State of New Jersey

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DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT
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STEPHEN CHA, MD, MHSR
Commissioner

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 **10620-26 M.K.**

AGENCY DKT. NO. **C199365015** (**OCEAN COUNTY BOARD OF SOC. SVCS.**)

Petitioner appeals from the Respondent Agency's denial of his application for Supplemental Nutrition Assistance Program ("SNAP") benefits. The Agency denied Petitioner SNAP benefits because the household's countable income was over the maximum allowable amount. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On August 21, 2026, the Honorable Advia Knight Foster, Administrative Law Judge ("ALJ"), held a plenary hearing, took testimony, and admitted documents. On August 27, 2026, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to this Initial Decision were filed.

As the Assistant Commissioner of the 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 ADOPT the ALJ's decision and AFFIRM the Agency's determination, based on the discussion below.

Income is defined as all income, from whatever source, unless specifically excluded under the provisions of N.J.A.C. 10:87-5.9. See N.J.A.C. 10:87-5.3. Specifically, the regulations provide a definition for both earned and unearned income under N.J.A.C. 10:87-5.4 and -5.5, respectively. Unearned income includes, among other things, "[a]ll other direct money payments from any source which can be construed to be a gain or benefit to the household." See N.J.A.C. 10:87-5.5(a)(9).

Here, the record reveals that on March 26, 2026, Petitioner applied for SNAP benefits to the Agency. See Initial Decision at 2; see also Exhibit R-4. On that same date, the Agency sent Petitioner a Request for Verification. See Initial Decision at 2; see also Exhibit R-5. On April 20, 2026, having not received any of the requested verifications, the Agency notified Petitioner that his SNAP application was denied, however, that his application would be reopened if he provided the previously requested verifications within thirty days. See Initial Decision at 2; see also Exhibit R-3. On May 19, 2026, the Agency received the requested information from Petitioner and then notified Petitioner that his SNAP application was denied as his household's income exceeded the maximum allowable income amount for SNAP eligibility. See Initial Decision at 3; see also Exhibits R-1, R-2. Specifically, Petitioner had provided a copy of his monthly statement from his brokerage account for the period of April 1, 2026 to April 30, 2026. See Initial Decision at 3; see also Exhibit R-6. The statement revealed that Petitioner had made an electronic transfer of funds on April 6, 2026, in the amount of $2,450 for his rent payment. Ibid.; see also Exhibit P-1. Thereafter, on April 27, 2026, Petitioner made an electronic transfer of funds in the amount of $512.94 for his car payment. Ibid. A review of the April 2026 statement further indicated that, year-to-date

in 2026, Petitioner had withdrawn $13,448.31 from his brokerage account and that the brokerage account had a closing value, at the end of the month, exceeding $800,000. Ibid.

Upon review of the brokerage statement provided, the Agency considered each withdrawal from the brokerage account to be unearned income, for purposes of SNAP, which led to the denial of SNAP benefits to Petitioner as his unearned income total exceeded the gross income limit of $2,413 for a household of one person. See Initial Decision at 3; see also Exhibit R-7 and DFD Instruction ("DFD") 25-09-02 at 14.

Based on the foregoing, the ALJ found that Petitioner withdrew $2,964 during April 2026, from his brokerage account, which withdrawals should be considered income for purposes of SNAP benefits eligibility. See Initial Decision at 4. The relevant regulations indicate that the funds held in the brokerage account, and the disbursements from said account, meet the definition of unearned income. See Initial Decision at 4-5; see also N.J.A.C.10:87-5.1, -5.5(a)(9). Specifically, the ALJ concluded that the withdrawals from the brokerage account to any other account held by Petitioner, or to any creditor, are a benefit to the household, pursuant to N.J.A.C. 10:87-5.5(a)(9) and not otherwise excluded as income under N.J.A.C. 10:87-5.9. See Initial Decision at 4. Therefore, the ALJ found that the funds disbursed from Petitioner's brokerage account were a benefit to the household, which is not otherwise specifically found in the income exclusions listed in N.J.A.C. 10:87-5.9(a). As such, the funds dispersed were properly considered as unearned income for Petitioner's household, and that the amount withdrawn exceeded the gross income level threshold for receipt of SNAP benefits, thereby rendering Petitioner ineligible for SNAP benefits. See Initial Decision at 4-5; see also DFDI 25-09-02 at 14 and Exhibit R-1. I agree.

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

Officially approved final version. October 20, 2026

Natasha Johnson
Assistant Commissioner