



State of New Jersey

PHILIP D. MURPHY
Governor

DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT
PO BOX 716

SARAH ADELMAN
Commissioner

SHEILA Y. OLIVER
Lt. Governor

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 **07351-21 S.W.**

AGENCY DKT. NO. **C069536015 (OCEAN COUNTY BOARD OF SOC. SVCS.)**

Petitioner appeals from the Respondent Agency's termination of her Supplemental Nutrition Assistance Program ("SNAP") benefits. The Agency terminated Petitioner's SNAP benefits, as it contended that, as the result of a failure to report income earned from self-employment, Petitioner's household's monthly income exceeded the maximum permissible net income level for receipt of said benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law ("OAL") for a hearing. On November 9, 2021, the Honorable Dean J. Buono, Administrative Law Judge ("ALJ"), held a plenary hearing, took testimony and admitted documents into evidence. The record was held open for 30 days to permit the parties to provide additional arguments, which were not provided during the November 9, 2021, hearing. After receipt of said arguments, the record then closed on December 13, 2021.

On December 15, 2021, the ALJ issued a very thorough and comprehensive Initial Decision, which found that the Agency had met its burden in establishing, by the preponderance of the credible evidence, that its decision to terminate Petitioner's SNAP benefits, due to income in excess of the eligibility level, was appropriate. See Initial Decision at 8.

The record reflects that on June 16, 2021, the Agency notified Petitioner that it had received information affecting her eligibility to have received SNAP benefits beginning in July, 2017, through the date of the notice. See Initial Decision at 2; see also Exhibit R-5. Pursuant to an investigation, the Agency discovered that Petitioner was listed as the owner the company she had previously reported as having been an employee of. See Initial Decision at 2; see also Exhibit R-6. The Agency further discovered in its investigation, that the company Petitioner previously reported as being an employee of, was reincorporated in 2017 under Petitioner's name, who held the position of President and sole signatory of the business account. *Ibid.*; see also Exhibit R-8. Thereafter, the Agency requested that Petitioner provide six months of the company's banking records. See Initial Decision at 2. Petitioner complied with the Agency's request, providing banking records covering the period beginning July, 2020, through December, 2020. *Ibid.*; see also Exhibit R-9. Petitioner also provided Profit and Loss Statements for the company, covering the years 2017, through 2020. See Initial Decision at 3; see also Exhibit R-10.



The ALJ found that Petitioner, as President and co-owner of the company, had control of the excess of the business funds, and therefore, the business income was attributed to her for purposes of determining eligibility for SNAP benefits. See Initial Decision at 3, 4, 6, 7; see also Garnder v. Comm’r. of Int. Rev., 845 F.3d 971 (9th Circuit, 2017) and Ocean Cty. Bd. of Soc. Svcs. v. A.H. & Z.H., OAL Dkt. No. HPW 11029-18 (December 3, 2018, aff’d, Final Agency Decision December 28, 2028), (aff’d N.J. App. Div., April 24, 2020). The ALJ further found that the amount of gross income, as demonstrated by Petitioner’s bank records and 2017-2020 Profit and Loss Statements, was multiplied by the standard self-employment deduction, and that the resultant figure was utilized by the Agency to appropriately establish Petitioner’s household income, and that the income amount exceeded the maximum net income allowed for the size Petitioner’s household. See Initial Decision at 3, 4, 5, 8; see also Exhibits R-7, R-9, R-10, and Division of Family Development (“DFD”) Instructions (“DFDI”) Numbers 13-12-01, 20-09-04 at 12, and N.J.A.C. 10:87-5.4(a)(3), -7.3, 10:90-3.9, and 7 C.F.R. 273.11(b)(3)(iv). By notice dated August 15, 2021, the Agency terminated Petitioner’s SNAP benefits, as her household income, as determined by the Agency, exceeded the income limit for SNAP eligibility. See Exhibit R-1.

The ALJ concluded that the Agency had correctly determined that Petitioner was self-employed, and properly utilized the required calculations to determine Petitioner income for SNAP purposes, resulting in the household’s income exceeding the maximum permissible net income level for SNAP benefits. See Initial Decision at 8; see also DFDI 20-09-04 at 12. Based on the foregoing, the ALJ affirmed the Agency’s determination to terminate Petitioner’s SNAP benefits. *Ibid.*; see also Exhibits R-1, R-2, and N.J.A.C. 10:87-5.4(a)(3), -6.16(b), -7.2, -7.3. I agree.

No Exceptions to this Initial Decision were filed.

As Assistant Commissioner, DFD, Department of Human Services, I have considered the ALJ's Initial Decision and following an independent review of the record, I concur with the ALJ's decision and hereby adopt the Findings of Fact and Conclusion of Law in this matter.

Accordingly, the Initial Decision in this matter is hereby ADOPTED, and the Agency’s determination is AFFIRMED.

Officially approved final version.

February 24, 2022

Natasha Johnson
Assistant Commissioner

