

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.: 20113058
Issue No.: 3002
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: November 22, 2010
Office: Wayne County DHS (17)

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 November 22, 2010. The claimant appeared and testified; [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Manager, and [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly calculated Claimant's Food Assistance Program (FAP) benefits for 11/2010.

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 FAP recipient.
2. Claimant was eligible for \$612/month in FAP issuance prior to 11/2010.
3. Claimant is part of a five person FAP group which includes her spouse.
4. No persons in Claimant's FAP group are senior, disabled or disabled veterans.
5. Claimant's spouse received \$750 on 9/17/2010 and \$742.50 on 10/1/10 in gross employment earnings.

6. Claimant's total mortgage expenses are \$1007/month.
7. On 10/12/2010, DHS calculated that Claimant is eligible for \$598/month in FAP benefits effective 11/2010.
8. Claimant requested a hearing on 10/18/2010 disputing the 11/2010 determination of 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).

Claimant indicated that she disputed the 11/2010 reduction in her FAP benefits. Claimant contends that DHS calculated a higher amount of income for Claimant's FAP benefit group prior to 11/2010 and Claimant does not understand how her FAP benefits were reduced after submitting verification of a lower income. The undersigned is less concerned with why Claimant's FAP benefits were reduced for 11/2010 than what Claimant's proper FAP benefits are for 11/2010. Claimant's FAP benefit issuances prior to 11/2010 have no effect on whether Claimant's 11/2010 FAP benefits were calculated correctly. BEM 556 outlines the proper procedures for calculating FAP benefits.

For non-child support income, DHS is to budget income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month. BEM 505 at 4. It was not disputed that Claimant's spouse received gross employment earnings of \$750 on 9/17/10 and \$742.50 on 10/1/10.

DHS converts biweekly non-child support income into a 30 day period by multiplying the average income by 2.15. BEM 505 at 6. Multiplying Claimant's gross average employment income (\$746.25) by 2.15 results in a monthly countable income amount of \$1604 (dropping cents).

DHS gives a 20% credit for clients that report employment income. Multiplying Claimant's employment income (\$1604) by 80% results in a countable monthly income of \$1283.

Claimant's five-person FAP group receives a standard deduction of \$178. RFT 255. The standard deduction is subtracted from the countable monthly income to calculate the

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group's adjusted gross income. The adjusted gross income amount is found to be \$1105.

DHS and Claimant agreed that Claimant's total monthly mortgage obligation was \$1107 based on the sum of Claimant's obligations for a first mortgage, second mortgage, property taxes and property insurance. Claimant was issued the maximum utility credit allowed by DHS policy, \$588. RFT 255. The rent expense is added to the utility expense to calculate Claimant's total monthly housing obligation of \$1595.

Claimant's excess shelter cost is the difference between Claimant's housing costs (\$1595) and half of Claimant's adjusted gross income. The excess shelter amount is found to be \$1042 (dropping cents). However, DHS caps the excess shelter credit at \$458 for those groups which do not have a senior, disabled or disabled veteran member; Claimant's group is such a group. Thus, Claimant's actual excess shelter costs are \$458.

Claimant's actual excess shelter credit (\$458) is subtracted from Claimant's adjusted gross income to determine Claimant's net income. Claimant's net income is found to be \$647. Per RFT 260, the correct amount of FAP benefits for a group of five with a monthly net income of \$647 is \$598/month, the same as calculated by DHS. It is found that DHS properly determined Claimant's FAP benefits for 11/2010.

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 to be \$598/month effective 11/2010. The actions taken by DHS are AFFIRMED.



Christian Gardocki
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: December 2, 2010

Date Mailed: December 2, 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

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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.

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