

STATE OF VERMONT
HUMAN SERVICES BOARD

In re) Fair Hearing No. 11,333
)
Appeal of)

INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare denying his application for food stamps for the months of May through July, 1992. The issue is whether the petitioner's resources exceeded the program maximum.

FINDINGS OF FACT

The facts are not in dispute. Prior to August, 1992, the petitioner owned a 1991 Ford Taurus car. In March, 1992, the petitioner was in an accident and sustained \$500.00 damage to the car. However, the car remained operable, and the petitioner did not have the damage repaired. At the time the petitioner still owed well over \$8,000.00 on the car.

The petitioner applied for food stamps in May, 1992. The Department determined that the value of the car was in excess of \$6,500.00 and it found the petitioner over the resource limit¹ (see infra).

At the hearing (held on August 21, 1992) the petitioner introduced an estimate (dated July 28, 1992) from a used car dealer of \$6,000.00 on the Taurus. However, a few days later (on August 3, 1992) the petitioner traded in the Taurus on a 1986 Chevy Blazer and was allowed over \$10,000.00 as a trade-

in allowance. The cash price of the Blazer was \$3,000.00. The dealer paid off what the petitioner owed on the Taurus (over \$8,000.00) leaving the petitioner with a net price of \$1,000.00 for the Blazer.

The petitioner does not dispute that even though one dealer had estimated the Taurus to be worth only \$6,000.00, the petitioner was able to trade in the car a few days later for more than \$10,000.00. Based on this it must be found that at all times relevant to this case, the car in question was worth at least \$6,500.00 (see infra).

Based on the petitioner's "trade-down" for the Blazer, the Department found the petitioner eligible for food stamps as of August, 1992. Thus, this case concerns only the "closed period" May 1 through July 31, 1992, during which the petitioner still owned the Taurus.

ORDER

The Department's decision is affirmed.

REASONS

The maximum allowable resources for a food stamp household is \$2,000.00. Food Stamp Manual (F.S.M.) § 273.8(b). An oft-vexing provision in the regulations also provides that the fair market value of any car owned by the food stamp household in excess of \$4,500.00 "regardless of any encumbrances on the vehicle" shall be "attributed in full toward the household's resource level." F.S.M. §

273.8(h)(3).²

In this case, it must be found that the petitioner's Taurus was worth at least \$6,500.00--or \$2,000.00 in excess of the \$4,500.00 limit on cars. Thus, the petitioner's countable resources were in excess of the \$2,000.00 program limit. Inasmuch as the Department's decision in this matter was in accord with the pertinent regulations the board is bound to affirm. 3 V.S.A. § 3091(d) and Food Stamp Fair Hearing Rule No. 17.

FOOTNOTES

¹The Department's original decision was based on the "Blue Book" value of the car--less the \$500.00 damage.

²Certain exemptions to this provision listed in F.S.M. § 273.8(h)(1) do not apply to the petitioner's household.

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