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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 **09758-26 S.K.**

AGENCY DKT. NO. **C092285001 (ATLANTIC CO. DEPT OF FAM. & COM. DEV)**

Petitioner challenges the Respondent Agency's reduction of Supplemental Nutrition Assistance Program ("SNAP") benefits, at recertification. Petitioner's SNAP benefits were reduced as a result of household earned income. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On July 17, 2026, the Honorable Carl V. Buck III, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, admitted documents into evidence, and the record was closed. On July 31, 2026, the record was reopened, when the ALJ requested additional documentation from the Agency. Following receipt of such documentation, the record was closed again on August 6, 2026. On August 17, 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 ADOPTED, and the Agency determination is AFFIRMED, based on the discussion below.

Regulatory authority applicable to SNAP benefit cases, defines income as "all income from whatever source unless such income is specifically excluded." See N.J.A.C. 10:87-5.3.

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.

Gross income is determined by adding together the household's monthly earned and unearned income, minus any earned income exclusions. See N.J.A.C. 10:87-6.16(b), (b)(1). That total gross income amount is then utilized to determine a household's SNAP eligibility in accordance with N.J.A.C. 10:87-6.16(d)(1) and (2).

N.J.A.C. 10:87-6.16 then outlines the procedures used to calculate net income and benefit levels for SNAP recipients. 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. 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, the record reveals that on April 22, 2026, the Agency received information and documentation from Petitioner related to her recertification application for SNAP benefits. See Initial Decision at 3; see also Exhibit R-1. Following a review of the application, the Agency sent Petitioner a Request for Verification indicating that she needed to submit four consecutive paystubs, as well as a copy of her complete tax returns, including any Schedule "C." Ibid. Petitioner timely provided the requested documentation to the Agency. Ibid. Upon receipt of such information, the Agency determined that Petitioner's household had a monthly earned income of \$5,678. Ibid. Thereafter, the Agency recalculated Petitioner's SNAP benefits allotment, including applying specific deductions such as the Heating or Cooling Standard Utility Allowance of \$977 and shelter expenses of \$1,888, and resulting in a SNAP benefits allotment amount of \$115 per month, beginning in June, 2026, which was a reduction from the prior SNAP benefits allotment amount of \$199 per month. Ibid.

In consideration of the foregoing, the ALJ concluded, that in situations such as Petitioner's, when a household's income increases, while all other amounts in the SNAP benefits allotment calculation remain the same (such as shelter costs, utility allowance, standard deduction, contributions), the SNAP benefits allotment will decrease. See Initial Decision at 4-5. Based upon the testimonial and documentary evidence produced at the hearing, the ALJ found that the Agency had properly reduced Petitioner's SNAP benefits allotment amount in accordance with her verified monthly gross earned income, which amount was undisputed by Petitioner. See Initial Decision at 4-5. 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. September 17, 2026

Natasha Johnson
Assistant Commissioner

