



State of New Jersey

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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 **10122-25 A.C.**

AGENCY DKT. NO. **C475743004 (CAMDEN-CCBSS)**

Petitioner challenges the correctness of the Respondent Agency's notice to repay Supplemental Nutrition Assistance Program ("SNAP") benefits that were allegedly overpaid to Petitioner. The Agency maintains that Petitioner received SNAP benefits to which he was not entitled, as a result of his failure to accurately report his residence. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law ("OAL") for a hearing. On October 20, 2025, the Honorable Kim C. Belin, Administrative Law Judge ("ALJ,") held a telephonic plenary hearing, took testimony, and admitted documents into evidence. The record was held open to allow for the filing of closing briefs, and the record closed on November 17, 2025. On December 8, 2025, the ALJ issued an Initial Decision, affirming the Agency's determination, in part, and reversing the Agency's determination, in part.

No Exceptions to the Initial Decision were filed.

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, I hereby MODIFY the ALJ's Initial Decision, MODIFY the Agency's determination, and REMAND to the Agency, based on the discussion below.

In the instance of an overpayment of [SNAP] benefits, the Agency must recoup the overissuance. See N.J.A.C. 10:87-11.20. One type of overpayment which is subject to recoupment is one resulting from a misunderstanding or unintended error on the part of the household, called an Inadvertent Household Error ("IHE"). See N.J.A.C. 10:87-11.20(e) (2). Repayment of overissuances may be sought for up to six years following the time that the Agency becomes aware of the overpayment. See N.J.A.C. 10:87-11.20(f)(1)(i).

Here, the record reflects that Petitioner received SNAP benefits from June, 2023, through April, 2025. See Initial Decision at 2; see also Exhibit R-1 at 18. The Agency received a Public Assistance Reporting Information System (PARIS) report indicating that Petitioner was receiving SNAP benefits in New Jersey, but was residing in Pennsylvania. Ibid. On February 6, 2025, the Agency sent Petitioner a notification indicating that he should close his benefits in Pennsylvania and requesting verification information as to Petitioner's residence, specifically requesting a copy of a utility bill and photo identification with a valid address in New Jersey. See Initial Decision at 2; see also Exhibit R-1 at 5. Also on February 6, 2025, the Agency sent a wage verification letter to Petitioner's employer. See Initial Decision at 3; see also Exhibit R-1 at 8. On March 3, 2025, the Petitioner's employer responded that he was employed from March, 2024 to April, 2024, and that his address in their employment records was in Pennsylvania. See Initial Decision at 3; see also Exhibit R-1 at 16-17.

On February 25, 2025, Petitioner informed the Agency that he was residing with his sister in Gloucester County, New Jersey and further stating that he was homeless and living at three different addresses, with his siblings, in both New



Jersey and Pennsylvania. See Initial Decision at 3; see also Exhibit R-1 at 6. The documentation submitted by Petitioner included a driver's address and car registration, with two different addresses located in New Jersey. See Initial Decision at 3; see also Exhibit R-1 at 7, P-1, P-3, P-4. On February 25, 2025, the Agency sent Petitioner notification that he was no longer eligible for SNAP benefits, effective April 1, 2025, as he had not resided within Camden County for over a year and that none of the addresses presented were in Camden County. See Initial Decision at 3; see also Exhibit R-1 at 4.

On April 24, 2025, the Agency investigator prepared a Preliminary Report of Suspected Fraud, which indicated that Petitioner was receiving Medicaid in Pennsylvania and further detailing the addresses where Petitioner was staying with his siblings in both New Jersey and Pennsylvania, and such report was submitted to the Agency's overpayment department on that date. See Initial Decision at 3-4; see also Exhibit R-1 at 18-19. Thereafter, on April 29, 2025, the Agency notified Petitioner that he had received SNAP benefits to which he was not entitled from June, 2023, to March, 2025, which resulted in an IHE and an overpayment of \$6,148. See Initial Decision at 4; see also Exhibit R-1 at 2.

During September, 2025, Petitioner's sister submitted correspondence indicating that her brother would stay with her several times a week in Gloucester County, from February, 2023, to the present time. See Initial Decision at 4; see also Exhibit P-5. At the same time, a different sister of Petitioner submitted a letter stating that her brother would stay with her several times a week, during the same time period, in Pennsylvania. See Initial Decision at 4; see also Exhibit P-6. Lastly, Petitioner's brother wrote a letter stating that his brother stayed with him, from February, 2023, through June, 2025, at his home in Pennsylvania. See Initial Decision at 4; see also Exhibit P-7.

On September 17, 2025, the Agency sent Petitioner a Fair Hearing Report on Local Agency Action explaining their IHE finding, based upon the PARIS match indicating Petitioner was receiving Medicaid benefits in Pennsylvania and that a review of Petitioner's spending of his SNAP benefits revealed the majority of such benefits being utilized in Pennsylvania. See Initial Decision at 4-5; see also Exhibit R-1 at 1.

At the time of the hearing, Petitioner provided a significant amount of testimonial evidence regarding his living arrangements from 2023 through 2025. See Initial Decision at 5-6. Specifically, he testified that he did apply for Medicaid in Pennsylvania "because he thought he could." Ibid. He further testified that he did not apply for, nor receive, SNAP benefits in Pennsylvania, but that he did use his SNAP benefits within Pennsylvania to purchase groceries. See Initial Decision at 6. Following Petitioner's testimony, the Agency representative testified as to her investigation regarding notification of Petitioner's receipt of benefits in another state. See Initial Decision at 6-7.

Based on the testimonial and documentary evidence presented, the ALJ found that Petitioner received SNAP benefits from Camden County from June, 2023, through March, 2025, and that he did not have permanent housing within New Jersey during that time period, but rather rotated living with his three siblings, both in New Jersey and Pennsylvania. See Initial Decision at 8. Further, the ALJ found that Petitioner received Medicaid benefits in Pennsylvania, which required proof of residence in that state, and indicated that his intention was not to be a New Jersey resident. Ibid. In addition, the documentary evidence provided showed that Petitioner spent greater than 90% of the SNAP benefits he received in Pennsylvania. Ibid.

Based on the foregoing, the ALJ found that Petitioner did not meet the definition of homeless, as defined within N.J.A.C. 10:87-2.4(b), as he routinely stayed with his siblings for several days each week over the period of several years. See Initial Decision at 9-10. Having determined that Petitioner was not homeless, the ALJ further concluded that Petitioner did not have a presence in Camden County nor demonstrate any "unqualified intention to remain there indefinitely." See Initial Decision at 10-11. Thus, the ALJ concluded that the Agency had met its burden, by a preponderance of the evidence, that Petitioner was not a resident of Camden County from June, 2023, through March, 2025, and therefore was ineligible for SNAP benefits. See Initial Decision at 11; see also N.J.A.C. 10:87-3.2(a). Accordingly, the ALJ found that the Agency had met its burden in establishing, by a preponderance of the credible evidence, that Petitioner had received an overissuance of SNAP benefits to which he was not entitled, and concluded that Petitioner did commit an IHE, due to his residency, and that the determination that Petitioner repay overissued SNAP benefit should be upheld. See Initial Decision at 11; see also N.J.A.C. 10:87-3.2(a). I agree.

Further, the ALJ concluded that the Agency failed to meet its burden, by a preponderance of the evidence, that Petitioner was ineligible for SNAP benefits due to the majority of such benefits being used out of state. See Initial Decision at 12; see also N.J.A.C. 10:87-3.3(b)(1), and DFDI No. 24-07-02. I also agree and therefore modify this determination as made by the Agency.

Lastly, the ALJ concluded that the Agency has the discretion to compromise, terminate, or write-off claims, specifically when a household's economic conditions dictate that the claim will not be paid within three years. See Initial Decision at 11-12; see also N.J.A.C. 10:87-11.20(m), 7 C.F.R. 273.18(e)(7). Based upon this, the ALJ ordered the Agency to compromise the claim at issue in this matter due to Petitioner being unemployed and receiving only disability benefits,



concluding that the Agency compromise the claim by reducing the total amount owed by 60 percent. See Initial Decision at 11-12.

Pursuant to regulatory authority, only the Agency has the discretion to compromise a claim, or any portion of a claim, if it can reasonably determine that household's economic circumstances dictate that the claim will not be paid in three years, and further, there is no requirement that an Agency offer a compromise. See N.J.A.C. 10:87-11.20(m); see also 7 C.F.R. 273.18(e)(7). Additionally, the Agency may compromise a portion of a claim, but only if the individual meets the financial criteria, namely, if the current household monthly gross income is less than 200 percent of the Federal Poverty Level. See DFD Claims Management Plan, p. 14 (revised August, 2025).

Accordingly, I am remanding this matter back to the Agency with the following instructions. The Agency shall consider whether Petitioner's claim is eligible for a compromise. Thereafter, the Agency shall provide a Notice Regarding Eligibility for Compromise of SNAP Claim (NJ SNAP-909) form to Petitioner. In determining Petitioner's eligibility for a claim compromise, the Agency shall refer to all applicable regulatory authority, and the DFD Claims Management Plan. Upon the Agency's request, Petitioner shall promptly provide to the Agency, all current household financial information, including, but not limited to, the household's current monthly gross income. Again, the Initial Decision and the Agency determination are both modified to reflect these findings.

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

Officially approved final version. February 10, 2026

Natasha Johnson
Assistant Commissioner

