



## State of New Jersey

PHILIP D. MURPHY  
*Governor*

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF FAMILY DEVELOPMENT  
PO BOX 716

SARAH ADELMAN  
*Commissioner*

SHEILA Y. OLIVER  
*Lt. Governor*

TRENTON, NJ 08625-0716

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 **06116-23 L.W.**

AGENCY DKT. NO. **C060966021 (WARREN CO. DIV TEMP ASST & SOC. SVCS)**

Petitioner appeals from the Respondent Agency's termination of Work First New Jersey/Temporary Assistance for Needy Families ("WFNJ/TANF") and Emergency Assistance ("EA") benefits, and the reduction of Supplemental Nutrition Assistance Program ("SNAP"), benefits. The Agency terminated Petitioner's WFNJ/TANF benefits because her total monthly income was purportedly over the maximum allowable benefit level for receipt of said benefits, and terminated her EA benefits because she was no longer a WFNJ, nor a Supplemental Security Income ("SSI"), benefits recipient. Petitioner's SNAP benefits were reduced due to the increase in earned income. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law ("OAL") for a hearing. A hearing was initially scheduled for August 15, 2023, but Petitioner failed to appear for said hearing. Thereafter, Petitioner contacted the OAL, and the hearing was rescheduled. On August 17, 2023, the Honorable John P. Scollo, Administrative Law Judge ("ALJ"), held the telephonic plenary hearing, took testimony, and admitted documents. On August 18, 2023, the ALJ issued an Initial Decision, affirming the Agency's determinations.

No Exceptions to the Initial Decision were received.

As Assistant Commissioner, Division of Family Development ("DFD"), Department of Human Services, I have reviewed the ALJ's Initial Decision and the record, and I hereby MODIFY the ALJ's Initial Decision, REVERSE in part, the Agency's determination with respect to the termination of WFNJ/TANF and EA benefits, and AFFIRM in part, the Agency's determination with respect to the reduction of SNAP benefits, based on the discussion below.

Financial eligibility for WFNJ benefits is determined based upon the assistance unit's countable income, both earned and unearned, as well as countable resources. See N.J.A.C. 10:90-3.1(a). Pursuant to N.J.A.C. 10:90-3.2(a), in order to determine initial financial eligibility for WFNJ benefits for a new applicant, reapplicant or reopened case, "all countable income available to the assistance unit shall be considered and compared to the initial maximum allowable income levels for the appropriate eligible assistance unit size in Schedule I at N.J.A.C. 10:90-3.3." See also N.J.A.C. 10:90-3.1(b). Further, "[i]f the assistance unit has income equal to or less than the initial maximum allowable income level for the



appropriate unit size, then WFNJ/TANF initial financial eligibility exists.” See N.J.A.C. 10:90-3.2(a). For an assistance unit of two, effective July 1, 2019, the initial maximum allowable income level is \$638. See N.J.A.C. 10:90-3.3(a); see also DFD Informational Transmittal (“IT”) No. 19-21.

Pursuant to N.J.A.C. 10:90-3.1(c), once initial financial eligibility for WFNJ/TANF is found to exist, financial eligibility continues to exist so long as the assistance unit’s total countable income (with benefit of the appropriate disregards at N.J.A.C. 10:90-3.8 for earned income, if applicable) is less than the maximum benefit payment level allowable for the size of the assistance unit, in accordance with Schedule II at N.J.A.C. 10:90-3.3(b). For an assistance unit of two, the maximum allowable benefit level is \$425. See N.J.A.C. 10:90-3.3(b); see also DFD IT 19-21.

When a WFNJ benefits recipient becomes employed, in accordance with N.J.A.C. 10:90-3.8(b), the following income disregards are applied: when the WFNJ benefits recipient is employed an average of 20 hours or more a week, 100 percent of the gross earned income shall be disregarded for the first full month in which the earned income is counted; thereafter, 75 percent of the gross earned income shall be disregarded for six consecutive months, after which, 50 percent of the gross earned income shall be disregarded for each continuous month of employment. If the WFNJ benefits recipient is employed less than an average of 20 hours per week, after the 100 percent disregard for the first month of employment, a 50 percent disregard shall be applied for each continuous month of employment. See N.J.A.C. 10:90-3.8(b).

Only WFNJ cash assistance recipients and SSI benefits recipients are eligible for EA benefits. See N.J.A.C. 10:90-6.2(a).

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.

Here, the record reflects that Petitioner had been receiving WFNJ/TANF, EA and SNAP benefits when Petitioner became employed in June, 2023, and provided copies of two consecutive paychecks to the Agency. See Initial Decision at 3; see also Exhibit R-1. The record further reflects that, using the amount from the two paychecks, the Agency calculated Petitioner’s monthly earned income to be \$1641. See Initial Decision at 3; see also Exhibit R-1 at “Schedule 14.” Based on this monthly income amount, the Agency terminated Petitioner’s WFNJ/TANF benefits due to exceeding the maximum income benefits level for continued eligibility, and the ALJ agreed, concluding that the calculated earned income amount exceeds the level of \$638. See Initial Decision at 5-6. As such, the ALJ affirmed the Agency’s termination of WFNJ/TANF benefits, as well as the termination of Petitioner’s EA benefits because Petitioner was no longer a WFNJ benefits recipient. Ibid. The ALJ also agreed with the Agency’s application of the earned income to the SNAP eligibility benefits calculation, which resulted in a reduction of Petitioner’s SNAP benefits. Ibid.; see also Exhibit R-1 at “IMFS” screen printout.

While I agree with the ALJ’s affirming of the SNAP benefits reduction, based upon an independent review of the record, I respectfully disagree with the ALJ’s affirmance of the Agency’s termination of WFNJ/TANF and EA benefits. See Initial Decision at 5-6. Specifically, the Agency records indicate that Petitioner had previously received a 100% income disregard, and that the Agency asserts that, based on the monthly calculated earned income amount of \$1641, Petitioner would be ineligible with the application of either a 75%, or a 50% income disregard. See Exhibit R-1 at Schedule 14. However, as outlined above, Petitioner was receiving WFNJ benefits at the time of her employment, and therefore, the appropriate comparison level is that contained in Schedule II of N.J.A.C. 10:90-3.3(b), or \$425, not the initial eligibility amount of \$638, contained in Schedule I, as stated by the ALJ in this matter. See DFD IT 19-21. Applying the appropriate 75% income disregard to the calculated monthly income of \$1641, ( $\$1641 \times .75 = \$1,230.75$ ) results in a remainder of \$410.25 ( $\$1,641 - \$1,230.75$ ). See N.J.A.C. 10:90-3.8(b). As that amount is less than \$425, I find that Petitioner continued to be eligible for WFNJ/TANF, at least for that month, and the July 31, 2023, terminations of Petitioner’s WFNJ/TANF and EA



benefits, were incorrect and must be reversed. See Exhibit R-1; see also N.J.A.C. 10:90-6.2(a). The Initial Decision is modified to reflect the above analysis and findings.

Accordingly, the Initial Decision is hereby MODIFIED, and the Agency's determination, as to the terminations of Petitioner's WFNJ/TANF and EA benefits, is REVERSED, and as to the reduction of Petitioner's SNAP benefits, is AFFIRMED, as outlined above.

Officially approved final version. August 29, 2023

---

Natasha Johnson  
Assistant Commissioner

