

3. Based on the change to petitioner's rent, the Department recalculated petitioner's food stamps and sent petitioner a notice dated September 12, 2007 that his monthly food stamps would be reduced from \$97 to \$31. Petitioner filed an appeal on October 1, 2007. Petitioner has not been receiving continuing food stamps at the prior amount.

4. A hearing was held on October 31, 2007. Petitioner testified that he does not understand the food stamp reduction and that he is concerned about meeting his expenses due to high heating costs. Petitioner purchases propane. His monthly propane charge is increasing from \$538 to \$564. Petitioner pays \$34 to health insurance.¹ Petitioner's caseworker was ill and unable to attend the hearing. The record was kept open to allow the Department to submit the worksheets and documentation of how they calculated petitioner's food stamps. There are no disputes regarding the amount of petitioner's income or rent.

5. The change to petitioner's countable food stamp income was caused by the change in his monthly rent. Based on the regulations, *infra*, the Department used the following formula:

¹ Petitioner has other expenses related to his car, life insurance, etc. But, these expenses are not factored into the food stamp calculations.

1. Step 1. The Department applied the standard deduction of \$134 to petitioner's income of \$900 leaving a balance of \$766.
 2. Step 2. The Department used the following formula to calculate the shelter/utility allowance. The Department used the maximum amount of the utility allowance allowed under the regulations.² They added the utility allowance to the monthly rent. They then calculated half of petitioner's income based on the \$766 figure equaling \$383. They then subtracted \$383 from the added utility and rent to determine the shelter/utility allowance.
 3. Step 3. The Department then subtracted the shelter/utility allowance from \$766 to determine the countable income for food stamps. They applied that figure to a table to determine the food stamp allotment.
6. (a) \$400 monthly rent. The Department determined that the petitioner's shelter/utility deduction was \$574 by using the following calculation:

| | | |
|--------|---------------------------|-----|
| \$ 400 | shelter costs | |
| + 557 | utility allowance | |
| | | 957 |
| - 338 | 50 percent of income | |
| | | 574 |
| | shelter/utility deduction | |

The shelter/utility allowance was then deducted from \$766:

| | | |
|-------|------------------|-----|
| | 766 | |
| - 574 | | |
| | | 192 |
| | countable income | |

²The amount of the utility allowance increased on October 1, 2007 from \$557 to \$572.

The coupon allotment for a household of one with \$192 countable monthly income was \$97.

(b) \$142.50 monthly rent. The Department determined the petitioner's countable income as follows:

| | |
|-----------------|---------------------------|
| \$142.50 | shelter costs |
| + <u>572.00</u> | utility allowance |
| 714.50 | |
| - <u>383.00</u> | 50 percent of income |
| <u>331.50</u> | |
| 766.00 | |
| - <u>331.50</u> | shelter/utility deduction |
| <u>434.50</u> | countable income |

The coupon allotment for a household of one with \$434.50 countable monthly income is \$31.

7. The Department correctly determined the petitioner's countable income and food stamp allotment.

ORDER

The Department's decision to reduce petitioner's food stamps is affirmed.

REASONS

The Food Stamp program was created to combat hunger and malnutrition among low income households. Food Stamp Manual (FSM) § 271.1. The amount of food stamps a household receives is based upon a complex formula that is set out in

FSM § 273.9 and that reflects the federal funding for the Food Stamp program.

First, the standard deduction is subtracted from a household's unearned income creating a net income amount. FSM § 273.9(d)(1), P-2590(A)(1).

Second, the shelter/utility deduction is calculated. The shelter deduction is determined by (a) adding the rent to the utility allowance, and (b) subtracting an amount equal to 50% of the household's net income. FSM § 273.9(d)(5)(i). Petitioner qualifies for the maximum utility allowance due to his disability.

Third, the countable income is determined by subtracting the shelter/utility deduction from the net income. The monthly food stamp benefit is based upon household size and countable income; the levels are found at P-2590(D).

When petitioner's rent was reduced, the Department had an obligation to recalculate the amount of petitioner's food stamps. The Department correctly determined the amount of food stamps based on petitioner's income and rent. The Board cannot base its decision on the effects of a particular decision, but is bound to affirm the Department's decision if that decision is based on the law.

Accordingly, the Department's decision is affirmed. 3
V.S.A. § 3091(d), Fair Hearing Rule No. 17.

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