# 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.: 2010-7953

Issue No.: 3003

Case No.: Load No.:

Hearing Date: January 11, 2010

Wayne County DHS (57)

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

## **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 January 11, 2010. The Claimant appeared and testified.

FIN and FIS appeared on behalf of the Department.

#### **ISSUE**

Is the Department correct in determining Claimant's FAP benefits?

## FINDINGS OF FACT

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

- (1) On November 5, 2009 the Department determined that Claimant's benefits would be reduced effective December 1, 2009 from \$486 per month to \$405 per month due to an increase in earned income.
- (2) Claimant has \$2655 per month employment income.
- (3) Claimant has shelter expense of \$1035 per month.

(4) Claimant requested a hearing on November 13, 2009 contesting the determination of FAP benefits.

## 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. BEM 550. Under 7 CFR 273.9, as amended, \$170.00 is deducted from the gross income of FAP recipients in determining FAP grants.

In the present case, claimant has \$2655 in employment income. The standard deduction of \$170 was taken along with the earned income deduction of \$531 and dependent care deduction of \$400 resulting in adjusted income of \$1554. Claimant has shelter expense of \$1035, and does qualify for excess shelter deduction of \$263. Subtracting \$263 from \$1554 results with \$1291. The Food Assistant Issuance Table shows \$405 in benefit for \$1291 net income for a household of 5. RFT 260 This is the amount determined by the Department and is correct.

#### DECISION AND ORDER

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

Accordingly, the Department's determinations are AFFIRMED.

Aaron McClintic

Administrative Law Judge for Ismael Ahmed, Director Department of Human Services

Am mileti

Date Signed: 2/8/2010

Date Mailed: <u>2/8/2010</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

cc: