



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON BROWN
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: August 30, 2024
MOAHR Docket No.: 24-008457
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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, a telephone hearing was held on August 22, 2024, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Sarah Estes. Exhibit 1, pp. 1-109 was received and admitted.

ISSUE

Did the Department properly close Petitioner's Food Assistance Program (FAP) benefits for failing to verify self-employment income and expenses?

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 receiving FAP benefits.
2. Petitioner was due for redetermination in April 2024.
3. On April [REDACTED] 2024, a Verification Checklist was sent to Petitioner with a May 6, 2024, due date, requesting verification of self employment income and expenses.
4. On May [REDACTED] 2024, Notice of Case Action was sent to Petitioner informing him that his FAP case closed May 1, 2024, for failing to return self employment verifications.
5. On July [REDACTED] 2024, Petitioner requested hearing disputing the closure of FAP and reapplied for FAP.

6. On July [REDACTED] 2024, Notice of Case Action was sent to Petitioner informing him that he was approved for FAP effective July 16, 2024.

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.

Self-Employment Income

- Primary source - Income tax return provided: The client hasn't started or ended self-employment, or received an increase/decrease in income, etc. The tax return is still representative of future income. The client filed a tax return.
- Secondary source - DHS-431, Self-Employment Statement, with all income receipts to support claimed income.
- Third source - DHS-431, Self-Employment Statement, without receipts. BEM 502

Send a negative action notice when: • The client indicates refusal to provide a verification, or • The time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130

In this case, Petitioner testified at hearing that he disagreed with the May 1, 2024, closure of FAP because he believed the cash app print out provided sufficient information about his self-employment income and expenses. The printout shows debits and credits but does not have sufficient information to verify self-employment income and expenses. Petitioner was sent a DHS 431 Self-Employment Income and Expense Statement with the Verification Checklist on April [REDACTED] 2024, but he did not complete the statement prior to the due date. Petitioner has submitted this form previously and submitted it with his July 2024 application that was approved. Petitioner also previously provided tax return verifications. Petitioner failed to sufficiently verify self-employment income and expense and therefore, the closure was proper and correct and consistent with Department policy. BAM 130, BEM 502

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 Petitioner's FAP benefits for failing to verify self-employment income and expenses.

DECISION AND ORDER

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



AM/dm

Aaron McClintic
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 :

DHHS
Janice Collins
Genesee County DHHS Union St
District Office
**MDHHS-Genesee-UnionSt-
Hearings@michigan.gov**

HoldenM

DensonSogbakaN

BSC2HearingDecisions

MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]