



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

MIKE ZIMMER
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: March 11, 2016
MAHS Docket No.: 15-023773
Agency No.: [REDACTED]
[REDACTED]

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 March 7, 2016, from Detroit, Michigan. Petitioner appeared for the hearing represented himself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED], Family Independence Manager and [REDACTED] [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's application for State Emergency Relief (SER) assistance with rent to prevent eviction on the basis that his shelter was not affordable?

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 November 24, 2015, Petitioner submitted an application for SER assistance with rent to prevent eviction. (Exhibit A, pp. 1-9)
2. On the above referenced application, Petitioner reported: a household size of one; that his monthly rental obligation is \$520; and that he does not have any earned or unearned income. (Exhibit A, pp. 1-9)

3. On December 1, 2015, the Department sent Petitioner a SER Decision Notice informing him that his application was denied on the basis that his shelter was not affordable according to SER requirements. (Exhibit A, pp. 10-11)
4. On December 14, 2015, Petitioner requested a hearing disputing the Department's actions.

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).

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 assists individuals and families to resolve or prevent homelessness with relocation services by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2015), p.1. An individual will be eligible for SER if a court summons, order, or judgment was issued which will result in the SER group becoming homeless. ERM 303, pp. 3-6. Provided the shelter is affordable, the Department will authorize amounts needed to keep or obtain permanent shelter, up to the issuance maximum amounts. ERM 303, p. 5. The Department will determine if the SER group's rental housing is affordable pursuant to ERM 207. ERM 303, p. 4.

Housing affordability is a condition of eligibility for SER benefits for assistance with relocation services, such as rent to prevent eviction. ERM 207 (October 2015), p.1. If a SER group does not have sufficient income to meet their total housing obligation, the application will be denied. 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. Renters can have a higher total housing obligation if heat, electricity and/or water/cooking gas are included. The Department will authorize SER only if the SER group has sufficient income to meet ongoing housing expenses, as 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. ERM 207, p.1. In calculating a client's income eligibility, the Department must consider the client's net income in accordance with ERM 206. ERM 206 (October 2013).

Pursuant to ERM 207, because Petitioner testified that water is covered by his monthly rent, his housing is affordable if the \$520 rent obligation and total housing obligation

does not exceed 80% of the group's total net countable income. ERM 207, pp. 1-3. In order to determine whether a client's housing is affordable, the Department must multiply the group's total net countable income by eighty percent. ERM 207, p. 2. The result is the maximum total rent the client can have and be eligible to receive SER rent assistance. ERM 207, p. 2.

In this case, Petitioner reported on his application and confirmed at the hearing that he did not have any earned or unearned income in the 30-day application period. See ERM 206. 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 because Petitioner's \$520 rent obligation exceeds his total net countable income by more than 80%, the Department acted in accordance with Department policy when it denied his SER application on the basis that his shelter was not affordable.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

ZB/tlf



Zainab Baydoun

Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

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

DHHS

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

CC:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]