



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: January 6, 2017
MAHS Docket No.: 16-015990
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 [REDACTED], from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Family Independence Manager; and [REDACTED], Family Independence Specialist.

ISSUE

Did the Department properly deny the Petitioner's application for State Emergency Relief (SER) regarding her request for relocation moving assistance?

FINDINGS OF FACT

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

1. The Petitioner applied for SER on [REDACTED], for assistance with relocation moving. The Petitioner spent \$ [REDACTED] rent to relocate, moving expenses of \$ [REDACTED] and a security Deposit of \$ [REDACTED]. Exhibit A.
2. The Petitioner had lost her job as of [REDACTED].
3. The Petitioner provided a Landlord Tenant Judgement Notice on [REDACTED], requesting no money judgment but granted the landlord's eviction request as of [REDACTED]. Exhibit B.

4. The Department issued an SER Decision Notice on [REDACTED], denying the application because the housing was not affordable. Exhibit A and Exhibit C.
5. The Department found the Petitioner had no income when it determined eligibility and could not afford the moving expenses of \$ [REDACTED] Exhibit C.
6. The Petitioner requested a timely hearing on [REDACTED], protesting the Departments 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 Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

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.

In this case, at the time of the SER relocation assistance application, the Petitioner advised the Department that the Petitioner had lost her job and had no income. After the denial of the application, the Petitioner advised the Department she had begun employment on [REDACTED]. The Petitioner's application was denied on [REDACTED]; and thus, the Department properly denied the Petitioner's SER application based upon the information available to the Department at the time of its determination. The true issue is whether the housing was affordable, given the fact that at the time of the application and at the time of the Department's determination, the Petitioner was unemployed with no income, and thus, no housing would be affordable.

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 an 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). In order to determine whether a client's housing is affordable, the Department must multiply the group's total net countable income by 80 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.

It should be noted that the budget presented by the Department was incorrect because it only included relocation expenses in the budget and not the rent; this does not change the outcome in any event as the Petitioner had no income; and thus, even if the rent expense was included, the housing was not affordable. Exhibit C. Once the application was denied the Petitioner was required to reapply for SER services. The new income from employment would have then been included in the new application determination. See ERM 103, (October 1, 2016), p. 1.

In this case, the Petitioner reported on her application and confirmed at the hearing that she 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 rent obligation of \$ [REDACTED] and moving expenses of \$ [REDACTED] obligation exceeds her total net countable income by more than 80 percent, the Department acted in accordance with Department policy when it denied her SER application on the basis that her shelter was not affordable.

DECISION AND ORDER

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 the Petitioner's SER application for rent and relocation expenses.

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

LMF/jaf



Lynn M. Ferris
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]

Petitioner

[REDACTED]

Via email

[REDACTED]