

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

IN THE MATTER OF:

[REDACTED]

DETROIT, MI 48224

Reg. No.:

201122464

Issue No.:

5026; 5000

[REDACTED]

[REDACTED]

Hearing Date:

May 4, 2011

DHS County:

Wayne County DHS (57)

ADMINISTRATIVE LAW JUDGE: Susan C. Burke

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 May 4, 2011. Claimant appeared and testified. [REDACTED], appeared on behalf of the Department of Human Services (DHS or Department).

ISSUE

Was the Department correct in denying Claimant's State Emergency Relief request for rent due to shelter not being affordable?

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 State Emergency Relief for rent in the amount of \$1,250.00 on January 20, 2011.
2. Claimant had a total housing obligation of \$750.00 for rent.
3. The Department denied Claimant's request for rent due to shelter not being affordable.
4. Claimant requested a hearing contesting the denial on February 18, 2011.

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 (Department or DHS) policies are found in the State Emergency Relief Manual (ERM).

ERM 207, p. 1 instructs:

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.

Deny SER if the group does not have sufficient income to meet their total housing obligation. The total housing obligation cannot exceed 75 percent of the group's total net countable income.

ERM 206, p. 4 instructs as to net unearned income

Net unearned income must be determined by deducting all of the following from the gross amount received:

- Mandatory withholding taxes.
- Court ordered child support paid, including arrears, but not more than the amount ordered by the court. No deduction is made for paid, voluntary child support.
- Payments for health insurance.
- Medicare premiums that will not be reimbursed

In the present case, Claimant's income was \$1,074.00, which consisted of Social Security and Cash Assistance. Claimant's rental amount at the time of the application was \$750.00. Claimant paid for her utilities separately from rent. Claimant's total housing obligation of \$750.00 did not exceed \$805.50, which is 75% of Claimant's income. The Department did not provide information regarding deductions taken from Claimant's income. Without this information, I cannot determine if Claimant's net income differs from Claimant's gross income. Based on the above discussion, I find that the Department was not correct in denying Claimant's SER for rent due to housing affordability.

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Claimant also requested a hearing regarding SER for electricity and heat, but at the hearing, Claimant stated she no longer wished to pursue that issue.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department was not correct in its decision to deny Claimant's SER application for rent, and therefore it is ORDERED that the Department's decision is REVERSED. It is further ORDERED that the Department shall reprocess Claimant's January 20, 2011 SER application for rent and issue a new State Emergency Relief Decision Notice. Claimant may request a hearing if she feels aggrieved by the new Decision Notice. It is further ORDERED that Claimant's request for a hearing on SER for electricity and heat is DISMISSED.

/s/

Susan C. Burke
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 13, 2011

Date Mailed: May 13, 2011

NOTICE: The law provides that within 30 days of receipt of the above Decision and Order the claimant may appeal it to the circuit court for the county in which he/she lives. Administrative Hearings, on its own motion, or on request of a party within 30 days of the receipt of this Decision and Order, may order a rehearing. Administrative Hearings will not order a rehearing on the department's motion where the final decision or rehearing cannot be implemented within 90 days of the filing of the original hearing request.

SCB/ctl

cc:

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