

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-012404  
Issue No.: 3001  
Case No.: [REDACTED]  
Hearing Date: December 03, 2014  
County: Gladwin

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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, an in-person hearing was held on December 3, 2014, from Gladwin, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] and [REDACTED].

**ISSUE**

Did the Department properly close the Claimant's Food Assistance Program (FAP) benefits?

**FINDINGS OF FACT**

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

1. The Claimant was an ongoing Food Assistance Program (FAP) recipient until October 1, 2014.
2. On September 16, 2013, the Claimant reported to the Department that she was moving to another home.
3. On September 10, 2014, the Department notified the Claimant that it would close her Food Assistance Program (FAP) benefits because her countable assets exceeded the limit to participate in the program.
4. On September 17, 2014, the Department received the Claimant's request for a hearing protesting the closure of her Food Assistance Program (FAP) benefits.

### **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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

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.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (October 1, 2014), pp 1-7.

The Department will assume an asset is available unless evidence shows it is not available. An asset is not countable when the asset has no current market value that is verified by two knowledgeable and appropriate sources and the owner is making a good-faith effort to sell it. BEM 400.

In this case, the Claimant was an ongoing Food Assistance Program (FAP) recipient when she reported a move to a new residence. The Claimant had been living in a home that she was purchasing on a land contract. The Department determined the Claimant's former residence was no longer an excluded asset when it ceased to be her primary homestead. On September 10, 2014, the Department notified the Claimant that it would close her Food Assistance Program (FAP) benefits because her countable assets exceeded the \$ [REDACTED] asset limit. BEM 400.


The Claimant testified that she moved her family to a new home because the old home was not affordable and in poor condition. The Claimant did not contest the Department's valuation of the property, but argued that it was not a valuable asset to her. The Claimant testified that she intended to abandon the property and that it would likely be foreclosed upon for delinquent property taxes.

When the property ceased to be her primary residence, it was no longer an excluded asset. The Claimant failed to establish that the property was non-salable, or that any other policy exclusion applied. Therefore, the property is a countable asset and the Department was acting in accordance with policy when it closed the Claimant's Food Assistance Program (FAP) benefits due to excess assets.

The Administrative Law Judge, based on 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's Food Assistance Program (FAP) benefits.

**DECISION AND ORDER**

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

  
\_\_\_\_\_  
Kevin Scully  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **12/8/2014**

Date Mailed: **12/8/2014**

KS/las

**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 client;
- 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

cc:

