



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 **08837-23 M.L.**

AGENCY DKT. NO. **S451101014 (MORRIS CO. OFFICE OF TEMP ASSISTANCE)**

Petitioner challenges the correctness of an overissuance of Work First New Jersey/Temporary Assistance for Needy Families ("WFNJ/TANF") benefits. Respondent Agency asserts that for the period of February and March 2023, Petitioner received WFNJ/TANF benefits to which she was not entitled, and which must be repaid, as the result of a failure to report household earned income. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On December 14, 2023, the Honorable Joseph A. Ascione, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony and admitted documents into evidence. On December 22, 2023, the ALJ issued an Initial Decision, affirming the Agency's determinations.

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, and MODIFY the Agency action, based on the discussion below.

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 Informational Transmittal ("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).

In accordance with regulatory authority applicable to the WFNJ program, a recipient of WFNJ benefits is required to satisfy any repayment obligation pursuant to state or Federal law governing public assistance. See N.J.A.C. 10:90-2.2(a)(7). An overpayment of WFNJ benefits, including Emergency Assistance benefits, is subject to recoupment, "regardless of fault, including overpayments caused by administrative action or inaction[.]" See N.J.A.C. 10:90-3.21(a)(1).



Based on an independent review of the record, Petitioner was receiving WFNJ/TANF benefits in late 2022 when Petitioner became employed. See Exhibit R-1 at 12, 17; see also Initial Decision at 1. The record further shows that Petitioner has an assistance unit of two persons, and that Petitioner received reduced WFNJ/TANF benefits due to applied earned income disregards. See Exhibit R-1 at 17; see also N.J.A.C. 10:90-3.8(b). The Agency calculated Petitioner's averaged earned income for the months of January, February, and March, 2023, to be \$2,182. See Exhibit R-1 at 8. It is clear that, even with an application of an earned income disregard of 75% to this amount, ($\$2,182 \times .75 = \$1,636.50$), the remaining amount ($\$2,182 - \$1,636.50 = \$545.50$) exceeds the WFNJ/TANF benefit level of \$425. See N.J.A.C. 10:90-3.8(b); see also N.J.A.C. 10:90-3.3(b) and DFD IT 19-21. As such, Petitioner received WFNJ/TANF benefits to which she was not entitled during the months of February and March, 2023, totaling \$750, which must be repaid. See N.J.A.C. 10:90-3.21(a) (1). The Initial Decision and Agency determinations are both modified to reflect the above analysis and findings.

By way of comment, the Agency in this case incorrectly presented an amount of \$1,984 as the appropriate threshold. See Initial Decision at 3; see also Exhibit R-1 at 18. I note that this amount is the applicable gross income level applicable to a Supplemental Nutrition Assistance Program ("SNAP") case, not a WFNJ benefits matter.

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

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

Officially approved final version. February 15, 2024

Natasha Johnson
Assistant Commissioner

