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The following Decision is distributed for your information. This Decision has been made in consideration of the specific facts of this case. This Decision is not to be interpreted as establishing any new mandatory policy or procedure otherwise officially promulgated.

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES

FINAL DECISION

OAL DKT. NO. HPW **00127-24 S.M.**

AGENCY DKT. NO. **C223397007 (ESSEX COUNTY DIVISION OF WELFARE)**

Petitioner challenges the correctness of the Respondent Agency's reduction of Supplemental Nutrition Assistance Program ("SNAP") benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On January 30, 2024, the Honorable Mumtaz Bari-Brown, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On February 23, 2024, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to the Initial Decision were received.

As Assistant Commissioner, Division of Family Development ("DFD"), Department of Human Services, I have considered the ALJ's Initial Decision and following an independent review of the record, the ALJ's Initial Decision is hereby MODIFIED, and the Agency determination is AFFIRMED, based on the discussion below.

Regulatory authority applicable to SNAP benefits cases, defines income as "all income from whatever source unless such income is specifically excluded." See N.J.A.C. 10:87-5.3. Additionally, for SNAP benefits cases, unearned income includes survivors, disability, and Social Security benefits for both adults and children in the household. See N.J.A.C. 10:87-5.5(a)(2).

In order to determine an applicant's eligibility for SNAP, the applicant's income and resources must be below a certain threshold. In accordance with N.J.A.C. 10:87-6.16(d)(1), households which contain an elderly or permanently disabled individual, as defined by N.J.A.C. 10:87-2.34, must meet the net income test for SNAP eligibility. N.J.A.C. 10:87-6.16(d)(2), states that households that do not contain an elderly or permanently disabled household member must meet both the gross income test, as well as the net income test, meaning that the respective income amounts must be below the established standards. See also N.J.A.C. 10:87-12.3, -12.4. N.J.A.C. 10:87-6.16(b) further outlines the procedures used to calculate both gross and net income for SNAP benefits purposes, and the applicable benefit levels, if eligible. The regulation provides that the applicant's monthly net income is determined by adding together all earned and unearned income, then subtracting all income exclusions. Then, the standard deduction, based upon the size of the household, is subtracted from the income.

Thereafter, the household is evaluated to determine if a medical deduction is appropriate, which is if the household has medical expenses that exceed \$35.00. If the household is entitled to a medical deduction, then the amount in excess of \$35.00 is subtracted from the applicant's income. Then, the applicant is evaluated for an excess shelter deduction. Such a deduction is permitted when the individual's shelter costs exceed 50% of their net income. If this deduction is allowable, then the difference between the shelter costs and the 50% net income, or up to the maximum allowable amount, is



subtracted from the individual's income. The remaining figure is Petitioner's net income for SNAP benefits purposes. This net income is then compared against the maximum allowable net income amount for the household's size, as outlined at N.J.A.C. 10:87-12.3, to determine eligibility. If eligible, the household's monthly SNAP allotment shall be equal to the maximum food stamp allotment for the household's size, reduced by 30 percent of the household's net monthly income. See N.J.A.C. 10:87-12.6(a)(1).

Here, an independent review of the record reflects that Petitioner had been receiving SNAP benefits for a household of one person, and receives unearned income in the form of combined monthly Retirement, Survivors and Disability Benefits ("RSDI"), both for herself and as a widow. See Exhibit R-1 at 2. As a result of a change in household income, specifically earned income, the Agency determined that Petitioner exceeded the maximum allowable income for continued SNAP eligibility and terminated Petitioner's SNAP benefits in August, 2023. Ibid. Petitioner then reapplied for SNAP benefits on September 5, 2023, maintaining that she was no longer employed. Ibid. The record further shows that Petitioner was then awarded \$34 a month in SNAP benefits, which was then reduced to \$23 in January, 2024. See Exhibit R-1 at 11. During the hearing before the ALJ, Petitioner maintained that her rental expense had not been included in the Agency's SNAP benefits allotment calculation. See Initial Decision at 2. However, as the following manual calculations shall show, that is not the case.

As Petitioner's household contains a permanently disabled person, only the net income standard must be met for continued SNAP eligibility. See N.J.A.C. 10:87-6.16(d)(1); see also N.J.A.C. 10:87-2.34(b)(2) (defining a disabled household member as one who received Social Security benefits, including those under Title II, known as RSDI benefits). The record in this case, as well as the records of this office, reflect that Petitioner receives monthly RSDI benefits in the amount of \$1101, together with monthly widow RSDI benefits in the amount of \$592, for a combined unearned income amount of \$1,693. See Exhibit R-1 at 2, 4. After subtracting the standard deduction of \$198 for a household of one, Petitioner's income is reduced to \$1,495. See N.J.A.C. 10:87-6.16(b)(4); see also DFD Instruction ("DFDI") 23-09-01 at 12. There is no indication in the record of any excess medical expenses. See N.J.A.C. 10:87-6.16(b)(5). Next, is to determine if Petitioner receives a shelter deduction and if so, how much. The record shows Petitioner's rent as \$1,350, however, as there is no indication of any utilities being paid, Petitioner does not qualify for the Heating and Cooling Standard Utility Allowance ("HCSUA"). See N.J.A.C. 10:87-6.16(b)(8). Subtracted from the rental amount is 50% of Petitioner's income after the above deductions, or half of \$1,495, which is \$747.50, (\$1,350 - \$747.50), resulting in an excess shelter deduction of \$602.50. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions (((\$1,693 - \$198) - \$602.50), resulting in a net monthly SNAP income of \$892.50. See N.J.A.C. 10:87-6.16(b)(9). That amount is then multiplied by .3 and rounded up, or \$268. See N.J.A.C. 10:87-12.6(a)(1)(i)-(ii). That amount is then subtracted from the maximum benefit for a household of one, \$291 - \$268, or \$23. See N.J.A.C. 10:87-12.6(a)(1)(iii). Therefore, I find Petitioner's correct monthly SNAP benefit is \$23, the same as calculated by the Agency in this matter. See Exhibit R-1 at 11. The Initial Decision is modified to reflect the above analysis and findings.

Accordingly, the Initial Decision in this matter is hereby MODIFIED, and the Agency's determination is AFFIRMED, as outlined above.

Officially approved final version. April 4, 2024

Natasha Johnson
Assistant Commissioner

