

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-41003

Issue No: 5006, 5020

[REDACTED]

Berrien County DHS

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the DHS client's (also referred to as "Claimant") request for a hearing received on June 8, 2011. After due notice, a telephone hearing was held on August 8, 2011. Claimant personally appeared and provided testimony.

ISSUE

Did the department properly deny Claimant's State Emergency Relief (SER) application for rent, security deposit and moving expenses for failure to provide required verifications?

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 (SER) assistance on May 3, 2011.¹ Claimant has a group size of 2 (two). (Department Exhibit 1).
2. On her application, Claimant requested assistance to pay for her rent and security deposit. (Department Exhibit 1). On the application, she claimed that her rent and security deposit expenses were [REDACTED] each. (Department Exhibit 1).
3. Claimant's monthly household income is SSI ([REDACTED]) and RSDI ([REDACTED]). (Department Exhibit 2).
4. On May 13, 2011, the department mailed Claimant a SER Decision Notice (DHS-1419) indicating that in order to receive payment of [REDACTED] for

¹ In her SER application, Claimant did not request any other relief.

security deposit assistance, proof of payment for rent to relocate and security deposit must be returned by June 2, 2011. (Department Exhibit 4).

5. Claimant did not send any proof of payment and did not receive assistance.
6. The department received Claimant's request for a hearing on June 8, 2011. (Hearing Summary).

CONCLUSIONS OF LAW

The regulations that govern the hearing and appeal process for applicants and recipients of public assistance in Michigan are contained in the Michigan Administrative Code (Mich Admin Code) Rules 400.901 through 400.951. An opportunity for a hearing shall be granted to a recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance. Mich Admin Code 400.903(1).

The client has the right to request a hearing for any action, failure to act or undue delay by the department. BAM 105. The department provides an administrative hearing to review the decision and determine its appropriateness. BAM 600.

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. See Michigan Administrative Code (Mich Admin Code) Rule 400.7001-400.7049. Department of Human Services (DHS or department) policies are found in the State Emergency Relief Manual (ERM).

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits and moving expenses. ERM 303. The department will accept the decision of the SER group regarding the use of the relocation funds authorized. ERM 303. The issuance amount must resolve the group's shelter emergency. ERM 303. The department will authorize first month's rent, rent arrearage (including mobile home lot rent), security deposits if required, and moving expenses. ERM 303.

Department policy requires that the SER group members use their available income and cash assets that will help resolve the emergency. ERM 207. The department will not authorize a SER payment unless it will resolve the emergency. ERM 207.

The department will authorize relocation services only if one of the following circumstances exists and all other SER criteria are met. ERM 303. The first condition is that the SER group be homeless. ERM 303.

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

In ERM 207, 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. ERM 207.

The department will authorize SER services only if the SER group has sufficient income to meet ongoing housing expenses. ERM 207. A 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. ERM 207.

The department will deny SER if the group does not have sufficient income to meet their total housing obligation. ERM 207. The total housing obligation cannot exceed 75 percent of the group's total net countable income. ERM 207.

The SER group must contribute toward the cost of resolving the emergency if SER does not cover the full cost of the service. ERM 208. Verification that the contribution has been paid must be received before any SER payment can be made. ERM 208. In an application is made for shelter, heat, electricity, or utilities, a determination of required payments must be made. ERM 208. Required payments are determined based on the group size, the group's income and the obligation to pay for the service that existed during each month of the six months prior to the application. ERM 208. If the client fails without good cause to make required payments, a short fall amount is determined. ERM 208. The client must pay the shortfall amount toward the cost of resolving the emergency. ERM 208. Verification that the shortfall amount has been paid must be received before any SER payment can be made. ERM 208.

Policy requires the department to verify that the copayment, shortfall and contribution have been paid by the client or will be paid by another agency, before the department's portion of the services will be authorized. ERM 208. According to ERM 208 non-energy services income need standards, the standard is [REDACTED] for a SER group size of 2 (two). See ERM 208.

Here, the department did not pay for Claimant's request for rent and security deposit relief because Claimant failed to provide proof of payment for rent to relocate and security deposit. Both ERM 208 and the DHS-1419 received by Claimant unambiguously provide that the department will not make payment for any services unless Claimant provides proof of payment or verification. Here, Claimant was required to provide proof or verification by June 2, 2011 but she failed to do so.

According to Claimant, she applied for SER after her house caught fire and burned leaving it uninhabitable. Claimant acknowledged receipt of the DHS-1419, but testified that she did not know what to send or to whom it should be sent. Claimant indicates that she called and left message with her caseworker in this regard. However, the DHS-1419 clearly indicates that she must provide proof of payment for "rent to relocate" and "security deposit." Further, the DHS-1419 indicates that Claimant must reapply if she

fails to return proof of such payment by the deadline. The department is not authorized per policy to send Claimant payment for rent and security deposit assistance because Claimant did not submit any proof of payment. Under the circumstances, Claimant must reapply in order to recover assistance under this program.

Accordingly, this Administrative Law Judge finds, based on the material, competent and substantial evidence presented during the hearing, that the department properly withheld Claimant's SER payments for rent and security deposit because Claimant failed to properly forward the required verifications.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's SER eligibility.

The Department's SER eligibility determination is AFFIRMED.

IT IS SO ORDERED.

/s/

C. Adam Purnell
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 8/17/11

Date Mailed: 8/17/11

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.

CAP/ds

