



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
Date Mailed: September 8, 2016
MAHS Docket No.: 16-009629
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 August 15, 2016, from Detroit, Michigan. The Petitioner was represented by Petitioner. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator.

ISSUE

Did the Department properly deny Petitioner's application for SER benefits?

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 [REDACTED], Petitioner applied for SER benefits for assistance with his rent payment.
2. On [REDACTED], the Department sent Petitioner a State Emergency Relief Decision Notice, which informed Petitioner that his application for benefits had been denied because his housing was deemed unaffordable.
3. On [REDACTED], Petitioner filed a Request for 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.

At the hearing, Petitioner testified that he received an eviction order from the court dated [REDACTED]. The court order provided that Petitioner was to vacate the premises within 30 days or pay \$1,195.00 to his landlord. On [REDACTED], Petitioner requested SER assistance with rent. On [REDACTED], the Department sent Petitioner a State Emergency Relief Decision Notice, which informed Petitioner that his request for assistance had been denied due to lack of affordability.

Housing affordability is a condition of eligibility for SER benefits for home ownership services. ERM 207 (October 2015), p. 1. Exceptions to the affordability requirement are available only to clients who have vouchers from Family Re-Housing Program (replaces Rapid Re-Housing Initiative which ended May 31, 2015) effective October 1, 2015 or Rural Homeless Permanent Supportive Housing Initiative (RPSH) ERM 207, p. 1. Because there was no evidence presented that Petitioner had one of these vouchers, Petitioner's SER application was subject to meeting the housing affordability requirement.

Housing is affordable if the SER group's total housing obligation does not exceed 75% of the group's total net countable income. 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. ERM 207, p. 1. Additionally, educational grants, scholarships and benefits are excluded income. ERM 206 (October 2013), p. 4.

In this case, Petitioner argued that his work study income should be counted, as it is income that is earned and that he would not otherwise receive the income if he did not appear for work. The Department argued that work study is part of the educational benefits excluded under its policy. Even if Petitioner's argument is accepted, his housing obligation exceeds 75% of his net countable income. A review of Petitioner's income revealed that in each month prior to June 2016, Petitioner earned less than he is required to pay in rent. In June 2016, Petitioner's net income was \$1,016.12. However, one of the June 2016 payments was significantly higher than any other pay Petitioner received and does not appear to reflect his regular income at the time of application.

Additionally, the earned income was based upon work study during the 2015-2016 school year. At the time of application, Petitioner did not provide the Department with any documentation that his work study had been renewed. At the hearing, Petitioner testified that the work study had been renewed. However, the Department makes its decision based upon the facts and circumstances at the time of application. Because Petitioner had shelter expenses but had insufficient income to cover the housing expenses at the time of his SER application, his housing was not affordable.

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 Claimant's [REDACTED] SER application for assistance with rent assistance because the housing was not affordable.

DECISION AND ORDER

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

JM/hw



Jacquelyn A. McClinton

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]

Petitioner

[REDACTED]