



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

In the Matter of:

Sage Partners, L.P.

Petitioner

HUDOA No. 12-H-NY-PP29
Claim No. 7-404000870A

RULING ON SECRETARY'S MOTION TO DISMISS

Petitioner was notified by Due Process Notice, 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 Court on February 23, 2012.

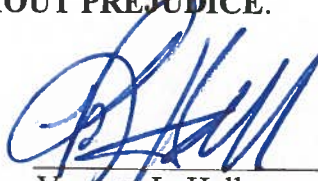
On February 29, 2012, a Motion to Dismiss was filed on behalf of the Secretary advising the Court that "The Notice of Intent to Collect via Treasury Offset was sent to Petitioner in error. Therefore, HUD moves to dismiss this proceeding, without prejudice, since HUD is not seeking to collect this debt via administrative offset at this time." (Motion to Dismiss, Exhibit A, Declaration of Brian Dillon at ¶ 3.) The Secretary further states that "HUD referred its civil money penalty judgment to the United States Attorney's Office for further action." (*Id.*)

Therefore, upon due consideration, 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. It is hereby

FURTHER ORDERED that the stay of referral of this matter to the Department of the Treasury shall remain in place indefinitely.

This matter is **DISMISSED WITHOUT PREJUDICE.**



Vanessa L. Hall
Administrative Judge

February 29, 2012