

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]
Claimant

Reg. No: 2008-31582
Issue No: 5012
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
November 5, 2009
Genesee County DHS

ADMINISTRATIVE LAW JUDGE: Colleen Lack

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on November 5, 2009. Claimant was present and testified. Camille Koger, ES, appeared on behalf of the department.

ISSUE

Did the Department of Human Services (department) properly deny claimant's State emergency Relief (SER) application because the shelter was not affordable under the program requirements?

FINDINGS OF FACT

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

(1) Claimant applied for SER for past due rent on July 7, 2008. (Department Exhibits 10-13)

(2) On July 10, 2008, the department received a copy of a court summons regarding past due rent with a court date of July 16, 2008. (Department Exhibit 8)

(3) On July 17, 2008, the department received a copy of the Judgment indicating a total of \$1,444.71 was owed. (Department Exhibit 6)

(4) The department calculated the SER budget and determined that the shelter was not affordable under the program requirements because the amount of income received was not sufficient to pay the rent. (Department Exhibits 2-3)

(5) The department denied the SER application on July 17, 2009. (Department Exhibit 1)

(6) Claimant filed a hearing request to contest the SER determination on July 22, 2008.

CONCLUSIONS OF LAW

The State Emergency Relief (SER) program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.*, and by final administrative rules filed with the Secretary of State on October 28, 1993. MAC R 400.7001-400.7049. Department of Human Services (DHS or department) policies are found in the State Emergency Relief Manual (ERM).

SER prevents serious harm to individuals and families. SER assists applicants with safe, decent, affordable housing and other essential needs when an emergency situation arises. ERM, 101. SER assists individuals and families by providing money for rent, security deposits, and moving expenses. ERM 303. The department is to accept the decision of the SER group regarding use of the relocation funds authorized, however the issuance amount must resolve the group's shelter emergency. ERM 303. The department may authorize any combination of the following services for relocation services:

- . First month's rent
- . Rent arrearage
- .. Mobile home lot rent for owners or purchasers is a Home Ownership Service found in ERM, Item 304.
- .. Mobile home lot rent for renters is a Relocation Service covered by this Item.
- . Security deposit (if required)
- . Moving expenses (to relocate household effects) ERM, Item 303, p. 1.

SER relocation services can be authorized when department has received documentation of a court summons, order, or judgment was issued which will result in the SER group becoming homeless and all other SER criteria are met. ERM 303.

One such criteria for SER relocation services is whether the SER group's rental housing is affordable. The department can approve SER for relocation services only if the group's rental obligation meets the criteria for housing affordability specified in Item 207. ERM, Item 303, p. 2.

HOUSING AFFORDABILITY

DEPARTMENT POLICY

Housing affordability is a condition of eligibility for SER and applies only to Relocation Services (ERM 303) and Home Ownership Services and Home Repairs (ERM 304). Housing affordability does not apply to other SER services. ERM, Item 207, p. 1.

Requirements

In this item, "total housing obligation" means the total amount the SER group must pay for rent, house payment, mobile home lot rent, property taxes and required insurance premiums. Renters can have a higher "total housing obligation" if heat, electricity and/or water/cooking gas are included.

Authorize SER for services only if the SER group has sufficient income to meet ongoing housing expenses. An SER group that cannot afford to pay their ongoing housing costs plus any utility obligations will not be able to retain their housing, even if SER is authorized.

Deny SER if the group does not have sufficient income to meet their total housing obligation. The total housing obligation cannot exceed 75% of the group's total net countable income. ERM, Item 207, p. 1.

In the present case, the department denied the SER application for rent arrearage because the shelter was not affordable under the program policy. On the SER application, claimant indicated rent was \$450 a month and did not include any utilities. (Exhibit 12) Claimant indicated monthly income of \$431 from child support/alimony and \$247 from Social Security. (Exhibit 12) The department was able to verify the Social Security income of \$247 a month. (Exhibit 2) However, the department was only able to verify \$131.60 in additional unearned income resulting in a net countable income of \$378.60 per month. (Exhibit 2)

Claimant testified that she had been receiving the child support/alimony income from her ex-husband. However, when his Social Security benefits stopped, she also stopped receiving the child support/alimony payments. The documentation obtained by the department indicates that claimant did receive \$431.81 in May 2008. (Exhibit 16) However, no payments for June 2008 are indicated.

Accordingly, from the information supplied to the department in July 2008, claimant only had ongoing income from the Social Security benefits of \$247 a month. Under the above-cited policy, the ongoing shelter obligation of \$450 monthly was not affordable as it exceeded the monthly income.

At the hearing claimant, testified there was also income from a pension. However, the pension income was not listed on the SER application and no verification of the pension income

was provided. Accordingly, the department could not include this income in the SER budget as it was not disclosed. Under ERM 102, applicants must cooperate in the following:

- . The application process
- . Providing verifications
- . Answering all questions truthfully and completely whether written or oral.

The department is to deny SER if applicants refuse to take action, provide information within their ability, or withdraw their application. ERM, Item 102, p. 1. In the present case, claimant did not truthfully and completely answer the questions regarding household income by failing to disclose the pension.

Based upon the foregoing facts and relevant law, it is found that the department complied with applicable SER policy in denying claimant's July 7, 2008 SER application.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department complied with applicable SER policy in denying claimant's July 7, 2008 SER application.

Accordingly, the department's SER determination is AFFIRMED.



Colleen Lack
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: December 7, 2009

Date Mailed: December 7, 2009

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the mailing date of the rehearing decision.

CL/cv

cc:

