

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201034443
Issue No.: 5025
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: October 18, 2010
Office: Wayne County DHS (35)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on October 18, 2010. The claimant appeared and testified; [REDACTED] also appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, and [REDACTED], Manager, appeared and testified.

ISSUE

Whether DHS properly denied Claimant's State Emergency Relief (SER) application for assistance with property taxes due to a judicial foreclosure hearing not yet being scheduled.

FINDINGS OF FACT

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

1. On 2/1/10, Claimant applied for State Emergency Assistance seeking help with her property taxes.
2. A Notice of Judicial Foreclosure had not yet been scheduled.
3. On 2/11/10, DHS denied Claimant's SER request for property tax help.
4. On 2/19/10, Claimant requested a hearing disputing the determination of her SER application.

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 (formerly known as the Family Independence Agency) policies are found in the Emergency Relief Manual (ERM).

SER is a program which offers assistance for various client emergencies. Clients may seek assistance through SER for any of the following: heat or gas bills, water bills, electricity bills, home repairs, rent or mortgage arrearages, relocation expenses including rent and security deposit, food, burials or migrant hospitalization.

Home ownership services payments are only issued to save a home threatened with loss due to tax foreclosure or sale. ERM 304 at 1. In addition, all of the following requirements must be met:

- An SER group member is an owner or purchaser of the home, or holds a life estate on the home with the responsibility for home repairs. If the home is co-owned, the cost of the emergency is not split between the co-owners or co-purchasers.
- The home is the SER group's permanent, usual residence.
- The home is not listed for sale.
- The home is not in jeopardy of loss. (This only applies to home repairs.) Deny repairs if there is a house payment or property tax arrearage, unless a workable plan exists for paying the arrearage.
- The ongoing cost of maintaining the home is affordable to the SER group.
- The SER group did not cause the emergency. Do not authorize Home Ownership Services if the emergency was client-caused; Client Caused Emergencies. (Property tax and home repair requests are exempt from the client-caused provision in Item 204.)
- The home is in livable condition and payment will guarantee safe, sanitary shelter both now and in the future. Do not approve any home ownership services payments for homes that are not in a livable condition or cannot be brought to a livable condition within the remaining SER home repair limit.
- The total amount of tax arrearage for all years does not exceed \$2,000. (This only applies to home ownership for taxes.) Pay only the minimum amount

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required to resolve the tax emergency. Do not pay until loss of the home is imminent.

- The amount to be authorized does not exceed the home ownership services maximum of \$2,000, the energy-related home repair maximum of \$4,000 or the non-energy-related home repair maximum of \$1,500, and the issuance amount will resolve the emergency. *Id* at 2 and 3.

A property tax sale must be verified by a statement from a taxing authority verifying the total tax arrearage and a notice scheduling a judicial foreclosure hearing. *Id* at 3. A clarifying note for DHS specialist follows:

First, taxes become delinquent. Then, a year later forfeiture occurs and interest and fees increase. One year later, a circuit court hearing is held and foreclosure occurs. Payment of taxes may be made once the client provides a notice scheduling the judicial foreclosure hearing. It is not necessary to wait until the judgment has been entered. Once a judgment has been entered, the client must make payment within 21 days of entry of the foreclosure judgment but no later than March 31. Once the March 31 date has passed, ownership is transferred to the county and there is no redemption possible. Process the application within the SOP or by the date necessary to prevent the loss of the property, whichever is sooner.
Id.

In the present case, Claimant concedes that she has yet to receive a judicial notice for a property tax foreclosure hearing. Thus, Claimant failed to meet a requirement for SER relief for property taxes. It is found that DHS properly denied Claimant's SER application for assistance with property taxes.

It should also be noted that the above requirement is not necessarily the only requirement between approval and denial of Claimant's SER. For example, Claimant verified that the amount she owes for property taxes exceeds \$2,000. The above policy requires that the tax amount owed not exceed \$2,000. Thus, if Claimant reapplied for SER assistance for property taxes after receiving a notice of hearing for foreclosure, she could be denied unless the amount owed does not exceed \$2,000.

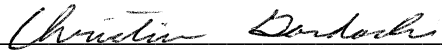
DECISION AND ORDER

The actions taken by DHS are AFFIRMED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied

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Claimant's SER application dated 2/1/10 requesting assistance with property taxes.

/s/



Christian Gardocki
Administrative Law Judge
For Ismael Ahmed, Director
Department of Human Services

Date Signed: October 28, 2010

Date Mailed: October 28, 2010

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 60 days of the filing of the original request.

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

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