

**BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL
BY THE COMMISSIONER OF HEALTH**

In the Matter of	)	
	)	
T. B.	)	OAH No. 25-1733-SNA
_____	)	

DECISION

I. Introduction

T. B. sought a fair hearing following the Division of Public Assistance (Division) decision to reimburse him only the actual stolen amount of Supplemental Nutrition Assistance Program (SNAP) benefits and a maximum two months of Alaska Temporary Assistance Program (ATAP) benefits. The hearing was held on July 2, 2025. Mr. B. appeared and participated telephonically. Jennifer Leffew, Public Assistance Analyst 2, appeared telephonically on behalf of the Division. The Division's position statement and supporting exhibits were entered into evidence without objection.

The parties agreed to hold the record open for the Division to gather federal policy information regarding how stolen ATAP benefits are counted against a beneficiary's sixty-month qualification period. The record closed on July 18, 2025, upon receipt of an email from the Division, which was admitted into evidence.¹

This matter is now ripe for decision.

II. Facts

Mr. B. resides in Town A, Alaska with his child. He is both a SNAP and an ATAP recipient. His monthly SNAP benefits total \$585.00.² His monthly ATAP benefits total \$821.00.³ He remained in Alaska with possession of his Electronic Benefits Transfer (EBT) card on all dates relevant to these underlying facts.⁴

¹ Division Ex. 12. This delay agreed put the parties over the 120-day deadline for the administrative law judge to enter a proposed decision. The undersigned did not request the parties on the record to waive the 120-day deadline, but the delay was agreed to solely for Mr. B.'s benefit.

² Division Ex. 3.

³ Division Ex. 4.

⁴ Mr. B. testimony; Division Ex. 1.

On November 1, 2024, Mr. B.'s EBT card was used for seven food purchases and six cash withdrawals in various New York state locations.⁵ Food withdrawals totaled \$1,128.68.⁶ Cash withdrawals totaled \$3,035.85.⁷

Mr. B. testified under oath that on or about November 11, 2024, he became aware of the theft after trying to use his card for grocery purchases and found that all the funds were missing.⁸ He promptly reported the theft to the Division on November 12, 2024, via a GEN171 Form.⁹

On February 11, 2025, the Division approved Mr. B.'s GEN171 form in the amount of \$1,129.00, the equivalent of the stolen food purchases (rounded up to the nearest dollar) but less than the equivalent of two months of his total SNAP benefits of \$1,170.¹⁰ On that same date, the Division also approved Mr. B.'s GEN171 form in the amount of \$1,642.00, the equivalent of two months of ATAP benefits, but \$1,393.68 less than the stolen ATAP funds taken as cash withdrawals.

On March 10, 2025, Mr. B. submitted a timely request for a fair hearing requesting reimbursement of the entirety of the stolen funds. He noted in his fair hearing request that the "amount of cash returned was less than half of the amount stolen."¹¹ He further found the circumstances of limiting reimbursement unfair because the EBT card had only recently been filled with more than four months of benefits.¹²

As noted above, the fair hearing on this matter was held July 2, 2025. At the hearing, the Division did not dispute that the electronic theft had occurred and acknowledged that the theft amount exceeded the combined reimbursable ATAP and SNAP benefits. Mr. B. asserted that reimbursing him at this lower amount was unfair because the Division's late processing had caused an excessive amount of funds to be on his card at the time of the theft.¹³ The Division further credibly testified that it reimbursed Mr. B. the highest amounts permissible under the law.¹⁴

⁵ Division's Ex. 5.1.

⁶ *Id.*

⁷ *Id.*

⁸ Mr. B. Testimony.

⁹ Division Ex. 1; Mr. B. Testimony.

¹⁰ \$585/month x 2 months = \$1,170.

¹¹ Division Ex. 9.

¹² *Id.*; Mr. B. Testimony.

¹³ Ms. Leffew Testimony.

¹⁴ *Id.*

III. Discussion

SNAP is a federal program administered by individual states, with the state agency responsible for adhering to the federal program requirements.¹⁵ The Alaska Temporary Assistance Program is similarly a state-administered federal program for low-income families with children.

Aware of increased reports of electronic benefit theft due to card skimming, cloning, and similar fraudulent methods, the U.S. Department of Agriculture issued a memo on January 31, 2023, directing agencies to the Consolidated Appropriations Act 2023, signed into law December 29, 2022, which included provisions for the replacement of stolen EBT benefits with Federal funds.¹⁶ It is through this federal law that the Division is able to replace the lower of the stolen amount or two months of SNAP benefits and the lower of the stolen amount or two months of ATAP benefits. The Continuing Appropriations Act, 2025, extended the eligibility period for replacement to include benefits stolen up to December 20, 2024, with funds stolen after the deadline wholly ineligible for any reimbursement.¹⁷ To Mr. B.'s advantage, all the fraudulent EBT transactions occurred on November 1, 2024, well before the deadline of December 20, 2024.

Administrative review in SNAP and ATAP benefit cases is governed by applicable regulations. The scope of review by the administrative tribunal is limited to assessing whether the applicable laws, regulations, and policies were correctly applied at the time of the decision and as supplemented by evidence at a hearing, and whether any disputed benefit amounts were accurately calculated in accordance with those correct applications.¹⁸

Here, the preponderance of the evidence supports the Division's articulated position that it appropriately reimbursed Mr. B. in accordance with applicable laws, regulations and policies. Mr. B.'s SNAP benefits for two months totaled \$1,170. The stolen SNAP benefits totaled \$1,128.68. Rounded to the nearest dollar, the Division correctly reimbursed Mr. B. the lower amount of \$1,129.00, as required by law. Although \$3,035.85 in ATAP benefits were stolen

¹⁵ 7 C.F.R. § 271.4(a)

¹⁶ Division Ex. 4 (*citing* Consolidated Appropriations Act, 2023 (P.L. 117-328), December 29, 2022.

¹⁷ Continuing Appropriations and Extensions Act, 2025 (P.L. 118-83), September 30, 2024.

¹⁸ 7 AAC 49.170.

from Mr. B., the Division correctly reimbursed him the maximum amount allowable, the equivalent of two months' worth of ATAP benefits, which equals \$1,642.¹⁹

At the hearing, Mr. B. did appear to acknowledge that the Division was not required to provide any more reimbursement than federal law allowed. He did have one request, however, which was to advise him on whether the stolen but unreimbursed funds could not be counted against the 60 months that Mr. B. was potentially eligible for ATAP benefits.²⁰ Ms. Leffew located that information, which is recited here.²¹ As she noted, ATAP benefits are limited to a total of sixty months in a lifetime. With the stolen benefits, Mr. B. lost approximately 1.7 months of eligibility for unreimbursed funds that he will never be able to utilize. Ms. Leffew further noted that the purpose of ATAP was never to inhibit adults finding and keeping viable employment. However, she further noted that families who are unable to become self-supporting within 60 months could apply for an extension of the 60-month limit applicable to ATAP on the grounds of: (1) domestic violence; (2) incapacity; (3) caring for a child or relative who is part of a mandatory filing unit and experiencing a disability; or (4) on the broad ground of hardship.²² As such, alternatives in the worst-case scenarios are available to Mr. B., should he require more than 60 months of assistance. Hopefully, none of those will be necessary and Mr. B. can return to full self-sufficiency.

IV. Conclusion

For all the reasons described above, the Division's decisions on reimbursable SNAP and ATAP benefits are Affirmed.

Dated: July 18, 2025

SIGNED
Joan M. Wilson
Chief Administrative Law Judge

¹⁹ \$821/month x 2 months = \$1,642.

²⁰ Mr. B. did not request OAH to order the Division not to count the amount attributable to the non-reimbursed 1.7 months. He simply requested guidance. Even if he had, OAH lacks the authority to order this as a remedy, because the Division is correctly applying applicable law.

²¹ Division Ex. 12.

²² *Id.*

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 12th day of August, 2025.

By: SIGNED

Name: Joan M. Wilson

Title: Chief Administrative Law Judge

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