

UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HEARINGS AND APPEALS

In the Matter of:

MARIE EMBOLO ABENA,

Petitioner.

24-AF-0121-AG-085
(Claim No. 721021410)

September 16, 2025

DECISION AND ORDER

On January 31, 2024, Marie Embolo Abena (“Petitioner”) filed a *Hearing Request* (“Request”) seeking a hearing concerning the amount, enforceability, or payment schedule of a debt allegedly owed to the U.S. Department of Housing and Urban Development (“HUD” or “the Secretary”). The Debt Collection Improvement Act of 1996, as amended (31 U.S.C. § 3720D), authorizes federal agencies to use administrative wage garnishments as a mechanism for the collection of debts allegedly owed to the United States government.

The Secretary of HUD has designated the judges of the Office of Hearings and Appeals to adjudicate contested cases where the Secretary seeks to collect debts by means of administrative wage garnishment. This hearing is conducted in accordance with procedures set forth at 31 C.F.R. § 285.11, as authorized by 24 C.F.R. § 17.81.

FINDINGS OF FACT

On November 19, 2021, Petitioner executed and delivered to the Secretary a Partial Claim Promissory Note (“The Note”) in the principal amount of \$20,069.69. The funds secured by the Note were paid by the Secretary to Petitioner’s primary mortgage lender to provide foreclosure relief.

The terms of the Note included Petitioner’s promise to pay, secured by a mortgage, deed of trust, or similar security instrument to protect the Secretary from losses if Petitioner defaulted on the Note. The Note required payment on or before April 1, 2045, or, if earlier, when the first of the following events occurs:

- i. Borrower has paid in full all amounts due under the primary Note and related mortgage, deed of trust, or similar security instruments insured by the Secretary, or;
- ii. the maturity date of the primary Note has been accelerated, or;
- iii. the primary Note and related mortgage, deed of trust, or similar security instrument are no longer insured by the Secretary, or;

iv. the property is not occupied by the purchaser as his or her principal residence.

On or about June 6, 2022, the FHA mortgage insurance on Petitioner's primary mortgage was terminated, as the lender indicated that the primary mortgage was paid in full. The total amount due now consists of:

- i. \$20,069.69 as the unpaid principal balance as of January 31, 2024;
- ii. \$401.36 as the unpaid interest on the principal balance at 3.0% per annum through January 31, 2024;
- iii. \$1,268.50 as the unpaid penalties and administrative costs on the balance through January 31, 2024; and
- iv. interest on said principal balance from February 1, 2024, at 3.0% per annum until paid.¹

A "Notice of Intent to Initiate Administrative Wage Garnishment Proceedings" ("Notice") dated December 18, 2023, was sent by the U.S. Department of Treasury on behalf of HUD. In accordance with 31 C.F.R. § 285.11(e)(2)(ii), the Notice afforded Petitioner the opportunity to enter into a written repayment agreement with HUD under mutually agreeable terms.

Petitioner provided HUD with a current copy of her pay information as of December 17, 2023. Therefore, HUD proposes a wage garnishment repayment schedule of \$296.05 bi-weekly, an amount equal to 15% of Petitioner's disposable income.

DISCUSSION

The Secretary bears the initial burden of proof to show the existence and amount of the alleged debt. See 31 C.F.R. § 285.11(f)(8)(i). Petitioner, thereafter, must show by a preponderance of the evidence that no debt exists or that the amount of the debt is incorrect. See 31 C.F.R. § 285.11(f)(8)(ii). Additionally, Petitioner may present evidence that the terms of the proposed repayment schedule are unlawful, would cause an undue hardship to Petitioner, or that the alleged debt is legally unenforceable. Id.

As evidence of the Petitioner's indebtedness, the Secretary has filed the *Secretary's Statement that Petitioner's Debt is Past Due and Legally Enforceable* together with a copy of the Partial Claim Promissory Note signed by Petitioner and the Declaration of Brian Dillon, Director, Asset Recovery Division, wherein Mr. Dillon states the full amount of the debt owed by Petitioner. The express language of the Note, signed and agreed to by Petitioner, states under "Borrower's Promise to Pay," that "[i]n return for a loan received from Lender, Borrower promises to pay the principal sum of Twenty Thousand Sixty-Nine and 69/100 (U.S. \$20,069.69) to the order of Lender." The Note further states that payment will be made at the Office of Housing FHA-Comptroller, Director of Mortgage Insurance Accounting and Servicing,

¹ If found liable for the debt, Petitioner may also be responsible for U.S. Department of Treasury debt collection fees pursuant to 31 U.S.C. § 3711(g)(6).

Washington, D.C. Accordingly, the copy of the Note submitted by HUD under oath is sufficient to establish the existence and the amount of the debt owed by Petitioner.

In her *Request*, Petitioner claims the proposed garnishment would cause financial hardship. For Petitioner to show financial hardship, she “must submit ‘particularized evidence,’ including proofs of payment, showing that [she] will be unable to pay essential subsistence costs such as food, medical care, housing, clothing or transportation.” See *In re Hongmei Zhang*, HUDOHA No. 24-AF-0163-AG-093, slip op. at 3 (Dec. 3, 2024). In support of her claim that a garnishment in this amount would cause financial hardship, Petitioner submitted a copy of her pay stub dated December 22, 2023, a Consumer Debtor Financial Statement dated December 24, 2023, a residential lease agreement dated December 19, 2021, four monthly billing statements, and a copy of her 2022 income tax return.

On July 22, 2025, this Court issued an *Order for Documentary Evidence* requiring Petitioner to submit more current financial information by August 21, 2025, for the Court to have a complete and accurate record to base its written decision. Petitioner did not submit more current financial information to support her claim that garnishment would cause financial hardship. Thus, this Court cannot make a determination of whether wage garnishment will cause Petitioner financial hardship at this time.

Therefore, the Secretary may garnish the lesser of 15% of Petitioner’s disposable pay or \$296.05 biweekly. Petitioner is entitled to seek reassessment of the repayment schedule in the future in the event she experiences materially-changed financial circumstances. See 31 C.F.R. § 285.11(k).

ORDER

For the reasons set forth above, the Court finds the subject debt to be legally enforceable against Petitioner in the amount claimed by the Secretary. It is:

ORDERED that the Secretary is authorized to seek administrative wage garnishment in the amount of 15% of Petitioner’s disposable pay (or \$296.05 biweekly, discussed above), or such other amount as determined by the Secretary, not to exceed 15% of Petitioner’s disposable pay. It is

FURTHER ORDERED that the Order imposing the *Stay of Referral* of this matter to the U.S. Department of the Treasury for administrative wage garnishment is **VACATED**.

SO ORDERED,



ALEXANDER FERNANDEZ-PONS
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Department of Housing and Urban
Development, Office of the Secretary
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Alexander Fernández-Pons
Administrative Law Judge

Finality of Decision. Pursuant to 31 C.F.R. § 285.11(f)(12), this constitutes the final agency action for the purposes of judicial review under the Administrative Procedure Act (5 U.S.C. § 701 *et seq.*).