



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

OFFICE OF THE GENERAL COUNSEL

RECEIVED MAY 1 1986

Agnes M. Mansour, Ph.D.,
Director
Department of Social Services
300 South Capitol Avenue
Lansing, Michigan 48909

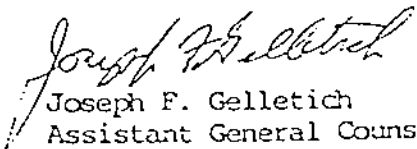
Dear Ms. Mansour:

This is to acknowledge and thank you for your letter of March 28, 1986 communicating your Department's policy and position with respect to shelter allowances for public assistance families receiving housing assistance pursuant to the U.S. Housing Act of 1937.

I have made your letter available to staff responsible for advising the Assistant Secretaries for Housing and Public and Indian Housing on the matter at hand. We are prepared to advise our Field Offices in Detroit and Grand Rapids that Housing Authorities and private owners participating in programs providing housing assistance pursuant to the U.S. Housing Act of 1937 may treat payments under the Michigan programs of Aid to Dependent Children and General Assistance as "flat grants" and charge only 30 percent of those amounts for shelter. We are reluctant, however, to issue these instructions prior to the State of Michigan actually amending its policies and procedures to effect this result. Recognizing that it may take some time to physically implement these changes we are willing to proceed upon receipt from you of your assurance that interim instructions have gone to your field staff announcing the changed policy and instructing them to proceed in this manner. We would also appreciate receiving your assurance that families for whom ADC or GA is not provided in accordance with the new policy, pending issuance of revisions to your policy manuals, will have their assistance recomputed and the Housing Authorities or private owners reimbursed as appropriate.

While it was our hope to be able to implement this change as of the first of May, we believe the method proposed will permit us to initiate the change to be effective with the June rents. We hope to hear from you soon.

Sincerely,


Joseph F. Gelletich
Assistant General Counsel
Assisted Housing Division

cc: Marilyn Mullane
Florence Roisman