



State of New Jersey

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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 10194-20 P.B.

AGENCY DKT. NO. S475448001 (ATLANTIC CO. DEPT OF FAM. & COM. DEV)

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 countable household income exceeded the maximum permissible level for receipt of said benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On December 29, 2020, the Honorable Kathleen M. Calemno, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On December 31, 2020, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to the Initial Decision were received.

As Assistant Commissioner, 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, based on the discussion below.

Regulatory authority applicable to SNAP benefit cases, defines income as "all income from whatever source unless such income is specifically excluded." See N.J.A.C. 10:87-5.3. Additionally, for SNAP benefits cases, unearned income includes survivors, disability, and Social Security benefits for both adults and children in the household. See N.J.A.C. 10:87-5.5(a)(2).

In order to determine an applicant's eligibility for SNAP, the applicant's income and resources must be below a certain threshold. In accordance with N.J.A.C. 10:87-6.16(b)(1), households which contain an elderly or permanently disabled individual, as defined by N.J.A.C. 10:87-2.34, must meet the net income test for SNAP eligibility. N.J.A.C. 10:87-6.16(d)(2), states that households that do not contain an elderly or permanently disabled household member must meet both the gross income test, as well as the net income test, meaning that the respective income amounts must be below the established standards. See also N.J.A.C. 10:87-12.3, -12.4. N.J.A.C. 10:87-6.16(b) further outlines the procedures used to calculate both gross and net income for SNAP benefits purposes, and the applicable benefit levels, if eligible. 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 for SNAP benefits purposes. 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).

The record in this matter reflects that Petitioner's household is comprised of four persons, one of whom is disabled. See Initial Decision at 2; see also Exhibit R-1 at 9. The household's earned income, from Petitioner's employment, is \$2,099. See Initial Decision at 2; see also Exhibit R-1 at 9, right column "EARNED-INC." The household's net monthly earned income totals \$1,679.20 ( $\$2,099 \times .8$ ). See N.J.A.C. 10:87-6.16(b)(2). Petitioner's household has combined unearned income from Retirement, Survivors and Disability Insurance ("RSDI") benefits of \$1,687, plus Work First New Jersey/Temporary Assistance for Needy Families benefits received on behalf of a child in the household, in the amount of \$214, for a total combined household unearned income amount of \$1,901. See N.J.A.C. 10:87-6.16(b)(3); see also Exhibit R-1 at 8. After subtracting the correct standard deduction for a household of four of \$187, from the monthly household income, earned and unearned of \$3,580.20 ( $\$1,679.20 + \$1,901$ ), Petitioner's household income is reduced to \$3,402.20. See N.J.A.C. 10:87-6.16(b)(4). The record indicates that Petitioner has medical monthly expenses in the amount of \$144, and after subtracting the excess over \$35, or \$109, Petitioner's household income is further reduced to \$3,293.20. See N.J.A.C. 10:87-6.16(b)(5); see also Exhibit R-1 at 9. Next is to determine if Petitioner receives a shelter deduction and if so, how much. Petitioner's rent is \$1,600, and Petitioner qualified for the Heating or Cooling Standard Utility Allowance ("HCSUA") of \$548, for total shelter costs of \$2,148 ( $\$1,600 + 548$ ). See N.J.A.C. 10:87-6.16(b)(8). Subtracted from the shelter costs, \$2,148, is 50% of Petitioner's net monthly income after the deductions outlined above, or half of \$3,292.20, which is \$1,646.60, resulting in an excess shelter deduction of \$501.40 ( $\$2,148 - \$1,646.60$ ). See N.J.A.C. 10:87-6.16(b)(8). Accordingly, Petitioner's total net monthly SNAP income is calculated as  $\$3,580.20 - 178 - \$109 - 501.40 = \$2,791.80$ . Ibid. This amount is the same as reflected on Exhibit R-1, page 9, in the left hand column for "TOT-NT INC." That amount is then compared to maximum allowable net income chart, which reflects that the maximum allowable net income for a household of four is \$2,146. See DFD Instruction ("DFDI") 19-09-01 at 12; see also N.J.A.C. 10:87-6.16(d)(2). As Petitioner's net monthly SNAP income is more than the maximum allowable, Petitioner is not eligible for SNAP benefits.

Based on the foregoing, I agree with the ALJ's conclusion that the Agency's denial of Petitioner's application for SNAP benefits, for excess income over the net income eligibility standard, was proper and must stand. See Initial Decision at 4; see also Exhibit R-1 at 3. The Initial Decision is modified, however, to include the full calculations analysis and findings above.

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



Officially approved final version.

FEB - 4 2021

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Natasha Johnson  
Assistant Commissioner

