

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	AWG Docket No. 11-0245
)	
Virginia Willis,)	
)	
Petitioner)	Decision and Order

Pursuant to a Hearing Notice, I held a hearing by telephone, on July 19, 2011, at 3:30 PM Eastern Time, in consideration of a Petition seeking to dispute Petitioner's present obligation to pay a debt that Petitioner, Virginia Willis, incurred when she obtained a single family mortgage loan in the amount of \$28,400.00, on June 22, 1984, to facilitate her purchase of a primary residence located in Houston, MS. In that the loan was not paid, a short sale was held in the amount of \$8,000.00, on November 10, 2009, when Petitioner owed \$28,387.77 for principal, interest and fees respecting the unpaid loan. After application of the sale proceeds, Petitioner still owed \$20,386.46. Since the sale \$2,286.94 has been collected by the Treasury Department. Petitioner presently owes \$18,099.52 plus \$5,067.87 in fees to Treasury, or \$23,167.39 total. Respondent has initiated administrative garnishment of Petitioner's wages for the nonpayment of the amount still owed. At the hearing, Petitioner was represented by John P. Fox, Attorney at Law, 330 East Madison Street, Houston, MS, and Mary Kimball, represented Respondent. Both Petitioner and Ms. Kimball were sworn.

Petitioner contended that she did not owe anything to Respondent because the person who purchased the house at the short sale was the one who owed the balance of

the debt to Respondent. This contention was found to be unsupported in law or fact.

Petitioner is separated from her husband, Don Willis, has two adult children ages 41 and 39, and is employed part-time as a Dental Assistant earning a net monthly income of \$ [REDACTED]. Her monthly expenses are: rent- [REDACTED] gasoline- [REDACTED]; food- [REDACTED] 0; clothing- [REDACTED]; and medical insurance- [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 \$18,099.52 plus \$5,067.87 in fees to Treasury, or \$23,167.39 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 two (2) years from the date of this Order.

Dated: _____

Victor W. Palmer
Administrative Law Judge