



State of New Jersey

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DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT
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NATASHA JOHNSON
Assistant Commissioner

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 11640-19 C.M.

AGENCY DKT. NO. C018287019 (SUSSEX COUNTY DIVISION OF SOC. SVCS.)

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutrition Assistance Program ("SNAP") benefits, at redetermination. The Agency denied Petitioner SNAP benefits, because she was over the maximum income level for receipt of benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On September 10, 2019, the Honorable Gail M. Cookson, Administrative Law Judge ("ALJ"), held a plenary hearing, took testimony and admitted documents into evidence. The matter was carried until September 24, 2019, to allow the parties to provide additional information, on which date the record then closed. On October 7, 2019, issued an Initial Decision, affirming the Agency's determination.

No Exceptions to this Initial Decision were filed by either party.

As the Director of the 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 ADOPTED, and the Agency determination is AFFIRMED.

Here, the record reveals that Petitioner's household consists of three people. See Initial Decision at 2; see also Exhibit R-1 at 1, 37. Petitioner earns \$3,917.26 a month. See Initial Decision at 3; see also Exhibit R-1 at 14-15, and N.J.A.C. 10:87-6.16(b)(2). Petitioner's spouse owns 80% interest in a business partnership, and reported a business income loss of \$28,530. See Initial Decision at 3; see also Exhibit R-1 at 19-23, 25. Petitioner's home mortgage payment of \$1,500 is paid to her spouse's business; however, this payment was not reported as rental income received by the business. See Initial Decision at 3; see also Exhibit R-1 at 19-23, 31, 32-35. The ALJ found that Petitioner's monthly mortgage payment to the business constitutes rental income, and should have been included a part of Petitioner's spouse's business income for the year. See Initial Decision at 5-6. As a result, Petitioner's spouse's business income was increased by \$18,000 (\$1,500 monthly mortgage payment x 12 months), and the revised business income/loss totaled -\$10,530 (-\$28,530 + \$18,000) for the year. See Exhibit R-2 at 3. Because Petitioner's spouse owns 80% percent of the business, only -\$8,424 is attributed to Petitioner's spouse, which comes to -\$702 per month (-\$8424 / 12). See Exhibit R-1 at 25. Therefore, in



calculating Petitioner's household total gross monthly earned income, the Agency combined Petitioner's monthly earned income, with Petitioner spouse's monthly partnership income/loss to equal (\$3,917.26 + (-\$702)), or \$3,215.26. Petitioner's household has no net monthly unearned income. See N.J.A.C. 10:87-6.16(b)(3).

The maximum allowable gross income for a household of three is \$3,204. See DFD Instruction 18-09-01 at 16. Therefore, because Petitioner's gross income is greater than \$3,204, the ALJ concluded that Petitioner is not eligible for SNAP benefits, and affirmed the Agency's determination to deny Petitioner SNAP benefits. See Initial Decision at 6; see also Exhibit R-1 at 38, and N.J.A.C. 10:87-6.5(c), -6.16. I agree.

Accordingly, the Initial Decision in this matter is hereby ADOPTED and the Agency's determination is AFFIRMED.

OCT 24 2019

Officially approved final version.

Natasha Johnson

Assistant Commissioner

