

*This opinion will be unpublished and
may not be cited except as provided by
Minn. Stat. § 480A.08, subd. 3 (2018).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A19-0385**

Diane Saunders,
Appellant,

vs.

St. Louis County Public Health and Human Services,
Respondent,

Minnesota Department of Human Services,
Respondent.

**Filed February 3, 2020
Affirmed
Bryan, Judge**

St. Louis County District Court
File No. 69DU-CV-18-1730

Diane Saunders, Duluth, Minnesota (pro se appellant)

Keith Ellison, Attorney General, R. J. Detrick, Assistant Attorney General, St. Paul,
Minnesota (for respondent Minnesota Department of Human Services)

Considered and decided by Smith, Tracy M., Presiding Judge; Hooten, Judge; and
Bryan, Judge.

UNPUBLISHED OPINION

BRYAN, Judge

Appellant challenges a district court order affirming the reduction of her nutrition
assistance benefits. Appellant seeks reversal because respondent Minnesota Department

of Human Services failed to hold a timely hearing after receiving appellant's request to review the reduction. Because appellant fails to allege an injury in fact and because appellant did not establish the necessary prejudice resulting from the untimely hearing, we affirm.

FACTS

Appellant Diane Saunders began receiving Supplemental Nutrition Assistance Program (SNAP) benefits in 2016. In September 2017, respondent St. Louis County Public Health and Human Services (county) notified appellant that her benefits would be reduced from \$150 each month to \$104 each month, commencing in October 2017. Appellant timely alerted the county that she wished to appeal the reduction, but the county failed to timely act upon her request.

In March 2018, the county belatedly submitted appellant's request to the appropriate state agency. On March 30, 2018, a human-services judge (HSJ) held an evidentiary hearing to review the benefit reduction. At the hearing, the county acknowledged that it failed to timely act on appellant's hearing request. The county, however, argued that any harm was mitigated because, after realizing the error, the county adjusted her assistance back to what it was prior to October 2017. Pending the outcome of the March 30, 2018, hearing, appellant received the same amount she would have received in the absence of the reduction.

The HSJ issued a recommendation that the Minnesota Commissioner of Human Services (commissioner) affirm the reduction of appellant's SNAP benefits. The HSJ acknowledged appellant's challenge to the timeliness of the hearing, but determined that

the commissioner retained authority to review the matter. The HSJ found that appellant did not “disagree with the county agency’s computations.” The HSJ determined that the reduction in benefits was properly calculated. The commissioner adopted the HSJ’s findings and conclusions.

Appellant requested reconsideration of the commissioner’s decision, which was denied. Appellant appealed the final agency decision to the state district court,¹ which held a hearing. At that hearing, appellant conceded that she was not entitled to any monetary relief or any additional SNAP benefits. Since the commissioner’s decision, appellant’s benefits had been further reduced. Appellant stated that she was only receiving “nominal” benefits and that she had “moved on from needing those benefits.” She did not contest the accuracy of either reduction. Instead, appellant challenged the review procedure in her case, arguing that “the hearing should have never taken place on March 30.” Appellant did not seek damages, and does not assert that she is eligible for any unpaid SNAP benefits.

The district court affirmed the commissioner’s decision. The court concluded that the delay in scheduling the March 30, 2018, hearing did not harm appellant or violate her constitutional rights. The court noted that the agency ultimately held a fair hearing and concluded that the county “restored her benefits to the original amount and retroactively

¹ Appellant also filed suit in federal court, contesting reductions in federal funding and challenging the state’s failure to schedule a timely hearing to review the reduction in her monthly benefits. The United States District Court dismissed the suit, and the Eighth Circuit Court of Appeals dismissed the appeal. *Saunders v. Trump*, No. 17-CV-5400, 2018 WL 4381002, at *3 (D. Minn. Sept. 14, 2018), *appeal dismissed*, 2018 WL 8186799 (8th Cir. Dec. 10, 2018). The claims were ultimately dismissed because the “complaint d[id] not allege any harm—or seek any relief—arising from the *delay* in receiving a hearing.” *Id.* at *2.

paid her for the months where she was only paid the reduced amount prior to the March 30 hearing.” Ultimately, the district court concluded that appellant “has not proved that her substantial rights have been prejudiced to allow for a reversal under Minn. Stat. § 14.69.” This appeal followed.

D E C I S I O N

Appellant advances two arguments. First, appellant argues that the commissioner’s decision is in error because the HSJ lost jurisdiction to hold a hearing after the passage of the statutory deadline for resolving an appeal. Second, appellant argues that the March 30, 2018 hearing violated her procedural due process rights. Because appellant alleges no injury in fact and suffered no prejudice resulting from the untimely hearing, we affirm the district court and need not address the remainder of appellant’s arguments.

This court independently examines the commissioner’s determination, without deference to the district court. *Estate of Atkinson v. Minn. Dep’t of Human Servs.*, 564 N.W.2d 209, 213 (Minn. 1997). The party seeking review has the burden to establish the requirements for reversing or modifying an agency decision. *Markwardt v. State, Water Res. Bd.*, 254 N.W.2d 371, 374 (Minn. 1977). In reviewing the commissioner’s decision, we apply the standard-of-review provision of the Minnesota Administrative Procedure Act, Minn. Stat. § 14.69 (2018). *See Brunner v. State, Dep’t of Pub. Welfare*, 285 N.W.2d 74, 75 (Minn. 1979); *see also Zahler v. Minn. Dep’t of Human Servs.*, 624 N.W.2d 297, 301 (Minn. App. 2001), *review denied* (Minn. June 19, 2001).

As a threshold matter, we apply Minn. Stat. § 256.045, subd. 7 (2018),² which sets forth who may obtain judicial review. Under that provision, “any party who is aggrieved by an order of the commissioner of human services” may appeal to the district court. Minn. Stat. § 256.045, subd. 7. This language tracks section 14.63 of the Administrative Procedure Act, which allows “[a]ny person aggrieved” by agency decision in a contested case to seek judicial review. Minn. Stat. § 14.63 (2018). In applying section 14.63, our supreme court has noted that “a person has standing to invoke judicial review of agency action only if that person suffers ‘injury in fact’ as a consequence of that action.” *In re Complaint Against Sandy Pappas Senate Comm.*, 488 N.W.2d 795, 797 (Minn. 1992) (citing *Snyder’s Drug Stores, Inc. v. Minn. State Bd. of Pharmacy*, 221 N.W.2d 162, 165 (Minn. 1974)). Appellant has not suffered an “injury in fact.” Pursuant to section 256.045, subd. 7, we conclude that appellant is not entitled to judicial review.

Even assuming that judicial review was proper in this case, we agree with the district court that, pursuant to section 14.69, the commissioner’s decision should not be reversed or modified. Reversal or modification of the commissioner’s decision can only occur if appellant’s substantial rights have been prejudiced because the decision falls into one of six listed categories:

In a judicial review under sections 14.63 to 14.68, the court may affirm the decision of the agency or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioners may have

² Even in the absence of arguments from the parties, this court can address standing sua sponte. See *Enright v. Lehmann*, 735 N.W.2d 326, 329 (Minn. 2007) (“Although appellate review was neither requested nor granted on this issue, standing is essential to our exercise of jurisdiction.”).

been prejudiced because the administrative finding, inferences, conclusion, or decisions are:

- (a) in violation of constitutional provisions; or
- (b) in excess of the statutory authority or jurisdiction of the agency; or
- (c) made upon unlawful procedure; or
- (d) affected by other error of law; or
- (e) unsupported by substantial evidence in view of the entire record as submitted; or
- (f) arbitrary or capricious.

Minn. Stat. § 14.69.

In this case, appellant argues that the untimely hearing exceeded the agency's jurisdiction and violated her procedural due process rights. These arguments correspond to the first three subparagraphs of section 14.69:

- (a) in violation of constitutional provisions; or
- (b) in excess of the statutory authority or jurisdiction of the agency; or
- (c) made upon unlawful procedure

Id., (a)-(c).

The commissioner concedes that the March 30, 2018 hearing was untimely. By itself, that does not permit reversal or modification of the commissioner's decision. For section 14.69 to allow reversal or modification, appellant need also establish that the untimely hearing prejudiced her substantial rights. Appellant cannot make this showing. Appellant conceded that her benefits were restored up until the date of the hearing. She does not contest the current benefits amount, does not "disagree with the county agency's computations," does not dispute the HSJ's recommended findings, and does not seek damages. Instead, appellant acknowledges that she has received all the benefits to which

she was entitled and for which she was eligible. Because appellant cannot show that her substantial rights were prejudiced, we need not address the remainder of appellant's arguments and need not determine whether the commissioner's decision was "in violation of constitutional provisions," "in excess of the statutory authority or jurisdiction of the agency," or "made upon unlawful procedure."

Affirmed.