



## State of New Jersey

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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 **01366-24 R.J.**

AGENCY DKT. NO. **C764606007 (ESSEX COUNTY DIVISION OF WELFARE)**

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 March 21, 2024, the Honorable Mumtaz Bari-Brown, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. The record remained open for the submission of additional documentation referenced at the hearing and then closed on March 28, 2024. On April 23, 2024, 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 also AFFIRMED, based on the discussion below.

Regulatory authority applicable to SNAP benefits 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 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).

Here, an independent review of the record reflects that Petitioner applied for SNAP benefits on December 11, 2023, and that Petitioner's SNAP household is comprised of two persons. See Initial Decision at 2; see also Exhibit R-1. The record further shows that, on December 21, 2023, the Agency determined that Petitioner's calculated net income exceeded the allowable maximum net income amount for a household of two persons, \$1,644. See Exhibits P-1 at 3-6, R-1 at 7-10 and DFDI 23-09-01 at 12. At the hearing before the ALJ, and in her documentary submissions, Petitioner asserts that various expenses, such as mortgage costs and utilities were not taken into account, and that based on her own calculations, she is eligible for SNAP benefits. See Initial Decision at 2-3; see also Exhibit P-1 at 1-2. While the December 21, 2023, notice does not include the medical expenses or shelter expenses, as the analysis below will show, even with those costs factored into the eligibility calculations, Petitioner is nonetheless over the net income threshold for her household size for SNAP benefits eligibility, which is also reflected in the "Food Stamp Calculation Case Information" page (the "IMFS" screen) dated March 20, 2024, that was entered into the record with the Agency exhibits in this case. See Exhibit R-1 at 2.

As Petitioner's household contains a permanently disabled person, only the net income standard must be met for SNAP eligibility. See N.J.A.C. 10:87-6.16(d)(1); see also N.J.A.C. 10:87-2.34(b)(2) (defining a disabled household member as one who received Social Security benefits, including those under Title II, known as Retirement, Survivors and Disability Benefits ("RSDI") benefits). The record in this case shows that Petitioner receives monthly RSDI benefits for herself in the amount of \$2,468, and on behalf of her son, in the amount of \$1,233, for a combined unearned household income total of \$3,701. See Initial Decision at 2. After subtracting the standard deduction of \$198 for a household of two, and medical expenses exceeding \$35, ( $\$175 - \$35 = \$140$ ), Petitioner's income is reduced to \$3,363. See N.J.A.C. 10:87-6.16(b)(4), (5); see also DFDI Instruction ("DFDI") 23-09-01 at 12. I note that both medical expenses, as well as total shelter costs, are subject to rounding of cents, up or down accordingly to the nearest dollar, if the expenses are above or below 50 cents. See N.J.A.C. 10:87-6.16(c)(1)(xi), (xii). Next, is to determine if Petitioner receives a shelter deduction and if so, how much. The record shows Petitioner's mortgage, rounded up to the nearest dollar amount is \$2,288, plus the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$850, for a total shelter costs of \$3,138. See N.J.A.C. 10:87-6.16(b)(8). Subtracted from the \$3,138 total shelter costs amount is 50% of Petitioner's income after the above referenced deductions, or half of \$3,363, which is \$1,681.50, ( $\$3,138 - \$1,681.50$ ), resulting in an excess shelter deduction of \$1,456.50. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions ( $(\$3,701 - \$198 - \$140) - \$1,456.50$ ), resulting in a net monthly SNAP income, for SNAP eligibility purposes, of \$1,906.50. See N.J.A.C. 10:87-6.16(b)(9). This amount is the same amount of net income reflected on the IMFS screen in the record, in the left-hand column TOT-NT-INC. See Exhibit R-1 at 2. The maximum allowable net income for a household of two persons, is \$1,644, and therefore, as Petitioner's calculated net income for SNAP purposes is \$1,906.50, Petitioner's household exceeds the net income threshold, and does not meet the net income test for receipt of SNAP benefits. See DFDI 23-09-01 at 12. Based on the foregoing analysis, I find that the Agency's denial of SNAP benefits to Petitioner, for exceeding the maximum allowable net income amount, was proper and must stand. See Exhibit R-1 at 7-10. The Initial Decision is modified to reflect the above analysis and findings.

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

Officially approved final version. May 09, 2024

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Natasha Johnson  
Assistant Commissioner

