STATE OF MICHIGAN

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

IN THE MATTER OF:

Reg. No.: 2011-10977

Issue No.: 3002 Case No.:

Hearing Date: January 18, 2011

Macomb County DHS (20)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 18, 2011. The claimant appeared and testified. On behalf of Department of Human Services (DHS), appeared and testified.

<u>ISSUE</u>

Whether DHS properly determined Claimant's Food Assistance Program (FAP) benefits as \$16/month.

FINDINGS OF FACT

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

- Claimant applied for FAP benefits on 9/17/10.
- 2. Claimant is part of a group size of one.
- Claimant is neither a senior (60 years of age), disabled nor a disabled veteran.
- Claimant received \$672/two weeks in gross unemployment compensation (UC) income; \$50/two weeks of Claimant's UC income is from the American Recovery and Reinvestment Act.
- 5. Claimant is obligated to pay \$600/month in rent expenses.

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- 6. On an unspecified date, DHS determined that Claimant is eligible for \$16/month in FAP benefits.
- 7. On 10/6/10, Claimant disputed the issuance amount of her FAP benefits.

CONCLUSIONS OF LAW

The Food Assistance Program (formerly known as the Food Stamp 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 MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

Claimant's primary argument was that she is entitled to more than \$16/month in FAP benefits for 9/2010. Claimant stated that \$16/month was an insufficient amount of benefits. The undersigned has no authority to determine whether \$16/month is or is not a sufficient amount of FAP benefits. The authority of the undersigned is limited to determine whether DHS properly followed their policies in determining the amount of Claimant's FAP benefit issuance. BEM 556 outlines the proper procedures for calculating FAP benefits.

It was not disputed that Claimant receives \$672/two weeks in gross UC income. DHS is to count the gross amount of UC in calculating FAP benefits. BEM 503 at 24. However, \$50/two weeks of the UC income is excluded because it is paid through the American Recovery and Reinvestment Act. BPB 2010-008. Thus, Claimant's countable UC income is \$622/two weeks.

DHS converts biweekly non-child support income into a 30 day period by multiplying the income by 2.15. BEM 505 at 6. Multiplying Claimant's countable average biweekly income (\$622) by 2.15 results in a monthly countable income amount of \$1337.

Claimant's one-person group receives a standard deduction of \$141. RFT 255. The standard deduction is subtracted from the countable monthly income to calculate the group's adjusted gross income. The adjusted gross income amount is found to be \$1196.

DHS uses certain expenses to determine net income for FAP eligibility and benefit levels. BEM 554 at 1. For groups without a senior, disabled or disabled veteran (SDV) member, DHS considers the following expenses: child care and excess shelter (housing

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and utilities) up to a capped amount and court ordered child support and arrearages paid to non-household members. Claimant's only relevant expenses involve her shelter.

It was not disputed that Claimant verified a \$600/month rental obligation. Claimant was issued the maximum utility credit allowed by DHS policy, \$588. RFT 255. This amount encompasses all of Claimant's utilities. The rent expense is added to the utility expense to calculate Claimant's total monthly housing obligation of \$1188.

Claimant's excess shelter cost is the difference between Claimant's housing costs (\$1188) and half of Claimant's adjusted gross income. The excess shelter amount is found to be \$590. Claimant's excess shelter is capped because her FAP group does not contain an S/D/V member. The cap amount is \$458. RFT 255 at 1.

Claimant's net income is determined by taking Claimant's adjusted gross income (\$1196) and subtracting the allowed excess shelter expense (\$458). Claimant's net income is found to be \$738. Based on a FAP group of one with a net income of \$738, Claimant's FAP benefit amount is calculated to be \$16, the same amount calculated by DHS. RFT 260 at 10. It is found that DHS properly calculated Claimant's FAP benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly determined Claimant's FAP benefits from Claimant's application dated 9/17/10. The actions taken by DHS are AFFIRMED.

Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

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Date Signed: ___1/24/2011_____

Date Mailed: __1/24/2011_____

<u>NOTICE</u>: 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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