

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

Docket No. 11-0369

In re: DOROTHY GRIFFIN,  
Petitioner

**DECISION AND ORDER**

This matter is before the Office of Administrative Law Judges (“OALJ”) upon the timely request of Dorothy Griffin (“Petitioner”), filed on August 29, 2011, for a hearing to address the existence or amount of a debt alleged to be due to the United States Department of Agriculture, Rural Development (“USDA-RD”; “Respondent”), and if established, the propriety of imposing administrative wage garnishment. By Order issued on September 23, 2011, the parties were directed to provide information and documentation concerning the existence of the debt. In addition, the matter was set for a telephonic hearing to commence on October 18, 2011 and deadlines for filing documents with the Hearing Clerk’s Office were established.

On September 8, 2011, Respondent, represented by Mary E. Kimball, Accountant for the New Program Initiatives Branch of Rural Development, USDA-RD, located in Saint Louis, Missouri, filed a Narrative together with supporting documentation<sup>1</sup>. Petitioner did not file written submissions. Petitioner also did not provide a telephone number where she could be reached for the hearing. Her petition similarly does not have a telephone number. A search of [www.whitepages.com](http://www.whitepages.com) failed to show a listed telephone number at the address noted on Petitioner’s petition.

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<sup>1</sup> References to Respondent’s exhibits herein shall be denoted as “RX-1 through RX-8”.

The hearing commenced as scheduled, but Petitioner did not attend. I find it appropriate to make findings on the written record, which Respondent's representative confirmed as the best evidence supporting the debt. Accordingly, the following Findings of Fact and Conclusions of Law and Order shall be entered:

**FINDINGS OF FACT**

1. On April 29, 1987 the Petitioner assumed an existing mortgage held by USDA RD in the amount of \$31,860.00 and also directly borrowed the amount of \$2,640.00 for the purchase of real property in Crosby, Mississippi, evidenced by a Promissory Note and Real Estate Deed of Trust. RX-1; RX-2; RX-3/
2. USDA-RD established two separate accounts for the debts of Petitioner. RX-4.
3. The accounts became delinquent and on July 14, 2000, USDA-RD sent a notice of acceleration to the Petitioner. RX-5.
4. A foreclosure sale of the real property was held on December 11, 2000 and yielded \$13,490.00 which was applied against the account balances.
5. At the time of the sale, the amount due on the assumed mortgage account was \$30,640.30, consisting of \$28,817.18 principal, \$1724.69 interest, and \$198.43 fees. RX 5.
6. At the time of the sale, the amount due on the direct loan was \$2,755.92, consisting of \$1,825.07 principal, \$109.23 interest and \$821.62 fees. RX 5.
7. The balance on the loans after sale proceeds were applied was \$18,081.15 on the assumed loan and 41,825.07 on the direct loan. RX 5.
8. The account was referred to U.S. Department of Treasury ("Treasury") as required by law, and \$9,936.29 has been received from Treasury and applied to the balance of the accounts. RX 6.

9. The direct loan has been satisfied through Treasury collections and a balance of \$9,969.94 plus potential fees of \$2,990.98 for a total indebtedness of \$12,960.92 remains at Treasury for collection. RX 6.

10. Treasury, through its agent, issued a notice to Petitioner of intent to garnish her wages, and Petitioner timely requested a hearing, which was held by telephone on October 18, 2011.

11. Petitioner did not attend the hearing, and did not respond to an Order directing her to provide contact information.

12. Petitioner did not submit any information about her income, expenses, or employment status.

13. Petitioner has not provided any justification for why her wages, if any, should not be garnished.

#### **CONCLUSIONS OF LAW**

1. The Secretary has jurisdiction in this matter.

2. Petitioner is indebted to USDA RD in the amount of \$9,969.94, exclusive of potential Treasury fees, for a loan she acquired to purchase real property.

3. All procedural requirements for administrative wage offset set forth at 31 C.F.R. §285.11 have been met.

4. Petitioner's wages, if any, are subject to garnishment.

5. Respondent is entitled to administratively garnish the wages of the Petitioner.

6. Treasury shall remain authorized to undertake any and all other appropriate collection action.

#### **ORDER**

For the foregoing reasons, the wages of Petitioner shall be subjected to administrative wage garnishment if Petitioner is working.

Petitioner is advised that if she acquires the ability to negotiate a lump sum payment, she may be able to enter into a compromise settlement of the debt with the representatives of Treasury. Petitioner is further advised that such an agreement may lower anticipated fees for collecting the debt. The toll free number for Treasury's agent is **1-888-826-3127**.

Petitioner is advised that this Decision and Order does not prevent payment of the debt through offset of any federal money payable to Petitioner.

Petitioner is further advised that a debtor who is considered delinquent on debt to the United States may be barred from obtaining other federal loans, insurance, or guarantees. See, 31 C.F.R. § 285.13.

Until the debt is satisfied, Petitioner shall give to USDA RD or those collecting on its behalf, notice of any change in her address, phone numbers, or other means of contact.

Copies of this Decision and Order shall be served upon the parties and counsel by the Hearing Clerk's Office.

So Ordered this \_\_\_\_\_ day of October, 2011 in Washington, D.C.

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Janice K. Bullard  
Administrative Law Judge