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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 **12113-26 D.E.**

AGENCY DKT. NO. **C278758004** (**CAMDEN-CCBSS**)

Petitioner Agency charges Respondent with committing an intentional program violation ("IPV"), as defined by N.J.A.C. 10:87-11.3 and 7 C.F.R. 273.16(c), of the Supplemental Nutrition Assistance Program ("SNAP.") The Agency asserts that Respondent intentionally misrepresented her household income while she received SNAP benefits, thus causing Respondent to receive an overissuance of benefits to which she was not entitled. Respondent was properly noticed of the Administrative Disqualification Hearing ("ADH,") the charges against her, and the proposed disqualification penalty, via certified mail, return receipt requested, on June 17, 2026. See Exhibit P-1 at 1-2; see also N.J.A.C. 10:87-11.5(a)(3)(i) and 7 C.F.R. 273.16(e)(3)(i). Because Respondent failed to timely execute and return the waiver of her right to a hearing, the matter was transmitted to the Office of Administrative Law for a hearing as a contested case. See Exhibit P-1 at 9-10, 11. The matter was initially scheduled for a hearing on August 17, 2026. However, there was a question raised as to whether Respondent should appear, as well as questions regarding proofs involving the overpayment calculation. The matter was then rescheduled for notice to be reissued, have Respondent appear, and for Petitioner Agency to provide the overpayment calculations. On the rescheduled hearing date of August 31, 2026, the Honorable Robert D. Herman, Administrative Law Judge ("ALJ") held a virtual plenary hearing, took testimony, admitted documents, and the record then closed.

On September 22, 2026, the ALJ issued an Initial Decision, which found that the Agency had failed to meet its burden in establishing, by clear and convincing evidence, that Respondent had deliberately and intentionally withheld information from the Agency, which resulted in Respondent receiving an overissuance of SNAP benefits, to which she was not entitled. See Initial Decision at 7, 8; see also N.J.A.C. 10:87-11.3(a), -11.5(a)(6), 7 C.F.R. 273.16(c)(1), and 7 C.F.R. 273.16(e)(4).

The Agency shall be responsible for investigating any case of an alleged IPV, and ensuring that appropriate cases are acted upon either through administrative disqualification hearings or referral to a court of appropriate jurisdiction in accordance with the proper procedures. See N.J.A.C. 10:87-11.1(a). Administrative disqualification procedures or referral for prosecution action shall be initiated by the Agency in cases in which it has sufficient documentary evidence to substantiate that an individual has intentionally made one or more acts of IPV as defined at N.J.A.C. 10:87-11.3(a). In the instance of an IPV, the ALJ shall base the determination of an IPV on clear and convincing evidence which demonstrates that the household member(s) committed, and intended to commit, an IPV as defined above. See N.J.A.C. 10:87-11.5(a)(6).

In the instance of an overpayment of 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, and differs from an IPV, is one which results from "a

misunderstanding or unintended error on the part of the household" receiving benefits, called an "Inadvertent Household Error" ("IHE"). See N.J.A.C. 10:87-11.20(e)(2). Repayment of overissuances may be sought for amounts up to six years prior to 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 indicates that on March 13, 2024, Respondent, a SNAP benefits recipient, executed an Interim Reporting Form ("IRF"). See Initial Decision at 3; see also Exhibit P-1 at 7-8. When, in the IRF, it was asked if Respondent's monthly earned and/or unearned income had increased by more than $100, Respondent checked the boxes marked "No." Ibid. On January 2, 2025, Petitioner Agency received a Wage Verification Form from Respondent's employer indicating that, after being laid off on February 22, 2023, Respondent was rehired on August 3, 2023, and that she is paid bi-weekly via 26 pay periods per year. See Exhibit P-1 at 3-5. Respondent's employer also included a copy of Respondent's earnings. Ibid. Based upon the information received from Respondent's employer, Petitioner Agency charged Respondent with committing a SNAP IPV, alleging that Respondent had failed to report her earned income within 10 days of receiving her first paycheck, and that Repsondent's failure to report her earned income caused an overpayment of SNAP benefits to Respondent in the amount of $9,661, for the period beginning October, 2023, until July, 2024. See Initial Decision at 1, 3; see also Exhibit P-1 at 1-2, 3-6, 7-8.

The ALJ found Respondent to be marginally credible when she testified that she did not intentionally or purposefully attempt to deceive the Agency, and that her failure to disclose the change in income, specifically, the change in income from receiving Unemployment Benefit Insurance ("UIB") benefits to employment checks was accidental. See Initial Decision at 3; see also Exhibit P-1 at 7-8. Further, the ALJ found that Respondent's prior income upon which the SNAP calculations were made at the time was not disclosed in the IRF. See Initial Decision at 4. The ALJ concluded that the Agency failed to establish Respondent's conduct as intentional by clear and convincing evidence, and therefore, further concluded that Respondent did not commit an IPV. Id. at 7; see also N.J.A.C. 10:87-11.3 and 7 C.F.R. 273.16(c).

However, while the ALJ concluded that the Agency did not present clear and convincing evidence that Respondent had committed an IPV, the ALJ did find that Respondent committed an IHE when she did not report her income when she became re-employed, and that she had admitted that it was an error that she did report her earned income. Id. at 7, 8. Based on an independent review of the record, I agree with the ALJ's conclusions in this matter that the overpayment of SNAP benefits occurred due to an IHE, rather than an IPV. Thus, based upon the finding of an IHE, rather than an IPV, the ALJ found that no disqualification period, pursuant to N.J.A.C. 10:87-11.2(a)(1), was to be imposed. Ibid. Finally, because the ALJ also concluded that the Agency failed to establish the correct overpayment amount of SNAP benefits which Respondent may have to repay to the Agency, the ALJ remanded the matter back to the Agency to establish the correct overpayment amount. Id. at 8.

No Exceptions to the Initial Decision were received.

As Assistant Commissioner, Division of Family Development, Department of Human Services, I have considered the Initial Decision in this matter, and following an independent evaluation of the record, I concur with the ALJ's decision, and hereby adopt the Findings of Fact and Conclusion of Law in this matter. See 7 C.F.R. 273.16(e)(6).

Accordingly, based upon the foregoing, I hereby ADOPT the Initial Decision in this matter, and MODIFY the Agency's determination as to the overissuance of SNAP benefits from an IPV to an IHE. Further, as I agree with the ALJ that no IPV was proven in this matter, no 12-month disqualification period, pursuant to N.J.A.C. 10:87-11.2(a)(1), shall be imposed. Therefore, I ORDER and direct the Agency to recalculate the amount of overissued SNAP benefits Respondent received and to recoup the overissuance. Respondent shall retain the right to challenge the correctness of Agency's recalculation of overissued SNAP benefits.

Officially approved final version. October 27, 2026

Natasha Johnson
Assistant Commissioner