

## STATE OF VERMONT

## HUMAN SERVICES BOARD

In re ) Fair Hearing No. 13,402

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Appeal of )

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INTRODUCTION

The petitioner appeals a decision of the Department of Social Welfare reducing his Food Stamps based on an increase in his income.

FINDINGS OF FACT

1. The petitioner is a disabled man whose sole source of income is Social Security and Supplemental Security Income payments. His payments are adjusted annually and in January of 1995, his monthly payments increased from \$520.87 to \$537.41. The petitioner lives with another person with whom he shares rent and utilities payments. The petitioner's share of rent, which includes heat, is \$175 per month. His utilities share is about \$100 per month.
2. The petitioner is also a recipient of benefits in the Food Stamp program. The increase in his income prompted the Department to take action with regard to the amount of his Food Stamps. On January 5, 1995, he was notified that his Food Stamp benefits would decrease from \$40 per month to \$32 starting February 1, 1995, based on his yearly cost of living increase. The Department's decision was based on a calculation which involved deducting a standard allowance of \$134 and an excess shelter allowance calculated at \$129.29 from his gross income of \$537.41 for a countable income figure of \$274.12. The excess shelter allowance was calculated by the Department by adding together his rent payments of \$175 plus half of the standard utility allowance of \$312, or \$156, for a total of \$331 in expenses per month. That figure was compared with half of the net income after the standard allowance was deducted ( $\$537.41 - \$134 = \$403.41$ , half of which is \$201.70). The \$201.70, or half his net income, was allowed for his utilities and the excess of his expenses over that, \$129.29 ( $\$331 - \$201.70$ ), was allowed as an excess shelter deduction. The countable final figure of \$274.12 ( $\$537.41 - (-\$134) - (-129.29)$ ) yielded \$32 in Food Stamps, a decrease of \$8 per month over his previous figure.
3. The petitioner appealed that decision on reduction of his Food Stamps because it, in effect, took away eight of the seventeen dollars he had gained as a cost of living increase in his disability payments. He

does not dispute the shelter or utilities figures used by the Department in its calculations. Rather his argument is that his cost of living increase should not be used in the calculations. He stated that a nine dollar per month effective annual increase was not enough to allow him to continue to live given the constant increases in the prices of goods and services he needs to live.

### ORDER

The decision of the Department is affirmed.

### REASONS

The federal food stamp regulations, adopted by the state in its Food Stamp manual, dictate that all unearned Social Security and SSI income be counted when eligibility for benefits is determined. F.S.M. 273.9(b) (2) (i). No exceptions are found in the regulations excluding cost of living increases from income. The petitioner is entitled to certain deductions from income including: a standardized deduction of \$134, F.S.M. 273.9(d)(1), P2590A-1; an excess medical deduction when certain medical expenses exceed \$35.00 per month, F.S.M. 273.9(d)(3); and a shelter and utility allowance, F.S.M. 273.9(d)(5) and (6).<sup>(1)</sup> It appears from the record that he has received those deductions.

Based on the evidence presented, the Department's decision on the Food Stamp allotment amount for which the petitioner is eligible appears to be correct. A single person with the petitioner's income is eligible for only \$32.00 per month in Food Stamp benefits. Procedures Manual 2590 D4. While this reduction in Food Stamps does effectively reduce the petitioner's cost of living increase, the reduction is in accord with the regulations and must be upheld by the Board. 3 V.S.A. § 3091(d).

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1. Other deductions are also available for dependent care and earned income expenses which are not applicable here. See generally, F.S.M. § 273.9(d).