

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re: Michelle Albert,)	AWG Docket No. 11-0351
)	
)	
Petitioner)	Decision and Order

This matter is before me upon the request of the Petitioner, Michelle Albert, for a hearing to contest the efforts of the Respondent, USDA/Rural Development, to garnish her wages in order to collect a debt remaining from a mortgage loan it provided to her and to her husband, Andrew Albert, Jr., on a house they had purchased together in New Roads, LA. A hearing was held by telephone conference, on September 22, 2011, and both Petitioner, Michelle Albert, and Respondent's representative, Mary Kimball, participated and gave sworn testimony. Respondent's exhibits RX-1 through RX-7 were received in evidence.

The exhibits showed that the mortgage loan was in the amount of \$45,260.00 and was secured by a promissory note and a mortgage dated November 13, 1985 (RX-1 and RX-2).

Petitioner and her husband failed to make the mortgage payments and a short sale was held on August 12, 2000 at which time \$41,597.98 was owed for principal, interest and various fees. The property was sold for \$20,000.00 and after the sale proceeds were posted, \$20,711.33 was owed on the debt. Since the sale, Treasury has collected some of the debt so that the current debt is \$11,015.28 plus potential fees to Treasury of \$3,304.58, or \$14, 319.86 total (RX-6). Michelle Albert is employed as a cook by a

hospital and her net monthly earnings are \$2,466.00, and her monthly expenses are \$2,200.00.

Accordingly, 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. On the other hand, Petitioner has shown that she would suffer undue financial hardship if more than \$100.00 per month is garnished from her pay checks.

Under these circumstances, it is hereby Ordered that no more than \$100.00 per month may be garnished from Petitioner's wages.

Dated:

Victor W. Palmer
Administrative Law Judge