



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: March 28, 2019
MAHS Docket No.: 19-001014
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: John Markey

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; 42 CFR 438.400 to 438.424; 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, 2019, from Detroit, Michigan. Petitioner appeared and was represented by her Authorized Hearing Representative, [REDACTED]. The Department of Health and Human Services (Department) was represented by Lacy Miller, Hearings Coordinator. During the hearing, a 19-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-19.

ISSUE

Did the Department properly deny Petitioner's State Emergency Relief (SER) application requesting assistance with a security deposit?

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 December 19, 2018, Petitioner, through her Authorized Representative, submitted an application for SER benefits requesting \$500 in assistance in paying a security deposit. The application indicated that Petitioner did not have any housing expenses going forward as a result of certain benefits from other entities. Exhibit A, pp. 3-8.
2. On December 19, 2018, the Department issued to Petitioner (not Petitioner's Authorized Representative) an Appointment Notice informing Petitioner that she

had an interview on December 28, 2018, to discuss issues related to her SER application. Exhibit A, p. 8.

3. On December 28, 2018, the Department attempted to contact Petitioner but was unsuccessful. At no point did the Department attempt to contact Petitioner's Authorized Representative. Exhibit A, p. 9.
4. On December 28, 2018, the Department issued to Petitioner a State Emergency Relief Decision Notice denying Petitioner's application for SER benefits because Petitioner's "shelter is not affordable according to SER requirements." Exhibit A, pp. 10-12.
5. On [REDACTED] 2019, Petitioner's Authorized Representative submitted to the Department a request for hearing objecting to the Department's denial of Petitioner's SER application. Exhibit A, p. 14.
6. On January 23, 2019, the Department issued to Petitioner a State Emergency Relief Decision Notice denying Petitioner's application for SER benefits because Petitioner failed to complete the required interview on December 28, 2018. Exhibit A, pp. 15-17.
7. The Department recorded the [REDACTED], 2019, hearing request as having been received by the Department on January 23, 2019.
8. Sometime after filing the hearing request, Petitioner's security deposit was paid by a third party.

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 by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2018), p. 1. The Department is prohibited from issuing an SER benefit unless it resolves the emergency. ERM 303, p. 1. Housing affordability is a condition of eligibility for SER and applies to Relocation Services and Home Ownership Services and Home Repairs. ERM 207 (October 2015), p. 1. Affordable housing is defined as a group having a total housing obligation which does not exceed 75% of the group's total net countable income. ERM 207, p. 1; ERG Glossary (February 2017), p. 1.

In this case, Petitioner, through her Authorized Representative, [REDACTED], submitted to the Department on [REDACTED], 2018, an application for SER benefits to assist with the payment of her security deposit. Petitioner indicated that she was homeless and needed \$500 to cover a security deposit. Petitioner indicated that she did not have any income. However, the housing situation Petitioner was attempting to procure did not require her to pay any housing expenses.

On December 28, 2018, the Department issued to Petitioner a State Emergency Relief Decision Notice informing Petitioner that her SER application was denied because her “shelter is not affordable according to SER requirements.” At the hearing, the Department acknowledged that this denial was in error as the housing could not, by definition, be unaffordable given that Petitioner had no housing expenses.

On January 23, 2019, the Department issued to Petitioner a State Emergency Relief Decision Notice informing Petitioner that her SER application was denied because she “does not meet the program requirements” and because Petitioner failed to complete the required interview. At the hearing, the Department acknowledged that this denial was in error as well as the notice informing Petitioner of the interview was sent to Petitioner instead of Petitioner’s Authorized Representative. The Department acknowledged that it should have sent the notices to the Authorized Representative and that its failure to do so rendered the second denial reason incorrect.

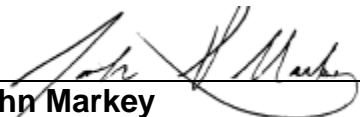
On [REDACTED], 2019, Petitioner submitted to the Department a request for hearing objecting to the Department’s denial of the SER application. Sometime shortly thereafter, a charity paid Petitioner’s security deposit. At the hearing, the Department representative testified that the payment of the security deposit resolved the emergency, and Petitioner was no longer eligible for SER benefits. While the processing of Petitioner’s SER application was troublesome and not in compliance with Department policy, the fact remains that SER benefits are only to be issued to resolve emergencies. As of the date of the payment of the security deposit, no emergency existed. Thus, the Department may not issue SER funds as of that date. Accordingly, the Department’s ultimate conclusion that Petitioner is not eligible for the dispensation of SER funds because Petitioner’s housing emergency was resolved is affirmed.

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 Petitioner is not eligible for the issuance of SER benefits on her behalf for the security deposit that was paid by a third party.

DECISION AND ORDER

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

JM/cg



John Markey
Administrative Law Judge
for Robert Gordon, 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) 763-0155; 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:

MDHHS-Clinton-Hearings
T. Bair
E. Holzhausen
BSC2- Hearing Decisions
MAHS

**Petitioner –
Via First-Class Mail:**

[REDACTED]
[REDACTED]
[REDACTED]

**Authorized Hearing Rep. –
Via First-Class Mail:**

[REDACTED]
[REDACTED]
[REDACTED]