



Office of Appeals
U.S. Department of Housing and Urban Development
Washington, D.C. 20410-0001

In the Matter of:

Sally Junette Schneider,

Petitioner

HUDOA No. 11-H-CH-LL30
Claim No. 780426695-0B

Sally Junette Schneider
W 4722 County Road F
Waldo, WI 53093

Pro se

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For the Secretary

RULING ON SECRETARY'S MOTION TO DISMISS

Petitioner was notified, pursuant to 31 U.S.C. §§ 3716 and 3720A, that the Secretary of the U.S. Department of Housing and Urban Development ("HUD") intended to seek administrative offset by the United States Department of the Treasury of any Federal payments due to Petitioner to recover a claimed past-due, legally enforceable debt of Petitioner to HUD.

Petitioner filed a timely request to present evidence that the debt was not past-due or not legally enforceable. Pursuant to 24 C.F.R. § 17.150 et. seq. and § 20.4(b), the administrative judges of the HUD Office of Appeals are authorized to determine whether these debts are past due and legally enforceable. As a result of Petitioner's request, referral of the debt to the U.S. Department of the Treasury was temporarily stayed by this Office on May 5, 2011.

On May 31, 2011, a Motion to Dismiss Without Prejudice was filed on behalf of the Secretary advising this Office that "Petitioner's discharge in Chapter 7 bankruptcy is pending and the automatic stay prevents collection from Petitioner."

Without objection, the Secretary's Motion to Dismiss is **GRANTED**. It is hereby

ORDERED that the Secretary shall not seek to collect the claimed debt of Petitioner by means of administrative offset of any Federal payment due Petitioner.

The stay of referral of this matter on May 5, 2011 to the Department of the Treasury shall remain in place indefinitely.

This matter is **DISMISSED WITHOUT PREJUDICE**.

However, the Secretary retains the right to seek offset of Petitioner's federal tax refund in future years if Petitioner's debt to the Department then exists.



Vanessa L. Hall
Administrative Judge

June 2, 2011