



## State of New Jersey

PHILIP D. MURPHY  
*Governor*

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF FAMILY DEVELOPMENT  
PO BOX 716

SARAH ADELMAN  
*Commissioner*

SHEILA Y. OLIVER  
*Lt. Governor*

TRENTON, NJ 08625-0716

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 **05036-22 M.M.**

AGENCY DKT. NO. **C397409007 (ESSEX COUNTY DIVISION OF WELFARE)**

Petitioner appeals from the Respondent Agency's termination of Supplemental Nutrition Assistance Program ("SNAP") benefits at recertification. The Agency terminated Petitioner's SNAP benefits at recertification, contending that Petitioner's countable household income exceeded the maximum permissible level for continued receipt of said benefits for the household size. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On July 20, 2022, the Honorable Joann LaSala Candido, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On July 29, 2022, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to the Initial Decision were received.

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 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 benefits, 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). The maximum gross income for a household of eight persons, such as Petitioner's, is \$6,886. See DFDI Instruction ("DFDI") 21-09-01 at 15.

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 for eligible individuals 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).

Here, the record reflects that Petitioner applied for SNAP benefits in March, 2021. See Initial Decision at 2. Petitioner does not recall why she did not include her college age child on the application at that time. *Ibid.* Petitioner also does not remember, at the time of recertification, earlier this year, if she had advised the Agency that the college age child should be considered part of the household, even though that child had not been listed on the original benefits application. *Id.* at 2-3. Petitioner's SNAP benefits were terminated on the basis that the household's calculated net income exceeded the net income threshold for a household of eight persons, which is currently \$3,722. See Exhibit P-5; see also DFDI 21-09-01 at 14. It is asserted that if the college age child had been included in the household, for a total of nine persons, the household would have remained eligible for SNAP benefits. *Id.* at 2, 4. The Agency representative at the hearing testified that the Agency relies on the information contained in the physical application itself, and furthermore, there was no evidence that Petitioner had contacted the Agency to indicate an additional household member, nor did Petitioner advise the Agency at recertification that the household composition was incorrect. *Id.* at 3. The ALJ found that the Agency's position in this case was reasonable. *Id.* at 4. Based on the foregoing, the ALJ found that the Agency's determination to terminate Petitioner's SNAP benefits, for exceeding the maximum net income threshold for a household of eight persons, the number listed on the application, was proper and must stand. *Ibid.*; see also Exhibit P-5 and DFDI 21-09-01 at 14.

Based upon an independent review of the record, I agree with the ALJ that the Agency was correct in using the gross and net income levels for a household of eight persons, and not nine persons, based upon the individuals listed in the original application. See Initial Decision at 4. Based on the record presented, however, I disagree with the assertion that the household would have remained eligible for SNAP benefits had a household of nine been used. *Ibid.* More specifically, presuming the amounts used in the eligibility calculations remain unchanged, the calculated net income in this case, for a household of eight, was determined to be \$5,132.40. See Exhibit P-5 at 2-3. The maximum net income threshold for a household of eight persons is \$3,722, and a household of nine persons is \$4,101. See DFDI 21-09-01 at 14. As such, Petitioner's calculated net income in this matter exceeds the net income threshold for either household size. The Initial Decision is hereby modified to reflect this finding.



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

Officially approved final version.

August 25, 2022

---

Natasha Johnson  
Assistant Commissioner

