



## State of New Jersey

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*Governor*

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF FAMILY DEVELOPMENT  
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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 **06951-24 E.K.**

AGENCY DKT. NO. **C168831015 (OCEAN COUNTY BOARD OF SOC. SVCS.)**

Petitioner challenges the correctness of an overissuance of Supplemental Nutrition Assistance Program ("SNAP") benefits. Respondent Agency asserts that for the period beginning July 2023, through April 2024, Petitioner received SNAP benefits to which he was not entitled, and which must be repaid. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. The hearing was initially scheduled for June 25, 2024, but was rescheduled due to confusion regarding the status of Petitioner's reapplication for SNAP benefits. On July 12, 2024, the Honorable Tricia M. Caliguire, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, admitted documents into evidence, and the record then closed. On July 23, 2024, the ALJ issued an Initial Decision affirming the overissuance of SNAP benefits issued to Petitioner.

No Exceptions to the Initial Decision were filed.

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, I hereby MODIFY the ALJ's Initial Decision, MODIFY the Agency determination, and REMAND to the Agency, based on the discussion below.

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 "an action or failure to take action by the [Agency]," called an "Agency Error" ("AE"). See N.J.A.C. 10:87-11.20(e)(3). Repayment of overissuances may be sought for amounts going back six years prior to the time that the Agency becomes aware of the overpayment. See N.J.A.C. 10:87-11.20(f)(1)(i).

Here, the ALJ found that the Agency 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 2-5. The record reflects that Petitioner's SNAP household was receiving SNAP benefits in June, 2024, when Petitioner submitted his recertification for SNAP benefits and disclosed a change in employment and an increase in income. See Initial Decision at 2-3, see also Exhibits R-1, R-2, and R-4. The ALJ further found that, as the result of an AE, specifically, due to the Agency not recalculating Petitioner's income for SNAP purposes to reflect the change in his income, as reported during the household's prior recertification in July 2023, Petitioner received an overissuance of SNAP benefits in the amount of \$5,979, for the period beginning July, 2023, through April, 2024. See Initial Decision at 3; see also Exhibit R-5. Petitioner does not dispute the amount of the overissuance. See Initial Decision at 3; see also N.J.A.C. 10:87-9.5. Accordingly, the ALJ 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 5; see also N.J.A.C. 10:87-11.20(b), (e)(3). I agree.

Here, Petitioner does not dispute the overissuance of SNAP benefits, but requests consideration of his financial circumstances regarding the repayment to the Agency. See Initial Decision at 3. The ALJ found that the Agency had not yet considered whether Petitioner is unable to repay the overissuance of SNAP benefits within three years due to his economic circumstances and whether or not he may be entitled to a hardship compromise, pursuant to N.J.A.C. 10:87-11.20(m)(1). See Initial Decision at 3, 5.

While I agree that the Agency is entitled to recoup the overissuance of SNAP benefits, pursuant to regulatory authority, the Agency may only compromise Petitioner's claim, or any portion of Petitioner's claim, if it can reasonably determine that Petitioner's household's economic circumstances dictate that the claim will not be paid in three years. See N.J.A.C. 10:87-11.20(m); see also 7 C.F.R. 273.18(e)(7). Additionally, the Agency may compromise a portion of Petitioner's claim, but only if Petitioner meets the financial criteria, including if the current household monthly gross income is less than 200 percent of the Federal Poverty Level. See DFD Claims Management Plan, p. 10 (revised August, 2022).

Accordingly, I am remanding this matter back to the Agency with the following instructions. The Agency shall consider whether Petitioner's claim is eligible for a compromise. In determining Petitioner's eligibility for a claim compromise, the Agency shall refer to all applicable regulatory authority, and the DFD Claims Management Plan. If requested by the Agency, Petitioner shall promptly provide to the Agency, all current household financial information, including, but not limited to, the household's current monthly gross income, together with any other information and verification requested by the Agency needed to make a determination regarding a hardship compromise. The Initial Decision and the Agency determination are both modified to reflect these findings.

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

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

Officially approved final version.

August 15, 2024

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Natasha Johnson

Assistant Commissioner

