

STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES
OFFICE OF LEGAL COUNSEL, REGULATIONS, AND ADMINISTRATIVE
HEARINGS
55 FARMINGTON AVENUE
HARTFORD, CT 06105-3725

██████████, 2023
SIGNATURE CONFIRMATION

CASE # ██████████
CLIENT ID # ██████████
REQUEST # ██████████

NOTICE OF DECISION

PARTY

██████████
██████████
██████████

PROCEDURAL BACKGROUND

On ██████████, 2022, the Department of Social Services (the "Department") sent ██████████ (the "Appellant") a Notice of Action ("NOA") denying her application for Supplemental Nutritional Assistance Program ("SNAP") benefits due to excess income.

On ██████████ 2023, the Appellant requested an administrative hearing to contest the SNAP denial.

On ██████████, 2023, the Office of Legal Counsel, Regulations, and Administrative Hearings ("OLCRAH") issued a notice scheduling an administrative hearing for ██████████ ██████████ 2023, to be held in person at the ██████████ regional office.

On ██████████, 2023, the following individuals participated at the hearing.

██████████, Appellant
Christopher Filek, Department's Representative
Joseph Alexander, Administrative Hearing Officer

STATEMENT OF THE ISSUE

The issue to be decided is whether the Department correctly denied the Appellant's request for SNAP benefits due to excess income.

FINDINGS OF FACT

1. On [REDACTED] 2022, the Appellant applied for SNAP benefits at the [REDACTED] regional office. The household consists of seven persons, none of which are elderly or disabled. The household members include the Appellant, her spouse [REDACTED] ("Appellant spouse") and their minor children [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED]. The Appellant was interviewed, collateral contact/interface sources were checked, and the SNAP was screened into the ImpaCT system (determines eligibility for State and federally administered benefit programs) and left pending as the Department determined the household did not meet expedited SNAP criteria and additional information needed to be verified before an eligibility decision could be made. The Appellant was provided with a W-1348 Proofs We Need form requesting proof of [REDACTED] self-employment income and child support expenses for a child not residing in the home. (Exhibit 2: Case Note dated [REDACTED]/22)
2. On [REDACTED] 2022, the Appellant returned to the [REDACTED] regional office with a copy of her spouse's 2021 Schedule C Profit or Loss From Business form. The Schedule C displayed the following information:

Income Type	Amount
Gross Receipts or Sales	\$212,828.00
Total Gross Income	\$212,828.00
Expenses	Amount
Car and Truck	\$73,920.00
Depreciation	\$13,000.00
Insurance	\$1,615.00
Office Expenses	\$6,854.00
Wages	\$12,180.00
Total Expenses	\$107,569.00
Other Expenses	Amount
Accounting	\$650.00
License	\$200.00
Printing	\$555.00
Telephone	\$3,123.00
Tools	\$2,451.00
Uniforms	\$2,575.00
Waste Removal	\$2,626.00
Total Other Expenses	\$12,180.00

The Department copied the income and expenses from the Schedule C into the ImpaCT system. The ImpaCT system calculated the self-employment income to be \$8,291.17. The Department was unable to provide evidence or testimony to substantiate its calculation of the self-employment income (Ex. 1: Federal SNAP-Income Test, Ex. 5: SNAP Computation Sheet, Department Testimony, Hearing Record)

3. On [REDACTED], 2022, the Department calculated the amount of child support the Appellant's spouse pays (for a child not residing in the home) to be \$384.41 per month. (Ex. 5: SNAP Computation Sheet, Department Testimony)
4. The household's shelter expenses include a monthly mortgage totaling \$1,377.59, monthly property taxes totaling \$377.45, and utility expense which vary monthly. (Ex. 2: Case Note dated [REDACTED]/22, Ex. 3: NOA dated [REDACTED]/22)
5. On [REDACTED], 2022, the Department denied the SNAP application because the monthly net income of the household was more than the limit for this program and the household did not meet the SNAP program requirements. (Ex. 3: NOA dated [REDACTED]/22)
6. On [REDACTED], 2022, the Appellant reported to the [REDACTED] regional office to review the denial of her application. The Department added a medical expense deduction (expense paid for a child outside of home) totaling \$428.00 to the ImpaCT system and reinstated SNAP effective [REDACTED] 2022. SNAP was subsequently denied again as the household's income exceeded the program's limit. (Ex. 2: Case Note dated [REDACTED]/22)
7. As of [REDACTED] 2022, the SNAP gross income limit for a household of seven was \$6,985.00. (Hearing Record)
8. As of [REDACTED] 2022, the SNAP net income limit for a household of seven was \$3,493.00. (Hearing Record)
9. On [REDACTED], 2023, the Appellant requested an administrative hearing to dispute the denial of SNAP benefits. (Hearing Record)
10. The issuance of this decision is timely under Connecticut General Statutes 17b-61(a) which requires that a decision be issued within [REDACTED] days of the request for an administrative hearing. The Appellant requested an administrative hearing on January [REDACTED] 2022, making this decision is due no later than [REDACTED] 2023, as [REDACTED], 2023, falls on a weekend.

CONCLUSIONS OF LAW

1. Section 17b-2 of the Connecticut General Statutes authorizes the Department of Social Services to administer the SNAP in accordance with Federal law.
2. "Participation in the Program shall be limited to those households whose incomes are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Households which contain an elderly or disabled member shall meet the net income eligibility standards for SNAP. Households which do not contain an elderly or disabled member shall meet both the net income eligibility standards and the gross income eligibility standards for SNAP. Households which are categorically eligible as defined in § 273.2(j)(2) or 273.2(j)(4) do not have to meet either the gross or net income eligibility standards. The net and gross income eligibility standards shall be based on the Federal income poverty levels as provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))." Title 7 of the Code of Federal Regulations ("C.F.R.") § 273.9(a)
3. "*Regular Categorical Eligibility ("RCE")*. The following households are categorically eligible for SNAP benefits unless the entire household is institutionalized as defined in § 273.1(e) or disqualified for any reason from receiving SNAP benefits. (A) Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive cash through a PA program funded in full or in part with Federal money under Title IV-A or with State money counted for maintenance of effort (MOE) purposes under Title IV-A; (B) Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive non-cash or in-kind benefits or services from a program that is more than 50 percent funded with State money counted for MOE purposes under Title IV-A or Federal money under Title IV-A and that is designed to forward purposes one and two of the TANF block grant, as set forth in Section 401 of P.L. 104-193. (C) Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive non-cash or in-kind benefits or services from a program that is more than 50 percent funded with State money counted for MOE purposes under Title IV-A or Federal money under Title IV-A and that is designed to further purposes three and four of the TANF block grant, as set forth in Section 401 of P.L. 104-193, and requires participants to have a gross monthly income at or below 200 percent of the Federal poverty level. (D) Any household in which all members receive or are authorized to receive SSI benefits, except that residents of public institutions who apply jointly for SSI and SNAP benefits prior to their release from the institution in accordance with § 273.11(i), are not categorically eligible upon a finding by SSA of potential SSI eligibility prior to such release. The State agency must

consider the individuals categorically eligible at such time as SSA makes a final SSI eligibility and the institution has released the individual. (E) Any household in which all members receive or are authorized to receive PA and/or SSI benefits in accordance with paragraphs (j)(2)(i)(A) through (j)(2)(i)(D) of this section.” 7 C.F.R § 273.2(j)(1)-(5)

4. *“Expanded Categorical Eligibility (“ECE”).* The State agency, at its option, may extend categorical eligibility to the following households only if doing so will further the purposes of the Food and Nutrition Act of 2008: (A) Any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive non-cash or in-kind services from a program that is less than 50 percent funded with State money counted for MOE purposes under Title IV-A or Federal money under Title IV-A and that is designed to further purposes one and two of the TANF block grant, as set forth in Section 401 of P.L. 104-193. States must inform FNS of the TANF services under this paragraph that they are determining to confer categorical eligibility. (B) Subject to FNS approval, any household (except those listed in paragraph (j)(2)(vii) of this section) in which all members receive or are authorized to receive non-cash or in-kind services from a program that is less than 50 percent funded with State money counted for MOE purposes under Title IV-A or Federal money under Title IV-A and that is designed to further purposes three and four of the TANF block grant, as set forth in Section 401 of P.L 104-193, and requires participants to have a gross monthly income at or below 200 percent of the Federal poverty level. (iii) Any household in which one member receives or is authorized to receive benefits according to paragraphs (j)(2)(i)(B), (j)(2)(i)(C), (j)(2)(ii)(A) and (j)(2)(ii)(B), of this section and the State agency determines that the whole household benefits.” 7 C.F.R. § 273.2(j)(2)(ii)(A)-(B) and (iii)

The Department correctly determined that the Appellant’s household does not meet the RCE or ECE criteria. Therefore, the Appellant’s household is subject to both the gross income and net income eligibility tests.

5. *“Required Household Combinations.* The following individuals who live with others must be considered as customarily purchasing food and preparing meals with the others, even if they do not do so, and thus must be included in the same household, unless otherwise specified. (i) Spouses (ii) A person under 22 years of age who is living with his or her natural or adoptive parent(s) or step-parent(s).” 7 C.F.R. § 273.1(b)(1)(i) & (ii)

The Department correctly determined the Appellant’s household must be considered an assistance unit size of seven as the household includes the

Appellant, her spouse and their five children who are all under the age of twenty-two (22).

6. *“Self-Employment Income.* The gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, excluding the costs of doing business as provided in paragraph (c) of this section. Ownership of rental property shall be considered a self-employment enterprise; however, income derived from the rental property shall be considered earned income only if a member of the household is actively engaged in the management of the property at least an average of 20 hours a week. Payments from a roomer or boarder, except foster care boarders, shall also be considered self-employment income.” 7 C.F.R. § 273.9(b)(1)(ii)
7. *“Allowable costs of producing self-employment income.* Allowable costs of producing self-employment income include, but are not limited to, the identifiable costs of labor; stock; raw material; seed and fertilizer; payments on the principal of the purchase price of income-producing real estate and capital assets, equipment, machinery, and other durable goods; interest paid to purchase income-producing property; insurance premiums; and taxes paid on income-producing property.” 7 C.F.R. § 273.11(b)(1)

Based on the evidence and testimony provided, it is unclear if the Department deducted the appropriate allowable self-employment expenses from the gross self-employment income.

8. *“Disallowed Self-Employment Expenses.* In determining net self-employment income, the following items are not allowable costs of doing business: (i) net losses from previous periods; (ii) Federal, State, and local income taxes, money set aside for retirement purposes, and other work-related personal expenses (such as transportation to and from work), as these expenses are accounted for by the 20 percent earned income deduction specified in § 273.9(d)(2); (iii) Depreciation; and (iv) Any amount that exceeds the payment a household receives from a boarder for lodging and meals.” 7 C.F.R. § 273.11(b)(2)(i)-(iv)

Based on the evidence and testimony provided, it is unclear if the Department properly disallowed the expenses specified in 7 C.F.R. § 273.11(b)(2)(i)-(iv).

Based on the evidence and testimony provided, it is unclear if the Department calculated the self-employment income correctly.

9. *Determining deductions.* Deductible expenses include only certain dependent care, shelter, medical and, at State agency option, child support costs as described in § 273.9. (1) *Disallowed expenses.* (i) Any expense, in whole or part, covered by educational income which has been excluded pursuant to the provisions of § 273.9(c)(3) shall not be deductible. For example, the portion of rent covered by excluded vendor payments shall not be calculated as part of the household's shelter cost. In addition, an expense which is covered by an excluded vendor payment that has been converted to a direct cash payment under the approval of a federally authorized demonstration project as specified under § 273.9(c)(1) shall not be deductible. However, that portion of an allowable medical expense which is not reimbursable shall be included as part of the household's medical expenses. If the household reports an allowable medical expense at the time of certification but cannot provide verification at that time, and if the amount of the expense cannot be reasonably anticipated based upon available information about the recipient's medical condition and public or private medical insurance coverage, the household shall have the nonreimbursable portion of the medical expense considered at the time the amount of the expense or reimbursement is reported and verified. A dependent care expense which is reimbursed or paid for by the Job Opportunities and Basic Skills Training (JOBS) program under title IV-F of the Social Security Act (42 U.S.C. 681) or the Transitional Child Care (TCC) program shall not be deductible. A utility expense which is reimbursed or paid by an excluded payment, including HUD or FmHA utility reimbursements, shall not be deductible. (ii) Expenses shall only be deductible if the service is provided by someone outside of the household and the household makes a money payment for the service. For example, a dependent care deduction shall not be allowed if another household member provides the care, or compensation for the care is provided in the form of an in-kind benefit, such as food. (2) *Billed expenses.* Except as provided in paragraph (d)(3) of this section a deduction shall be allowed only in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. For example, rent which is due each month shall be included in the household's shelter costs, even if the household has not yet paid the expense. Amounts carried forward from past billing periods are not deductible, even if included with the most recent billing and actually paid by the household. In any event, a particular expense may only be deducted once. (4) *Anticipating expenses.* The State agency shall calculate a household's expenses based on the expenses the household expects to be billed for during the certification period. Anticipation of the expense shall be based on the most recent month's bills, unless the household is reasonably certain a change will occur. When the household is not claiming the utility standard, the State agency may anticipate changes during the certification period based on last year's bills from the same period updated by overall price increases; or, if only the most recent bill is available, utility cost increases

or decreases over the months of the certification period may be based on utility company estimates for the type of dwelling and utilities used by the household. The State agency shall not average past expenses, such as utility bills for the last several months, as a method of anticipating utility costs for the certification period. At certification and recertification, the household shall report and verify all medical expenses. The household's monthly medical deduction for the certification period shall be based on the information reported and verified by the household, and any anticipated changes in the household's medical expenses that can be reasonably expected to occur during the certification period based on available information about the recipient's medical condition, public or private insurance coverage, and current verified medical expenses. The household shall not be required to file reports about its medical expenses during the certification period. If the household voluntarily reports a change in its medical expenses, the State agency shall verify the change in accordance with § 273.2(f)(8)(ii) if the change would increase the household's allotment. The State agency has the option of either requiring verification prior to acting on the change or requiring the verification prior to the second normal monthly allotment after the change is reported. In the case of a reported change that would decrease the household's allotment, or make the household ineligible, the State agency shall act on the change without requiring verification, though verification which is required by § 273.2(f)(8) shall be obtained prior to the household's recertification. If a child in the household reaches his or her second birthday during the certification period, the \$200 maximum dependent care deduction defined in § 273.9(d)(4) shall be adjusted in accordance with this section not later than the household's next regularly scheduled recertification." 7 C.F.R. § 273.10(d)(1)(i) -(ii)(2)(4)

10. "*Legally Obligated Child Support.* At its option, the State agency may provide a deduction, rather than the income exclusion provided under paragraph (c)(17) of this section, for legally obligated child support payments paid by a household member to or for a nonhousehold member, including payments made to a third party on behalf of the nonhousehold member (vendor payments) and amounts paid toward child support arrearages. Alimony payments made to or for a nonhousehold member shall not be included in the child support deduction. A State agency that chooses to provide a child support deduction rather than an exclusion in accordance with this paragraph (d)(5) must specify in its State plan of operation that it has chosen to provide the deduction rather than the exclusion." 7 C.F.R. § 273.9(d)(5)

The Department correctly allowed for a monthly child support deduction totaling \$384.41.

11. *“Excess medical deduction* That portion of medical expenses in excess of \$35 per month, excluding special diets, incurred by any household member who is elderly or disabled as defined in § 271.2. Spouses or other persons receiving benefits as a dependent of the SSI or disability and blindness recipient are not eligible to receive this deduction but persons receiving emergency SSI benefits based on presumptive eligibility are eligible for this deduction. Allowable medical costs are: (1) Medical and dental care including psychotherapy and rehabilitation services provided by a licensed practitioner authorized by State law or other qualified health professional. (ii) Hospitalization or outpatient treatment, nursing care, and nursing home care including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home provided by a facility recognized by the State. (iii) Prescription drugs, when prescribed by a licensed practitioner authorized under State law, and other over-the-counter medication (including insulin), when approved by a licensed practitioner or other qualified health professional. (iv) Health and hospitalization insurance policy premiums. The costs of health and accident policies such as those payable in lump sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible. (v) Medicare premiums related to coverage under Title XVIII of the Social Security Act; any cost-sharing or spend down expenses incurred by Medicaid recipients; (vi) Dentures, hearing aids, and prosthetics; (vii) Securing and maintaining a seeing eye or hearing dog including the cost of dog food and veterinarian bills; (viii) Eye glasses prescribed by a physician skilled in eye disease or by an optometrist; (ix) Reasonable cost of transportation and lodging to obtain medical treatment or services; (x) Maintaining an attendant, homemaker, home health aide, or child care services, housekeeper, necessary due to age, infirmity, or illness. In addition, an amount equal to the one person benefit allotment shall be deducted if the household furnishes the majority of the attendant's meals. The allotment for this meal related deduction shall be that in effect at the time of initial certification. The State agency is only required to update the allotment amount at the next scheduled recertification; however, at their option, the State agency may do so earlier. If a household incurs attendant care costs that could qualify under both the medical deduction of § 273.9(d)(3)(x) and the dependent care deduction of § 273.9(d)(4), the costs may be deducted as a medical expense or a dependent care expense, but not both.” 7 C.F.R. § 273.9(d)(3)(i)-(x)

The Department correctly allowed for a medical expense deduction for an individual who could not establish SNAP eligibility on their own (does not reside in the household) and for whom the EDG is paying the expense for.

12. *Excess shelter deduction.* Monthly shelter expenses in excess of 50 percent of the household's income after all other deductions in paragraphs (d)(1) through (d)(5) of this section have been allowed. If the household does not contain an elderly or disabled member, as defined in § 271.2 of this chapter, the shelter deduction cannot exceed the maximum shelter deduction limit established for the area. For fiscal year 2001, effective March 1, 2001, the maximum monthly excess shelter expense deduction limits are \$340 for the 48 contiguous States and the District of Columbia, \$543 for Alaska, \$458 for Hawaii, \$399 for Guam, and \$268 for the Virgin Islands. FNS will set the maximum monthly excess shelter expense deduction limits for fiscal year 2002 and future years by adjusting the previous year's limits to reflect changes in the shelter component and the fuels and utilities component of the Consumer Price Index for All Urban Consumers for the 12 month period ending the previous November 30. FNS will notify State agencies of the amount of the limit. Only the following expenses are allowable shelter expenses: (A) Continuing charges for the shelter occupied by the household, including rent, mortgage, condo and association fees, or other continuing charges leading to the ownership of the shelter such as loan repayments for the purchase of a mobile home, including interest on such payments. (B) Property taxes, State and local assessments, and insurance on the structure itself, but not separate costs for insuring furniture or personal belongings.⁷ C.F.R. § 273.9(d)(6)(ii)(A) & (B)

The Department correctly allowed for a monthly mortgage deduction totaling \$1,377.59.

The Department correctly allowed for a monthly property tax deduction totaling \$377.45.

13. *Standard Deduction.* (i) 48 States, District of Columbia, Alaska, Hawaii, and the Virgin Islands. Effective October 1, 2002, in the 48 States and the District of Columbia, Alaska, Hawaii, and the Virgin Islands, the standard deduction for household sizes one through six shall be equal to 8.31 percent of the monthly net income eligibility standard for each household size established under paragraph (a)(2) of this section rounded up to the nearest whole dollar. For household sizes greater than six, the standard deduction shall be equal to the standard deduction for a six-person household. (ii) Guam. Effective October 1, 2002, in Guam, the standard deduction for household sizes one through six shall be equal to 8.31 percent of double the monthly net income eligibility standard for each household size for the 48 States and the District of Columbia established under paragraph (a)(2) of this section rounded up to the nearest whole dollar. For household sizes greater than six, the standard deduction shall be equal to the standard deduction for a six-person household. (iii) Minimum

deduction levels. Notwithstanding paragraphs (d)(1)(i) and (d)(1)(ii) of this section, the standard deduction for FY 2009 for each household in the 48 States and the District of Columbia, Alaska, Hawaii, Guam and the U.S. Virgin Islands shall not be less than \$144, \$246, \$203, \$289, and \$127, respectively. Beginning FY 2010 and each fiscal year thereafter, the amount of the minimum standard deduction is equal to the unrounded amount from the previous fiscal year adjusted to the nearest lower dollar increment to reflect changes for the 12-month period ending on the preceding June 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor, for items other than food. ." 7 C.F.R. § 273.9 (d)(1)(i)-(iii)

14. The United States Department of Agriculture Food and Nutrition Services issued general guidance pertaining to the changes to the Standard Deductions (see: www.fns.usda.gov/snap/allotment/COLA):

"The following table provides the monthly maximum allotment and allowable deductions for fiscal year 2023 (effective October 1, 2022, through September 30, 2023)."

Household Size	Standard Deduction Amount
1	\$193.00
2	\$193.00
3	\$193.00
4	\$193.00
5	\$225.00
6+	\$258.00

The Department correctly applied the \$258.00 Standard Deduction.

15. *Standard Utility Allowance.* (A) With FNS approval, a State agency may develop the following standard utility allowances (standards) to be used in place of actual costs in determining a household's excess shelter deduction: an individual standard for each type of utility expense; a standard utility allowance for all utilities that includes heating or cooling costs (HCSUA); and, a limited utility allowance (LUA) that includes electricity and fuel for purposes other than heating or cooling, water, sewerage, well and septic tank installation and maintenance, telephone, and garbage or trash collection. The LUA must include expenses for at least two utilities. However, at its option, the State agency may include the excess heating and cooling costs of public housing residents in the LUA if it wishes to offer the lower standard to such households. The State agency may use different types of standards but cannot allow

households the use of two standards that include the same expense. In States in which the cooling expense is minimal, the State agency may include the cooling expense in the electricity component. The State agency may vary the allowance by factors such as household size, geographical area, or season. Only utility costs identified in paragraph (d)(6)(ii)(C) of this section must be used in developing standards. (C) A standard with a heating or cooling component must be made available to households that incur heating or cooling expenses separately from their rent or mortgage and to households that receive direct or indirect assistance under the Low Income Home Energy Assistance Act of 1981 (LIHEAA). A heating or cooling standard is available to households in private rental housing who are billed by their landlords on the basis of individual usage or who are charged a flat rate separately from their rent. However, households in public housing units which have central utility meters and which charge households only for excess heating or cooling costs are not entitled to a standard that includes heating or cooling costs based only on the charge for excess usage unless the State agency mandates the use of standard utility allowances in accordance with paragraph (d)(6)(iii)(E) of this section. Households that receive direct or indirect energy assistance that is excluded from income consideration (other than that provided under the LIHEAA) are entitled to a standard that includes heating or cooling only if the amount of the expense exceeds the amount of the assistance. Households that receive direct or indirect energy assistance that is counted as income and incur a heating or cooling expense are entitled to use a standard that includes heating or cooling costs. A household that has both an occupied home and an unoccupied home is only entitled to one standard.” 7 C.F.R. § 273.9(d)(6)(iii)(A) and (C)

The Department correctly applied the Standard Utility Allowance (“SUA”) of \$921.00.

16. *Income eligibility standards.* The net and gross income eligibility standards shall be based on the Federal income poverty levels established as provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)). (1) The gross income eligibility standards for SNAP shall be as follows: (i) The income eligibility standards for the 48 contiguous States and the District of Columbia, Guam and the Virgin Islands shall be 130 percent of the Federal income poverty levels for the 48 contiguous States and the District of Columbia. (2) The net income eligibility standards for SNAP shall be as follows: (i) The income eligibility standards for the 48 contiguous States and the District of Columbia, Guam and the Virgin Islands shall be the Federal income poverty levels for the 48 contiguous States and the District of Columbia.” 7 C.F.R. § 273.9(a)(1)(i) & (2)(i)

While the Department correctly determined no EDG member is elderly or disabled, it is unclear based on the evidence and testimony provided, if the household's total non-excluded gross income is less than the gross income limit for a EDG size of seven which is \$6,985.00.

The Department's exhibit # 1 (Federal SNAP-Income Test) shows a gross income of \$8,291.17 which exceeds the gross income limit for a household of seven which is \$6,985.00. The same test however also shows the gross income test results are "not applicable". The Department was unable to provide evidence or testimony to explain why the gross income test did not apply in this instance.

17. *Calculating net income and benefit levels.* (1) Net monthly income. (i) To determine a household's net monthly income, the State agency shall: (A) Add the gross monthly income earned by all household members and the total monthly unearned income of all household members, minus income exclusions, to determine the household's total gross income. Net losses from the self-employment income of a farmer shall be offset in accordance with § 273.11(a)(2)(iii). (B) Multiply the total gross monthly earned income by 20 percent and subtract that amount from the total gross income; or multiply the total gross monthly earned income by 80 percent and add that to the total monthly unearned income, minus income exclusions. If the State agency has chosen to treat legally obligated child support payments as an income exclusion in accordance with § 273.9(c)(17), multiply the excluded earnings used to pay child support by 20 percent and subtract that amount from the total gross monthly income. (C) Subtract the standard deduction. (D) If the household is entitled to an excess medical deduction as provided in § 273.9(d)(3), determine if total medical expenses exceed \$35. If so, subtract that portion which exceeds \$35. (E) Subtract allowable monthly dependent care expenses, if any, as specified under § 273.9(d)(4) for each dependent. (F) If the State agency has chosen to treat legally obligated child support payments as a deduction rather than an exclusion in accordance with § 273.9(d)(5), subtract allowable monthly child support payments in accordance with § 273.9(d)(5). (G) Subtract the homeless shelter deduction, if any, up to the maximum of \$143. (H) Total the allowable shelter expenses to determine shelter costs, unless a deduction has been subtracted in accordance with paragraph (e)(1)(i)(G) of this section. Subtract from total shelter costs 50 percent of the household's monthly income after all the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost. If there is no excess shelter cost, the net monthly income has been determined. If there is excess shelter cost, compute the shelter deduction according to paragraph (e)(1)(i)(I) of this section. (I) Subtract the excess shelter cost up to the maximum amount allowed for the area (unless the household is entitled to the full

amount of its excess shelter expenses) from the household's monthly income after all other applicable deductions. Households not subject to a capped shelter expense shall have the full amount exceeding 50 percent of their net income subtracted. The household's net monthly income has been determined. (ii) In calculating net monthly income, the State agency shall use one of the following two procedures: (A) Round down each income and allotment calculation that ends in 1 through 49 cents and round up each calculation that ends in 50 through 99 cents; or (B) Apply the rounding procedure that is currently in effect for the State's Temporary Assistance for Needy Families (TANF) program. If the State TANF program includes the cents in income calculations, the State agency may use the same procedures for SNAP income calculations. Whichever procedure is used, the State agency may elect to include the cents associated with each individual shelter cost in the computation of the shelter deduction and round the final shelter deduction amount. Likewise, the State agency may elect to include the cents associated with each individual medical cost in the computation of the medical deduction and round the final medical deduction amount.” 7 C.F.R. 273.10 (e)(1)(i)-(ii)

“Benefit Calculation. (A) Except as provided in paragraphs (a)(1), (e)(2)(iii) and (e)(2)(vi) of this section, the household's monthly allotment shall be equal to the maximum SNAP allotment for the household's size reduced by 30 percent of the household's net monthly income as calculated in paragraph (e)(1) of this section. If 30 percent of the household's net income ends in cents, the State agency shall round in one of the following ways: (1) The State agency shall round the 30 percent of net income up to the nearest higher dollar; or (2) The State agency shall not round the 30 percent of net income at all. Instead, after subtracting the 30 percent of net income from the appropriate Thrifty Food Plan, the State agency shall round the allotment down to the nearest lower dollar. (iii) For an eligible household with three or more members which is entitled to no benefits (except because of the proration requirements of paragraph (a)(1) and the provision precluding issuances of less than \$10 in an initial month of paragraph (e)(2)(ii)(B)) of this section: (A) he State agency shall deny the household's application on the grounds that its net income exceeds the level at which benefits are issued.” 7 C.F.R. § 273.10(e)(1)(i)-(ii) and (2)(ii)-(iii)(A)

Based on the evidence and testimony provided, it is unclear as to if the household’s net income exceeds the SNAP net income limit for a household of seven (\$3,493.00) because (1) it is unclear if the household’s gross income was calculated correctly and (2) if the gross income limit did in fact exceed the income limit as the Department’s records indicate, the deductions listed in Conclusions of Law #'s 12-20 would not have been applied/counted.

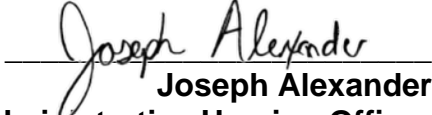
The Department's exhibit # 1 (Federal SNAP-Income Test) shows the gross income test was "not applicable" therefore the net income test was applied. After all the appropriate deductions were applied it was determined the household failed the net income test therefore SNAP was denied

DECISION

The Appellant's appeal is **REMANDED** to the Department for the following actions:

1. The Department shall rescreen SNAP benefits effective [REDACTED], 2022
2. The Department shall review the allowable and disallowed self-employment expenses and compare them to expenses reflected in the ImpaCT system.
3. The Department shall, if necessary, make any appropriate adjustments to the expenses and determine the household's eligibility for SNAP benefits.
4. The Department shall issue a new Notice of Action to the Appellant once an eligibility determination has been made.

Proof of compliance with this order is due to the undersigned by [REDACTED] 2023 and shall consist of a copy of the Notice of Action.



Joseph Alexander
Administrative Hearing Officer

CC: Brian Sexton, Operations Manager, DSS, Middletown Regional Office
Chris Filek, Hearing Liaison, DSS, Middletown Regional Office

RIGHT TO REQUEST RECONSIDERATION

The Appellant has the right to file a written reconsideration request within **15** days of the mailing date of the decision on the grounds there was an error of fact or law, new evidence has been discovered or other good cause exists. If the request for reconsideration is granted, the appellant will be notified within 25 days of the request date. No response within 25 days means that the request for reconsideration has been denied. The right to request a reconsideration is based on §4-1181a (a) of the Connecticut General Statutes.

Reconsideration requests should include specific grounds for the request: for example, indicate what error of fact or law, or what other good cause exists.

Reconsideration requests should be sent to: Department of Social Services, Director, Office of Administrative Hearings and Appeals, 55 Farmington Avenue, Hartford, CT 06105-3725.

RIGHT TO APPEAL

The appellant has the right to appeal this decision to Superior Court with **45** days of the mailing of this decision, or **45** days after the agency denies petition for reconsideration of this decision, provided that the petition for reconsideration was filed timely with the Department. The right to appeal is based on §4-183 of the Connecticut General Statutes. To appeal, a petition must be filed at Superior Court. A copy of the petition must be served upon the Office of the Attorney General, 165 Capitol Avenue, Hartford, CT 06106 or the Commissioner of the Department of Social Services, 55 Farmington Avenue, Hartford, CT 06105-3725. A copy of the petition must also be served on all parties to the hearing.

The 45-day appeal period may be extended in certain instances if there is good cause. The extension request must be filed with the Commissioner of the Department of Social Services in writing no later than 90 days from the mailing of the decision. Good cause circumstances are evaluated by the Commissioner or her designee in accordance with §17b-61 of the Connecticut General Statutes. The Agency's decision to grant an extension is final and is not subject to review or appeal.

The appeal should be filed with the clerk of the Superior Court in the Judicial District of New Britain or the Judicial District in which the appellant resides.