



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 09235-21 J.M.

AGENCY DKT. NO. C110896006 (CUMBERLAND COUNTY BD OF SOC SVCS.)

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 receipt of said benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On December 8, 2021, the Honorable Catherine A. Tuohy, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On December 9, 2021, 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 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. Additionally, for SNAP benefits cases, unearned income includes survivors, disability, and Social Security benefits for both adults and children in the household. See N.J.A.C. 10:87-5.5(a)(2).

In accordance with N.J.A.C. 10:87-6.16(b)(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.



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).

Here, the record reflects that Petitioner submitted her application for recertification of SNAP benefits on September 24, 2021, and that Petitioner's household is comprised of three persons. See Initial Decision at 2; see also Exhibit R-1 at 15, 19. The record further shows that, at the time of Petitioner's recertification, the Agency confirmed that Petitioner was receiving \$2,959 in monthly Temporary Disability Insurance ("TDI") benefits. See Initial Decision at 2; see also Exhibit R-1 at 16. After applying the standard deduction of \$177 for a household of three, Petitioner's income is reduced to \$2,782. See N.J.A.C. 10:87-6.16(b)(4); see also DFDI Instruction ("DFDI") 21-09-01 at 13. Next, is to determine if Petitioner receives a shelter deduction and if so, how much. Petitioner's shelter costs total \$500, plus the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$583, which equals \$1,083. See N.J.A.C. 10:87-6.16(b)(8); see also DFDI 21-09-01 at 13. Subtracted from that amount is 50% of Petitioner's income after the above deductions, or half of \$2,782, which is \$1,391, (\$1,083 - \$1,391), resulting in a negative number, and therefore, no excess shelter deduction is permissible and a zero amount is applied. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions ((\$2,959 - \$177) - \$0), resulting in a net monthly SNAP income of \$2,782. See N.J.A.C. 10:87-6.16(b)(9); see also Exhibit R-1 at 9, 15. For SNAP benefits eligibility, the current maximum net income level for a household of three persons is \$1,830. See Initial Decision at 2; see also DFDI 21-09-01 at 12. As Petitioner's calculated net income of \$2,782 exceeds the maximum income eligibility amount of \$1,830, Petitioner is no longer eligible for SNAP benefits. *Ibid.* Based on the foregoing, I agree with the ALJ that the Agency's termination of Petitioner's SNAP benefits, at recertification, for excess income over the net income eligibility standard, was proper and must stand. See Initial Decision at 4; see also Exhibit R-1 at 2.

By way of comment, the Initial Decision references an increase in shelter expenses to \$800, although there is no verification in the record of this increase in Petitioner's rent. See Initial Decision at 2. However, I note that, even utilizing an increased rent amount of \$800, in place of the \$500 used above, does not change the SNAP eligibility calculations above. Specifically, adding \$800 in rent, to the HCSUA of \$583, results in an amount of \$1,383, and when subtracting 50% of \$2,782, or \$1,391 from that amount (\$1,383 - \$1,391) still results in a negative number, and no excess shelter deduction, thereby causing no change in the end eligibility result, as outlined above.

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



DEC 17 2021

Officially approved final version.

Natasha Johnson
Assistant Commissioner

