

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

In re:	)	
	)	
Stephanie D. Morris, n/k/a	)	<b>AWG Docket No. 11-0230</b>
	)	
Stephanie D. Zettel,	)	
	)	
Petitioner	)	<b>Decision and Order</b>

1. The hearing by telephone was held on July 6, 2011. Stephanie D. Zettel, the Petitioner, formerly known as Stephanie D. Morris (“Petitioner Zettel”), represents herself (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  
Bldg 105 E, FC-22, Post D-2  
4300 Goodfellow Blvd  
St Louis MO 63120-1703

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Summary of the Facts Presented

3. USDA Rural Development’s Exhibits, plus Narrative, Witness & Exhibit List, were filed on June 9, 2011, and are admitted into evidence, together with the testimony of Ms. Kimball.

4. Petitioner Zettel’s completed “Consumer Debtor Financial Statement,” filed on July 8, 2011; plus the accompanying pay stubs; are admitted into evidence, together with the testimony of Petitioner Zettel.

5. Petitioner Zettel owes to USDA Rural Development **\$63,328.50** in repayment of a Rural Housing Service loan borrowed in 2004 for a home in Michigan, the balance of which is now unsecured (“the debt”).

6. Potential Treasury fees in the amount of 28% (the collection agency keeps 25% of what it collects; Treasury keeps another 3%) on **\$63,328.50**, would increase the current balance by \$17,731.98, to \$81,060.48. *See* USDA Rural Development Exhibits, esp. RX 6.

7. Petitioner Zettel’s disposable pay (within the meaning of 31 C.F.R. § 285.11) is roughly \$3,000.00 per month (*see* pay stubs filed July 8, 2011). [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 Zettel’s disposable pay could yield roughly \$450.00 per month in repayment of the debt, she cannot withstand garnishment in that amount without financial hardship.

8. Petitioner Zettel has two children to support, her 14 year-old son and her 4 month-old son, in addition to herself. Although she receives child support, she also has child care expenses. To prevent hardship, potential garnishment to repay “the debt” (*see* paragraph 5) must be limited to 0% of Petitioner Zettel’s disposable pay through August 2012; then up to 7% of Petitioner Zettel’s disposable pay beginning September 2012 through August 2013; then up to 15% of Petitioner Zettel’s disposable pay thereafter. 31 C.F.R. § 285.11.

9. Petitioner Zettel is responsible and willing and able to negotiate the disposition of the debt with Treasury’s collection agency.

#### Discussion

10. Through August 2012, no garnishment is authorized. Beginning September 2012 through August 2013, garnishment up to 7% of Petitioner Zettel’s disposable pay is authorized; and thereafter, garnishment up to 15% of Petitioner Zettel’s disposable pay is authorized. *See* paragraphs 7, 8 and 9. I encourage **Petitioner Zettel and the collection agency to negotiate promptly** the repayment of the debt. Petitioner Zettel, 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 Zettel, 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

11. The Secretary of Agriculture has jurisdiction over the parties, Petitioner Zettel and USDA Rural Development; and over the subject matter, which is administrative wage

garnishment.

12. Petitioner Zettel owes the debt described in paragraphs 5 and 6.

13. **Garnishment is authorized**, as follows: through August 2012, **no** garnishment. Beginning September 2012 through August 2013, garnishment up to 7% of Petitioner Zettel's disposable pay; and thereafter, garnishment up to 15% of Petitioner Zettel's disposable pay. 31 C.F.R. § 285.11.

14. Repayment of the debt may also occur through **offset** of Petitioner Zettel's **income tax refunds** or other **Federal monies** payable to the order of Mrs. Zettel.

#### Order

15. Until the debt is repaid, Petitioner Zettel shall give notice to USDA Rural Development or those collecting on its behalf, of any changes in her mailing address; delivery address for commercial carriers such as FedEx or UPS; FAX number(s); phone number(s); or e-mail address(es).

16. USDA Rural Development, and those collecting on its behalf, are **not** authorized to proceed with garnishment through August 2012. Beginning September 2012 through August 2013, garnishment up to 7% of Petitioner Zettel's disposable pay is authorized; and garnishment up to 15% of Petitioner Zettel'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 29<sup>th</sup> day of July 2011

s/ Jill S. Clifton

Jill S. Clifton  
Administrative Law Judge

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