



State of New Jersey

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DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT
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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 **11456-22 M.S.**

AGENCY DKT. NO. **C172912015 (OCEAN COUNTY BOARD OF SOC. SVCS.)**

Petitioner challenges the correctness of an overissuance of Supplemental Nutrition Assistance Program ("SNAP") benefits. Respondent Agency asserts that Petitioner received SNAP benefits to which he was not entitled, and which must be repaid, as the result of a failure to report household unearned income. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On January 17, 2023, the Honorable Judith Lieberman, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony and admitted documents into evidence. The record was reopened on January 26, 2023, to request additional information and documents from the Agency. The Agency responded on January 27, 2023, and the record then closed on that day. On February 10, 2023, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to the Initial Decision were filed.

As Assistant Commissioner, Division of Family Development, Department of Human Services, I have considered the ALJ's Initial Decision and following an independent review of the record, I hereby ADOPT the ALJ's Initial Decision, and AFFIRM the Agency action.

SNAP is designed to promote the general welfare and to safeguard the health and well-being of the population by raising the levels of nutrition among low-income households. See N.J.A.C. 10:87-1.1(a). In the instance of an overpayment of benefits, the Agency must recoup the overissuance. See N.J.A.C. 10:87-11.20. One type of overpayment which is subject to recoupment is one which results from "a misunderstanding or unintended error on the part of the household" receiving benefits, called an "Inadvertent Household Error" ("IHE"). See N.J.A.C. 10:87-11.20(e)(2). Repayment of overissuances may be sought for up to six years following the time that the Agency becomes aware of the overissuance. See N.J.A.C. 10:87-11.20(f)(1)(i).

Here, the ALJ found that the Agency had met its burden in establishing, by a preponderance of the credible evidence, that Petitioner received an overissuance of SNAP benefits to which he was not entitled. See Initial Decision at 10. Specifically, the ALJ found that, due to an IHE, Petitioner had failed to report three separate sources of unearned income: 1. credit card rewards and travel rewards



Petitioner redeemed and converted to income; 2. income Petitioner received as a result of selling his travel rewards to another person for cash; and 3. income Petitioner received by way of the difference between what Petitioner spent to purchase items for his friend's business, and the amount the friend had reimbursed Petitioner for the purchase of those items. See Initial Decision at 2, 3, 4, 5, 6, 8; see also Exhibits R-1, R-3, and N.J.A.C. 10:87-4.3(a)(1), -5.5(a)(9), -9.5. Notably, the ALJ also found that, pursuant to regulatory authority, neither of the above-mentioned sources of income qualified as income exclusions and, therefore, Petitioner was required to report the unearned income. See Initial Decision at 8-10; see also N.J.A.C. 10:87-5.9(a). The ALJ further found that, as a result of Petitioner's failure to report the unearned income, he was overpaid a total of \$6,870 in SNAP benefits, for the period beginning December, 2021, through July, 2022. See Initial Decision at 2, 11; see also Exhibit R-2.

Based on the record presented, the ALJ in this matter concluded that Petitioner was overissued SNAP benefits to which he was not entitled during the time period claimed, and as such, the Agency is entitled to recoup, and Petitioner must repay, the overissuance of SNAP benefits to which he was not eligible to receive. See Initial Decision at 11; see also N.J.A.C. 10:87-11.20(b), (e)(2). I agree.

I ORDER and direct that the Agency proceed to recoup the overissuance.

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

Officially approved final version. March 23, 2023

Natasha Johnson
Assistant Commissioner

