

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]

Claimant

Reg. No: 2009-4244

Issue No: 3015

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

March 3, 2009

Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

HEARING DECISION

This matter is before the undersigned Administrative Law Judge 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 March 3, 2009. Claimant personally appeared and testified.

ISSUE

Did the Department of Human Services (the department) properly reduce claimant's Food Assistance Program (FAP) benefits based upon its determination that claimant had an increase in income?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

(1) Claimant was a FAP benefit recipient receiving [REDACTED] per month in Food Assistance Program benefits.

(2) In September 2008, claimant reported that her husband had lost his job and he was pending an unemployment compensation benefit claim.

(3) In October 2008, claimant reported that her husband started receiving unemployment compensation benefits.

(4) The unemployment compensation benefits were budgeted and it was determined that claimant and her husband were to receive [REDACTED] per month in Food Assistance Program benefits.

(5) On October 10, 2008, the department caseworker sent claimant notice that her Food Assistance Program benefits would be reduced.

(6) On October 20, 2008, claimant filed a request for a hearing to contest the department's negative action.

#### CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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 or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The group composition and program budgeting items specify whose income to count. The program budgeting items might also contain program specific income deductions or disregards. Income means benefits or payments made in money. It includes money a person owns even if not paid directly such as stock dividends automatically reinvested and income paid

to a representative. Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income means all income that is not earned income. The item specifies whether the income is earned or unearned. The amount of income counted may be more than the amount a person actually receives because it is the amount before any deductions including deductions for taxes and garnishments. The amount before any deductions is called the gross amount. PEM, Item 500, p.1. Income remaining after applying the policy in this item is called countable. Count all income that is not specifically excluded. PEM, Item 500, p.1.

In the instant case, the department appropriately determined that claimant's income had increased and appropriately determined that claimant's Food Assistance Program benefits should be reduced from [REDACTED] per month to [REDACTED] per month based upon the fact that claimant had an increase in her income.

The Food Assistance Program budget indicates that claimant was receiving [REDACTED] per month in total unearned income in the form of unemployment compensation benefits. Claimant's husband was receiving [REDACTED] biweekly. The department caseworker gave claimant the standard deduction of [REDACTED] for an adjusted gross income of [REDACTED] per month. Claimant was given excess shelter amounts in the amount of [REDACTED] and given the shelter maximum of [REDACTED] minus the [REDACTED] shelter maximum equals [REDACTED] in monthly net income. The Food Assistance Program benefit issuance tables indicate that a two person group size with a net income of [REDACTED] is entitled to receive [REDACTED] per month in Food Assistance Program benefits. The department's decision must be UPHELD.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department acted in accordance with departmental policy when it took action to reduce claimant's Food Assistance Program case based upon her receipt of unemployment compensation benefits.

Accordingly, the department's decision is AFFIRMED.

/s/ \_\_\_\_\_  
Landis Y. Lain  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: March 9, 2009

Date Mailed: March 9, 2009

**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 cannot 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.

LYL/vmc

cc:

