

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.: 2011-2948
Issue No.: 3002
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: November 22, 2010
Wayne County DHS (55)

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 November 22, 2010. The claimant appeared and testified. [REDACTED], FIM appeared on behalf of the department.

ISSUE

Whether the Department of Human Services (DHS) properly reduced the Claimant's Food Assistance Benefits when it calculated Claimant's Food Assistance Program ("FAP") benefits beginning with benefit month October 1, 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 had a FAP semi-annual review on August 18, 2010. The claimant submitted pay stubs for the last 30 days and reported a change in rent to \$400 a month.
2. As a result of the semi-annual review, the claimant's FAP benefits were reduced based on his income which was reported. The claimant reported and confirmed the following income: July 22, 2010, gross pay 356.96; July 29, 2010, gross pay \$350.92; August 5, 2010, gross pay \$352.24; August 12, 2010, gross pay \$336.27. The claimant's is also paid weekly. Exhibit B 1-4.

3. The claimant's gross monthly income is \$1501. This number as used by the department in calculating the claimant's food assistance benefits is correct. Exhibit D2
4. The department also utilized the rent reported on the semi-annual review in the amount of \$400, which is confirmed by the claimant. The claimant was also given a standard heat and utility allowance of \$588. Exhibit D2
5. Based upon the calculations provided by the department, the department properly calculated the claimant's FAP budget.
6. At the hearing, the claimant questioned why his other expenses including school tuition were not eligible to be deducted from the FAP budget.
7. The claimant's FAP benefits were reduced based upon the claimant's reported earnings and the correct rent in the budget and benefits as calculated by the department are correct.
8. The claimant's FAP benefit amount of \$19 as calculated by the department is correct. Exhibit D 1
9. The claimant requested a hearing on September 29, 2010 protesting the amount of FAP benefits and a decrease in FAP benefits. The department received the claimant's hearing request on October 3, 2010.

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

DHS processed a FAP budget for Claimant beginning October 1, 2010. Claimant did not dispute the earned income wage information used by DHS in calculating the FAP budget. A thorough review of the earned income calculation demonstrates that the department properly calculated the earned income of \$1501 before deductions, correctly. The four pay stubs submitted to the department by the claimant were added together and totaled \$1396.39. This amount was then divided by four, the number of

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weeks considered, to get the average gross weekly pay of \$349.09 and then multiplied by 4.3 to equal \$1501 gross monthly income. BAM 505, 6 and 7

Claimant's housing expense is \$400 and Claimant also receives the maximum \$588 utility standard expense. Claimant's total shelter expenses are calculated by adding the housing expenses credit with utility standard. Claimant's total shelter expense is \$988. ($\$400 + \$588 = \988).

Claimant's excess shelter amount is \$459; the difference between the Claimant's housing cost (\$988) and half of Claimant's adjusted gross income (\$750.50).

The shelter costs are to be subtracted from Claimant's adjusted gross income. To determine Claimant's adjusted gross income. This is determined by taking 80% of the earned income ($\$1501 \times .8 = \1200.80) and deducting the standard deduction for a FAP group of 1 person of \$141. The Adjusted Gross income is correct as calculated at \$1060.

The final step is to determine net income which is determined by taking Adjusted Gross Income of \$1060 and deducting the shelter expense of \$459, which yields net income of \$601.

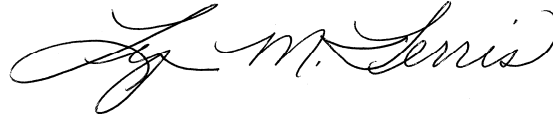
The Food assistance amount is then determined by consulting a table found in RFT 260 which when consulted confirms the correct food assistance amount is \$19.

As explained at the hearing to the claimant the department is not allowed to consider other expenses of daily living such as the cost of school expense or tuition. The claimant is encouraged to report to the department any change in income as he indicated that the hearing that his income has gone down since the semi annual review.

Based upon the foregoing analysis it is found that the Department properly calculated the Claimant's FAP budget and properly denied the Claimant FAP benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly calculated Claimant's FAP beginning 10/1/2010. Accordingly, the Department's FAP reduction is AFFIRMED.



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

Date Signed: 11/29/2010

Date Mailed: 11/29/2010

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 of the rehearing decision.

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