

GRETCHEN WHITMER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LANSING

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: December 16, 2024 MOAHR Docket No.: 24-012247 Agency No.: Petitioner:

## ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

## **HEARING DECISION**

On October 28, 2024, Petitioner requested a hearing to dispute a State Emergency Relief (SER) determination. As a result, a hearing was scheduled to be held on December 12, 2024. Public assistance hearings are held 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; 45 CFR 205.10; and Mich Admin Code, R 792.11002.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Hearings Coordinator Hannah Czechowski appear as its representative. Neither party had any additional witnesses.

Sworn testimony was provided by both parties, and two exhibits were admitted into evidence. A 31-page packet of documents provided by the Department was admitted collectively as Exhibit A, and a 4-page packet of documents provided by Petitioner was admitted collectively as Exhibit 1.

#### ISSUE

Did the Department properly determine Petitioner's SER eligibility?

## 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 lives with her daughter,
- 2. Petitioner receives a gross benefit of **Exercise** per month from Social Security.
- 3. Petitioner's daughter receives gross pay of **Example** per month from the state of Michigan for home help services.

- 4. On October 8, 2024, the Department issued an SER decision notice to Petitioner to notify her that her request for assistance with her property taxes was denied because the amount of all past due taxes exceeded \$2,000.00.
- 5. On October 14, 2024, Petitioner paid \$33.00 towards her 2022 property taxes. The remaining balance due for Petitioner's 2022 and 2023 property taxes was \$1,999.90.
- 6. On October 25, 2024, Petitioner reapplied for SER assistance with her property taxes.
- 7. The Department obtained a property tax statement showing that Petitioner owed a total balance of \$1,999.90 for her 2022 and 2023 property taxes. The property tax statement showed that Petitioner owed \$1,210.04 for her 2022 property taxes, and she owed \$789.86 for her 2023 property taxes. The property tax statement stated, "tax year 2022 must be paid in full by March 31, 2025, to avoid foreclosure."
- 8. The Department determined that Petitioner's countable household income was \$500.00, so the Department determined that the applicable need standard was \$500.00, so the Department determined that Petitioner's copay amount was \$945.16.
- 9. The Department determined that Petitioner's 2022 property tax balance was eligible for SER because it had to be paid to avoid foreclosure. The Department determined that Petitioner's 2023 property tax balance was not eligible for SER because it did not have to be paid to avoid foreclosure.
- 10. On October 18, 2024, the Department issued an SER decision notice to Petitioner to notify her that her request for assistance with her property taxes was approved. The notice stated that Petitioner was required to pay \$945.16, and the Department would pay \$264.88 after Petitioner provided proof to the Department that she made her payment. The notice stated that Petitioner was required to provide the Department with proof that she made her payment by November 13, 2024.
- 11. Petitioner did not provide the Department with proof that she made her \$945.16 payment, so the Department did not pay \$264.55 towards her 2022 property taxes.
- 12. Petitioner requested a hearing to dispute the Department's decision.

#### 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 to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

SER is available to save a home threatened with loss due to tax foreclosure. ERM 304 (October 1, 2024), p. 4. The total amount of tax arrearage for all years combined cannot exceed \$2,000.00. *Id.* at 5. The Department is only allowed to pay the minimum amount required to resolve the tax emergency. *Id.* Thus, the Department is only allowed to approve SER assistance for a tax arrearage that must be paid to avoid tax foreclosure. In this case, only Petitioner's 2022 property taxes were required to be paid to avoid tax foreclosure, so the Department was only allowed to approve SER assistance for Petitioner's 2022 property taxes.

SER group members must use their available income and assets to resolve the emergency. ERM 208 (October 1, 2024), p. 1. A group that has income that exceeds the need standard must make a payment in the amount of their income that exceeds the need standard to resolve the emergency. *Id.* In this case, Petitioner's group size was two because Petitioner lived together with her daughter. The need standard for a group size of two was \$500.00. *Id.* at 6. Thus, Petitioner was required to make a payment toward her emergency equal to the amount that Petitioner and her daughter's income exceeded \$500.00.

Petitioner received income of per month from Social Security, and Petitioner's daughter received income of per month from the state of Michigan for home help services. Petitioner was eligible for a 25% deduction for taxes from her daughter's income because it was earned income. ERM 206 (October 1, 2024), p. 5. Petitioner was not eligible for any other deductions. Thus, Petitioner and her daughter's total countable income was **Example**. Petitioner was responsible for paying \$945.56 towards her 2022 property taxes because that was the amount that Petitioner and her daughter's income exceeded the need standard.

The Department cannot make an SER payment until the client verifies that the SER group has made its contribution towards the emergency. ERM 208 at 3. Petitioner did not provide proof to the Department that she made her \$945.16 payment, so the Department did not pay \$264.55 toward her 2022 property taxes. The Department acted in accordance with policy when it refused to make a payment without proof that Petitioner made her required payment.

#### 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 properly determined Petitioner's SER eligibility.

# IT IS ORDERED that the Department's decision is AFFIRMED.

Jeffrey Kemm Administrative Law Judge

JK/pe

**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:

<u>DHHS</u>

Hannah Czechowski Genesee County DHHS Clio Rd Dist. 4809 Clio Rd. Flint, MI 48504 **MDHHS-Genesee-Clio-Hearings@michigan.gov** 

## **Interested Parties**

BSC2 J. McLaughlin E. Holzhusen MOAHR

Via First Class Mail:

