

F. E. has been receiving SNAP benefits since 2017.³ In 2020, when those benefits were renewed, the Division sent her notice that she was required to inform the Division if her household income exceeded the monthly income limit for her household, which was \$1,690.⁴ On June 25, 2020, the Division automatically renewed her SNAP benefits. In the renewal notice, she was told that she was required to report if her household's gross monthly income exceeded the gross monthly income limit for her household size.⁵ Her SNAP benefits were again automatically renewed in January 2021. The notice sent to her on January 22, 2021, advising her of the automatic renewal, again notified her of her obligation to report when her monthly income exceeded the program's income limit.⁶ On June 7, 2021, the Division sent F. E. another notice which explicitly advised her that her SNAP benefits were based upon her having \$605.49 in countable income, and that she was required to notify the Division if her monthly income exceeded \$1,728.⁷ The Division again automatically renewed her SNAP benefits at the end of December 2021 through July 31, 2022. The notice the Division sent F. E. advising her of the renewal also informed her that she was required to report if her monthly income exceeded the income limit for her household size. It, however, did not inform her of the amount of the income limit.⁸

It is undisputed that F. E. was working from September 2021 onward. It is undisputed that F. E. began receiving Social Security benefits in September 2021. It is undisputed that F. E.'s gross monthly income from work and Social Security exceeded the SNAP gross monthly income limit from September 2021 onward.⁹ It is undisputed that F. E. did not notify the Division when she started receiving Social Security benefits or of the fact that her income was greater than the SNAP income limit for her household size. It is undisputed that F. E. received a total of \$1,332 in SNAP benefits during the months of November 2021 through July 2022.

³ Ex. 1.2.

⁴ Ex. 16.

⁵ Ex. 16.2.

⁶ Ex. 16.3

⁷ Ex. 16.4.

⁸ Ex. 17.1.

⁹ Copies of F. E.'s paystubs for September 10, 2021 through July of 2022 are located in the record at Exs. 7 – 7.27. A copy of the Division's Social Security interface inquiry screen showing F. E.'s receipt of Social Security benefits is located in the record at Ex. 5.

F. E. applied to renew her SNAP benefits on July 5, 2022.¹⁰ She was interviewed about her application on July 13, 2022. In that interview, her Social Security income and her income from work were both discussed.¹¹ Following that interview, her renewal was denied.¹²

The Division then reviewed F. E.'s benefit payment history and determined that she had received \$1,332 in SNAP benefits that she was not financially eligible for in the months of November 2021 through July of 2022. The Division sent F. E. notices on January 20, 2023 and March 1, 2023 that she was required to repay the Division the \$1,332 in SNAP benefits that she received.¹³

III. Discussion

The issue in this case is whether DPA was correct to require F. E. to repay the \$1,332 in SNAP benefits that she received in November 2021 through July 2022. SNAP is a federal program which is administered by the State of Alaska.¹⁴ To administer the program in Alaska, the Alaska Department of Health has adopted the federal regulations governing the program.¹⁵ Accordingly, the decision in this case is governed by the federal SNAP regulations.¹⁶ The Division has the burden of proof in this case because it is seeking to recover paid SNAP benefits from F. E.¹⁷

The critical facts of this case are undisputed. F. E. received gross monthly income that caused her to exceed the SNAP program's income limits beginning in September 2021. Consequently, she was not eligible for those benefits beginning in November 2021.

F. E. does not dispute that she was not eligible to receive the SNAP benefits which she received in the total amount of \$1,332. However, she argued that she should not be liable for repayment of those benefits because she did not apply for them. Instead, the Division automatically renewed her benefits and sent her those payments.

F. E.'s argument is not persuasive for two distinct and independent reasons. First, F. E. was advised in several notices that she was required to inform the Division if her income went

¹⁰ Exs. 2 – 2.5.

¹¹ Exs. 4 – 4.1.

¹² Ex. 1.2.

¹³ Exs. 11.2 – 11.19, 12. The Division's calculations sheets that show F. E. was not financially eligible for SNAP benefits for November 2021 through July 2022 are contained in the record at Exs. 11.11 – 11.19.

¹⁴ 7 C.F.R. § 271.4(a).

¹⁵ 7 AAC 46.010.

¹⁶ The applicable regulations are located at 7 C.F.R. § 273.1 *et. seq.*

¹⁷ 7 AAC 49.135.

over the SNAP income limits. The notice that she was sent on June 7, 2021, which covered the renewal period that included the fall of 2021, specifically told her that she “must tell” the Division when her monthly income exceeded \$1,728.¹⁸ She undisputedly did not. The next renewal notice, issued on December 29, 2021, also informed her of the need to notify the Division if her income exceeded the SNAP income limits, although unlike the June 7, 2021 notice, it did not let F. E. know the specific amount of the income limit.¹⁹ In other words, F. E. was told that she needed to keep the Division advised of changes in her income. The fact that F. E.’s benefits were automatically renewed did not mean that F. E. no longer needed to report her income change. If she had, she would have been found to be no longer eligible for SNAP benefits.²⁰

The second reason that F. E.’s argument is not persuasive is that the federal statute that governs SNAP overpayments, 7 U.S.C. § 2022(b)(1), provides that the “state agency *shall* collect any issuance of benefits issued to the household . . .” [emphasis added]. The specific federal regulation pertaining to the recoupment of SNAP benefits is 7 C.F.R. § 273.18. Subsection (a)(2) of that regulation provides that “the State agency *must* establish and collect any claim . . .” This is true even if the “overpayment [is] caused by an action or failure to take action by the State agency.”²¹ The Alaska Supreme Court has ruled that these federal requirements apply to Alaska Food Stamp recipients.²²

Although the overpayment in this case was caused by F. E.’s failure to notify the Division of the increase in her income, the federal statute and accompanying regulation make it clear that when an overpayment happens in a SNAP benefit case, the Division is required to collect the overpayment, regardless of the cause of the overpayment – even in cases when the Division issues benefits by mistake. Because the Division issued these benefits when F. E. was not financially eligible for them, F. E. is required to repay them. Accordingly, the Division has met its burden of proof and F. E. is required to repay the Division the \$1,332 in SNAP benefits that she received.

¹⁸ Ex. 16.4.

¹⁹ Ex. 17.1.

²⁰ Because English is F. E.’s second language, this decision does not make a finding that she intentionally did not report the change in her income. It is possible that she did not understand this requirement, given that benefits were automatically renewed.

²¹ 7 C.F.R. § 273.18(b)(3).

²² *Allen v. State, DHSS* 203 P.3d 1155, 1164 - 1166 (Alaska, 2009).

IV. Conclusion

The Division's requirement that F. E. repay it the \$1,332 in SNAP benefits that she received in November 2021 through July of 2022 is AFFIRMED.

DATED: June 7, 2023.

Signed

Lawrence A. Pederson
Administrative Law Judge

Adoption

The undersigned, by delegation from the Commissioner of Health, adopts this Decision, under the authority of AS 44.64.060(e)(1), as the final administrative determination in this matter.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 21st day of June, 2023.

By: *Signed* _____

Lawrence A. Pederson
Administrative Law Judge

[This document has been modified to conform to the technical standards for publication. Names may have been changed to protect privacy.]