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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 **02677-22 A.B.**

AGENCY DKT. NO. **C036145017 (SALEM COUNTY BOARD OF SOC. SVCS.)**

Petitioner appeals from the Respondent Agency's termination of Supplemental Nutrition Assistance Program ("SNAP") benefits. The Agency terminated Petitioner's SNAP benefits because Petitioner's combined 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 April 25, 2022, the Honorable Tama B. Hughes, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On April 27, 2022, 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 ADOPTED and the Agency determination is 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). Further, N.J.A.C. 10:87-5.5(a)(2) specifically includes "workman's compensation" as unearned income, and is therefore also included when determining a household's SNAP eligibility.

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's SNAP household is comprised of two adults and one child. See Exhibit R-1 at 14. Effective October 1, 2021, the maximum allowable net income level for a household of three persons was set at \$1,830. See DFDI Instruction ("DFDI") 21-09-01 at 14. The record further shows that, on or about February 1, 2022, the Agency was made aware that the other adult in the household was receiving Retirement, Survivors and Disability Insurance ("RSDI") benefits, in the monthly amount of \$1,296, in addition to receiving Workman's Compensation ("WC") in the monthly amount of \$1,834. See Initial Decision at 2; see also Exhibit R-1 at 7, 11. In accordance with applicable regulatory authority, referenced above, both RSDI and WC are considered unearned income for SNAP benefits eligibility purposes. See N.J.A.C. 10:87-5.5(a)(2). After inclusion of these amounts in the household's SNAP benefits eligibility calculations, the household's net income was calculated to be \$2,953, which is over the maximum allowable net income level of \$1,830 for the household's size. See Exhibit R-1 at 7; see also DFDI 21-09-01 at 14, and N.J.A.C. 10:87-12.3. Thereafter, on February 7, 2022, the Agency sent Petitioner notice that the household's SNAP benefits would terminate effective March 1, 2022, due to excess income. See Initial Decision at 2; see also Exhibit R-1 at 4. Petitioner then responded to the notice, advising the Agency that the monthly RSDI amount, used by the Agency in calculating the household's SNAP eligibility, was incorrect. See Initial Decision at 2. Petitioner advised the Agency, and provided substantiating documentation, that the correct monthly RSDI amount was now \$822. Ibid.; see also Exhibit R-1 at 16. The record shows that the Agency then recalculated Petitioner's SNAP benefits eligibility using the updated RSDI amount, with the result being that the household's net income was reduced to \$2,335.50. See Exhibit R-1 at 14; see also Exhibit R-2 at 1. However, even with the lesser net income amount, the household remained ineligible for SNAP benefits, as said net income still exceeded the maximum allowable net income amount for the household size of \$1,830. Ibid.; see also DFDI 21-09-01 at 14. Based on the foregoing, the ALJ found that the Agency's calculations were correct and accurate, and as such, the ALJ concluded that the Agency's termination of Petitioner's SNAP benefits, for excess income over the maximum allowable net income threshold, was proper and must stand. See Initial Decision at 4; see also Exhibits R-1 at 4, 14, R-2 at 1, and DFDI 21-09-01 at 14. I agree.

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



Officially approved final version.

May 5, 2022

Natasha Johnson

Assistant Commissioner

