



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]
[REDACTED]
Date Mailed: March 30, 2017
MAHS Docket No.: 17-001970
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Zainab A. 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 13, 2017, from Detroit, Michigan. The Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Karen Jackson, Assistance Payment Supervisor.

At the commencement of the hearing, Petitioner indicated that she requested an in person hearing. Upon review of Petitioner's hearing request, it was discovered that she did request an in person hearing. However, Petitioner confirmed on the record that because she wanted the matter resolved, she was waiving her right to have the matter adjourned and scheduled for an in person hearing. Petitioner asserted that she wanted to continue with the hearing via telephone.

ISSUE

Did the Department properly process and deny Petitioner's application for State Emergency Relief (SER) assistance with relocation services and energy (heat and electric) services?

FINDINGS OF FACT

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

1. Petitioner was previously residing at [REDACTED]. (Exhibit A, pp. 7-10)

2. In or around [REDACTED] 2016/[REDACTED] 2016, Petitioner was evicted through court proceedings from her [REDACTED] home. (Exhibit A, pp. 7-10)
3. In December 2016, Petitioner moved to [REDACTED] and paid her first month rent and security deposit. (Exhibit A; Exhibit 1)
4. On [REDACTED], 2017, Petitioner submitted an application for SER. Petitioner indicated on the application that she was requesting emergency assistance with: eviction/relocation; heat in the amount of \$500; and electricity in the amount of \$200. (Exhibit A, pp.2-6)
5. With the SER application, Petitioner submitted a Notice of Intent to Shut Off Services from DTE reflecting a total past due balance of \$194.75. (Exhibit A, p. 11)
6. At the time that Petitioner submitted her SER application, she was not being evicted from her [REDACTED] residence.
7. On February 8, 2017, the Department sent Petitioner a State Emergency Relief Decision Notice (Notice) advising her that her request with rent to prevent eviction was denied on the basis that she does not have a court ordered eviction notice. The Notice further informed Petitioner that her request with heat and electric energy services was denied on the basis that the shortfall amount (unmet required payments) is equal to or greater than the amount needed to resolve the emergency. (Exhibit A, pp.18-20)
8. On February 8, 2017, the Department received a Demand for Possession Nonpayment of Rent regarding Petitioner's [REDACTED] residence. (Exhibit B)
9. On [REDACTED] 2017, Petitioner requested a hearing disputing the Department's actions with respect to the denial of her SER application.

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 Assistance with Relocation Services

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2015), p. 1. An individual will be eligible for SER with rent to prevent eviction if a court summons, order, or judgment was issued which will result in the SER group becoming homeless. A demand for possession non-payment of rent or a notice to quit is not sufficient. ERM 303, pp. 3, 5-6. ERM 303, p. 5. The Department will authorize relocation services only if one of the following circumstances exist and all other SER criteria are met: the SER group is homeless, meaning that there is no housing that the group can return to; that the SER group is at risk of homelessness; or that the SER group meets the eligibility requirements for a homeless assistance program identified in ERM 303. ERM 303, p. 2.

In the present case, Petitioner initially testified that she submitted an application for SER requesting assistance with first month rent and security deposit. Upon review of the SER application, it appears as though Petitioner indicated she needed emergency assistance with eviction/relocation services. (Exhibit A, p. 2). Later in the hearing, Petitioner testified that she submitted the SER application on [REDACTED], 2017, because she needed assistance with the eviction from her prior residence on [REDACTED]. However, according to the records provided from the 36th District Court, the evidence established that Petitioner had been evicted from her prior residence on [REDACTED] in [REDACTED] 2016/[REDACTED] 2016 and that she moved to her current residence in December 2016.

Additionally, Petitioner provided rent receipts showing that she paid her first month rent and security deposit for her current residence prior to submitting the SER application on [REDACTED], 2017. (Exhibit 1). Although the Department testified that it received a copy of the Demand for Possession Nonpayment of Rent on February 8, 2017, for Petitioner's current residence, the Department testified that because Petitioner did not have a court ordered eviction notice at the time of her application, her request for SER assistance was denied. The evidence established that because Petitioner had already been evicted from her prior residence, had moved to a new residence and made her rental payments, Petitioner was not homeless or at risk of homelessness at the time she applied for SER. Thus, the Department properly denied her request for SER assistance with rent to prevent eviction. Petitioner is informed that should she receive a court summons, order, or judgment resulting the SER group becoming homeless for her current residence, she was entitled to submit a new SER application to have her eligibility determined.

SER with Energy Services

Eligible households who meet all SER eligibility requirements may receive assistance to help them with heat and electricity costs under the energy services program. ERM 301 (February 2017), p. 1. When the group's heat or electric service for their current residence is in past due status, in threat of shutoff or is already shut off and must be restored, payment may be authorized to the enrolled provider. ERM 301, p.2. To be eligible for energy service assistance, a SER group must make required payments

toward their energy service. The required payment amounts are based on the group size and service (heat or electric). The energy required payment period is the six-month period prior to the month the SER group applies for assistance. ERM 301, p. 6. Energy required payments are met if the amounts paid by the group for heating fuel and/or electricity equal or exceed the table amounts for the required payment period based on group size. ERM 208 (February 2017), p. 1; ERM 301, p. 6.

Required payments must be met for each month the SER group has an obligation to pay for the service. If the client failed without good cause to make required payments, a shortfall amount is determined. The good cause reasons/criteria for failing to meet obligations for energy services are found in ERM 204 (February 2017), pp. 1-4. The client must pay the shortfall amount towards the cost of resolving the emergency. ERM 208 (February 2017), p. 1; ERM 301, p. 6. If the shortfall exceeds the need, the application shall be denied unless good cause is granted. ERM 103 (October 2015), p. 4.

In the present case, although Petitioner indicated on her application that she requested SER assistance with heat in the amount of \$500 and electricity in the amount of \$200, the verification through DTE confirmed that Petitioner had past due heat and electric bills in the amounts of \$120.85 and \$73.90 respectively. (Exhibit A, pp. 11-12). The Department testified that Petitioner's request was denied because the \$385 shortfall was greater than the \$194.75 total need. (Exhibit A, p. 16; 18-20).

At the hearing, the Department presented a SER Unmet Need summary from Bridges which detailed Petitioner's shortfall assessment, good cause income and expenses and required payment history. (Exhibit A, p. 16). Based on her confirmed group size of two, the Department properly determined that Petitioner had required energy payments of \$82 monthly. ERM 301, p.7. The payment history provided shows that in the six months prior to the application, Petitioner made \$107 in actual payments towards her energy bills and was required to make \$492 in energy payments. (Exhibit A, pp. 13, 16). There was no evidence presented that Petitioner had good cause for her failure to make the required energy payments, as the group's confirmed monthly income was greater than the good cause amount of \$240.

Upon further review and based on the evidence presented, the Department properly determined that Petitioner had a shortfall of \$385, which was greater than the \$194.75 total need. As such, the Department properly denied Petitioner's SER application with energy services.

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 Petitioner's [REDACTED], 2017, SER application with relocation and energy services.

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



ZB/tlf

Zainab A. 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

Via Email:

DHHS Hearings Coordinator – 57
BSC4 Hearing Decisions
T. Bair
E. Holzhausen
MAHS

Petitioner – Via First-Class Mail:

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