



State of New Jersey

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DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT

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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 03616-21 K.K.

AGENCY DKT. NO. S600908012 (MIDDLESEX COUNTY BD. OF SOC. SVCS.)

Petitioner challenges the Respondent Agency's calculation of Petitioner's household's monthly income, which resulted in the denial of Supplemental Nutrition Assistance Program ("SNAP") benefits, at recertification, due to household income exceeding the maximum permissible income level for receipt of SNAP benefits. Petitioner contends that the Agency, during its recertification of her eligibility for SNAP benefits, should have used the adjusted gross income listed on the 1040 Individual Income Tax return, instead of the gross income listed on the two Form 1040 Schedule C Profit or Loss from Business Statements ("Schedule C"), which would have resulted in Petitioner's continued eligibility for SNAP benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On May 25, 2021, the Honorable Joan M. Burke, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, admitted documents into evidence, and the record closed on that date. On June 1, 2021, the record was reopened to receive an additional document from the Agency, and upon receipt of same, the record also closed on that date.

On June 7, 2021, the ALJ issued an Initial Decision, affirming the Agency's calculation of Petitioner's household income, and the Agency's resultant denial of Petitioner's SNAP benefits, at recertification. Here, the record reflects that, on November 11, 2020, Petitioner and J.T., Petitioner's spouse, submitted a recertification application for SNAP benefits, and reported that J.T. is self-employed. See Initial Decision at 2; see also Exhibit R-1 at 2-8, and R-4 at 16. Petitioner and J.T. included a copy of their joint 2020 1040 Income Tax return, which also included two Schedule C forms. See Initial Decision at 2; see also Exhibit R-4 at 1-15. Thereafter, the Agency, using the figures from Line 1 of the two Schedule C forms, "Gross receipts and sales," and utilizing a standard self-employment deduction of 51% for a self-employed household, determined that Petitioner's total monthly household income, from self-employment, totaled \$6,648 ($\$151,412 + \$6,977 = \$158,389$; $\$158,389 \times .51 = \$80,778.39$; $\$158,389 - \$80,778.39 = \$77,610.61$; $\$77,610.61 / 12 \text{ months} = \$6,468/\text{month}$). See Initial Decision at 3; see also Exhibits R-3, R-4, and N.J.A.C. 10:87-7.3, and Division of Family Development ("DFD") Instruction ("DFDI") Number 13-12-01.



Next, after determining Petitioner's monthly household income, and because J.T. is not eligible for benefits as an ineligible alien member of the household, he was removed from the household, for the purpose of determining the household income for SNAP purposes. See Initial Decision at 6; see also N.J.A.C. 10:87-7.14, and DFDI 02-06-08. Accordingly, the Agency multiplied Petitioner's monthly gross income by 3/4, which resulted in a monthly gross income of \$4,851. See Initial Decision at 3-4; see also DFDI 02-06-08. Effective October 1, 2020, the maximum allowable monthly income amount for a household of three is \$3,349. See Initial Decision at 4; see also DFDI20-09-04. Since Petitioner's monthly household income of \$4,851, exceeded the maximum allowable limit for continued receipt of SNAP benefits, on February 25, 2021, the Agency denied Petitioner SNAP benefits, at recertification. See Initial Decision at 7; see also Exhibit R-6 at 2, and N.J.A.C. 10:87-6.16. I agree. Additionally, based on the record presented, the ALJ also affirmed the Agency's calculation of Petitioner's monthly household income. I also agree.

No Exceptions to the Initial Decision were filed.

As Assistant Commissioner, DFD, Department of Human Services, I have considered the ALJ's Initial Decision, and following an independent review of the record, I hereby ADOPT the Findings of Fact and Conclusion of Law.

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

Officially approved final version.

AUG 24 2021

Natasha Johnson
Assistant Commissioner

