

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

Docket No. 12-0180

In re: KAREN HAYES,  
Petitioner

**Decision and Order**

This matter is before the Office of Administrative Law Judges (“OALJ”) upon the request of Karen Hayes (“Petitioner”) for a hearing to address the existence or amount of a debt alleged to be due to the United States Department of Treasury (“Treasury”) through the United States Department of Agriculture, Rural Development Agency (“Respondent”; “USDA-RD”), and, if established, the propriety of imposing administrative wage garnishment. By Order issued on January 27, 2012, deadlines for the exchange and filing of information and documentation concerning the existence of the debt were established, and the matter was set for a telephonic hearing to commence on March 6, 2012.

The Respondent filed a Narrative, together with supporting documentation on February 15, 2012. (See, RX-1 through RX-6). On March 5, 2012, Petitioner filed a Consumer Debtor Financial Statement (PX-1).

I conducted a limited telephone hearing at the scheduled time on March 6, 2012. Petitioner initially asked for a continuance to consult counsel, but withdrew her request when she was informed that wage garnishment action would be suspended as she was not working. Petitioner advised that she was not working, and Respondent, represented by Michelle Tanner, advised that Petitioner’s former employer had confirmed her employment status in writing.

### **Conclusions of Law**

1. All procedural requirements for administrative wage garnishment set forth in 31 C.F.R. §285.11 have not been met because Petitioner is not employed.
2. USDA-RD may NOT administratively garnish Petitioner's wages
3. This Decision and Order does not prevent payment of the debt through offset of any federal money payable to Petitioner, including income tax refunds.
4. 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.

### **Order**

1. No administrative wage garnishment may be taken.
2. 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. The toll free number for Treasury's agent is **1-888-826-3127**.

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

So Ordered this \_\_\_\_\_ day of March, 2012 in Washington, D.C.

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Janice K. Bullard  
Administrative Law Judge