

STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. B-11/21-685
)
Appeal of)
)
)

INTRODUCTION

Petitioner appeals the reduction of her 3SquaresVT benefit to \$0, by decision of the Vermont Department for Children and Families ("Department"). The following facts are adduced from a telephone hearing held January 18, 2022, and documents submitted by the Department at hearing.

FINDINGS OF FACT

1. Petitioner had been receiving a 3SquaresVT benefit in 2021 for herself and her two daughters, as a household of three (3). Petitioner's older daughter is in high school, is employed, and turned 18 in October 2021. Prior to turning 18, the gross income earned by petitioner's daughter - \$2,843.28 per month - was not counted with respect to petitioner's 3SquaresVT eligibility, per rule.

2. After petitioner's daughter turned 18, the household's eligibility was subject to redetermination. In addition to the daughter's gross earned income of \$2,843.28,

the Department counted unearned income received by petitioner in the amount of \$50 per month (the portion of child support passed through to her) and \$766 per month in Reach Up Financial Assistance ("RUFA"), for a total of \$3,659.28 in gross income.¹ After application of an earned income deduction of \$568.66 and a standard deduction of \$177, petitioner's countable 3SquaresVT income was determined as \$2,913.62 per month. The Department issued a notice of decision on November 13, 2021, that - while petitioner's household was categorically eligible for 3SquaresVT because they also receive RUFA, their benefit level would be reduced from \$643 per month to \$0 per month, because their net income was too high to receive a 3SquaresVT benefit. This appeal followed.

3. Petitioner does not dispute the above income figures or whether the Department applied the correct deductions from income.² However, petitioner indicates that - as a practical matter - her older daughter does not eat or prepare meals with her and does not contribute any part of her salary to the household. Petitioner is concerned about

¹ The Reach Up program and the Office of Child Support coordinate on the pursuit of child support, resulting in the \$50 "pass-through" to Reach Up participants who receive child support.

² Of note, petitioner did not report any out-of-pocket medical costs which might be the basis for additional deductions.

whether, without any 3SquaresVT assistance, she can meet the basic needs of her younger daughter and believes she may have no choice but to force her older daughter to leave her home, and in that respect she feels she must choose between the welfare, respectively, of her two daughters.

ORDER

The Department's decision is affirmed.

REASONS

Review of the Department's determination is de novo. Because this appeal concerns a reduction of benefits, the Department has the burden of establishing by a preponderance of evidence that its determination is consistent with the applicable rules. Fair Hearing Rule 1000.3.0.4.

The 3SquaresVT program is designed "to help low-income persons and families stretch their food budget to put three healthy meals on the table every day." See 3SquaresVT Program Manual ("Manual"), Purpose. To meet this purpose and calculate benefit levels, the Department makes a determination of countable income and deductions under the rules. See Manual, Income and Determining Income and Deductions.

In determining eligibility, the Department first calculates gross household income, including all earned and unearned income. See Manual § 1500.1, Determination of Household Income. The issue in this case is that prior to her 18th birthday, the income of petitioner's daughter was excluded under the following provision of the 3SquaresVT Manual:

1500.2.13 Child's Earnings

a. Exclude the earned income of any member of the household age 17 or younger who both:

1. lives with a natural, adoptive, or stepparent...
2. Is a student...

Manual, § 1500.2.13 [Child's Earnings].

However, after she turned 18, the daughter's income was properly considered as household income. Manual § 1500.1 [Determination of Household Income] (all income not specifically excluded is counted). Thus, the Department correctly determined the total gross income of petitioner's household as \$3,659.28 per month. The Department furthermore properly calculated the earned income deduction of \$568.66, see Manual, § 1600.4 (20 percent of gross earned income), as well as the standard deduction of \$177 for a household of three (3). See Manual, § 1600.7. Of note, petitioner did

not receive a shelter-utility deduction in the Department's calculation. Petitioner reported a rental obligation of \$35 per month. The shelter deduction is calculated by adding the monthly cost for housing to a standard utility deduction (in petitioner's case, \$875 per month), then subtracting that total from 50 percent of the household's income after other deductions. See Manual § 1600.6 [Deductions - Shelter Expenses] and § 2400.7.1 [Net Income Calculation] ("total allowed shelter expenses, then subtract 50 percent of the remaining (adjusted) income to arrive at a net shelter amount."). Here, because of the addition of the daughter's earned income, 50 percent of the household's adjusted income (\$2,913.62 divided by 2, or \$1,456.81) exceeded their total countable shelter expenses (\$35 + \$875 = \$910); therefore, their total shelter deduction was properly reduced to \$0.

As a result of the calculations above, the Department accurately determined the household's net income at an amount of \$2,913.62 per month. Because petitioner's household receives RUFA and has "standard categorical eligibility" under the 3SquaresVT rules, their benefit level is determined by multiplying net income by 30 percent and subtracting that amount from the maximum benefit allotment for their household size; the resulting figure is the household's benefit amount.

See Manual, § 2400.7.2. Thirty percent of petitioner's net income (rounded up) is \$875. The monthly maximum benefit for a household of three (3) is \$658. See Manual, § 3000.5. Thirty percent of petitioner's net income exceeds the maximum benefit amount for petitioner's household size; thus, the Department correctly determined that petitioner was entitled to \$0 in 3SquaresVT benefits.

As such, the Department's decision is consistent with the rules and the Board must affirm. See 33 V.S.A. § 3091(d); Fair Hearing Rule No. 1000.4D.

#