



State of New Jersey

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DEPARTMENT OF HUMAN SERVICES
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NATASHA JOHNSON
Director

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 04227-18 L.S.

AGENCY DKT. NO. C038184019 (SUSSEX COUNTY DIVISION OF SOC. SVCS.)

Petitioner appeals from the Respondent Agency's termination of Work First New Jersey/General Assistance ("WFNJ/GA") benefits. The Agency terminated Petitioner's WFNJ/GA benefits contending that he failed to liquidate a real estate asset for comparable fair market value. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On April 24, 2018, the Honorable Gail M. Cookson, Administrative Law Judge ("ALJ"), held a plenary hearing, took testimony, and admitted documents. The record was left open to allow Petitioner the opportunity to submit additional documents. On May 8, 2018, the ALJ received the additional documents from Petitioner, and the record then closed.

On May 11, 2018, the ALJ issued an Initial Decision, reversing the Agency's determination. Here, the record reflects that Petitioner has been receiving WFNJ/GA benefits since June 2017. See Initial Decision at 2. At Petitioner's initial interview for WFNJ/GA benefits, the Agency advised Petitioner that he must try to liquidate the home he co-owned with his spouse, in order to remain eligible for said benefits. See Initial Decision at 2-3; see also N.J.A.C. 10:90-3.10(c)(1). Petitioner complied and listed the property for sale. See Initial Decision at 3. On January 5, 2018, Petitioner completed an application for a redetermination of continued WFNJ/GA benefits eligibility. See Initial Decision at 3; see also Exhibit R-1 at 6-13. As of the date of that application for a redetermination of benefits, Petitioner had been estranged from his spouse for five years and had not lived in the marital home since 2013. See Initial Decision at 2. On January 23, 2018, after becoming aware that Petitioner's home had been removed from the market and that his spouse was refinancing and removing him from the deed, the Agency advised Petitioner that he must provide verification of the closure of the property and the removal of his name "as soon as it occurs" and, that "a voluntary transfer of resources for the sole purpose of qualifying for [WFNJ/GA] can disqualify you from receiving further assistance." See Initial Decision at 3; see also Exhibit R-1 at 2, and Exhibit R-15. On February 15, 2018, the Agency received a copy of a Quitclaim Deed executed by Petitioner, transferring the marital home to his estranged spouse for one dollar. See Initial Decision at 3; see also Exhibit R-1 at 17-20. Moreover, per county tax records, the residence assessed at \$200,300 in the 2017-2018 tax years, and accordingly, the Agency valued the property at that assessed value. See Initial Decision at 5; see also Exhibit R-1 at 21. Based on the foregoing, the Agency determined that Petitioner voluntarily transferred his share of the property for the sole purpose of qualifying for WFNJ/GA benefits, and subsequently terminated his benefits, effective February 28, 2018. See Exhibit R-1 at 1-5; see also N.J.A.C. 10:90-3.10(e).

The ALJ found, however, that the home had no net asset value because of the remaining liens on the property, which exceeded the amount the Agency had valued the property at, and therefore, concluded that its sale would produce no net revenue to Petitioner. See Initial Decision at 5; see also Exhibit P-1, and N.J.A.C. 10:90-3.20(a)(8). The ALJ further found that Petitioner contributed nothing to the mortgage after 2013, and that his estranged wife and her father made all



the mortgage payments. See Initial Decision at 5; see also Exhibit P-2 at 10-22. Lastly, the ALJ found that Petitioner did not execute the Quitclaim Deed and transfer ownership of the home to his wife for the purpose of qualifying for WFNJ/ GA benefits. See Initial Decision at 5; see also N.J.A.C. 10:90-3.10(e). Rather, the ALJ found that Petitioner signed over the home to his estranged wife so that she may establish a stable place for her and their daughters to continue to live. See Initial Decision at 5-6. Based on the foregoing, the ALJ concluded that the Agency's decision to terminate Petitioner's WFNJ/GA benefits was improper and must be reversed. See Initial Decision at 6; see also Exhibit R-1 at 1-5; and N.J.A.C. 10:90-3.10(e), -3.20(e)(8). I agree.

No Exceptions to the Initial Decision were received.

As the Director of the Division of Family Development, Department of Human Services, I have considered the ALJ's Initial Decision, and following an independent review of the record, I concur with the ALJ's final conclusion in this matter and hereby ADOPT the Findings of Fact and Conclusion of Law.

Accordingly, the Initial Decision is hereby ADOPTED, and the Agency's determination is REVERSED.

Officially approved final version. JUN 05 2018

Natasha Johnson
Director

