



State of New Jersey

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DIVISION OF FAMILY DEVELOPMENT
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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 **05844-22 J.M.**

AGENCY DKT. NO. **C438244016 (PASSAIC COUNTY BOARD OF SOC. SVCS.)**

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutrition Assistance Program ("SNAP") benefits, at recertification. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On August 11, 2022, the Honorable Joseph A. Ascione, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. The record remained open for Petitioner to submit additional documentation, and then closed on August 22, 2022. Also on August 22, 2022, the ALJ issued an Initial Decision, affirming the Agency's determination.

Exceptions to the Initial Decision were received from Petitioner on September 29, 2022.

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 MODIFIED, based on the discussion below.

In accordance with N.J.A.C. 10:87-4.11(a), maximum allowable resources, including both liquid and non-liquid assets, for a household containing a person aged 60 or older, shall not exceed \$3,250. See also DFD Instruction ("DFDI") 14-09-02.

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. 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.

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 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 in this matter initially reflects that an amount of resources, above the permissible \$3,250 amount, is listed on the Agency's calculations page. See Exhibit R-1 at 15, top of middle column, "TOTAL-RESOURCE"; see also N.J.A.C. 10:87-4.11(a). However, as this amount is not substantiated in either the Agency's, or the Petitioner's exhibits, and also does not appear to have been raised to the ALJ in this case, that issue is not discussed herein.

Next, moving on to the eligibility calculations in this case, the record indicates that Petitioner SNAP household is comprised of one person, Petitioner herself. See Initial Decision at 2; see also Exhibit R-1 at 15. The record further shows that the Agency learned that, while Petitioner was receiving Retirement, Survivors and Disability Insurance ("RSDI") benefits, she had also begun to receive earned income. See Initial Decision at 2; see also Exhibit R-1 at 9, 13.1. On May 18, 2022, the Agency advised Petitioner that her SNAP benefits would be terminated effective June 1, 2022, because she had not provided required verification of her earned income. See Exhibit R-1 at 5; see also N.J.A.C. 10:87-2.19. It appears that Petitioner later provided proof of her earned income in the form of paystubs covering a one month period. See Exhibit P-1 at 18-19. Using these paystubs, the Agency calculated Petitioner's monthly earned income to be \$571. See Exhibit R-1 at 15. This amount was reached by adding the two biweekly paystubs together ($\$292.11 + \$234.70 = \$526.81$) and then dividing that amount by two to reach an average bi-weekly amount, or \$263.41. In accordance with applicable regulatory authority, the average of \$263.41 is then multiplied by 2.167 to reach a monthly amount of \$570.81, which is then rounded up to \$571, which is the amount indicated on the Agency's calculations page, Exhibit R-1 at 15, right side column "EARNED-INC." See also N.J.A.C. 10:87-6.9(d)(1). This amount was then added to Petitioner's monthly RSDI benefits amount of \$1,814, for a total gross income of \$2,385. See N.J.A.C. 10:87-6.16(b). As Petitioner is 60 years of age or older, Petitioner is considered elderly for SNAP benefits purposes, and the household must meet only the net income test for SNAP eligibility, with the household's gross income not subject to a threshold restriction. *Ibid.*; see also Exhibit R-1 at 15



(indicating 1 adult over 60, right column "ADULTS-OVER-60"), N.J.A.C. 10:87-2.34(a)(1) and N.J.A.C. 10:87-6.16(d)(1).

Continuing with the calculations to determine the household's net income for SNAP eligibility, the next step is to multiply the household's earned income by 80%, or $(\$571 \times .8 = \$456.80)$. See N.J.A.C. 10:87-6.16(b)(3). This amount is then added to the household's unearned income of \$1,814 for a total of \$2,270.80. After applying the standard deduction of \$177 for a household of one person, and a medical deduction for the amount in excess of \$35, $(\$183 - \$35)$ or \$148, Petitioner's income is reduced to \$1,945.80. See N.J.A.C. 10:87-6.16(b)(4), (5); see also DFDI Instruction ("DFDI") 21-09-01 at 13, and Exhibit R-1 at 15 (showing "MED-REDUCTION" in the middle column). Next, is to determine if Petitioner receives a shelter deduction and if so, how much. Petitioner's shelter costs total \$800, which are comprised of a monthly amount for real estate taxes and home owners insurance, plus the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$583, which equals \$1,383. See N.J.A.C. 10:87-6.16(b)(8); see also DFDI 21-09-01 at 13, and Exhibit R-1 at 15 (denoting "SHELTER" in the middle column and "UA ALLOWANCE" in the left hand column). Subtracted from that amount is 50% of Petitioner's income after the above deductions, or half of \$1,945.80, which is \$972.90, $(\$1,383 - \$972.90)$, resulting in an excess shelter deduction of \$410.10. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions $(\$2,270.80 - \$177 - \$148) - \410.10 , resulting in a net monthly SNAP income of \$1,535.70. See N.J.A.C. 10:87-6.16(b)(9); see also Exhibit R-1 at 7. For SNAP benefits eligibility, the current maximum net income level for a household of one person is \$1,074. See Exhibit R-1 at 16; see also DFDI 21-09-01 at 14. As Petitioner's calculated net income of \$1,535.70 exceeds the maximum income eligibility amount of \$1,074, I find that Petitioner is not eligible for SNAP benefits. Ibid. The Initial Decision and the Agency's determination are both modified to reflect the above analysis and findings.

By way of comment, I have reviewed the Exceptions submitted by Petitioner, and I find that the arguments made therein do not alter my decision in this matter, particularly given the above referenced analysis and calculations.

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

Officially approved final version.

October 13, 2022

Natasha Johnson

Assistant Commissioner

