



**STATE OF WISCONSIN  
Division of Hearings and Appeals**

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In the Matter of

[REDACTED]  
[REDACTED]  
[REDACTED]

DECISION

CCB/165580

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**PRELIMINARY RECITALS**

Pursuant to a petition filed April 23, 2015, under Wis. Admin. Code §HA 3.03(4), to review a decision by the Milwaukee Enrollment Services in regard to Child Care, a hearing was held on May 12, 2015, at Milwaukee, Wisconsin.

The issue for determination is whether the respondent correctly terminated petitioner’s Child Care benefits due to income exceeding program limits.

There appeared at that time and place the following persons:

**PARTIES IN INTEREST:**

Petitioner:

[REDACTED]  
[REDACTED]  
[REDACTED]

Respondent:

Department of Children and Families  
201 East Washington Avenue, Room G200  
Madison, Wisconsin 53703

By: Simone Johnson  
Milwaukee Enrollment Services  
1220 W Vliet St, Room 106  
Milwaukee, WI 53205

**ADMINISTRATIVE LAW JUDGE:**

Peter McCombs (telephonically)  
Division of Hearings and Appeals

**FINDINGS OF FACT**

1. Petitioner (CARES # [REDACTED]) is a resident of Milwaukee County.
2. Petitioner leases space to her cousin, C.K., pursuant to a written lease. C.K. applied for public assistance sometime prior to March 17, 2015, and included an executed and notarized lease indicating that he pays petitioner \$635.00 monthly. The 1-year lease commenced in February, 2015. Exhibit 3.
3. Petitioner was a recipient of Child Care benefits until those benefits were terminated by the respondent effective April 1, 2015. Notice of the termination was dated March 30, 2015. Exhibit 7.

4. On April 14, 2015, a new lease agreement was submitted by petitioner, which indicated that C.K. would be providing property maintenance at petitioner's property in exchange for room and board. Exhibit 1.

### DISCUSSION

The agency determined that the petitioner was not entitled to child care assistance during the time period in question because household income exceeded the eligibility limit. The *Child Care Manual* (Manual) provides for the following:

#### **1.6.3 Maximum Income for On-Going Cases**

The maximum income for any family to remain eligible for Wisconsin Shares child care assistance is 200% FPL.

See, Manual, Chapter 1, at 1.6.3, "Financial Eligibility Requirements". Per the *BadgerCare + Eligibility Handbook*, §50.1, 200% of FPL for petitioner's household was \$3,348.00 during the time period in question. The only income that can be budgeted is income that is available. The Manual, at Chapter 1, §1.6.10, states the following:

#### **1.6.10 Income Sources**

Money, wages or salary, net income from self-employment, social security, dividends, interest on savings or bond, income from estates or trusts, net rental income or royalties, public assistance, Supplemental Security Income (SSI), pensions and annuities, unemployment insurance, worker's compensation, alimony and other maintenance payments, and veteran pensions, but excluding any of the income sources listed in the following Disregard section.

Rental income is clearly intended to be included in petitioner's Child Care budget. At issue here is whether the respondent correctly disregarded the revised lease submitted in April, 2015. The timing of the lease revision is questionable, coming within weeks following termination of petitioner's Child Care benefits. It is even more questionable since the Child Care benefit termination was directly caused by the inclusion of rental income in petitioner's budget. The petitioner argued at hearing that she simply revised the lease to reflect the fact that C.K. could not afford to pay her rent on his limited budget. However, according to the revised lease, C.K. is on a fixed income. Presumably, that income was fixed at the time that the February lease was executed as well; it would appear more than coincidental that his inability to pay rent so closely coincided with the termination of petitioner's Child Care benefits. However, I cannot make findings based upon supposition and coincidences.

In any event, the timing of the lease revision does impact the review of this matter. Since the revision did not occur until at least two weeks after the termination of petitioner's Child Care benefits, I conclude that the respondent correctly budgeted petitioner's rental income and terminated petitioner's Child Care benefits as of April 1, 2015.

At hearing, the petitioner indicated that she no longer wishes to receive Child Care benefits, as she has made other arrangements. She simply wanted the hearing to allow for her to be heard on the lease agreement issue. She contests the insinuation that the lease was revised solely to address her eligibility for Child Care benefits. She testified that C.K. does not pay her any rent, but provides her with property maintenance. She would like the termination worded differently, as she strongly disputes any implication that she was acting in a fraudulent manner. However, I note that the termination notice does not contain any information regarding the petitioner's actions, intentional or otherwise. It simply states that she is receiving income that exceeds program limits. This was true according to the February lease provided by C.K. I also note that Petitioner did not allege that the notarized February, 2015 lease submitted by C.K. was altered or her signature forged. At the time that the Child Care benefits termination notice was issued, petitioner's rental income pursuant to an executed lease was an established fact. It was not until

mid-April, 2015, that the revised lease provided information otherwise. By then, petitioner’s Child Care benefits had already been terminated.

**CONCLUSIONS OF LAW**

The county agency correctly terminated the petitioner’s Child Care Benefits as of April 1, 2015.

**THEREFORE, it is**

**ORDERED**

The petitioner's appeal is dismissed.

**REQUEST FOR A REHEARING**

You may request a rehearing if you think this decision is based on a serious mistake in the facts or the law or if you have found new evidence that would change the decision. Your request must be **received within 20 days after the date of this decision**. Late requests cannot be granted.

Send your request for rehearing in writing to the Division of Hearings and Appeals, 5005 University Avenue, Suite 201, Madison, WI 53705-5400 **and** to those identified in this decision as "PARTIES IN INTEREST." Your rehearing request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and explain why you did not have it at your first hearing. If your request does not explain these things, it will be denied.

The process for requesting a rehearing may be found at Wis. Stat. § 227.49. A copy of the statutes may be found online or at your local library or courthouse.

**APPEAL TO COURT**

You may also appeal this decision to Circuit Court in the county where you live. Appeals must be filed with the Court **and** served either personally or by certified mail on the Secretary of the Department of Children and Families, 201 East Washington Avenue, Room G200, Madison, Wisconsin 53703, **and** on those identified in this decision as “PARTIES IN INTEREST” **no more than 30 days after the date of this decision** or 30 days after a denial of a timely rehearing (if you request one).

The process for Circuit Court Appeals may be found at Wis. Stat. §§ 227.52 and 227.53. A copy of the statutes may be found online or at your local library or courthouse.

Given under my hand at the City of Madison,  
Wisconsin, this 31st day of July, 2015

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\sPeter McCombs  
Administrative Law Judge  
Division of Hearings and Appeals



**State of Wisconsin\DIVISION OF HEARINGS AND APPEALS**

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The preceding decision was sent to the following parties on July 31, 2015.

Milwaukee Enrollment Services  
Child Care Benefits