

# **UNITED STATES DEPARTMENT OF AGRICULTURE**

## **BEFORE THE SECRETARY OF AGRICULTURE**

AWG Docket No. 10-0176

In re: TAMMY T. GRUBBS,  
formerly TAMMY T. STALLINGS,

Petitioner

### **DECISION AND ORDER**

This matter is before the Administrative Law Judge upon the request of Tammy T. Grubbs 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 26, 2010, 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 July 28, 2010.

The Respondent partially complied with that Order and a Narrative was filed, together with supporting documentation on June 21, 2010. The Petitioner has responded with a letter dated June 24, 2010 and also provided financial information which was filed by the Hearing Clerk on June 29, 2010. In the materials provided, Ms. Grubbs acknowledged signing the note and mortgage which gave rise to the obligation being sought to be collected, but indicated that she was unemployed and unable to work due to a medical condition.

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 September 17, 1993, the Petitioner and her then husband Timothy J. Stallings assumed a home mortgage loan in the amount of \$41,649.44 from Farmers Home Administration, United States Department of Agriculture (USDA) now Rural Development (RD) for property located in Gaston, South Carolina. RX-2. At the same time, the borrowers also received a loan in the amount of \$8,210.00. RX-1.

2. The primary indebtedness was subsequently reamortized on two occasions which resulted in an increase in the amount of the total obligation by including delinquent amounts to the principal. RX-3

3. The borrowers defaulted on their loans and the property was sold at a foreclosure sale on June 11, 2002 with proceeds realized from that sale in the amount of \$27,205.44, leaving a balance due of \$37,052.62. RX-5.

4. Treasury offsets totaling \$6,568.58 less Treasury fees have been received. RX-6.

5. The remaining unpaid debt is in the amount of \$30,484.04 (exclusive of potential Treasury fees. RX-6.

6. The Petitioner is currently unemployed.

**Conclusions of Law**

1. Tammy T. Grubbs is indebted to USDA Rural Development in the amount of \$30,484.04 (exclusive of potential Treasury fees for the mortgage loan extended to her.

2. By virtue of being unemployed, the Petitioner may **NOT** be subjected to garnishment.

**Order**

For the foregoing reasons, the administrative wage garnishment proceedings shall be terminated until such time as the Petitioner returns to full time employment and has been so employed for a period of twelve continuous months.

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

Done at Washington, D.C.  
July 28, 2010

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**PETER M. DAVENPORT**  
Chief Administrative Law Judge

Copies to: Tammy T. Grubbs  
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Dale Theurer

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