

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

In re: )  
 ) **AWG Docket No. 11-0164**  
Barbara L. Crosnoe )  
 )  
Petitioner ) **Decision and Order**

1. The hearing by telephone was held on May 4, 2011. Barbara L. Crosnoe, the Petitioner (“Petitioner Barbara Crosnoe”), represents herself (appears *pro se*).
2. Rural Development, an agency of the United States Department of Agriculture (USDA), is the Respondent (“USDA Rural Development”) and is represented by Mary E. Kimball. The address for USDA Rural Development for this case is

Mary E. Kimball, Branch Accountant  
USDA / RD New Program Initiatives Branch  
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St Louis MO 63120-1703

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3. I encourage **Petitioner Barbara Crosnoe and the collection agency** to work together to **establish a repayment schedule** rather than proceeding with garnishment, even though this Decision authorizes garnishment in a limited amount beginning June 2012. Petitioner Barbara Crosnoe, obviously, will have to make herself available to the collection agency if she wants to negotiate. See paragraph 11.

Summary of the Facts Presented

4. USDA Rural Development’s Exhibits, plus Narrative, Witness & Exhibit List, were filed on April 12 and May 6, 2011, and are admitted into evidence, together with the testimony of Ms. Kimball.

5. Petitioner Barbara Crosnoe's completed "Consumer Debtor Financial Statement," filed on April 28, 2011; plus the revised "Consumer Debtor Financial Statement" filed May 3, 2011 with the accompanying documents, are admitted into evidence, together with the testimony of Petitioner Barbara Crosnoe and the testimony of her husband Bart Crosnoe.

6. Petitioner Barbara Crosnoe owes to USDA Rural Development **\$8,014.08** in repayment of a Farmers Home Administration loan assumed in 1995 for a home in Iowa, the balance of which is now unsecured ("the debt").

7. Potential Treasury fees in the amount of 28% (the collection agency keeps 25% of what it collects; Treasury keeps another 3%) on **\$8,014.08**, would increase the current balance by \$2,243.94, to \$10,258.02. *See* USDA Rural Development Exhibits, esp. RX 5.

8. Petitioner Barbara Crosnoe is repaying more than \$4,000.00 in medical expenses as her husband endured a stroke in January 2011 and requires quarterly MRIs for tumors in his neck. She owes considerable amounts on additional indebtedness, particularly 2010 income taxes, her home, truck and truck repair.

9. Petitioner Barbara Crosnoe's disposable income is probably about [REDACTED] per month. [Disposable income is gross pay minus income tax, Social Security, Medicare, and health insurance withholding; and in certain situations minus other employee benefits contributions that are required to be withheld.] Although Garnishment at 15% of Petitioner Barbara Crosnoe's disposable pay could yield roughly [REDACTED] per month in repayment of the debt, she cannot withstand garnishment in that amount without hardship. To prevent hardship, potential garnishment to repay "the debt" (*see* paragraph 6) must be limited to 0% of Petitioner Barbara Crosnoe's disposable pay through May 2012; then up to 7% of Petitioner Barbara Crosnoe's disposable pay beginning June 2012 through May 2013; then up to 15% of Petitioner Barbara Crosnoe's disposable pay thereafter. 31 C.F.R. § 285.11.

10. Petitioner Barbara Crosnoe is responsible and willing and able to negotiate the disposition of the debt with Treasury's collection agency.

#### Discussion

11. Through May 2012, no garnishment is authorized. Beginning June 2012 through May 2013, garnishment up to 7% of Petitioner Barbara Crosnoe's disposable pay is authorized; and thereafter, garnishment up to 15% of Petitioner Barbara Crosnoe's disposable pay is authorized. *See* paragraphs 8, 9 and 10. I encourage **Petitioner Barbara Crosnoe and the collection agency to negotiate promptly** the repayment of the debt. Petitioner Barbara Crosnoe, 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 Barbara Crosnoe, you may choose to offer to the collection agency to compromise the debt for an amount you are able to pay, to settle the claim for less.

#### Findings, Analysis and Conclusions

12. The Secretary of Agriculture has jurisdiction over the parties, Petitioner Barbara Crosnoe and USDA Rural Development; and over the subject matter, which is administrative wage garnishment.
13. Petitioner Barbara Crosnoe owes the debt described in paragraphs 6 and 7.
14. **Garnishment is authorized**, as follows: through May 2012, **no** garnishment. *I am NOT, however, ordering any amounts already collected through garnishment of Petitioner Barbara Crosnoe's pay prior to implementation of this Decision to be returned to Petitioner Barbara Crosnoe.* Beginning June 2012 through May 2013, garnishment up to 7% of Petitioner Barbara Crosnoe's disposable pay; and thereafter, garnishment up to 15% of Petitioner Barbara Crosnoe's disposable pay. 31 C.F.R. § 285.11.
15. Repayment of the debt may also occur through *offset* of Petitioner Barbara Crosnoe's **income tax refunds** or other **Federal monies** payable to the order of Mrs. Crosnoe.

#### Order

16. Until the debt is repaid, Petitioner Barbara Crosnoe 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).
17. USDA Rural Development, and those collecting on its behalf, are **not** authorized to proceed with garnishment through May 2012. Beginning June 2012 through May 2013, garnishment up to 7% of Petitioner Barbara Crosnoe's disposable pay is authorized; and garnishment up to 15% of Petitioner Barbara Crosnoe's disposable pay thereafter. 31 C.F.R. § 285.11.

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

Done at Washington, D.C.  
this 11<sup>th</sup> day of May 2011

s/ Jill S. Clifton

Jill S. Clifton  
Administrative Law Judge

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