



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: February 20, 2024
MOAHR Docket No.: 23-009110
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; 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 February 14, 2024, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Lori Turner, Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's application for State Emergency Relief (SER) assistance with rent to prevent eviction?

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 or around [REDACTED] 2023, Petitioner submitted an application requesting SER assistance with rent to prevent eviction in the amount of \$3,325.
 - a. On the application, Petitioner reported herself and her two children as household members.
2. On or around December 1, 2023, the Department issued a State Emergency Relief Decision Notice, advising Petitioner that her request for SER assistance with rent to prevent eviction was denied because her income/asset copayment is equal to or greater than the amount needed to resolve the emergency. (Exhibit A, pp. 9-10)

3. On or around December 6, 2023, Petitioner requested a 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.

In this case, Petitioner disputed the denial of her [REDACTED] 2023, SER application requesting assistance with rent to prevent eviction.

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 2022), 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. 1-6. Additionally, the Department will complete a SER budget for each request and determine the payment maximums, required payments, income and asset copayment, and client contributions based on the information provided to determine eligibility for SER. ERM 103 (October 2021), pp. 1-7.

SER group members must use their available income and cash assets that will help resolve the emergency. ERM 208 (October 2023), p. 1. The Department will determine SER eligibility for the group as a whole and is to verify income, assets, and potential resources of all group members. A SER group consists of persons who occupy the same home. Home means the place where the members of the SER group keep their personal belongings and sleep. ERM 201 (October 2023), pp.1-2.

A group is eligible for non-energy SER services, such as rent to prevent eviction, with respect to income if the total combined monthly net income that is received or expected to be received by all group members in the 30-day countable income period **does not** exceed the standards found in Exhibit I, SER Income Need Standards for Non-Energy Services. Income that is more than the basic monthly income need standard for the number of group members must be deducted from the cost of resolving the emergency. This is the income copayment. ERM 208, p. 1. The income and asset copayments combined together determine the SER group's total copayment, or the amount the SER group must pay towards their emergency. Copayment amounts are deducted from the cost of resolving the emergency. ERM 208, pp.1-2. Thus, if the copayment exceeds the need, the

application shall be denied unless good cause is granted. ERM 208, pp. 1-2; ERM 103, p. 4.

In determining a client's monthly income, the Department must consider the actual income the client expects to receive during the SER countable income period, which is the 30-day period beginning on the date the local office receives a signed application. To determine **net** income for SER purposes, the Department must deduct certain expenses of employment, which can include but are not limited to, mandatory withholding taxes (25% of the gross), deductions required by the employer as a condition of employment, and deductions for health insurance. ERM 206 (November 2019), pp. 1-7.

At the hearing, the Department representative testified that Petitioner's SER application was denied because the income/asset copayment for the household was greater than the \$3,325 amount needed to resolve the emergency. Although the Department did not present a SER Copayment Details budget showing how the income/asset copayment was determined, the Department representative testified that it determined Petitioner's parents were living in her household and were counted as group members for determining SER eligibility. The Department testified that because Petitioner's parents were considered household members, their unearned income from Retirement Survivors Disability Insurance (RSDI) or Social Security was used in calculating the income copayment. Specifically, the Department testified that it considered Petitioner's earnings from her employment with Credit Acceptance as verified by the Work Number, as well, as ██████████ in RSDI for Petitioner's mother and ██████████ in RSDI for Petitioner's father. The Department testified that it determined Petitioner's household had a copayment of ██████████ which is greater than the \$3,325 requested for rent to prevent eviction.

Petitioner testified that her household includes herself and her two children. Petitioner testified that her parents lived in her home for about two months in 2022 while their home was undergoing repairs. Petitioner provided the address for her parents' home on the record. The Department testified that in processing the current request for SER, an address inquiry was conducted through Bridges and Petitioner's parents were identified on a previous application as household members. Thus, the Department included them in the household. Petitioner confirmed that during the two months her parents were in her home, she requested assistance with SER. Petitioner asserted that she was not given any opportunity to verify her household members or to submit information to the Department to confirm that her parents did not live with her. This was undisputed by the Department, as the representative conceded that the Department did not send any verification checklist or other request for information regarding group composition.

Therefore, based on the above discussion, the Department failed to establish that Petitioner's parents were household group members at the time of application and thus, failed to show that their income was countable towards Petitioner's SER request. 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 did not

act in accordance with Department policy when it denied Petitioner's [REDACTED] 2023, SER application on the basis that the income/asset copayment was greater than the amount needed to resolve the emergency.


DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reprocess Petitioner's [REDACTED] 2023, SER application;
2. Supplement Petitioner and/or her SER provider for any SER benefits that she was eligible to receive but did not from the application date, ongoing; and
3. Notify Petitioner in writing of its decision.

ZB/ml



Zainab A. Baydoun
Administrative Law Judge

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 Electronic Mail:

DHHS
Tara Roland 82-17
Wayne-Greenfield/Joy-DHHS
8655 Greenfield
Detroit, MI 48228
MDHHS-Wayne-17-hearings@michigan.gov

Interested Parties
BSC4
J McLaughlin
E Holzhausen

Via First Class Mail:

Petitioner
[REDACTED]
[REDACTED] MI [REDACTED]