

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

**IN THE MATTER OF:**



Reg. No.: 14-007144  
Issue No.: 3001  
Case No.: [REDACTED]  
Hearing Date: August 19, 2014  
County: Oakland-District 3 (Walled Lake)

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, telephone hearing was held on Tuesday, August 19, 2014 from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Due to excess income, did the Department properly close Claimant's case for Food Assistance Program (FAP)?

**FINDINGS OF FACT**

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

1. Claimant received FAP benefits.
2. On June 25, 2014, the Department closed Claimant's case due to excess income.
3. On June 25, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
4. On July 14, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's actions.

### CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

Additionally, the Claimant was a recipient of FAP benefits with a semi-annual due March 2014. The Claimant's husband has a business, which before was counted as self-employment income. The Department's policy changed resulting in the earned income not being able to be counted as self-employment income with a deduction any longer since his business is an S-Corporation. As a result, all of the earned income was required to be counted in determining FAP eligibility of [REDACTED]. Department Exhibit 4-86.

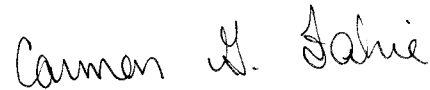
As a result of excess income, the Claimant FAP case was closed. After deductions from her gross income of [REDACTED] of one [REDACTED] standard deduction and an [REDACTED] earned deduction for an adjusted gross income of [REDACTED]. With a net income of [REDACTED], the Claimant had excess income and was over the income limit with a net income limit for a household group composition of five with a net income limit of [REDACTED]. Department Exhibit 88-90. On June 25, 2014, the Department Caseworker sent the Claimant a notice that her FAP case would close effective July 1, 2014, due to excess income. Department Exhibit 3.

The Department has met its burden that the Claimant had excess income for FAP resulting in the closure of the Claimant's FAP case. BEM 110, 125, 126, 135, 501, 502, and 163. CFR 435, 310, and 510..

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it closed the Claimant FAP case due to excess income.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.



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Carmen G. Fahie  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **8/28/2014**

Date Mailed: **8/28/2014**

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the Claimant;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

CGF/tb

cc:

