



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
Christopher Seppanen  
Executive Director

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
Date Mailed: [REDACTED] May 18, 2017  
MAHS Docket No.: 17-004938  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

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

**HEARING DECISION**

Following Petitioner'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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on [REDACTED], from [REDACTED], Michigan. Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payments Supervisor, and [REDACTED], Department Interpreter and Assistance Payments Supervisor.

**ISSUE**

Did the Department properly decrease Petitioner's Food Assistance Program (FAP) benefits due to an increase in earned income?

**FINDINGS OF FACT**

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

1. Petitioner was a recipient of FAP benefits.
2. Petitioner faxed updated paystubs to the Department on [REDACTED], and [REDACTED]. Department Exhibit 1, pgs. 4-7.
3. On [REDACTED], the Department Caseworker sent Petitioner, a Notice of Case Action that, due to an increase in earned income, her FAP benefits would decrease to \$[REDACTED] effective [REDACTED]. Department Exhibit 1, pgs. 8-13.

4. On [REDACTED], the Department received a hearing request from Petitioner, contesting the Department's negative action.

### **CONCLUSIONS OF LAW**

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

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, 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 Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

In this case, Petitioner was a recipient of FAP benefits. Petitioner faxed updated paystubs to the Department on [REDACTED], and [REDACTED]. Department Exhibit 1, pgs. 4-7. On [REDACTED], the Department Caseworker sent Petitioner, a Notice of Case Action that due to an increase in earned income that her FAP benefits would decrease to \$[REDACTED] effective [REDACTED]. Department Exhibit 1, pgs. 8-13. On [REDACTED], the Department received a hearing request from Petitioner, contesting the Department's negative action. BAM 115 and 600. BEM 505.

During the hearing, the Department stated that Petitioner had excess income, which resulted in a decrease of her FAP benefits from \$[REDACTED] to \$[REDACTED] due to an increase in earned income from employment by Petitioner. As a result of excess income, Petitioner had a decrease in FAP benefits. Petitioner had earned income of \$[REDACTED], and child support of \$[REDACTED], for a total income of \$[REDACTED]. After deductions of \$[REDACTED] for an earned income deduction, and \$[REDACTED] for standard deduction from her gross income of \$[REDACTED], there is an adjusted gross income of \$[REDACTED]. Petitioner had excess income for an excess shelter deduction. Petitioner had a net income of \$[REDACTED], which was the adjusted gross income of \$[REDACTED] minus the excess shelter deduction of \$[REDACTED]. With a net income of \$[REDACTED], Petitioner qualified with a household group size of 2 for a maximum benefit of \$[REDACTED], plus \$[REDACTED] in economic recovery, minus 30% of net income of \$[REDACTED], resulting in a net benefit amount of \$[REDACTED]. Department Exhibit 2, pgs. a-c.

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 determined that Petitioner had excess income from an increase in earned income resulted in a decrease of her FAP benefits from \$[REDACTED] to \$[REDACTED].

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**. The Petitioner had excess income from an increase in earned income resulting in a decrease in her FAP benefits from \$ [REDACTED] to \$ [REDACTED].

CF/bb



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**Carmen G. Fahie**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

**NOTICE OF APPEAL:** A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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 48909-8139

**DHHS**

[REDACTED]

**Petitioner**

[REDACTED]