#### STATE OF MICHIGAN STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

#### ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

Claimant

Reg. No.: 2009-31645 Issue No.: 3002 Case No.: Load No.: Hearing Date: August 31, 2009 Wayne County DHS (57)

# ADMINISTRATIVE LAW JUDGE: Aaron McClintic

## HEARING DECISION

This matter is before the undersigned Administrative Law Judge upon pursuant to MCL

400. 9 and MCL 400.37 upon claimant's request for a hearing. After due notice a telephone

hearing was held on August 19, 2009 claimant was present and testified, FIM and

FIS appeared for the department and testified.

## <u>ISSUE</u>

Is the department correct in reducing claimant's (FAP) benefits as of August 4, 2009?

## FINDINGS OF FACT

- (1) Claimant was a FAP recipient.
- (2) Claimant received \$1152 in unearned income in August 2009 in the form of Unemployment benefits.
- (3) The department reduced claimant's FAP benefits on August 1, 2009 to \$28 per month.
- (4) Claimant requested a hearing on July 29, 2009 contesting the reduction in FAP.
- (5) Claimant submitted a Determination of Benefit Entitlement Emergency Unemployment Compensation dated July 2, 2009 showing her weekly benefit.

(6) Claimant testified that she did not believe the income figures used to calculated her benefit were accurate.

#### CONCLUSIONS OF LAW

The Food Assistance Program, formerly known as the Food Stamp ("FS") program, is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations ("CFR"). The Department of Human Services ("DHS"), formally known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Program Administrative Manual ("PAM"), the Program Eligibility Manual ("PEM"), and the Program Reference Manual ("PRM").

The federal regulations define household income to include all earned income. 7 CFR 273.9(b). All monthly income must be converted to a nonfluctuating monthly amount. Only 80% of earned income is counted in determining FAP benefits. PEM 550. Under 7 CFR 273.9, as amended, \$135.00 is deducted from the gross income of FAP recipients in determining FAP grants.

In the present case, claimant had \$1152 unearned income. The department determined \$1152 income by multiplying the bi-weekly payment of \$536 by 2.15 pursuant to policy. PEM 505 pg.7 The standard deduction of \$135 was taken resulting in adjusted gross income of \$1017. Claimant has shelter expense of \$1130. Claimant has net income of \$571. (Department Exhibit 1, pg. 6) The Food Assistant Issuance Table shows \$28 in benefit for \$571net income. RFT 260 This is the amount determined by the department.

2

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the department was correct in the determination of FAP benefits, and it is ORDERED that the department's decision in this regard be and is hereby AFFIRMED.

> /s/ Aaron McClintic Administrative Law Judge for Ismael Ahmed, Director Department of Human Services

Date Signed: <u>09/03/09</u>

Date Mailed: <u>09/03/09</u>

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannon be implemented within 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

AM/jlg

