

**U.S. Department of Agriculture  
Food and Nutrition Service  
Administrative Review Branch**

**Yale Grocery Store,**

**Appellant,**

**v.**

**Case Number: C0202217**

**Retailer Operations Division,**

**Respondent.**

**FINAL AGENCY DECISION**

It is the decision of the USDA that the record indicates that Yale Grocery Store, (hereinafter Appellant) committed violations of the Supplemental Nutrition Assistance Program (SNAP). There is sufficient evidence to support a finding that the permanent disqualification from participation as an authorized retailer in the program, as initially imposed by the Retailer Operations Division was appropriate.

**ISSUE**

The issue accepted for review is whether the Retailer Operations Division took appropriate action, consistent with 7 CFR § 278.6(c) and (e)(1) in its administration of the SNAP, when it assessed a permanent disqualification against Appellant by letter dated November 13, 2017.

**AUTHORITY**

7 U.S.C. § 2023 and the implementing regulations at 7 CFR § 279.1 provide that “A food retailer or wholesale food concern aggrieved by administrative action under § 278.1, § 278.6 or § 278.7 . . . may file a written request for review of the administrative action with FNS.”

**CASE CHRONOLOGY**

By charge letter dated September 26, 2017, Retailer Operations Division informed ownership that Appellant was in violation of the terms and conditions of the SNAP regulations, 7 CFR § 271 – § 278, based on EBT benefit transactions that "establish clear and repetitive patterns of unusual, irregular, and inexplicable SNAP activity for your type of firm."

The letter of charges stated, in relevant part, that “As provided by Section 278.6(e)(1) of the SNAP regulations, the sanction for trafficking is permanent disqualification.”

In a facsimile dated October 4, 2017, the Appellant, through counsel, responded to the charge letter and generally stated that while Richard and Nancy both have their names on the business; Richard is the store manager and handles the business on day-to-day affairs. Ownership stated that he has been working at the store for the past 27 years and have complied with all SNAP regulations. The store is located across the street from an apartment complex where most of the customers live that do not have transportation, have low income and therefore benefit from the EBT program. As there is no transportation and customers have to walk, they come by the store many times throughout the day and have to take several trips to carry groceries for themselves and also for their children and relatives.

Appellant also stated that customers with large families use their EBT benefits to buy groceries in bulk for themselves and other relatives who have not yet received their EBT benefits. Subsequently, later in the month, those same relatives with EBT benefits will also buy groceries in bulk for their extended family that have already used their EBT benefits for that month. Appellant was unable to provide receipts during the review period but provided 13 EBT and corresponding register receipts for October 2017, which is outside of the review period. Appellant, through counsel, also stated that ownership is an honest businessman who runs his store in a neighborhood that has high crime but has maintained it open for 27 years and has never had any charges like this in the past.

Retailer Operations Division gave consideration to the Appellant’s replies and evidence of the case, and issued a determination letter dated November 13, 2017. This letter informed Appellant that it was permanently disqualified from the SNAP in accordance with Sections 278.6(c) and 278.6(e)(1) of the SNAP regulations. The letter also stated that Retailer Operations Division considered Appellant’s eligibility for a trafficking civil money penalty (CMP) according to the terms of Section 278.6(i) of the SNAP regulations. However, Retailer Operations Division determined that Appellant was not eligible for the CMP because it failed to submit sufficient evidence to demonstrate that Appellant had established and implemented an effective compliance policy and program to prevent violations of the SNAP.

In a letter dated November 17, 2017, Appellant appealed the Retailer Operations Division’s assessment and requested an administrative review of this action. The appeal was granted.

## **STANDARD OF REVIEW**

In appeals of adverse actions, the Appellant bears the burden of proving by a preponderance of the evidence, that the administrative actions should be reversed. That means an Appellant has the burden of providing relevant evidence which a reasonable mind, considering the record as a whole, would accept as sufficient to support a conclusion that the matter asserted is more likely to be true than not true.

## CONTROLLING LAW

The controlling statute in this matter is contained in the Food & Nutrition Act of 2008, as amended, 7 U.S.C. § 2021 and 278 of Title 7 of the Code of Federal Regulations (CFR). Part 278.6(a) (c) and (e)(1)(i) establish the authority upon which a permanent disqualification may be imposed against a retail food store in the event that personnel of the firm have engaged in trafficking SNAP benefits.

7 CFR § 278.6(a) states, *inter alia*, that “FNS may disqualify any authorized retail food store...from further participation in the program if the firm fails to comply with the Food and Nutrition Act of 2008, as amended, or this part. Such disqualification shall result from a finding of a violation on the basis of evidence that may include facts established through on-site investigations, inconsistent redemption data, evidence obtained through a transaction report under an *electronic benefit transfer system*, ...” (*Emphasis added*)

7 CFR § 278.6(c) reads, in part, “*Review of Evidence*. The letter of charges, the response, and any other information available to FNS shall be reviewed and considered by the appropriate FNS regional office, which shall then issue the determination. In the case of a firm subject to permanent disqualification under paragraph (e)(1)...the determination shall inform such a firm that action to permanently disqualify the firm shall be effective immediately upon the date of receipt of the notice of determination from FNS...”

7 CFR § 278.6(e)(1) reads, in part, “FNS shall disqualify a firm permanently if personnel of the firm have trafficked as defined in § 271.2.” Trafficking is defined, in part, in 7 CFR § 271.2, as “the buying or selling of SNAP benefits for cash or consideration other than eligible food.”

7 CFR § 271.2 states in part that, “Eligible foods mean: Any food or food product intended for human consumption except alcoholic beverages, tobacco and hot food and hot food products prepared for immediate consumption.”

## SUMMARY OF CHARGES

The charges on review were based on an analysis of SNAP electronic benefit transfer (EBT) transactions dated during the five month period of March 2017 through July 2017. This involved two patterns of EBT transaction characteristics indicative of trafficking:

1. Multiple transactions were made from individual benefit accounts in usually short time frames.
2. Excessively large purchase transactions were made from recipient accounts.

The first issue in this review is whether, through a preponderance of evidence, it is more likely true than not true that the questionable transactions were the result of trafficking.

## APPELLANT'S CONTENTIONS

The Appellant made the following summarized contentions in its request for administrative review, in relevant part:

1. The firm is located close to low-income government housing units and the SNAP households walk to the store to purchase items. Because they can only carry a limited amount of groceries at one time, they come back for more groceries, and hence that is why multiple transactions occur throughout the same day for different amounts.
2. To prevent any possible future violations of the SNAP, the firm has done the following:
  - a. The owner and all employees have reviewed:
    1. Training Guide for Retailers;
    2. SNAP website training on SNAP benefits and items that can be purchased;
    3. Thorough review of FNS training materials and program rules;
    4. What can SNAP Benefits Buy?
    5. What happens if you break the rules;
    6. Retailer SNAP posters and decals;
    7. The 17-minute training video;
    8. SNAP Provisions of the Agricultural Act of 2014;
    9. SNAP Retailer Notice.

The firm has required all owners and employees to review and sign compliance thereof and keeps a training log as required (attached as Exhibit 2). The firm will comply with annual training to prevent any possible future violations.

- b. Produce daily end-of-day totals for EBT transactions related to the SNAP (attached as Exhibit 3).
  3. Should you find that the firm has committed the alleged violations; the firm respectfully requests a Civil Monetary Penalty be imposed in lieu of permanent disqualification. As stated in Paragraph 2 above, the firm has developed and effective compliance policy as specified in § 278.6(i)(1), the firm has developed and instituted an effective personnel training program as specified in § 278.6(i)(2), and firm ownership was not aware, did not benefit from, or was not in any way involved in the conduct or approval of trafficking violations.
  4. The firm has not been warned by FNS about the possibility that violations were occurring and no evidence exists to show the firm's intent to violate the regulations.
  5. "Unusual, irregular, and inexplicable activity" do not rise to the level of trafficking based on that allegation alone. FNS has failed to demonstrate any evidence that the firm has engaged in any violations of any buying or selling of coupons, etc. Permanent disqualification is not merited in this case.

Appellant provided copies of a ledger book showing daily EBT/VISA/Debit transactions during the review period. It is important to note that a ledger showing daily EBT transactions without

the corresponding register receipts and EBT receipts as proof of items purchased using EBT does not adequately explain the transactions as cited in the charge letter. There is no way of proving, beyond a preponderance of evidence, that the EBT transactions listed on the ledger were in fact legitimate SNAP transactions.

The preceding may represent a brief summary of Appellant's contentions in this matter however, in reaching a decision, full attention has been given to all contentions presented, including any not specifically recapitulated or referenced herein.

## **ANALYSIS AND FINDINGS**

The FNS originally authorized the business as a convenience store on May 9, 1990. The file indicates that in reaching a disqualification determination, Retailer Operations Division considered information obtained during a July 29, 2017, store visit to the business conducted by a FNS contractor to observe the nature and scope of the firm's operation, stock and facilities. This information was then used to ascertain if there were justifiable explanations for the EBT transactions at Appellant that formed patterns indicative of trafficking. The firm review summary documented the following store size, description, and characteristics:

1. One cash register and one POS device with a small counter area partially obstructed by other smaller items available for sale and enclosed behind a caged Plexiglas area.
2. Store is estimated to be approximately 2000 square feet.
3. Approximately four hand baskets but no shopping carts available for customers.
4. No adding machines or optical scanners were available at checkout. No specialty registers were present.
5. Store operates through a night window or plastic barrier with food stock behind the barrier.
6. No evidence of wholesale business such as posted prices or separate entrances for wholesale customers.
7. No unusual pricing structure such as ending most products with 00 cents and does not round transaction totals.
8. No food stored in an area outside of public view.
9. Store has storage freezers or coolers but no food stored off site.
10. Store is not primarily selling one food type such as meat, poultry, dairy, seafood, fruits, baked goods or vegetables.
11. Store does not take telephone or online orders and does not offer delivery.
12. Highest priced eligible food items were Similac (\$13.99), Folgers Instant (\$6.99), 12 Pack Soda (\$5.99), and 24-Pack Water (\$6.99).
13. Store stocks a significant amount of non-food items such as but not limited to personal hygiene products, cleaning products, paper goods, tobacco products, alcohol products, candles, lottery tickets, and automotive products.
14. Store stocks limited amounts of dairy products, bread and cereal products, fruit and vegetable products and meat, poultry and fish products. Very minimal amounts of fresh fruits or produce, no fresh meat, seafood or poultry. Meat products are canned or packaged.

15. Appellant has empty/broken/unused coolers or freezers.
16. No kitchen/prepared food area with hot foods sold for onsite consumption.
17. No hot food sold.
18. Some items sold for immediate consumption with a microwave available for heating.
19. A deli or prepared food section. Stock is not used in preparation of food.
20. No meat or seafood specials or bundles or fruit/vegetable boxes sold.
21. Contractor found store closed with open sign lit and spoke to a neighbor to the store. Contractor was told that the store is closed a lot during the day. Owner told contractor that during the week sometimes after lunch he closes the store for a while to run errands.

The second issue for consideration is whether Retailer Operations Division has presented a convincing case that Appellant likely trafficked in SNAP benefits. Each attachment furnished with the charge letter represents the questionable and unusual patterns of SNAP transactions indicative of trafficking which were conducted at Appellant's store during the review period. As there is more than one pattern of irregular transactions, the case of trafficking becomes more convincing.

**Attachment 1 of the Charge letter - Multiple transactions were made from individual accounts in unusually short timeframes.**

During the review period this attachment documents 13 sets of 46 SNAP transactions that met the parameters of this attachment. These sets consisted mainly of three to five transactions each. 5 U.S.C. § 552 (b)(6) & (b)(7)(C).

The store visit documentation demonstrates that Appellant's quality, quantity and selection of eligible food items is limited compared to that of the supermarkets and or super stores in the area where SNAP households also shopped during the review period. Appellant does not offer any specialty or cultural foods, fresh or frozen meat, seafood, poultry or meat plans and very minimal amounts of fresh fruits or produce. Appellant's meat products are either canned or packaged.

Appellant, through counsel, contends that the firm is located close to low-income government housing and the SNAP households walk to the store. Because they can only carry a limited amount of groceries they come back to purchase more hence the multiple transactions occur throughout the same day for different amounts. With regards to this contention Appellant is a convenience store that does not compare in size and stock to the large supermarkets, and/or super stores where the households also shopped. Households may transact their benefits at any authorized retailer, but considering the store type and stock there is no apparent legitimate reason that:

1. On June 18, 2017, a household would 5 U.S.C. § 552 (b)(6) & (b)(7)(C); or
2. On March 7, 2017, a household would 5 U.S.C. § 552 (b)(6) & (b)(7)(C); or
3. On June 11, 2017, a household would 5 U.S.C. § 552 (b)(6) & (b)(7)(C), when it would have been more plausible to make such large purchases at the larger better stocked with seemingly better pricing supermarkets and superstores. Although some households may have, at times, walked to Appellant's store, the overall shopping patterns of the households listed in the charge letter contradicts the contention that households lacked

transportation as a reason for the multiple transactions conducted within a 5 U.S.C. § 552 (b)(6) & (b)(7)(C) period.

The store visit report does not indicate any compelling reason for customers to consider Yale Grocery Store a first choice destination to fulfill large purchases of food, or that they would have made relatively large, multiple purchases at the store 5 U.S.C. § 552 (b)(6) & (b)(7)(C). Appellant's stock and store layout does not support these types of purchases. There was no indication that Appellant sold items in bulk and at high prices, other than Similac for \$13.99 which would most likely be purchased by households receiving WIC benefits, 24 count packs of water for \$6.99 or 24-count packs of soda for \$5.99 which are not reflective of high priced. Based on discussion herein, Appellant's contention cannot be accepted as a valid basis for dismissing the charges or for mitigating the penalty imposed.

**Attachment 2 of the Charge letter - Excessively large purchase transactions were made from recipient accounts.**

There were 107 SNAP transactions that met the parameters of this attachment. Based on the results of the contracted store visit, the large transaction amounts are not consistent with the store's inventory of low priced foods. The firm does not offer food in bulk or any ethnic or specialty foods that sell for a high price. Therefore, the substantial number of high dollar purchases calls into question the legitimacy of these transactions.

Appellant's average SNAP transactions were compared to six other nearby convenience stores and it was found that although Appellant's average SNAP transaction was slightly higher than the comparable stores, its total SNAP redemptions, during the review period, 5 U.S.C. § 552 (b)(6) & (b)(7)(C) higher than that of the nearby comparable stores.

The record reflects that there are 79 authorized retailers within a two mile radius of Appellant's store that include small, medium and large grocery stores, supermarkets, superstores, combination/other stores and other convenience stores. This confirms that SNAP households have access to larger stores with presumably lower prices. This makes it questionable that households would conduct transactions as outlined in the charge letter and indicates that trafficking may be occurring.

As previously demonstrated, an analysis of the shopping habits of three of the households identified in the charge letter concluded that these households also shopped at other area grocery stores including full-line supermarkets and superstores that offer a much larger quantity and variety of eligible food items for likely better prices either on the same day or within days of visiting Appellant's firm. This again indicates that lack of access to other stores is not at issue. However, despite this access to large supermarkets and superstores, these households consistently conducted higher transactions at the Appellant firm than at better stocked supermarkets/superstores in and around the Harris County area of Texas. This is another strong trafficking indicator.

## No Evidence of Violation

Appellant, through counsel, contends that the “unusual, irregular and inexplicable activity” do not rise to the level of trafficking based on the allegation alone. FNS has failed to demonstrate any evidence that the firm has engaged in any violations of any buying or selling of coupons, etc. Permanent disqualification is not merited in this case. With regard to this contention, it must be noted that when the definition of trafficking was originally formulated, SNAP (originally the Food Stamp Program) utilized paper coupons which were legal tender for the purchase of eligible food items under program rules. There was no separation or distinction between the physical coupon itself and its value. Therefore, there was no reason to distinguish one from the other in the definition. The instrument and its value were simply one and the same. A 5 U.S.C. § 552 (b)(6) & (b)(7)(C) Food Stamp coupon had a value of 5 U.S.C. § 552 (b)(6) & (b)(7)(C), and exchanging such a coupon for cash was the same as exchanging the 5 U.S.C. § 552 (b)(6) & (b)(7)(C) value of that coupon for cash. The value of the coupon and the coupon itself were inseparable.

The benefit delivery system has since changed. SNAP is now an electronic benefit system in which benefit holders are issued SNAP benefit cards which are used to debit benefits contained in their electronic accounts. Unlike the old Food Stamp coupons, SNAP benefit cards do not by themselves have any value. What is of value are the benefits contained in the household’s electronic account for which the SNAP card is an access instrument. Such benefits may be plentiful or completely depleted. In fact, a SNAP card is not even necessary to transact SNAP benefits, only the card number and PIN. Value in the card can be sold for cash without the physical card being sold with it or the actual card being involved in the transaction.

Although Appellant may be correct that the charge of trafficking in this case is not consistent with the literal meaning of the definition of “trafficking” in 7 CFR §271.2, which uses words that depict exchanging physical items for cash, this literal translation would not be meaningful if it meant only the exchange of the physical instrument itself void of any value. It is reasonable to assume that Congress’ intentions about what trafficking meant did not involve the mere exchange for cash of paper or plastic, but involved rather the exchange for cash of the value such items had associated with and/or inherently in them. People do not traffic for the paper or plastic; they traffic for the benefits, for the value that is inherent in such items or accessible by such items.

The extensive analysis of Appellant’s EBT transaction record, upon which charges of violations are based, provides substantial evidence that questioned transactions during the focus period have characteristics that are not consistent with legitimate sales of eligible food to EBT customers at a store of this type and size. Rather, the characteristics are indicative of illegal trafficking in program benefits. In addition to the raw data of suspicious transactions, the file also notes that Appellant has no shopping carts and four shopping baskets available for customers to carry the many items no doubt necessary for questioned transactions as large as listed. In addition, Appellant has only one register and one EBT device, very limited counter space, and insufficient stock to explain as legitimate the program redemptions. A review of the record has yielded no indication of error or discrepancy in the reported findings by Retailer



Operations Division that program benefits were accepted in exchange for cash or consideration other than eligible food.

Therefore, based on a review of the evidence in this case, it appears the Retailer Operations Division has provided substantial evidence of trafficking violations, in the two patterns of EBT transaction characteristics indicated in the charge letter, and that it is more likely true than not that program violations did, in fact, occur as charged.

CFR § 278.6(a), which establishes the authority upon which FNS may disqualify any authorized retail food store, reads, in part: “Such disqualification shall result from a finding of a violation on the basis of evidence that may include facts established through ... inconsistent redemption data (and) evidence obtained through a transaction report under an electronic benefit transfer system.” Therefore, that the Retailer Operations Division used computer printouts of transaction data and other reports, in addition to store visit observations and an analysis of household shopping behavior, in rendering a finding that violations indicative of trafficking are occurring, is as valid a means of establishing facts as direct evidence obtained through an on-site investigation and the eye witnessing of trafficking.

### **No Warning by FNS**

Appellant, through counsel, contends that the firm has not been warned by FNS about the possibility that violations were occurring and no evidence exists to show the firm’s intent to violate the regulations. As to Appellant’s contention that FNS did not take any prior action to warn the firm about the possibility that violations were occurring at the firm, it is important to note that FNS may send a warning letter in lieu of a disqualification only under specific circumstances. SNAP regulations at 7 CFR §278.6(e)(7) states that FNS should “send the firm a warning letter if violations are too limited to warrant a disqualification.” In the instant case, it is not found that the violations are too limited to warrant a disqualification. Instead, the Food and Nutrition Act of 2008, as amended, is specific that disqualification shall be “permanent upon ... the first occasion of a disqualification based on ... trafficking ... by a retail food store.”

Moreover, the regulatory citation at 7 CFR § 278.6(d)(2),(3) which states, in part: “The FNS ...office making a disqualification or penalty determination ... shall consider:... (2) any prior action by FNS to warn the firm about the possibility that violations are occurring, and (3) any other evidence that shows the firm’s intent to violate the regulations...” requires FNS to consider any prior warnings and evidence of a firm’s intent to violate when determining a sanction. It does not require FNS to give such warnings prior to assessing a sanction. FNS did not consider prior actions to warn Appellant about the possibility that violations were occurring because there were no prior warnings. The evidence considered by Retailer Operations Division included the computer data of questionable SNAP transactions in two identified patterns indicative of trafficking, and information obtained during the aforementioned store visit and accompanying report and photos taken by a FNS contractor.

Based on this empirical data, and in the absence of sufficient evidence as to the legitimacy of such transactions, a conclusion can be drawn, through a preponderance of evidence that the

“unusual, irregular, and inexplicable” transactions and patterns cited in the charge letter evidence trafficking as the most likely explanation. In this case, ownership did not provide sufficient evidence to legitimize Appellant’s transaction data as outlined in the Attachments. Retailer Operations Division determined that Appellant’s contentions did not outweigh the evidence that the store was trafficking and concluded, through a preponderance of evidence, that trafficking is the most probable explanation for the questionable transactions listed in the Charge letter attachments.

Once Retailer Operations Division established the convincing case against Appellant, ownership bears the burden of proving, by a preponderance of the evidence, that the administrative action should be reversed. That means the Appellant has the burden of providing relevant evidence which a reasonable mind, considering the record as a whole, would accept as sufficient to support a conclusion that the matter asserted is more likely to be true than not true. If this is not demonstrated, the case is to be sustained.

Retailer Operations Division has presented a convincing case that Appellant has likely trafficked in SNAP benefits. This is evidenced by: the suspicious patterns in two attachments of EBT transaction data, the inadequacy of the firm’s eligible food stock as observed and recorded during the onsite visit to support such large transactions, the lack of evidence of invoices of food in inventory to cover Appellant’s reasoning for the SNAP transaction totals for the review months, the lack of explanation for customer spending habits given that there are other SNAP authorized stores located within proximity to Appellant, and the irregular SNAP transaction data of Appellant as compared to other convenience stores in Harris County, Texas.

While ownership was afforded the opportunity to provide valid explanations and evidence that support that the questionable transactions were the result of legitimate purchases of eligible food items, Retailer Operations determined that Appellant’s contentions did not outweigh the evidence in the record.

The purpose of the administrative review process is to ensure that firms aggrieved by Retailer Operations Division’s adverse actions have the opportunity to have their position fairly considered by an impartial review authority prior to that adverse action becoming final. Appellant has been duly given, and has taken the opportunity to present to USDA through the administrative review process whatever evidence and information it deemed pertinent in support of its position that Retailer Operations Division’s adverse action should be reversed. Therefore, any evidence and information that Appellant presented to Retailer Operations Division, as well as any such information submitted subsequently, have now been considered in this administrative review in rendering the final agency administrative decision in this case. The record does not indicate any departure from established policy or procedures with regard to Appellant’s right to a fair and thorough review.

Ownership has not provided sufficient evidence to rebut the convincing case that Appellant most likely trafficked in SNAP benefits. As such, the SNAP regulations are specific with regard to the action that must be taken if personnel of the firm have trafficked, which is that FNS shall disqualify the firm permanently.

## CIVIL MONEY PENALTY

The Appellant, through counsel, contends that should it be found to have committed the alleged violations that the firm respectfully requests a Civil Monetary Penalty (CMP) be imposed in lieu of disqualification. In support of this request, Appellant contends that, in order to prevent future violations of the SNAP, it has developed an effective compliance policy as specified in § 278.6(i)(1), the firm has developed and instituted an effective personnel training program as specified in § 278.6(i)(2), and firm ownership was not aware, did not benefit from, or was not in any way involved in the conduct or approval of trafficking violations.

With regards to Appellant's request for a CMP, it is important to clarify for the record that the purpose of this review is to either validate or to invalidate the earlier determination of the Retailer Operations Division. This review is limited to what circumstances existed at the time that was the basis of the Retailer Operations Division's action. It is not the authority of this review to consider what subsequent remedial actions may have been taken so that a store may begin to comply with program requirements.

There are no provisions in the SNAP regulations for a waiver or reduction of an administrative penalty assessment on the basis of alleged or planned after-the-fact corrective actions implemented subsequent to investigative findings of program violations. Therefore, Appellant's contention that corrective action has taken place or that further remedial actions are planned does not provide any valid basis for dismissing the charges or for mitigating the penalty imposed.

The record reflects that Appellant did not timely request consideration for a trafficking CMP in lieu of a permanent disqualification under 7 CFR § 278.6(i) even though it was informed of the right to do so in the charge letter dated September 26, 2017. Even if a timely request had been submitted, the Appellant would likely not have been eligible for a trafficking CMP in lieu of disqualification because there is insufficient evidence to demonstrate that the firm had established and implemented an effective SNAP compliance policy and program *prior* to the violations. Therefore, the Retailer Operations Division's decision, not to impose a trafficking CMP in lieu of disqualification, is sustained as appropriate pursuant to 7 CFR § 278.6(i).

## CONCLUSION

Retailer Operations Division's analysis of Appellant's EBT transaction record was the primary basis for its determination to permanently disqualify Yale Grocery Store from participation in the SNAP. This data provided substantial evidence that the questionable transactions during the review period had characteristics that are consistent with trafficking in SNAP benefits. Therefore, based on a review of all the evidence in this case, it is more likely true than not true that program violations did, in fact, occur as charged by Retailer Operations Division. Based on the discussion herein, the determination to impose a permanent disqualification against Yale Grocery Store is sustained.

## **RIGHTS AND REMEDIES**

Your attention is called to Section 14 of the Food and Nutrition Act of 2008, as amended, (7 U.S.C. § 2023) and to Title 7, Code of Federal Regulations, Part 279.7 (7 CFR § 279.7) with respect to your right to a judicial review of this determination. Please note that if a judicial review is desired, the Complaint, naming the United States as the defendant, must be filed in the U.S. District Court for the district in which you reside or are engaged in business, or in any court of record of the State having competent jurisdiction. If any Complaint is filed, it must be filed within thirty (30) days of receipt of this Decision.

Under the Freedom of Information Act (FOIA), we are releasing this information in a redacted format as appropriate. FNS will protect, to the extent provided by law, personal information that could constitute an unwarranted invasion of privacy.

Monique Brooks  
Administrative Review Officer

February 27, 2018