \$39,142.45.. The present amount of the debt is \$39,142.45 plus potential fees to Treasury of \$10,959.89 for a total of \$50,102.34.

Petitioner is on maternity leave from her job as a Cashier for KFC. When working, she typically receives bi-weekly take-home pay of \$350.00. She is married to

Marcus Adam who earns \$240.00 net per week as an Assembler in a Plant. They have two sons, ages 9 and 5, and she is pregnant and should give birth any day now to a third child. In that Petitioner has no income at present, nothing may now be garnished. When Petitioner returns to work, her share of the family monthly expenses will permit no more than \$25.00 to be garnished from her bi-weekly pay checks. In light of the financial hardship that garnishment will cause Petitioner, nothing may be garnished from her pay for the next twelve (12) months; after that period of time, no more than \$25.00 may be garnished from her bi-weekly pay checks.

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. However, for reasons of financial hardship, nothing may be garnished from her salary for the next twelve (12) months, and after that period of time the maximum that may be garnished from Petitioner's bi-weekly wages is \$25.00.

Dated:

6/29/11



Victor W. Palmer
Administrative Law Judge