

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	
)	AWG Docket No. 10-0198
Cordelia D. White)	
)	
Petitioner)	Decision and Order

1. The hearing by telephone was scheduled for June 28, 2010; then rescheduled for November 19, 2010 and held then. Ms. Cordelia D. White, the Petitioner (“Petitioner White”) failed to appear. [She failed to appear by telephone; she did not provide any telephone number where she could be reached.] Rural Development, an agency of the United States Department of Agriculture (USDA), is the Respondent (“USDA Rural Development”) and was represented by Mary E. Kimball.

2. 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

mary.kimball@stl.usda.gov 314.457.5592 phone
314.457.4426 FAX

3. I encourage **Petitioner White and the collection agency** to work together to **establish a repayment schedule** rather than immediately proceeding with garnishment, even though this Decision authorizes garnishment, up to 15% of Petitioner White’s disposable pay. Petitioner White, obviously, will have to make herself available to the collection agency if she wants to negotiate. *See* paragraph 9.

4. This is Petitioner White’s case (she filed the Petition), and in addition to failing to be available for the hearing, Petitioner White failed to file with the Hearing Clerk a completed “Consumer Debtor Financial Statement” form or any information. Petitioner White’s deadline for that was June 18, 2010; then extended to October 20, 2010. *See* my Hearing

Status Report filed September 8, 2010, in which I also addressed the questions Petitioner White raised in her Hearing Request.

Summary of the Facts Presented

5. Petitioner White owes to USDA Rural Development a balance of **\$12,786.37** (as of June 7, 2010) in repayment of a \$43,420.00 United States Department of Agriculture Farmers Home Administration loan made in 1993 for a home in South Carolina, the balance of which is now unsecured (“the debt”). *See* USDA Rural Development Exhibits, plus Narrative, Witness & Exhibit List (filed June 8, 2010), PLUS Revised paragraph 2 of the Narrative (filed October 29, 2010), which are admitted into evidence.
6. Potential Treasury fees in the amount of 28% (the collection agency keeps 25% of what it collects; Treasury keeps another 3%) on **\$12,786.37** would increase the current balance by \$3,580.18, to \$16,366.55. *See* USDA Rural Development Exhibits, esp. RX-4.
7. Petitioner White failed to file financial information or anything in response to my Order dated May 17, 2010, and my Hearing Status Report filed September 8, 2010; consequently there is no evidence before me regarding Petitioner White’s disposable pay or any 31 C.F.R. § 285.11 factors. I must presume that Petitioner White’s disposable pay supports garnishment, up to 15% of Petitioner White’s disposable pay.
8. Petitioner White is responsible and capable of negotiating the disposition of the debt with Treasury’s collection agency.

Discussion

9. I encourage **Petitioner White and the collection agency to negotiate promptly** the repayment of the debt. Petitioner White, 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 White, you may choose to offer to compromise the debt for an amount you are able to pay, to settle the claim for less.

Findings, Analysis and Conclusions

10. The Secretary of Agriculture has jurisdiction over the parties, Petitioner White and USDA Rural Development; and over the subject matter, which is administrative wage garnishment.
11. Petitioner White owes the debt described in paragraphs 5 and 6.

12. Garnishment is authorized, up to 15% of Petitioner White's disposable pay. 31 C.F.R. § 285.11.

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

Order

14. Until the debt is fully paid, Petitioner White 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).

15. USDA Rural Development, and those collecting on its behalf, are authorized to proceed with garnishment, up to 15% of Petitioner White's disposable pay.

Copies of this Decision shall be served by the Hearing Clerk upon each of the parties.

Done at Washington, D.C.
this 1st day of December 2010

s/ Jill S. Clifton

Jill S. Clifton
Administrative Law Judge

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