



State of New Jersey

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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 **20-031981 M.B.**

AGENCY DKT. NO. **S496634012 (MIDDLESEX COUNTY BD. OF SOC. SVCS.)**

On March 10, 2020, the Division of Family Development, Bureau of Administrative Review and Appeals ("BARA"), received Petitioner's request for an Administrative Review. Petitioner contests the correctness of the Respondent Agency's ("Agency") interception and application of her Federal Income Tax refund to an outstanding debt that she owed to the Agency. Petitioner contends that her debt was not delinquent, and therefore should not have been referred for collection.

As Assistant Commissioner, Division of Family Development ("DFD"), Department of Human Services, I have reviewed this matter, and hereby AFFIRM the Agency's action.

Applicable regulatory authority states that, "[an Agency] may accept installment payments made for a claim as part of a negotiated repayment agreement. If the household fails to submit a payment in accordance with the terms of the negotiated repayment schedule, the claim becomes delinquent and it shall be subject to additional collection actions." See N.J.A.C. 10:87-11.20(p)(5).

Further, "[a] 60-day notice will be generated advising the client that if she does not contact the [Agency] for payment of the claim by the end of the 60-day period, the claim shall be referred to [the Treasury Offset Program ("TOP").]" See N.J.A.C. 10:87-11.21(a)(1)(iii).

On March 12, 2020, BARA requested, via electronic mail, that the Agency provide information necessary to complete an Administrative Review. The Agency responded on March 13, 2020. Petitioner had included documentation with her March 10, 2020, request for an Administrative Review. Petitioner's documents submitted on March 10, 2020, together with the Agency's documents submitted on March 13, 2020, comprise the record for this Administrative Review.

Based upon an independent review of the record, I find the following facts. On October 5, 2018, Petitioner executed two separate Agreements to Repay Overissued SNAP Benefits (hereinafter "Agreements to Repay") for claims in the amount of \$2,105 and \$558, or a combined total of \$2,663. In accordance with those executed Agreements to Repay, Petitioner agreed to make installment payments in the amount of \$50 on the 15th day by each month, until the claims were paid in full. See October



5, 2018 Agreements to Repay. Also, by executing the Agreements to Repay, Petitioner acknowledged that if she failed to make the required monthly payments, in accordance with the terms as outlined in the Agreements to Repay, she would be subject to involuntary collection actions, which may include, among other options, an interception of State or Federal tax refunds owed to her. Ibid.; see also N.J.A.C. 10:87-11.20(p)(5). I further find that, with regard to the total combined outstanding claim of \$2,663, since execution of the Agreements to Repay in October, 2018, Petitioner has paid a total of only \$425, and that such payments were sporadic, sometimes late, i.e., made after the 15th of the month, and most often were for less than the \$50 monthly amount Petitioner had agreed to pay. See March 12, 2020 Payment Ledger/Account Activity.

Additionally, I hereby take official notice that the records of this office reflect that on September 11, 2019, Petitioner was issued a notice advising her that the claims were delinquent as of October 11, 2018, and that if she did not contact the Agency regarding payment of the claims within 60 days of the date of the notice, the claims would be referred to TOP for collection ("60-day Notice"). See N.J.A.C. 1:1-15.2(a) and N.J.R.E. 201(b)(4); see also N.J.A.C. 10:87-11.21(a)(iii). The record is devoid of any indication that Petitioner contacted the Agency within 60 days, or by November 10, 2019. I further take official notice that the records of this office also show that, when Petitioner did not respond to the 60-day Notice, on December 11, 2019, Petitioner's claims were certified to TOP for collection. Ibid. Finally, I also take official notice that the records of this office show that, as a result of her claims being certified to TOP, on February 7, 2020, Petitioner's Federal Income Tax refund was intercepted, and thereafter, on February 26, 2020, the Agency applied it to her total outstanding balance.

The record further shows that, on February 20, 2020, after Petitioner's claims were already certified to TOP, and the intercept of Petitioner's Federal Tax refund had already occurred, Petitioner executed a Post 60-day Delinquent/TOP Agreement to Repay Overissued NJ SNAP Benefits (hereinafter "Post 60-day Agreement"). Through the Post 60-day Agreement, Petitioner agreed to pay \$25.00 by the 15th of each month, until the claim was paid in full. Ibid. Petitioner made one payment of \$25 in February, 2020.

Based on the foregoing facts, I find and conclude that Petitioner failed to make the required \$50 monthly payments in accordance with the terms of the October 5, 2018 Agreements to Repay, thereby causing the outstanding claims for overissued SNAP benefits to become delinquent and referred to TOP for further collection action. Moreover, I find that Petitioner was given notice, by way of the October 5, 2018, Agreements to Repay, as well as the September 11, 2019, 60-day Notice, that such action, specifically, the interception of her Federal Income Tax refund and application of that refund amount to her delinquent claims, would occur if the required payments were not made in accordance with the negotiated terms. See October 5, 2018 Agreements to Repay, and N.J.A.C. 10:87-11.20(p)(5). Therefore, I find that the Agency's interception of Petitioner's Federal Income Tax refund and application of same to the total combined outstanding claim was appropriate, and I hereby AFFIRM that action.

Additionally, I also find that, as the intercept of Petitioner's Federal Income Tax refund occurred on February 7, 2020, prior to Petitioner's execution of the Post 60-day Agreement, that Agreement is rendered null and void.

By way of comment, I note that after Petitioner's Federal Income Tax refund was intercepted and applied to her total outstanding delinquent amount, the status of the debt was satisfied, and is considered "Paid in Full." I also note that Petitioner's February, 2020, payment of \$25.00 was refunded to her by the Agency on March 5, 2020.



Accordingly, the Agency's action in this matter is hereby AFFIRMED.

Officially approved final version.

JUN 11 2020

Natasha Johnson
Assistant Commissioner

