# STA TE OF MICHIGAN STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

Reg No: 2011 12471

Issue No. 3008

Case No:

Hearing Date: January 27, 2011

Wayne County DHS (76)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

# **HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for hearing. After due notice, a telephone hearing was conducted by the undersigned in Detroit, Michigan on January 27, 2011. The Claimant was present and testified. R. Weathers, FIM and Monica Smith, ES appeared on behalf of the Department.

## **ISSUE**

Whether the Department properly included the Claimant's self employment income of \$500 in the Claimant's FAP budget as earned income for November and December 2010.

#### FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material and substantial evidence on the whole record, finds as material fact:

 The Claimant was an ongoing FAP recipient and ended her self employment on September 4, 2010. The Claimant returned the verification of ending her self employment after she received the form on September 4, 2010. 2 201112471/LMF

2. The Department did not receive the form returned by the Claimant so it sent another verification form out which was received by the Department in January 2011.

- 3. The Claimant ended her self employment on September 4, 2010.
- 4. The Claimant advised the Department that her self employment had ended on September 7, 2010, in a face to face meeting.
- 5. The Department issued a notice of case action on October 5, 2010 which calculated the Claimant's FAP benefits and included the \$500 self employment income. Exhibit 3
- 6. The Department issued a notice of case action on October 27, 2010 which calculated the Claimant's FAP benefits and included the \$500 self employment income. Exhibit 4
- 7. The Department did not remove the Claimant's self employment income until January 1, 2011. Exhibit 1 and 2. (FAP EDG summaries for Nov. and Dec. 2010.)
- 8. At the hearing the Department agreed to recalculate the Claimant's FAP benefits for the months of November and December 2010, and remove the \$500 self employment income when preparing the FAP budgets for that period and to issue a supplement for FAP benefits, if any, to the Claimant for FAP benefits she was otherwise entitled to receive.
- 9. Based upon this agreement, by the Department, the Claimant indicated that she no longer wished to proceed with the hearing.

#### CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges

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Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Table (RFT).

Under Bridges Administrative Manual Item 600, clients have the right to contest any agency decision affecting eligibility or benefit levels whenever they believe the decision is illegal. The agency provides an Administrative Hearing to review the decision and determine if it is appropriate. Agency policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when the agency receives a hearing request and continues through the day of the hearing.

In the present case the Department has agreed to recalculate the Claimant's FAP benefits for the month of November and December 2010 and to remove the \$500 self employment income from the budget. Based upon the recalculated FAP budget, the Department further agreed to issue a FAP supplement to the Claimant for those months for FAP benefits she was otherwise eligible and entitled to receive. As a result of these agreements, Claimant indicated she no longer wished to proceed with the hearing. Since the Claimant and the Department have come to an agreement it is unnecessary for this Administrative Law Judge to make a decision regarding the facts and issues in this case.

## **DECISION AND ORDER**

The Administrative Law Judge, based upon the findings of facts and conclusions of law, finds that the Department and Claimant have come to a settlement regarding claimant's request for a hearing.

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# Accordingly, it is ORDERED

 The Department shall recalculate the Claimant's FAP budgets for November and December 2010 and shall remove the Self Employment income of \$500.

 Based upon the recalculated FAP budgets, the Department shall issue a supplement to the Claimant for FAP benefits she was otherwise eligible to receive for the months of November and December 2010.

Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 02/01/11

Date Mailed: 02/03/11

**NOTICE**: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

#### LMF/dj

cc: