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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 11925-19 K.H.

AGENCY DKT. NO. S927578009 (HUDSON COUNTY DEPT OF FAM SVCS)

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutrition Assistance Program ("SNAP") benefits. The Agency denied Petitioner SNAP benefits, contending that Petitioner's SNAP household income exceeds the maximum permissible level for receipt of benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On September 12, 2019, the Honorable Mumtaz Bari-Brown, Administrative Law Judge ("ALJ"), held a plenary hearing, took testimony, and admitted documents into evidence. On September 17, 2019, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to this Initial Decision were filed.

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 hereby MODIFIED, and the Agency determination is AFFIRMED, as discussed below.

Based on an independent review of the record, while I agree with the ALJ's final conclusion in this matter, that the denial of SNAP benefits should be affirmed, I find that numbers used by the ALJ in the analysis, are incorrect. See Initial Decision at 3. Clarification is needed to demonstrate how the correct net income level amount of \$1708, as reflected in Exhibit R-1 at 7 and 9, submitted into evidence by the Agency, is reached, as well as the subsequent determination of ineligibility for SNAP benefits.

In order to determine an applicant's eligibility for SNAP, the applicant's income and resources must be below a certain threshold. N.J.A.C. 10:87-6.16 outlines the procedures used to calculate net income and benefit levels for SNAP recipients. 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. 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, the record reflects that Petitioner's household is comprised of Petitioner, and two children. See Initial Decision at 2, 3; see also Exhibit R-1 at 4. The correct amount of the household's earned income is \$3,030, not \$3,432, as referenced by the ALJ. See Exhibit R-1 at 2, 3, 9; see also Initial Decision at 3. The household's net monthly earned income totals \$2,424 ($\$3030 \times .8$). See N.J.A.C. 10:87-6.16(b)(2). Petitioner's household has no unearned income. See N.J.A.C. 10:87-6.16(b)(3). After subtracting the correct standard deduction of \$164 for a household of three, from the net earned income total of \$2,424, Petitioner's household income is reduced to \$2,260. See N.J.A.C. 10:87-6.16(b)(4). Next is to determine if Petitioner receives a shelter deduction and if so, how much. Petitioner's shelter costs total \$2,200; additionally, Petitioner qualifies for the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$542, which, when added to Petitioner's shelter costs, totals \$2,742. See Exhibit R-1 at 5-6, and N.J.A.C. 10:87-6.16(b)(8). Subtracted from the shelter costs is 50% of Petitioner's net income after the above deductions, or half of \$2,260, which is \$1,130, resulting in an excess shelter deduction of \$1,612. Because Petitioner's household does not contain an elderly or disabled member, Petitioner receives a maximum shelter deduction of \$552. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions ($\$2424 - \$164 - \$552$), resulting in a total net monthly SNAP income of \$1,708. See Exhibit R-1 at 9; see also N.J.A.C. 10:87-6.16(b)(9). Next, to determine Petitioner's monthly benefit allotment, Petitioner's net monthly SNAP income is multiplied by 30% and rounded up, ($\$1,708 \times .3 = \513). This amount, \$513, is then subtracted from the maximum benefit allotment for the size of Petitioner's household, which is \$505, or ($\$505 - \$513 = -\8.00). See N.J.A.C. 10:87-12.6(a), and DFD Instruction ("DFDI") No. 19-09-01. As this results in a negative number, Petitioner is not entitled to SNAP benefits. See Exhibit R-1 at 1, 9, and N.J.A.C. 10:87-12.6; see also 7 C.F.R. 273.10(e)(2)(iii)(A). Based on the foregoing, I find that the Agency's denial of SNAP benefits to Petitioner was correct. The ALJ's Initial Decision is modified to reflect the above calculations analysis and findings.

By way of comment, Petitioner is without prejudice to reapply for SNAP benefits.

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

Officially approved final version.

OCT 17 2019

Natasha Johnson

Assistant Commissioner

