GRETCHEN WHITMER GOVERNOR State of Michigan DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS DIRECTOR



Date Mailed: September 27, 2021 MOAHR Docket No.: 21-004051 Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Janice Spodarek

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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, an administrative hearing was held on September 23, 2021.

Petitioner personally appeared unrepresented.

The Department of Health and Human Services (Department) was represented by Kristina Warner, ES Hearings Specialist.

Department Exhibit A.11 was offered and admitted into the record.

<u>ISSUE</u>

Did the Department properly reduce Petitioner's 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. At all relevant times, Petitioner was a FAP beneficiary of the FAP program for a group size of one. Prior to the negative action at issue herein, Petitioner was receiving the FAP cap for her group size of per month plus a COVID supplement.
- 2. On August 16, 2021, the Department processed FAP mid-certification. Petitioner verified that her shelter expenses were reduced, and, that her rent included heat and utilities.

- 3. On August 16, 2021 the Department issued a Notice of Case Action to Petitioner informing her that effective September 1, 2021 to August 31, 2022, her FAP benefits will be reduced to per month due to reduction in shelter and removal of the standard utility expense.
- 4. On August 27, 2021 Petitioner filed a timely hearing request and the Department reinstated the action pending the outcome of the hearing.

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, the Department presented evidence that Petitioner's FAP benefit was reduced due to Petitioner's verifications at mid-certification that her rent was reduced and included the utilities, pursuant to BAM 210; BEM 554. Federal regulations are found at 7 CFR 273.4; 273.24; 273.10(d).

Petitioner does not dispute the amount of shelter or the FAP budget used in calculating her FAP allotment. Rather, Petitioner argues first, that she should not have had a midcertification review. The Department responded that both federal and state law requires the Department to have current verification of a welfare beneficiary's income and expenses in that beneficiary's file. Failure of the State of Michigan to have such can subject the state to significant financial penalties.

Petitioner next argues that her phone bill was **a second** one month. Petitioner presented no law or evidence that would allow her to have a deduction in excess of the Standard per month standard phone deduction, which Petitioner was given in the FAP budget.

Petitioner also argued that she should be allowed to have her auto insurance allowed as an expense on her FAP budget. Once again, Petitioner offered no law or policy which would allow the Department to deduct auto insurance.

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 reduced Petitioner's FAP to **month** policy of per month. Thus, the Department's action must be upheld.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

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Janice Spodarek Administrative Law Judge

JS/ml

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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

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

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

DHHS

MDHHS-Jackson-Hearings BSC4 M. Holden D. Sweeney MOAHR

Petitioner

