

STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 201151662
Issue Code: 3020, 3055
Case No: [REDACTED]
Hearing Date: October 6, 2011
DHS MI-CAP/SSPC

ADMINISTRATIVE LAW JUDGE: COREY A. ARENDT

HEARING DECISION

This matter is before me pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a telephone hearing was held on October 6, 2011. The Claimant and Department appeared by telephone and provided testimony.

ISSUE

Did the Department properly deny Claimant's Family Assistance Program (FAP) application?

FINDINGS OF FACT

I find as material fact, based upon the competent, material and substantial evidence on the whole record:

1. On June 10, 2010, Administrative Law Judge Jan Leventer issued a decision finding the Claimant disqualified for life for a FAP trafficking conviction of \$500 or more. (ALJ Exhibit I).
2. On August 16, 2011, the Claimant filed with the Department an application for FAP benefits.
3. On August 18, 2011, the Department denied the Claimant's application for FAP benefits due to the lifetime disqualification for FAP trafficking.
4. On August 29, 2011, the Claimant requested a hearing appealing the Department's denial.

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. (MAC R 400.903(1)).

Clients have the right to contest a Department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. (BAM 600).

The FAP (formerly known as the Food Stamp (FS) program) was 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 administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

Pursuant to BEM 203, "FAP Trafficking," a person is disqualified from FAP when an administrative hearing decision, a repayment and disqualification agreement or court decision determines FAP benefits were trafficked. FAP trafficking violations are:

Fraudulently using, transferring, altering, acquiring, or possessing coupons, authorization cards, or access devices;

or

Redeeming or presenting for payment coupons known to be fraudulently obtained or transferred.

The length of the disqualification period depends on the dollar amount of the FAP benefits trafficked. A standard disqualification period is applied to FAP trafficking convictions less than \$500. A person is disqualified for life for a FAP trafficking conviction of \$500 or more. The disqualification procedures are set forth in BAM 720. BEM 203, p. 2. (Bold print added for emphasis.).

On June 10, 2010, ALJ Leventer found the Department to have properly administered the lifetime ban on the Claimant for FAP trafficking. Therefore, I find the Department acted appropriately in denying the Claimant's application for FAP benefits based on the application of the lifetime ban.

Accordingly, I find the Agency's actions are **AFFIRMED**.

DECISION AND ORDER

I find, based upon the above findings of fact and conclusions of law, the Department properly denied the Claimant's FAP application.

Accordingly, the Department's actions are **AFFIRMED**.

/s/

Corey A. Arendt
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: October 7, 2011

Date Mailed: October 7, 2011

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.

CAA/cr

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