

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:



Reg. No.: 201146491
Issue No.: 5030; 5032
Case No.: [REDACTED]
Hearing Date: October 19, 2011
County: Wayne (15)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on October 19, 2011, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included George Brady, Family Independence Specialist and JET Case Manager.

ISSUE

Did the Department properly deny Claimant's request for State Emergency Relief (SER) assistance with shelter emergency?

FINDINGS OF FACT

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

1. On June 21, 2011, Claimant applied for SER assistance with shelter emergency.
2. On June 27, 2011 and July 26, 2011, the Department sent notices of the application denial to Claimant.
3. On July 18, 2011, the Department received Claimant's hearing request, protesting the SER denial.

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, 1999 AC, Rule

400.7001 through Rule 400.7049. Department policies are found in the State Emergency Relief Manual (ERM).

Additionally, in this case, Claimant was seeking relocation assistance to move into a new home after being evicted from his existing home. He sought \$380 in moving expenses. The Department initially processed Claimant's application as a request for rent and denied Claimant's application on June 27, 2011 on the basis that the new housing was unaffordable. On July 26, 2011, the Department reprocessed Claimant's application for the relief requested (\$380 in moving expenses). Again, the Department denied Claimant's request on the basis that the new housing was not affordable.

A SER application for relocation may be approved only if the housing is affordable to the SER group. ERM 303. Housing is affordable if the group has sufficient income to meet ongoing housing expenses. ERM 207. The total housing obligation cannot exceed 75% of the group's net countable income, which consists of the income received by the group for the thirty days beginning from the date of application. ERM 206; ERM 207.

In its SER affordability budget, in calculating Claimant's net countable income, the Department considered only Claimant's unearned income, the \$403 he received in Family Independence Program (FIP) benefits, for the thirty day period running from the date of his application on June 21, 2011 to July 20, 2011. Based on a net countable income of \$403, the Department determined that Claimant's total housing obligation could not exceed \$302.25, which is 75% of \$403.

At the hearing, Claimant asserted that there were two errors in the SER Affordability Test budget: (1) the net countable income did not include earned income he had received from June 21, 2011 to July 20, 2011, and (2) the budget erroneously indicated that he was paying both rent of \$354.45 and a monthly mortgage payment of \$354.45, thereby doubling his monthly housing obligation.

Claimant testified that, in addition to his unearned income, he also had earned income during the period at issue and he had informed the Department of his employment in May 2011. However, in his June 21, 2011 SER application, Claimant marked off that no one in his household was employed and he left blank the boxes concerning information about any employer, number of work hours, and gross earnings from employment. Because there was no evidence that the Department was aware that Claimant's employment continued during June 21, 2011 to July 20, 2011, and Claimant failed to report his income in his application, the Department did not err in calculating Claimant's total net countable income based solely on his unearned income.

Claimant also alleged that the Department improperly doubled his housing costs by indicating that he paid a monthly mortgage of \$354.45 and rent of \$354.45. The Department conceded that it erred by doubling Claimant's monthly housing costs. However, even if the correct housing expense had been entered into the budget, Claimant's monthly housing obligation of \$354.45 was still unaffordable under ERM 207 because it exceeded \$302.25, which was 75% of his net countable income based on the \$403 unearned income received by Claimant's group from June 21, 2011 to July 20,

2011. Therefore, the Department's error in doubling his monthly housing obligation when calculating the affordability of his housing was harmless.


Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department properly denied improperly denied Claimant's SER application for assistance with shelter emergency.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did act properly. did not act properly.

Accordingly, the Department's decision is AFFIRMED REVERSED for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 10/28/11

Date Mailed: 10/28/11

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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 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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,

- typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
- the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

ACE/dj

cc:

