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

#### IN THE MATTER OF:



MAHS Reg. No.: 15-020544 Issue No.: 3000;5001 Agency Case No.:

Hearing Date: December 21, 2015
County: WAYNE-DISTRICT 17

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

# **HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on December 21, 2015, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by

# **ISSUE**

Did the Department properly process Petitioner's Food Assistance Program (FAP) benefits and deny his application for State Emergency Relief (SER) assistance with property taxes?

#### FINDINGS OF FACT

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

- Petitioner was an ongoing recipient of FAP benefits.
- Petitioner verbally withdrew his hearing request concerning his FAP benefits.
- 3. On experimental property taxes. (Exhibit A)
- 4. Petitioner reported on his SER application that he has no income. (Exhibit A, p. 2)
- 5. Petitioner reported on his SER application that he has housing expenses for heat, water/sewer, and property taxes. (Exhibit A, p. 2)

- 6. On \_\_\_\_\_, the Department sent Petitioner an Application Notice informing him that he was not eligible for SER on the basis that he has no income and that there was an address discrepancy. (Exhibit B)
- 7. On actions with respect to his FAP and SER benefits.

## **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

## **FAP**

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

The hearing was requested to dispute the Department's action taken with respect to what Petitioner stated was the temporary suspension of his FAP benefits. Shortly after commencement of the hearing, Petitioner testified that the issue has since been resolved and the Department has corrected the action. Petitioner stated that he did not wish to proceed with the hearing concerning FAP and confirmed that no promises were made to him in exchange for his withdrawal. The Request for Hearing was withdrawn. The Department agreed to the dismissal of the hearing request. Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing with respect to FAP is, hereby, **DISMISSED**.

#### SER

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

SER helps to prevent loss of a home if no other resources are available and the home will be available to provide a safe shelter for the SER group in the foreseeable future. ERM 304 (October 2013), p. 1. Home ownership services payments can be issued to save a home threatened with loss due to tax foreclosure or sale. ERM 301, p. 1. ERM 304 provides additional conditions required prior to the Department authorizing SER assistance for home ownership services. Ensuring that the ongoing cost of maintaining

the home is affordable to the SER group (ERM 207, Housing Affordability) and that the total amount of tax arrearage for **all** years does not exceed \$2,000 are among the eligibility criteria. The Department will pay only the minimum amount required to resolve the tax emergency and will not pay until loss of the home is imminent. Additionally, the total tax arrearage amount is the total for every year combined, not just for the tax years which assistance is being requested. ERM 304, pp. 4-5

As referenced above, housing affordability is a condition of eligibility for SER benefits for assistance with home ownership services. ERM 207 (March 2013), p.1 If a SER group does not have sufficient income to meet their total housing obligation, the application will be denied, as 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, p. 1. 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. The total housing obligation cannot exceed 75 percent of the group's total net countable income. ERM 207, p. 1.

In the present case, the Department stated that Petitioner's SER application for assistance with property taxes in the amount of \$6077.12 was denied because he had no income, thus making his housing not affordable per SER requirements. Although the Department did not establish that the denial reason of address discrepancy listed on the Application Notice was proper, a review of the documents presented and Petitioner's testimony at the hearing establishes that the Department properly determined that Petitioner's housing was not affordable. Petitioner confirmed that at the time of his application he did not have any income and further confirmed that he had reported housing obligations. Petitioner's monthly total housing obligation exceeds his total net countable income by more than 75 percent. Therefore, the Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it denied Petitioner's SER application on the basis that his shelter was not affordable.

## **DECISION AND ORDER**

Accordingly, the hearing request with respect to FAP is **DISMISSED** and the Department's SER decision is **AFFIRMED**.

Lawab Raybour

Zainab Baydoun

Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services Date Signed: 12/23/2015

Date Mailed: 12/23/2015

ZB / hw

**NOTICE OF APPEAL**: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date. A copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from MAHS within 30 days of the mailing date of this Hearing Decision, or MAHS <u>MAY</u> order a rehearing or reconsideration on its own motion. MAHS <u>MAY</u> grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

