

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201039657
Issue No.: 3002/3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: July 14, 2010
Wayne County DHS (43)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on July 14, 2010. The claimant appeared and testified. [REDACTED], Caseworker and [REDACTED], FIM appeared on behalf of the Department.

ISSUE

Was the claimant's FAP allotment computed and allocated correctly?

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 is currently a FAP recipient.
2. Claimant's FAP budget was run July 1, 2010 and claimant's budget indicated claimant was eligible for FAP benefits in the amount of \$16.
3. The Claimant's FAP benefits were reduced effective July 1, 2010 to \$16 per month due to the Claimant beginning to receive Unemployment Compensation benefits in the amount of \$352 every week.
4. The Claimant confirmed the unemployment compensation weekly amount of \$352 was correct.

5. The Claimant has a FAP group of one and pays for a mortgage and pays his heating.
6. The budget the Department presented calculated the Claimant's gross unearned income to be \$1513 is correct and the budget credited the Claimant for his mortgage responsibility and for heat. The Claimant's gross income in the amount of \$1513 is correct.
7. Claimant filed for hearing on June 8, 2010, questioning why his FAP benefits were reduced and that that DHS incorrectly computed his budget.

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 (formerly known as the Family Independence Agency) administers the FAP program pursuant to CML 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).

When determining eligibility for FAP benefits, the household's total income must be evaluated. All earned and unearned income of each household member must be included unless specifically excluded. BEM, Item 500. A standard deduction from income of \$132 is allowed for each household. Certain non-reimbursable medical expenses above \$35 a month may be deducted for senior/disabled/veteran group members. Another deduction from income is provided if monthly shelter costs are in excess of 50% of the household's income after all of the other deductions have been allowed, up to a maximum of \$300 for non-senior/disabled/veteran households. BEM, Items 500 and 554; RFT 255; 7 CFR 273.2. Only heat, electricity, sewer, trash and telephone are allowed deductions. BEM 554. Any other expenses are considered non-critical, and thus, not allowed to be deducted from gross income. Furthermore, RFT 255 states exactly how much is allowed to be claimed for each deduction.

In this case, the Administrative Law Judge has reviewed the FAP budget and finds that the Department properly computed the claimant's gross unearned income. The gross unearned income benefit amount must be counted as unearned income, which is \$1513 in the current case, before any deductions. BEM 500. These amounts were verified by the claimant during the course of the hearing.

The federal regulations at 7 CFR 273.10 provide standards for the amount of a household's benefits. Claimant stated that his rent and housing expenses fluctuated and the department used \$805 per month which was based on prior information it had

verified although the current mortgage amount is less. Claimant was given a utility deduction in the amount of \$555. The Administrative Law Judge computed claimant as having a net income of \$690 dollars. The Department, in compliance with the federal regulations, has prepared issuance tables which are set forth at Bridges Reference Manual, Table 260. The issuance table provides that a household with household size and net income of the claimant is eligible for an FAP allotment of \$16. The Administrative Law Judge has reviewed the budget and found no significant errors. Claimant was unable to point out specifically what parts of the budget he felt were in error. Therefore, the undersigned finds that the Department correctly determined the claimant's FAP allotment of \$16.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department's decision to award claimant an FAP allotment of \$16 was correct.

Accordingly, the Department's decision is AFFIRMED.



Lynn M. Ferris
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: 07/15/2010

Date Mailed: 07/15/2010

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 of the rehearing decision.

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