GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON I. BROWN, DPA ACTING DIRECTOR



Date Mailed: October 2, 2023 MOAHR Docket No.: 23-005127

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on September 26, 2023, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Darlean Shaw.

ISSUE

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for the Food Assistance Program (FAP)?

FINDINGS OF FACT

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

- 1. On August 2023, the Department received Petitioner's application for State Emergency Relief (SER) assistance. Exhibit A, p 28.
- 2. Petitioner reported on his August 2023, application for assistance that he was not employed but was receiving unemployment compensation benefits. Exhibit A, p 31.
- 3. Petitioner receives monthly unemployment compensation benefits in the gross biweekly amount of Exhibit A, p 35.
- 4. On August 2023, the Department notified Petitioner that he is eligible for a \$■ monthly allotment of Food Assistance Program (FAP) benefits as a household of one effective September 1, 2023. Exhibit A, p 39.
- 5. On August 2023, the Department received Petitioner's request for a hearing protesting the Department's determination of his eligibility for the Food Assistance Program (FAP). Exhibit A, pp 4-5.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 through 7 USC 2036a. It is implemented by the federal regulations contained in 7 CFR 273. The Department administers FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq*, and Mich Admin Code, R 400.3001 through 400.3011.

All earned and unearned income available is countable unless excluded by policy. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned income. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (April 1, 2022), pp 1-17.

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (October 1, 2022), pp 7-8.

Petitioner was an ongoing FAP recipient on August 2023, when he applied for State Emergency Relief (SER) assistance. Petitioner receives unemployment compensation benefits in the gross bi-weekly amount of The Department determined Petitioner's prospective monthly income by multiplying his gross bi-weekly income by the 2.15 conversion factor as directed by BEM 505. Petitioner's adjusted gross income of was determined by reducing his total income by the \$193 standard deduction.

Petitioner is entitled to a \$393 deduction for shelter expenses, which was determined by reducing the total of his monthly \$ housing expenses and the \$624 standard heat and utility deduction by 50% of his adjusted gross income.

Petitioner's net monthly income of \$ was determined by reducing his adjusted gross income by his shelter deduction. A household of one with a net monthly income of \$ is entitled to a \$ monthly allotment of Food Assistance Program (FAP) benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2022), p 23.

Petitioner argued that the Department improperly converted unemployment compensation benefits to a prospective monthly income because he cannot receive those benefits for 52 weeks.

However, the Department is required to convert income that is expected to continue to a prospective monthly income by BEM 505, and this policy is consistent with federal regulations in 7 CFR 273.10(c)(2). If Petitioner's income changes in the future, his eligibility for ongoing FAP benefits will also change.

Petitioner argued that he was not under any duty to report an increase of income unless his household income exceeded the \$1,473 simplified income limit and that if his income had not been converted to a prospective income that he would not have exceeded that amount.

However, Petitioner was required to report his current household income for the purposes of applying for SER assistance, and the Department was not required to ignore changes to his circumstances that affected his eligibility for ongoing benefits.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it determined Petitioner's eligibility for the Food Assistance Program (FAP) effective September 1, 2023.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/dm

Kevin Scully

Administrative Law Judge

Michigan Office of Administrative Hearings and Rules (MOAHR)

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139 <u>Via-Electronic Mail :</u> DHHS

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<u>Via-First Class Mail :</u> Petitioner

