

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: 20115397

Issue No: 3015

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

December 9, 2010

Wayne County DHS

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

DECISION AND ORDER

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 December 9, 2010. The Claimant appeared and testified. Kim Grayer-Mason, ES appeared on behalf of the Department.

ISSUE

Was the Department correct in denying Claimant's Food Assistance application due to excess income?

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 applied for FAP benefits on October 7, 2010.
- (2) Claimant's application was denied on October 12, 2010, due to excess income.
- (3) Claimant has \$2006 gross unearned income for social security and pension benefits.
- (4) Claimant has shelter expense of \$477.91 and is responsible for utilities.
- (5) Claimant requested a hearing on October 27, 2010, contesting the denial of FAP benefits.

### CONCLUSIONS OF LAW

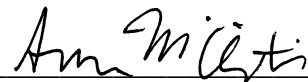
The Food Assistance Program, formerly known as the Food Stamp ("FS") program, is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations ("CFR"). The Department of Human Services ("DHS"), formally known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Program Reference Manual ("PRM").

The federal regulations define household income to include all earned income. 7 CFR 273.9(b). All monthly income must be converted to a nonfluctuating monthly amount. Only 80% of earned income is counted in determining FAP benefits. BEM 550. Under 7 CFR 273.9, as amended, \$141.00 is deducted from the gross income of FAP recipients in determining FAP grants.

In the present case, according to the aforementioned policy on budgeting, Claimant has \$2006 unearned income from social security and pension benefits. Subtracting \$141 from \$2006 results with \$1865 adjusted gross income. Claimant is entitled to an excess shelter deduction of \$134 because his shelter expense of \$1066 exceeds 50% of adjust gross income of \$932 by \$134.  $1865 - 134 = 1731$ . The net income limit for a household of one is \$903. Claimant's net income of \$1731 exceeds this limit. Therefore, the Department's denial of FAP benefits is proper and correct.

### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly closed the Claimant's FAP benefits, and it is ORDERED that the Department's decision in this regard be and is hereby AFFIRMED.



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Aaron McClintic  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 12/17/10

Date Mailed: 12/20/10

**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.

AM/dj

cc:

