



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
DIRECTOR

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Date Mailed: June 4, 2024  
MOAHR Docket No.: 23-007415  
Agency No.: ██████████  
Petitioner: OIG  
Respondent: ██████████

**ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness**

**HEARING DECISION FOR INTENTIONAL PROGRAM VIOLATION**

Upon the request for a hearing by the Department of Health and Human Services (Department), this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, and in accordance with Title 7 of the Code of Federal Regulation (CFR), particularly 7 CFR 273.16. After due notice, a telephone hearing was held on June 4, 2024. The Department was represented by Patrick Richard, Senior Regulation Agent of the Office of Inspector General (OIG). Respondent, ██████████, did not appear. The hearing was held in Respondent's absence pursuant to 7 CFR 273.16(e)(4).

A 112-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

**ISSUES**

1. Whether the Department established by clear and convincing evidence that Respondent committed an Intentional Program Violation (IPV)?
2. Whether the Department established that Respondent received an overissuance of Food Assistance Program (FAP) benefits that the Department is entitled to recoup and/or collect as a recipient claim?

**FINDINGS OF FACT**

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

1. The Department received a complaint from Respondent that ██████████ (SF) was selling his FAP benefits. Exhibit A, p. 4.
2. The Department investigated and determined that Respondent used SF's Bridge Card online at Walmart from May 6, 2023, through June 4, 2023. *Id.* at pp. 4-5, 10.

3. The Department contacted Respondent to ask her about the transaction, and Respondent admitted that she purchased SF's Bridge Card for \$140.00. *Id.* at p. 4.
4. A Bridge Card is a card that is issued to FAP benefit recipients to complete transactions with their FAP benefits via electronic benefit transfer (EBT).
5. Respondent purchased a Bridge Card from SF for \$140.00. *Id.* at p. 4.
6. From May 6, 2023, through June 4, 2023, Respondent used SF's Bridge Card online at Walmart to spend \$432.73 in FAP benefits in purchases that were delivered to Respondent's address at: [REDACTED] MI [REDACTED]. *Id.* at pp. 4-5, 10.
7. Respondent was not a member of SF's household, and Respondent did not purchase food for SF's household when she used his Bridge Card online at Walmart from May 6, 2023, through June 4, 2023. *Id.* at pp. 4-5.
8. Respondent did not have any impairment that would have limited her understanding of her FAP usage responsibilities or her ability to carry out her FAP usage responsibilities. *Id.* at p.1; Regulation Agent Testimony.
9. On October 31, 2023, the Department's OIG filed a hearing request to establish (a) that Respondent committed an IPV, and (b) that Respondent received an overissuance of FAP benefits that the Department is entitled to recoup and/or collect as a recipient claim. *Id.* at pp. 1-112.
10. The Department's OIG requested Respondent be disqualified from FAP for 12 months for a first IPV, and it requested to have an overissuance of \$432.73 established. *Id.* at p. 1.
11. A notice of hearing was mailed to Respondent at Respondent's last known address, and it was not returned by the United States Postal Service as undeliverable.

### **CONCLUSIONS OF LAW**

The Supplemental Nutrition Assistance Program (SNAP) is a federal food assistance program designed to promote general welfare and to safeguard well-being by increasing food purchasing power. 7 USC 2011 and 7 CFR 271.1. The Department administers its Food Assistance Program (FAP) pursuant to MCL 400.10; the Social Welfare Act, MCL 400.1-.119b; and Mich Admin Code, R 400.3001 to .3015. Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

### **Intentional Program Violation**

An IPV “shall consist of having intentionally: (1) Made a false or misleading statement, or misrepresented, concealed or withheld facts; or (2) Committed any act that constitutes a violation of SNAP, SNAP regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of SNAP benefits or EBT cards.” 7 CFR 273.16(c).

Trafficking means:

- (1) The buying, selling, stealing, or otherwise effecting an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signature, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone;
- (2) The exchange of firearms, ammunition, explosives, or controlled substances, as defined in section 802 of title 21, United States Code, for SNAP benefits;
- (3) Purchasing a product with SNAP benefits that has a container requiring a return deposit with the intent of obtaining cash by discarding the product and returning the container for the deposit amount, intentionally discarding the product, and intentionally returning the container for the deposit amount;
- (4) Purchasing a product with SNAP benefits with the intent of obtaining cash or consideration other than eligible food by reselling the product, and subsequently intentionally reselling the product purchased with SNAP benefits in exchange for cash or consideration other than eligible food; or
- (5) Intentionally purchasing products originally purchased with SNAP benefits in exchange for cash or consideration other than eligible food.
- (6) Attempting to buy, sell, steal, or otherwise affect an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signatures, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone.

7 CFR 271.2.

An IPV requires that the Department establish by clear and convincing evidence that the client has trafficked FAP benefits. 7 CFR 273.16(e)(6). Clear and convincing evidence is evidence, which is so clear, direct, weighty, and convincing that it enables a firm belief as to the truth of the allegations sought to be established. *In re Martin*, 450 Mich 204, 227; 538 NW2d 399 (1995) (citing *In re Jobes*, 108 NJ 394 (1987)).

In this case, I find that the Department presented sufficient evidence to establish by clear and convincing evidence that Respondent committed an IPV. Respondent bought SF’s Bridge Card for \$140.00 and used it to purchase food for her household. This

constitutes trafficking FAP benefits. Since Respondent trafficked FAP benefits, Respondent committed an IPV.

### **Disqualification**

In general, individuals found to have committed an IPV through an administrative disqualification hearing shall be ineligible to participate in the Program: (i) for a period of 12 months for the first violation, (ii) for a period of 24 months for the second violation, and (iii) permanently for a third violation. 7 CFR 273.16(b). Only the individual who committed the violation shall be disqualified – not the entire household. 7 CFR 273.16(b)(11).

In this case, there is no evidence that Respondent has ever been found to have committed an IPV related to FAP benefits. Thus, this is Respondent's first IPV related to FAP benefits. Therefore, Respondent is subject to a 12-month disqualification.

### **Overissuance**

A recipient claim is an amount owed because of benefits that were overpaid or benefits that were trafficked. 7 CFR 273.18(a)(1). In this case, Respondent trafficked FAP benefits when she used SF's Bridge Card to spend \$432.73 in FAP benefits for her household. Respondent is responsible for the amount of FAP benefits that she trafficked. Thus, Respondent owes the Department a debt of \$432.73.

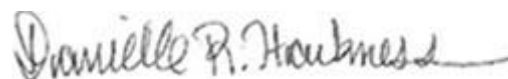
## **DECISION AND ORDER**

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, concludes that:

1. The Department established by clear and convincing evidence that Respondent committed an IPV.
2. Respondent should be disqualified from the Food Assistance Program for 12 months.
3. Respondent received a \$432.73 overissuance of FAP benefits that the Department is entitled to recoup and/or collect as a recipient claim.

**IT IS SO ORDERED.**

DH/pt



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**Danielle R. Harkness**  
Administrative Law Judge

**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

**Via Electronic Mail:**

**Petitioner**

OIG  
PO Box 30062  
Lansing, MI 48909-7562  
**MDHHS-OIG-HEARINGS@michigan.gov**

**DHHS**

Pam Farnsworth  
Monroe County DHHS  
903 Telegraph  
Monroe, MI 48161  
**MDHHS-Monroe-Hearings@michigan.gov**

**Interested Parties**

Monroe County DHHS  
Policy Recoupment  
N. Stebbins  
MOAHR

**Via First Class Mail:**

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██████████  
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