

STATE OF RHODE ISLAND  
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES  
APPEALS OFFICE

[REDACTED]

V.

DOCKET No.

24-2420

Department of Human Services

**DECISION**

**INTRODUCTION**

A virtual hearing on the above-entitled matter came before an Appeals Officer on Thursday, August 22, 2024, at 9:00 AM. The Appellant, [REDACTED]; initiated this matter to appeal the Supplemental Nutrition Assistance Program (SNAP) closure made by the Department of Human Services (DHS). The Appellant was approved for SNAP on an expedited basis. She was then sent a request for documentation that she did not respond to. For the reasons discussed in more details below, the Appellant's appeal is denied.

**JURISDICTION**

The Executive Office of Health and Human Services (EOHHS) is authorized and designated by R.I.G.L. § 42-7.2-6.1 and EOHHS regulation 210-RICR-10-05-2 to be the entity responsible for appeals and hearings related to DHS programs. The administrative hearing was held in accordance with the Administrative Procedures Act, R.I.G.L. § 42-35-1 et. seq., and EOHHS regulation 210-RICR-10-05-2.

## **ISSUE**

The issue before this Appeals Officer is whether the closure of the Appellant's SNAP benefits was done in compliance with federal and state policy.

## **STANDARD OF PROOF**

It is well settled that in formal or informal adjudications modeled on the Federal Administrative Procedures Act, unless otherwise specified, a preponderance of the evidence is generally required to prevail. This means that for each element to be proven, the factfinder must believe that the facts asserted by the proponent are more probably true than false. 2 Richard J. Pierce, *Administrative Law Treaties* § 10.7 (2002) & see *Lyons v. Rhode Island Pub. Employees Council* 94, 559 A.2d 130, 134 (R.I. 1989). When there is no direct evidence on a particular issue, a fair preponderance of the evidence may be supported by circumstantial evidence. *Narragansett Electric Co. vs. Carbone*, 898 A.2d 87 (R.I. 2006).

## **PARTIES AND EXHIBITS**

Present were DHS Eligibility Technician Christine Santos and the Appellant's Authorized Representative [REDACTED]. The following exhibits were presented as evidence:

- DHS Exhibits:
  - Additional Documentation Required notice issued to the Appellant on January 25, 2024.
  - Additional Documentation Required notice issued to the Appellant on February 2, 2024.
  - Benefits Decision Notice issued on January 24, 2024, to the Appellant.
  - Benefits Decision Notice issued on February 13, 2024, to the Appellant.
  - Eligibility Determination Results printout from the Appellant's case.
- Appellant Exhibits:
  - List of Perkins V programs approved by the Rhode Island Department of Education.
  - The Rhode Island Perkins V State Plan approved by the U.S. Department of Education on June 26, 2020.

- The Appellant's appeal request.
- Letter accompanying the Appellant's appeal request.
- Printout of the [REDACTED].
- Commonwealth of [REDACTED] – State Corporation Commission receipt for [REDACTED] [REDACTED] filing of articles of incorporation.
- Email from the Appellant's Authorized Representative of arguments and evidence for the appeal.
- Email thread between the Appellant, the Appellant's Authorized Representative, and their SCORE volunteer regarding the [REDACTED].
- Email thread between the Appellant and various CCRI workers about a work study opportunity as a tutor.

**RELEVANT LAW/REGULATIONS**

Households which are entitled to expedited service may be required to verify some data points necessary for the determination of eligibility. Verification is postponed ensuring the application is processed within the expedited timeframe. However, if the verification is not completed within thirty (30) days of the filing of the application, the case is closed. 218-RICR-20-00-1.3.9(D)(5).

SNAP is an income-based benefit program. The amount of SNAP benefits one is eligible for is directly related to their income and expenses. Gross income from self-employment, including the gains from the sale of any capital goods or equipment, less the costs of doing business is countable. 218-RICR-20-00-1.5.2(A)(1)(5). Self-employment income is averaged over the course of the twelve (12) month certification period. This is either based on past income, if it is indicative of what likely is to be received, or by determining the anticipated income going forward. 218-RICR-20-00-1.5.4(D & E).

DHS needs to verify certain data points. This includes the household's monthly income. 218-RICR-20-00-1.6.1(A)(1)(a). Gross non-exempt income must be verified for all households. 218-RICR-20-00-1.6.8(C)(4)(a). To verify self-employment income, a state tax return, a federal tax return, self-employment booking records, or sales & expenditure reports are usually used. 218-RICR-20-00-1.6.8(D)(3). The preferred source of verification is documentary evidence. Self-attestation is permitted only in cases of shelter deductions, utility expenses, Low-Income Home Energy Assistance, and dependent care expenses. 218-RICR-20-00-1.6.3(A).

When DHS issues a notice advising the household of the verification that is needed, the household has ten (10) days to respond. If the household fails to respond or responds but refuses to provide sufficient information to clarify the circumstance, DHS will issue a Benefits Decision Notice advising the household they are closing. In these cases, the household will need to reapply to continue to participate in SNAP. 218-RICR-20-00-1.13.1(E)(3).

### **OBJECTIONS AND MOTIONS**

No objections or motions were made in this matter. The record was held open until September 5, 2024, to allow both sides additional time to review all the evidence and supply any supplement information or arguments as desired.

### **FINDINGS OF FACT**

1. The Appellant applied for SNAP on January 5, 2024.
2. The Appellant was approved for benefits for January and February 2024.
3. The Appellant was sent an Additional Documentation Required notice on February 2, 2024.
  - a. That notice requested verification of self-employment income.
  - b. It listed that a self-employment ledger or income tax return would be acceptable verification.
  - c. It listed that documents were due by February 12, 2024.

- d. It also advised that if documents were not provided by the due date, benefits may be reduced, ended, or the application could be denied.
4. The Appellant's SNAP case was closed on February 13, 2024, with the closure effective March 1, 2024, onwards.
  - a. A Benefits Decision Notice was issued on that date advising the Appellant that their SNAP eligibility was closing effective March 1, 2024, for failing to provide requested information timely.
  - b. Neither a self-employment ledger nor a tax return was provided to verify income.
5. The Appellant was recommended by one of her professors to serve as a tutor in the Spring 2024 semester. Due to not having enough classes scheduled to qualify, the Appellant was never notified of this opportunity, nor given the chance to rectify the situation.
6. The Appellant is listed as being part of [REDACTED], a company incorporated in the Commonwealth of [REDACTED]
7. The Appellant and her Authorized Representative are working with a SCORE mentor on making the [REDACTED] a viable business.
  - a. They had a Kickstarter project that was successfully funded on July 15, 2023. The Project raised \$3,857 from 108 backers.

## **DISCUSSION**

### *Missing Verification*

At issue here is a dispute over income verification. The Appellant is self-employed working on the [REDACTED]. The Appellant also was incorporated in the Commonwealth of [REDACTED] under [REDACTED]. When the Appellant applied for SNAP, she was approved under the expedited rules. This allowed verification of some data points to be postponed in favor of getting benefits going quickly. This would require the postponed verifications to be sorted out, generally within thirty (30) days of the application, or the case would be closed. 218-RICR-20-00-1.3.9(D)(5).

Among the data points that are needed to be verified for SNAP is the households income, which includes any self-employment income. 218-RICR-20-00-1.6.8(C)(4)(a). The amount of income one receives is crucial for SNAP as the amount of benefits are directly tied to the amount of income and expenses the household has.

DHS issued an Additional Documentation Required notice to the Appellant on February 2, 2024, requesting verification of the Appellant's self-employment income. This notice stated that the verification was due by February 12, 2024, and that either a self-employment ledger or a tax return would be acceptable verification of income. Neither a self-employment ledger nor tax return was provided. DHS closed the case the following day for not providing the required documentation. This conforms to the process set forth in 218-RICR-20-00-1.13.1(E)(3). As such the closure, on its face, appears correct.

The Authorized Representative testified that the Appellant advised DHS during her interview that the Appellant did not have any income. However, 218-RICR-20-00-1.6.3(A) does not list income as one of the self-attestable data points. As such the mere attestation of there is no income would be insufficient to keep SNAP benefits going. Furthermore, only the Authorized Representative was present and was summarizing what the Appellant stated during her interview. Because there was no one present at the hearing from the actual interview, this tribunal only has the secondhand summary to rely on which comes with an inherent increase of being inaccurate or a misstatement (e.g., the effect found in the childhood game of telephone).

In addition, the Appellant and her Authorized Representative were working with a SCORE mentor in making this venture a viable one. The Appellant also was incorporated. This makes it much more likely that a ledger or tax return would exist. Especially where email communications with the SCORE mentor dealt with figuring out overhead, cost per unit, taxability of crowdfunding monies, depreciation, and home office use tax deduction. As such there is a likelihood that documentation, in some form, exists, or could easily be generated, to show the venture was or was not turning a profit.

The Authorized Representative argued that startup ventures, like the Appellant's, often operate without generating a profit in the beginning. While this is true, it does not remove the need for documentation verifying that the startup is not turning a profit now. If anything, knowing the financial viability of the venture would be crucial in getting investors and to determine if/when the venture becomes successful.

### Schooling Arguments

The Appellant's Authorized Representative raised several arguments about how students are treated differently than non-students for SNAP purposes. For example, students are generally required to work twenty (20) hours a week or participate in a work-study program. This regulation applies even if the SNAP participant lives in an Able-Bodied Adult Without Dependent (ABAWD) exempt area. Whereas a non-student adult in the same area would not be subject work requirements. While there is a difference in treatment in these two populations, the argument is misplaced.

Likewise, several arguments are made by the Appellant's Authorized Representative as to why the Appellant is an eligible student to participate in SNAP. These include that the Appellant's self-employment venture averages the required twenty (20) hours a week of work, that she was recommended to a federal work study program but was unable to participate due to issues on the institutional level, and that the program the Appellant is studying under qualifies for an exemption under the Perkins Career and Technical program exemption. Again, these arguments are misplaced.

The Appellant in this case was denied based on not providing verification of her income, not that she is an ineligible student. These are two different and separate determinations. If any one of these reasons makes the Appellant a qualified student, she will still be subjected to verifying her income. This would result in the Additional Documentation Required still being sent out and still requiring the Appellant to submit the verification. If the Appellant fails to turn in the verification, as was done in this

case, they would be subject to closure or denial of SNAP under 218-RICR-20-00-1.13.1(E)(3), regardless of the eligible student status.

In addition, this tribunal's powers are limited to the ensuring compliance with policy for SNAP by DHS. It is beyond this tribunal's powers to change or alter that policy. To the degree there is a claim the rules are unfairly impacting students more than other populations, it is beyond this tribunal's powers to correct the situation.

### **CONCLUSION OF LAW**

After careful review of the testimony and evidence present at the administrative hearing, this Appeals Officer concludes:

1. The Appellant was requested to supply verification of her self-employment income.
2. The Appellant failed to provide verification.
3. The Appellant was correctly closed for failing to provide verification.

### **DECISION**

Based on the foregoing findings of fact, conclusions of law, evidence, and testimony it is found that a final order be entered that there is sufficient evidence to support the closure of SNAP benefits due to the failure to provide income verification.

Nothing in this decision affects previously issued benefits. Appellant may request a replacement EBT card, if needed, from DHS to utilized benefits that were issued but have not yet been spent.

### **APPEAL DENIED**

*/s/ Shawn J. Masse*

Shawn J. Masse

Appeals Officer



**NOTICE OF APPELLATE RIGHTS**

This final order constitutes a final order of the Department of Human Services pursuant to RI General Laws § 42-35-12. Pursuant to RI General Laws § 42-35-15, a final order may be appealed to the Superior Court sitting in and for the County of Providence within thirty (30) days of the mailing date of this decision. Such appeal, if taken, must be completed by filing a petition for review in Superior Court. The filing of the complaint does not itself stay enforcement of this order. The agency may grant, or the reviewing court may order, a stay upon the appropriate terms.

**CERTIFICATION**

I hereby certify that I mailed, via regular mail, postage prepaid, a true copy of the foregoing to [REDACTED]; copies were sent, via email, to [REDACTED], [REDACTED] at [REDACTED], DHS Representatives at [DHS.Appeals@dhs.ri.gov](mailto:DHS.Appeals@dhs.ri.gov), DHS Policy at [DHS.PolicyQuestions@dhs.ri.gov](mailto:DHS.PolicyQuestions@dhs.ri.gov), and Christine Santos on this 12th day of September, 2024.

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