

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.: 2010-51564
Issue No.: 5026
Case No.: [REDACTED]
Hearing Date: January 18, 2011
Wayne County DHS (15)

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 January 18, 2011. The claimant appeared and testified. 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 dated 7/13/10 requesting rent assistance due to Claimant not being able to afford the new rent obligation.

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 7/13/10, Claimant submitted a SER application requesting assistance to move.
2. Claimant submitted the SER application to request assistance in paying the cost of moving to a new residence.
3. The rent at the new residence was \$700/month.
4. As of 7/13/10, Claimant received \$674/month in federal Supplemental Security Income (SSI) and \$42/three months in State of Michigan SSI income.

5. On 7/13/10, DHS denied Claimant's SER application because Claimant could not afford the new rent obligation.
6. On 7/20/10, Claimant requested a hearing disputing the denial 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.

DHS specialists are directed to authorize SER for relocation services only if the SER group has sufficient income to meet ongoing housing expenses. ERM 207 at 1. 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. *Id.*

DHS specialists are directed to deny SER applications if the group does not have sufficient income to meet their total housing obligation. *Id.* The total housing obligation cannot exceed 75% of the group's total net countable income. *Id.* ERM 207 provides instruction on how to calculate housing affordability. It states:

Multiply the group's total net countable income by 75%. The result is the maximum "total housing obligation" the group can have, based on their income, and be eligible for SER housing services; and refer to the table at the end of this item for any increases in the basic 75% test if the group is renting and heat, electric or water/ cooking gas is included in the rent. Multiply the resulting percentage by the group's total net countable income. The result is the absolute "total housing obligation" the group can have and be eligible for SER housing services.

The present case concerns the denial of Claimant's 7/13/10 application for State Emergency Relief. DHS used Claimant's SSI of \$688 to determine whether Claimant could afford a \$700/month rent. Claimant was very insistent that she reported a second

income of an unspecified to DHS that should have been considered in determining the affordability of the \$700/month rent. Claimant did not specify the income that she received but she stated that it was some kind of income from her home provider and that she reported it to DHS prior to the 7/13/10 SER application.

During the hearing, DHS presented the State Emergency Relief dated 7/13/10 application to Claimant. Claimant agreed that she did not list any income on the application other than her SSI. DHS also presented a Redetermination dated 7/2/10. A Redetermination is a document relied on by DHS to redetermine benefits. Clients must complete and return the document to DHS prior to having their benefit period extended. This form also listed SSI but no other income. The undersigned is inclined to value a person's written statements more than testimony. Though Claimant was insistent that DHS erred by failing to consider the allegedly reported income from her home provider, the documentary evidence supported no such finding. It is found that DHS properly considered only Claimant's SSI to determine whether Claimant's rent was affordable.

No testimony was provided concerning what utilities would have been included in the \$700/month rent. The most favorable interpretation to Claimant would be to assume that all utilities were included; if that was the case, then Claimant's income is not reduced by a percentage. Using Claimant's full monthly income (\$688), it can only be found that Claimant could not have afforded a \$700/month rent as the rent exceeded Claimant's income. Accordingly, it is found that DHS properly denied Claimant's SER application dated 7/13/10 for rent assistance.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's SER application dated 7/13/10 for rent assistance. The actions taken by DHS are AFFIRMED.

Christian Gardocki

Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 1/25/2011

Date Mailed: 1/25/2011

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

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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 receipt date of the rehearing decision.

CG/jlg

cc:

