

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

AWG Docket No. 12-0330

In re: Paula A. Peace,  
Petitioner

**Decision and Order**

This matter is before the Administrative Law Judge upon the request of Petitioner for a hearing to address the existence or amount of a debt alleged to be due, and if established, the terms of any repayment prior to imposition of an administrative wage garnishment. On April 20, 2012, a Prehearing Order was entered to facilitate a meaningful conference with the parties as to how the case would be resolved, to direct the exchange of information and documentation concerning the existence of the debt, and setting the matter for a telephonic hearing on June 27, 2012.

The Respondent complied with that Order and a Narrative was filed, together with supporting documentation on May 21, 2012. The only material appearing in the record from the Petitioner are the attachments to her Request for Hearing. On the June 27, 2012 at the time set for the hearing, efforts to reach the Petitioner were unsuccessful and she will be deemed to have waived her right to a hearing.

On the basis of the entire record before me, the following Findings of Fact, Conclusions of Law and Order will be entered.

### **Findings of Fact**

1. On March 15, 1996, the Petitioner (and her then husband ) received a home mortgage loan in the amount of \$62,380.00 from Farmers Home Administration (FmHA), United States Department of Agriculture (USDA), now Rural Development (RD) for property located in Tipton, Indiana. RX-1.
2. The loan was accelerated for foreclosure on January 28, 2010 due to monetary default and the property was sold at a foreclosure sale on July 7, 2011 with proceeds realized from that sale in the amount of \$10,000.00, leaving a remaining balance due of \$54,414.04. Unpaid interest in the amount of \$3,151.79 was waived, making the total due \$51,262.25. RX-5.
3. Treasury offsets totaling \$3,794.00 exclusive of Treasury fees have been received. RX-4.
4. The remaining unpaid debt is in the amount of \$47,858.25 exclusive of potential Treasury fees. RX-5-6.

### **Conclusions of Law**

1. Petitioner is indebted to USDA Rural Development in the amount of \$47,858.25 for the mortgage loan extended to her.
2. All procedural requirements for administrative wage offset set forth in 31 C.F.R. §285.11 have been met.
3. The Respondent is entitled to administratively garnish the wages of the Petitioner.

**Order**

For the foregoing reasons, the wages of Petitioner shall be subjected to administrative wage garnishment at the rate of 15% of disposable pay, or such lesser amount as might be specified in 31 C.F.R. § 285.11(i).

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

June 27, 2012

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Peter M. Davenport  
Chief Administrative Law Judge

Copies to:     Paula A. Peace  
                  Michelle Tanner  
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