



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

In the Matter of:

**Kelly Shepard,**

Petitioner

HUDOA No. 11-H-NY-LL32  
Claim No. 7-807278860A

Kelly Shepard  
17 Garnett Road  
Farmington, NY 14425

For Petitioner

Julia M. Murray, Esq.  
U.S. Department of Housing and  
Urban Development  
Office of Regional Counsel  
for New York/New Jersey Field Offices  
26 Federal Plaza, Room 3237  
New York, NY 10278

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 April 12, 2011.

On May 18, 2011, a Motion to Dismiss was filed on behalf of the Secretary advising this Office that HUD "is dismissing its action to pursue collection by Treasury Offset because Petitioner filed Chapter 7 bankruptcy in the United States Bankruptcy Court, Western District of New York under case number 10-22876 on December 2, 2010. Petitioner's bankruptcy case was discharged on March 16, 2011." As support, the Secretary submitted a copy of the Declaration from Brian Dillon, the Director of the Asset Recovery Division, HUD's Financial Operations Center. (Motion to Dismiss, Ex. A.)

Upon due consideration, the Secretary's motion is **GRANTED**.

The Stay of Referral of this matter to the U.S. Department of the Treasury issued by this Office on April 12, 2011 shall be made permanent. It is hereby

**ORDERED** that this matter is **DISMISSED WITH PREJUDICE**.



\_\_\_\_\_  
Vanessa Hall  
Administrative Judge

May 19, 2011