



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: August 23, 2019  
MOAHR Docket No.: 19-006462  
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 August 12, 2019 from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Matthew Orzak, Eligibility Specialist. During the hearing, an 18-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-18.

**ISSUE**

Did the Department properly deny Petitioner's application for State Emergency Relief (SER) benefits for relocation 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. At all times relevant to the instant case, Petitioner was employed and earning approximately \$[REDACTED] per week. She also received about \$2.32 per month in child support. Exhibit A, pp. 2-3; 8-9.
2. Petitioner also lived at an apartment where she was responsible for \$1,200 per month in rent. In addition to rent, Petitioner was responsible for utilities. Exhibit A, pp. 4-7.
3. Petitioner got behind on her rent, and the landlord initiated eviction proceedings.

4. At some time in [REDACTED] 2019, Petitioner submitted to the Department an application for SER benefits for relocation assistance services, specifically for help in paying her rent arrearage to prevent homelessness.
5. On May 3, 2019, the Department issued to Petitioner a State Emergency Relief Decision Notice informing Petitioner that her application for SER assistance was denied due to the Department's finding that Petitioner's housing was unaffordable. Exhibit A, pp. 16-18.
6. On [REDACTED] 2019, Petitioner submitted to the Department a request for hearing objecting 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).

In this case, Petitioner submitted to the Department an [REDACTED] 2019 application for SER benefits in order to prevent her eviction from her apartment. At the relevant time period, Petitioner was earning approximately \$[REDACTED] per week from her employment and received about \$2.32 per month in child support. Petitioner's rent was \$1,200 per month, and according to Petitioner's lease, Petitioner was responsible for utilities. On May 3, 2019, the Department issued to Petitioner a State Emergency Relief Decision Notice denying Petitioner's application due to the Department's finding that the housing was unaffordable.

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 benefits are available to clients who have an emergency that threatens health or safety and can be resolved through issuance of SER. ERM 101 (March 2013), p. 1. Relevant to this matter, the Department provides SER to eligible clients who are at risk of homelessness to assist with paying rent arrearages. ERM 303 (October 2018), p. 1. Housing affordability is a condition of eligibility for SER services to prevent homelessness. ERM 303, p. 4. To be affordable, the SER group must have sufficient income to meet ongoing housing expenses. ERM 207 (October 2015), p. 1. Department policy requires an SER application to be denied when the applicant's total housing obligation exceeds 75% of the group's total net 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. In determining net income from employment, the Department must deduct 25% from the total. ERM 206 (February 2017), p. 5.

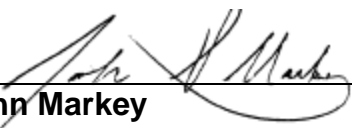
Petitioner's monthly earned income from employment totaled \$██████, and her monthly unearned income totaled \$2.32. To determine countable earned income, a 25% deduction is applicable, bringing Petitioner's countable monthly earned income to \$██████. Added together, Petitioner's countable monthly income totaled \$██████. Petitioner's ongoing housing expenses totaled at least \$1,200. As such, it is clear that Petitioner's income was not sufficient to meet her ongoing needs. Thus, the housing was unaffordable, and the Department was required to deny the application. This conclusion becomes even more clear upon finishing the affordability calculation. Per policy, housing is unaffordable if the housing costs exceed 75% of a client's countable income. 75% of Petitioner's countable income totals \$██████. Thus, in order for Petitioner's application to be approved, her ongoing housing costs could not exceed \$789.24 per month. Petitioner's monthly rental obligation of \$1,200 greatly exceeds the limit for affordability.

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 application for SER benefits for assistance in paying back rent due to a proper finding that the housing was unaffordable.

**DECISION AND ORDER**

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

JM/cg

  
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**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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

**Via Email:**

MDHHS-Oakland-2-Hearings  
T. Bair  
E. Holzhausen  
BSC4- Hearing Decisions  
MOAHR

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

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