

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: 2010-31083

Issue No: 3015

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

May 12, 2010

Wayne County DHS

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 conducted on May 12, 2010. The Claimant appeared and testified. Rosa Council, HC and Deborah Garner, case worker appeared on behalf of the Department.

ISSUE

Whether the Department properly denied the Claimant's application for Food Assistance Benefits (FAP) when it determined the claimant ineligible for benefits due to excess gross income?

FINDINGS OF FACT

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

1. The Claimant applied for FAP benefits on March 4, 2010 for herself and her two children.

2. The Department determined the Claimant's group household income based on the unemployment compensation benefits received by the Claimant and child support payments received by the claimant for her two children. (Exhibit2).
3. The claimant received \$1548 (\$744.00 biweekly) in unemployment compensation benefits and child support in the amount of \$847 monthly. These income figures were confirmed by the claimant at the hearing. Exhibit 1
4. The claimant was told by the Department that she was eligible for expedited FAP benefits because at the time she applied for FAP, she was only receiving \$847 a month in child support. The department was incorrect in what it told the claimant.
5. Claimant has a household group of three persons.
6. The Department calculated the Claimant's group monthly gross income to be \$2403 and her adjusted gross income to be \$2271 per month. Exhibit 1
7. The allowable net income limit per month for a group of three members is \$1526 per month.
8. The Claimant's group's gross monthly income exceeds the net income limit.
9. The Department denied the claimant's application for FAP benefits on April 1, 2010 finding the claimant ineligible for FAP benefits.
10. Claimant objected to the Department's denial of her FAP application and filed this appeal. The Department received the Claimant's Request for Hearing on April 22, 2010.

#### 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 Bridges Administrative Manual (“BAM”), the Bridges Eligibility Manual (“BEM”), and the Bridges 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. BEM 550. Under 7 CFR 273.9, as amended, \$135.00 is deducted from the gross income of FAP recipients in determining FAP grants. Under 7 CFR 273.9 deductions for excess shelter are also made. BEM 554. Id. There is a standard heat and utility deduction as well as a standard deduction for telephone bills. Id. The standard deductions are a set amount that is applied regardless of the actual expenses incurred by the Claimant.

Claimant does not dispute any of the unemployment compensation benefit income or the amount of child support she received in which information was used by DHS in calculating the FAP budget. BAM 556 directs how FAP benefits are calculated.

The Department’s determination of the monthly gross income, which it utilized to determine FAP eligibility, is correct.

In accordance with BEM 550 a non-categorically eligible non Senior/Disabled/Veteran (SDV) FAP group must have income below the income limits to be eligible for FAP benefits. The maximum amount of income a group of 3 members can have and still be eligible for benefits is \$1526 per month as determined by reference to RFT 250.

In the present case, according to the aforementioned policy on budgeting, Claimant’s group has a gross monthly income of \$2403 and a net monthly income all of \$2271, and is, therefore, ineligible for FAP benefits because the group income exceeds the eligibility limit.

At the hearing, the claimant also questioned why she was told she was eligible by the Department for expedited food stamps. BAM 117 does not allow for payment of expedited benefits if a recipient's income exceeds \$150 after rent is deducted or if a recipient has assets over \$150. In the instant matter the claimant's income after deducting \$600 in rent was \$247 and thus exceeded the net income and made her ineligible to receive expedited food assistance.

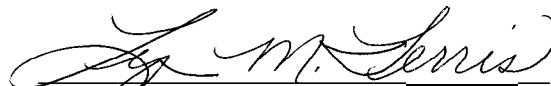
The undersigned appreciates that economic times are difficult, but finds that the Department properly denied the FAP application due to excess income. Note that Claimant is encouraged to report and verify any reductions in income to Department. By doing so, Claimant may, though not necessarily, be entitled to FAP benefits in the future months.

Based upon the foregoing facts and relevant law, it is found that the Department's determination is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly denied the Claimant's FAP application.

Accordingly, the Department's FAP eligibility determination and the denial of FAP benefits are AFFIRMED.



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

Date Signed: 05/25/10

Date Mailed: 05/26/10

**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.

LMF/dj

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