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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 11360-22 M.P.

AGENCY DKT. NO. **S444862014 (MORRIS CO. OFFICE OF TEMP ASSISTANCE)**

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 January 12, 2023, the Honorable William J. Courtney, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On June 26, 2023, 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(d)(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 only 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).

An independent review of the record in this matter reveals that, on September 7, 2022, Petitioner applied for SNAP benefits for a household comprised solely of Petitioner, who, based upon her age, is considered elderly for SNAP purposes and therefore, the household must meet only the net income test for SNAP eligibility. *Ibid.*; see also N.J.A.C. 10:87-2.34(a)(1) and N.J.A.C. 10:87-6.16(d)(1). The record further reflects that Petitioner receives monthly unearned income from Retirement, Survivors and Disability Insurance ("RSDI") benefits in the amount of \$940, as well as earned income, determined by the Agency to be in the monthly amount of \$1,309. See Initial Decision at 2; see also Exhibit R-1 at 30. The calculations completed in September, 2022, show that, after inclusion of the standard deduction for a household of person of \$177, and factoring in Petitioner's rent, together with the inclusion of the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$583, the household's net income, for SNAP eligibility purposes, was calculated to be \$1,404.30. See Exhibit R-1 at 30; see also N.J.A.C. 10:87-6.16(b)(8). The maximum allowable net income for a household of one person in September, 2022, was \$1,074, and therefore, Petitioner's household did not meet the net income test for receipt of SNAP benefits. *Ibid.*; see also DFD Instruction ("DFDI") 21-09-01 at 14. The record also shows that the Agency did a subsequent recalculation based on income figures from October, 2022, with Petitioner's net income for SNAP benefits eligibility purposes calculated to be \$1,233.30, which still exceeded the maximum allowable net income amount, effective October 1, 2022, of \$1,133 for a household of one person. See Exhibit R-1 at 31; see also DFDI 22-09-02 at 13. The ALJ in this matter correctly concluded that the calculated net income, in both instances, for Petitioner's household exceeds the maximum net income level allowable, and therefore, Petitioner is ineligible for SNAP benefits. See Initial Decision at 3. While I agree with the ALJ's final conclusion in this matter, the Initial Decision is modified to correct the monetary amounts stated in the Initial Decision. See Initial Decision 2-3.

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

Officially approved final version. July 19, 2023

Natasha Johnson
Assistant Commissioner

