

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.: 2011-4627
Issue Nos.: 3002, 3003
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: December 6, 2010
DHS County: Wayne (43)

ADMINISTRATIVE LAW JUDGE: Susan C. Burke

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a telephone hearing was held on December 6, 2010. Claimant appeared and testified. The Department of Human Services (Department) was represented by [REDACTED].

ISSUE

Did the Department calculate correctly Claimant's Food Assistance Program (FAP) benefits for the month of November 2010?

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 was an ongoing recipient of FAP benefits.
2. Claimant's group had no member who was sixty years of age or older, disabled or a veteran.
3. Claimant was in a household of three persons.
4. Claimant received biweekly paychecks of \$966.17 (September 3, 2010) and \$879.65 (September 17, 2010) and a Home Help Provider payment of \$251.12 (September 21, 2010).
5. Claimant had shelter expenses of \$800.00 per month.

6. Claimant had no child care expense or child support expense.
7. The Department determined that Claimant was entitled to FAP benefits of \$169.00 for the month of November 2010.
8. Claimant requested a hearing on October 26, 2010, contesting the prospective determination of FAP benefits for November 2010.

CONCLUSIONS OF LAW

FAP 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 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 Program Reference Manual (PRM), including Reference Tables (RFT.)

In Bridges, a group's benefit level is determined by budgeting the entire amount of earned and unearned countable income. Gross countable earned income is reduced by a 20% earned income deduction. Every case is allowed the standard deduction shown in RFT 255. BEM 550.

“A group's benefits for a month are based, in part, on a prospective income determination. A best estimate of income expected to be received by the group during a specific month is determined and used in the budget computation. Get input from the client whenever possible to establish this best estimate amount.” BEM 505.

“If there is a change in expected hours, but no change in the rate of pay, use the expected hours times the rate of pay to determine the amount to budget per pay period.” BEM 505.

A group's benefit level takes into account certain expenses. For groups with no Senior, Disabled, or Veteran (SDV) members, Bridges allows an expenses shelter, child care and child support expense. BEM 554.

Shelter expenses for non-SDV members are determined by adding the housing expense to the utility standard of \$588.00 and subtracting from that sum 50% of the adjusted gross income minus child care and child support expenses. BEM 554. This amount, known as the Excess Shelter Amount, is compared to the Maximum Shelter

Amount Taken from RFT 255 (\$458.00), and the lesser amount is used as the shelter expense or deduction.

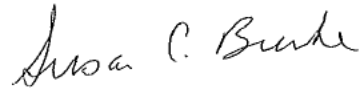
In the present case, according to the aforementioned policy on budgeting, Claimant had \$922.91 as an average biweekly paycheck (\$966.17 plus \$879.65 divided by 2). (Exhibits 3a and 3b: pay stubs.) Claimant testified that her hours may be lower in the future, but the pay stubs are the best information available for purposes of this hearing. The above average is multiplied by 2.15 (BEM 505) yielding \$1,984.26. To that amount is added the \$251.12 from the Home Help income (Exhibit 3) which results in \$2,235.38 earned income. The earned income amount of \$2,235.38 is multiplied by .80 (BEM 505) yielding \$1,788.00. The standard deduction obtained from RFT 255 of \$141.00 is subtracted from \$1,788.00, resulting in an Adjusted Gross Income (AGI) of \$1,647.00. BEM 505.

From the AGI of \$1,647.00, the shelter expense is deducted. The housing expense of rent, \$800.00, is added to the utility standard of \$588.00 (RFT 255), resulting in \$1,388.00, the housing expense or total shelter amount. From the total shelter amount is subtracted the product of 50% of the AGI (\$1,647.00) minus child support and child care expenses. BEM 554. In this case, there are no child care or child support expenses. The Excess Shelter amount is, therefore, \$564.50 [\$1,388.00 minus \$823.50 (50 % of \$1,647.00)]. The Shelter Maximum of \$458.00 (RFT 255) is less than the Excess Shelter amount of \$564.50, so the \$458.00 amount is used as a deduction from the AGI of \$1,647.00.

\$1,647.00 (AGI) less \$458.00 (Shelter Deduction) is \$1,189.00 net income. A non-SDV household of three with a net monthly income of \$1,189.00 is entitled to a monthly FAP grant of \$169.00. RFT 260. Therefore, the Department's determination of benefits is correct.

DECISION AND ORDER

Based upon the above findings of fact and conclusions of law, it is concluded that the Department was correct in the determination of FAP benefits, and it is ORDERED that the Department's decision in this regard be and is hereby AFFIRMED.



Susan C. Burke
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: December 8, 2010

Date Mailed: December 9, 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 date of the rehearing decision.

SCB:pf

cc:

