

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

IN THE MATTER OF:

[REDACTED] 2

Reg. No: 201275810  
Issue No: 5020  
Case No: [REDACTED]  
Hearing Date: February 13, 2013  
Jackson County DHS

**ADMINISTRATIVE LAW JUDGE:** Suzanne D. Sonneborn

**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 received by the Department of Human Services (department) on August 31, 2012. After due notice, a telephone hearing was held on February 14, 2013 at which Claimant personally appeared and provided testimony. The department was represented by [REDACTED], a family independence manager with the department's Jackson County office.

**ISSUE**

Whether the department properly determined Claimant's eligibility for the State Emergency Relief (SER) program?

**FINDINGS OF FACT**

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

1. On August 31, 2012, Claimant applied for SER assistance with rent in the amount of \$ [REDACTED]. In her application, she indicated that she has no income. (Department Exhibit 1)
2. On August 31, 2012, the department issued Claimant a State Emergency Relief Decision Notice (DHS-1419), informing Claimant that her request for SER assistance with rent had been denied for the reason that her housing was unaffordable. (Department Exhibits 2-3)
4. On August 31, 2012, Claimant filed a request for hearing contesting the department's determination of her SER eligibility. (Request for Hearing)

## **CONCLUSIONS OF LAW**

The hearing and appeals process for applicants and recipients of public assistance in Michigan is governed by the Mich Admin Code, R 400.901 through R 400.951, in accordance with federal law. An opportunity for hearing must be granted to an applicant who requests a hearing because his claim for assistance is denied or not acted on with reasonable promptness, and to any recipient who is aggrieved by Department action resulting in suspension, reduction, discontinuance, or termination of assistance. Rule 400.903(1). Indeed, an applicant or recipient holds the right to contest an agency decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department must provide an administrative hearing to review the decision and determine its appropriateness. Bridges Administrative Manual (BAM) 600, p 1.

SER is established by 2004 PA 344. The program is administered by the Department under MCL 400.10, *et seq.*, and by administrative rules filed with the Secretary of State on October 28, 1993, Mich Admin Code, R 400.7001 through R 400.7049. Agency policies, derived from this authority, are found in the ERM. SER attempts to prevent serious harm to individuals and families. The program assists applicants with safe, decent, affordable housing and other essential needs when an emergency situation arises. ERM 101, p 1.

SER helps to, among other things, assist individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303. The amount of the relocation funds authorized by the department must resolve the SER group's shelter emergency and may include a combination of any of the following services: first month's rent; rent arrearage; security deposit, and moving expenses. ERM 303.

Housing affordability is a condition of eligibility for SER and applies only to Relocation Services (ERM 303) and Home Ownership Services and Home Repairs (ERM 304). Housing affordability does not apply to other SER services. ERM, Item 207, p. 1. Department policy defines "total housing obligation" to mean 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, p. 1.

The department may only authorize SER for services if the SER group has sufficient income to meet ongoing housing expenses. 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. Accordingly, the department must deny SER if the group does not have sufficient income to meet their total housing obligation. The total housing obligation cannot exceed 75% of the group's total net countable income. ERM, Item 207, p. 1.

In this case, Claimant acknowledged at the February 14, 2013 hearing that at the time she applied for SER assistance with her rent on August 31, 2012, she had no income and was therefore unable to afford her monthly rent obligation going forward. Claimant further testified that she was to begin receiving financial aid in the form of student loans in September 2012 and she questioned why this aid could not be considered as income for purposes of her eligibility for SER assistance. However, ERM 206 clearly provides that income received from educational grants, scholarships, and benefits is excluded from countable income for purposes of SER eligibility. ERM 206, p 3.

Consequently, this Administrative Law Judge finds that based on the competent, material and substantial evidence presented during the hearing, the department properly determined Claimant's eligibility for SER assistance and properly denied Claimant's August 31, 2012 application.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly determined Claimant's eligibility for SER assistance and properly denied Claimant's August 31, 2012 application. Accordingly, the department's actions in this regard are **UPHELD**.

It is **SO ORDERED**.

/s/ \_\_\_\_\_  
Suzanne D. Sonneborn  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: February 15, 2013

Date Mailed: February 15, 2013

**NOTICE:** Michigan Administrative Hearings 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 Order. MAHS 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 this Order to Circuit Court within 30 days of the receipt of the 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 errors, or other obvious errors in the hearing decision that affect the substantial rights of 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 System  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, MI 48909-07322

SDS/cr

cc:

