

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

In re:	)	
	)	<b>AWG Docket No. 11-0039</b>
Kassandra Bailey,	)	
	)	<b>Order Dismissing Case</b>
Petitioner	)	<b>Without Prejudice</b>

This matter is before me upon the request of the Petitioner, Kassandra Bailey (currently known as Kassandra Marie Staley), for a hearing in response to efforts of Respondent, USDA's Rural Development Agency, Rural Housing Service, to institute a federal administrative wage garnishment against her. On January 11, 2011, I issued a Pre-hearing Order setting the date for the hearing and requiring the parties to exchange information concerning the amount of the debt.

Ms. Bailey filed for Chapter 7 bankruptcy on September 9, 2011, in the U.S. Bankruptcy Court, Southern District of Ohio (Columbus), Bankruptcy Petition #: 2:11-bk-51150.

As a result of Ms. Bailey's Chapter 7 bankruptcy filing, Rural Development will not pursue any type of collection on the debt owed to USDA at this time. Rural Development will recall the debt from Treasury and will monitor the bankruptcy proceedings to determine the outcome. If the debt is discharged in bankruptcy, USDA Rural Development will not pursue any collection effort; if the debt is not discharged in

bankruptcy, USDA Rural Development may return the debt to Treasury for future collection efforts such as wage garnishment.

Accordingly, this case is dismissed, without prejudice to Ms. Bailey to request a hearing, should garnishment be noticed.

Copies of this Order Dismissing Case Without Prejudice shall be served by the Hearing Clerk upon each of the parties and counsel for Ms. Bailey.

Done at Washington, D.C.  
this 14th day of February 2011

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Stephen M. Reilly  
Hearing Official