

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.: 2010 39759  
Issue No.: 3002  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: July 15, 2010  
WAYNE County DHS (18)

**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 15, 2010. The claimant appeared and testified. [REDACTED], FIM appeared on behalf of the Department.

**ISSUE**

Was the claimant's Food Assistance Program ("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 not currently a FAP recipient having been disqualified for an intentional program violation as of 7/1/10. The Claimant's FAP group consists of 2 members.
2. The Department used four pay stubs to calculate the Claimant's earned income. Exhibit 2
3. Claimant's FAP budget was run July 1, 2010 and claimant's budget indicated claimant's group was not eligible for FAP benefits as the group gross income of \$1991 exceeded the income limits for a group of 2 per RFT 250 which is \$1579.
4. The Claimant confirmed the amount of her pay stubs as correct but did not realize that the Department when computing gross monthly earned

income takes an average of the weekly earnings and multiplies the average weekly earnings by 4.3. This computation is in conformance with the Department policy found in BEM 505. Exhibits 4 and 2.

5. The Claimant also receives child support for her two children and the Department utilized online information for the prior 3 months to determine the unearned income for each child attributable to the FAP group. The child support amounts were confirmed as correct by the Claimant.
6. The Claimant's FAP case closed effective July 1, 2010 due to the group income exceeding the income limits resulting in part from the Claimant no longer being counted as a member of her group.
7. The FAP budget the Department presented is correct. The Claimant's gross income in the amount of \$1991 is correct.
8. Claimant filed for hearing on June 10, 2010, questioning why her groups FAP case was closed and asserting that that DHS incorrectly computed her 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 earned and unearned income. The gross income must be counted and in this case is \$1991. BEM 500. The amounts on the Claimant's earnings pay stubs were verified by the claimant as correct as were the child support amounts received.

The Administrative Law Judge must find that the Claimant's group is not eligible for FAP as the group monthly gross income exceeds the monthly income limit. RFT 250. 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 case should be closed due to ineligibility. The Claimant is encouraged to reapply for FAP benefits due to a decrease in her child support received.

### **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 close the Claimant's FAP case was correct.

Accordingly, the Department's decision is AFFIRMED.



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

Date Signed: 07/20/2010

Date Mailed: 07/20/2010

**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.

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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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