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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 **09574-22 N.S.**

AGENCY DKT. NO. **C038760006 (CUMBERLAND COUNTY BD OF SOC SVCS.)**

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutrition Assistance Program ("SNAP") benefits, at recertification. The Agency denied Petitioner's SNAP benefits at recertification, contending that Petitioner's countable household income exceeded the maximum permissible level for continued receipt of said benefits for the household size. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On December 7, 2022, the Honorable William T. Copper, III, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On January 4, 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 **AFFIRMED**, 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.

In order to determine an applicant's eligibility for SNAP benefits, 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 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.

Gross income is determined by adding together the household's monthly earned and unearned income, minus any earned income exclusions. See N.J.A.C. 10:87-6.16(b), (b)(1). That total gross income



amount is then utilized to determine a household's SNAP eligibility in accordance with N.J.A.C. 10:87-6.16(d)(1) and (2).

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 for eligible individuals 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).

Here, the record reflects that Petitioner was mailed his annual recertification notice in June, 2022, which required that Petitioner's household income and expenses be verified for continued receipt of SNAP benefits. See Initial Decision at 2. On or about July 11, 2022, Petitioner submitted proof in household income, but did not provide verification of household expenses. See Initial Decision at 2, 4. The record shows that Petitioner's household is comprised of four persons, and that the household income is comprised of both earned income, as well as unearned income from Retirement, Survivors, and Disability Insurance ("RSDI") benefits. See Exhibit R-1 at 10. The record further reveals that Petitioner was given the standard deduction of \$184, and while the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$583 was also utilized in the SNAP eligibility calculation, given that no rental cost had been provided, Petitioner received no excess shelter expense in the eligibility calculations. See Exhibit R-1 at 8, 10; see also N.J.A.C. 10:87-6.16(b)(8) and DFD Instruction ("DFDI") 21-09-01 at 13. As such, Petitioner's net income for SNAP eligibility was calculated to be \$3,000.80, which is in excess of the maximum allowable net income SNAP for a household of four persons of \$2,209. See Initial Decision at 5, 6; see also Exhibit R-1 at 8, 10, and DFDI 21-09-01 at 14. On this basis, on August 25, 2022, the Agency denied Petitioner's application for SNAP benefits at recertification, effective September 1, 2022. See Exhibit R-1 at 2. Based on the foregoing, the ALJ found that the Agency's determination to deny Petitioner continued SNAP benefits, at recertification, for exceeding the maximum net income threshold, was proper and must stand. Ibid.; see also Initial Decision at 6-7. I agree.

By way of comment, Petitioner is without prejudice to reapply for SNAP benefits, if he has not already done so. Petitioner is advised to provide all documentation requested to determine eligibility, include rental/housing costs.

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

Officially approved final version. January 31, 2023

Natasha Johnson
Assistant Commissioner

