



## 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 **03623-25 M.F.**

AGENCY DKT. NO. **C092003011 (MERCER 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 continued receipt of said benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On April 22, 2025, the Honorable Gauri Shirali Shah, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On May 2, 2025, 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 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 is a household of one person and the household's income had been comprised of unearned income in the form of Retirement, Survivors and Disability Insurance ("RSDI") benefits. See Exhibit R-4; see also Initial Decision at 2. As Petitioner's household contains a permanently disabled person, only the net income standard must be met for continued 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 RSDI benefits). In August, 2024, a new hire match revealed that Petitioner had begun receiving earned income since late June, 2024. See Initial Decision at 2; see also Exhibit R-1. The earned income was confirmed by both Petitioner and the employer, and after factoring the monthly earned income into the SNAP eligibility calculations, and after application of the standard deduction for a household of one person of \$204, together with the inclusion of the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$878, the household's net income, for SNAP eligibility purposes, was calculated to be \$1,873.40. See Exhibit R-4; see also N.J.A.C. 10:87-6.16(b)(8). The maximum allowable net income for a household of one person as of October 1, 2024, is \$1,255, and therefore, Petitioner's household did not meet the net income test for continued receipt of SNAP benefits, and the Agency terminated Petitioner's SNAP benefits effective January 1, 2025, by notice dated December 9, 2024. See Exhibit R-4; see also DFD Instruction ("DFDI") 24-10-01 at 13. The ALJ in this matter concluded that the Agency had properly calculated the net income for Petitioner's household, and as it exceeds the maximum net income level allowable, Petitioner became ineligible for SNAP benefits. See Initial Decision at 3. Accordingly, the Agency's termination of Petitioner's SNAP benefits in this matter was proper and must stand. *Ibid.* I agree, but modify the Initial Decision in this case to include the above analysis and findings.

By way of comment, Petitioner is without prejudice to reapply for SNAP benefits, if he has not already done so. Additionally, I note that the record does not show any housing costs (rent or mortgage expenses) in the eligibility calculations. If Petitioner has such costs, he should advise the Agency accordingly so that they may be included.

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 13, 2025

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Natasha Johnson  
Assistant Commissioner

