



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 **20819-25 M.F.**

AGENCY DKT. NO. **S654235012 (MIDDLESEX COUNTY BD. OF SOC. SVCS.)**

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutrition Assistance Program ("SNAP") benefits. The Agency denied Petitioner's application for SNAP benefits, contending that Petitioner's household income exceeded the maximum permissible level for receipt of said benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. A hearing was initially scheduled for March 2, 2026, but was adjourned. On March 12, 2026, the Honorable Kimberly M. Wilson, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. The Agency presented its case, however, after the ALJ advised that Petitioner would not be able to ask questions of the Agency representative during the presentation of Petitioner's case, Petitioner and his spouse, disconnected from the telephonic hearing and did not return after fifteen minutes time. The ALJ then closed the record on March 13, 2026. On March 27, 2026, the ALJ issued an Initial Decision, affirming the Agency's determination.

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, the ALJ's Initial Decision is hereby MODIFIED and the Agency determination is MODIFIED, based on the discussion below.

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 only 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).

An independent review of the record reveals that Petitioner applied for SNAP benefits on or about September 16, 2025. See Initial Decision at 2; see also Exhibit R-1 at 2-15. After calculating the household's monthly earned income, including the household's unearned income, and applying applicable deductions, the Agency determined that Petitioner's net income exceeded the maximum allowable net income for Petitioner's household size at the time of application of \$2,152. See Exhibit R-1 at 53-55; see also DFD Instruction ("DFDI") 24-10-01 at 13.

The ALJ in this matter, in affirming the Agency's ultimate determination of Petitioner's calculated net income exceeding the maximum permissible net income for SNAP benefits eligibility, performed a recalculation, using the correct rental costs. See Initial Decision at 5; see also Exhibit R-1 at 36. However, the ALJ's calculations improperly applied the medical expense deduction, which is the amount in excess of \$35. The proper calculations are as follows. The ALJ found, and I agree, that the Agency had properly calculated the household's earned income to be \$4,206. That earned income amount is then multiplied by 80% to determine the net monthly earned income, of \$3,364.80. See N.J.A.C. 10:87-6.16(b)(2). Added to this amount is the household's unearned income, in the amount of \$1,277, making the household's countable income to be \$4,641.80. See N.J.A.C. 10:87-6.16(b)(3). After subtracting the standard deduction of \$204 for a household of three persons, applicable at the time of Petitioner's application in September 2025, as well as Petitioner's medical expenses in excess of \$35, or \$165 (\$200-\$35), Petitioner's income is reduced to \$4,272.80. See N.J.A.C. 10:87-6.16(b)(4), (5); see also DFD Instruction ("DFDI") 24-10-01 at 12. Next, is to determine if Petitioner receives a shelter deduction and if so, how much. As correctly stated by the ALJ, the Petitioner's rental amount, after reduction of a rental subsidy, is \$1,919.67, rounded up to \$1,920, to which is added the Heating or Cooling Standard Utility Allowance ("HCSUA") of \$878, applicable at the time of Petitioner's application in September 2025, for a total shelter costs of \$2,798. See N.J.A.C. 10:87-6.16(b)(8); see also Exhibit R-1 at 36 and Initial Decision at 5. Subtracted from the \$2,798 total shelter costs amount is 50% of Petitioner's income after the above referenced deductions, or half of \$4,272.80, which is \$2,136.40, (\$2,798 - \$2,136.40), resulting in an excess shelter deduction of \$661.60. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's countable income minus the deductions ((\$4,641.80 - \$204 - \$165) - \$661.60), resulting in a net monthly SNAP income, for SNAP eligibility purposes, of \$3,611.20. See N.J.A.C. 10:87-6.16(b)(9). As noted above, the maximum net income for a household of 3 persons, at the time of Petitioner's application for SNAP benefits, was \$2,152. See DFDI 24-10-04 at 13. As Petitioner's calculated net income exceeds the maximum allowable net income threshold, I find that Petitioner is ineligible for SNAP benefits. The Initial Decision and the Agency's adverse action notice are both modified to reflect the above analysis and findings.

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

Officially approved final version. May 19, 2026

Natasha Johnson
Assistant Commissioner

