



State of New Jersey

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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 11573-24 A.K.

AGENCY DKT. NO. C101263018 (SOMERSET COUNTY BOARD OF SOC. SVCS.)

Petitioner challenges the correctness of the Respondent Agency's calculation of Petitioner's monthly Supplemental Nutrition Assistance Program ("SNAP") benefits allotment. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On September 17, 2024, the Honorable Sarah G. Crowley, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On September 24, 2024, the ALJ issued an Initial Decision, affirming the Agency's calculations.

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 MODIFIED, and REMANDED to the Agency, based on the discussion below.

Regulatory authority applicable to SNAP benefits 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 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. Further, N.J.A.C. 10:87-6.16(b) 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, an independent review of the record reflects that Petitioner applied for SNAP benefits on June 24, 2024. See Exhibit R-1. The record further reflects that Petitioner's household is comprised of one person, and that Petitioner's household income is comprised solely of unearned income in the form of monthly Retirement, Survivors and Disability Insurance benefits in the amount of \$1,168. *Ibid.*; see also N.J.A.C. 10:87-5.5(a)(2). The household has no earned income. See Exhibit R-1; see also N.J.A.C. 10:87-6.16(b)(2), (3). As Petitioner's household contains a permanently disabled person, only the net income standard must be met for continued SNAP eligibility. See N.J.A.C. 10:87-6.16(d)(1); see also N.J.A.C. 10:87-2.34(a)(2) (defining a disabled household member as one who received Social Security benefits, including those under Title II, known as RSDI benefits). After subtracting the standard deduction for a household of one person of \$198, with no proof of any excess medical deduction, Petitioner's income is reduced to \$970. See N.J.A.C. 10:87-6.16(b)(4), (5). Next is to determine if Petitioner receives a shelter deduction and if so, how much. Petitioner's monthly rent is \$840, but, because Petitioner's rent includes heat and hot water, Petitioner does not qualify for the Heating and Cooling Standard Utility Allowance ("HCSUA"). See N.J.A.C. 10:87-6.16(b)(8); see also Exhibit R-1. It should be noted that, as a result of the Agricultural Reform Act of 2014, the full utility allowance was eliminated for households based solely on low income. See DFDI 14-07-04 (outlining the new eligibility requirements, as a result of the Agricultural Reform Act of 2014, for receipt of the Heating and Cooling Standard Utility Allowance ("HCSUA"), the Limited Utility Allowance ("LUA") or Uniform Telephone Allowance ("UTA")). Rather, only those individuals who paid for some portion of their utilities would be entitled to a utility allowance. *Ibid.*

Subtracted from the shelter costs, \$840, is 50% of Petitioner's net monthly income after the above deductions, or half of \$970, which is \$485, resulting in an excess shelter deduction of \$355 ($\$840 - \$485 = \355). See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions ($(\$1,168 - \$198) - \$556.00$), resulting in a net monthly SNAP income of \$615. See N.J.A.C. 10:87-6.16(b)(9). That amount is then multiplied by .3 and rounded up, or \$185. See N.J.A.C. 10:87-12.6(a)(1)(i)-(ii). That amount is then subtracted from the maximum benefit for a household of one, \$291 - \$185, resulting in an allotment of \$106. See N.J.A.C. 10:87-12.6(a)(1)(iii); see also DFDI 23-09-01 at 12. This is the same amount as calculated by the Agency, as reflected on the IMFS screen in the case record, as well as the July 17, 2024, notice to Petitioner, advising him of the monthly \$106 SNAP benefits allotment. See Exhibit R-1. While the ALJ affirmed that monthly allotment amount, the Initial Decision is hereby modified to include the above explanation of the calculations used to determine Petitioner's monthly SNAP benefits allotment.

Additionally, based on the record presented, I am remanding this matter to the Agency for further consideration of whether or not Petitioner would qualify for the LUA or the UTA, as referenced above. See DFDI 14-07-04. Specifically, if Petitioner pays for a telephone, Petitioner may be eligible for the UTA (the Uniform Telephone Allowance), \$32 at the time of Petitioner's application for SNAP benefits, in the benefits allotment calculations. See DFDIs 14-07-04 and 23-09-01. Additionally, as the record in this case does indicate that, while Petitioner's rent includes heat and hot water, and therefore Petitioner does not qualify for the HCSUA (the Heating and Cooling Standard Utility Allowance), a monthly charge towards electric is being paid by Petitioner to Petitioner's landlord, and if, when considered with costs for a telephone, Petitioner may in fact qualify for the LUA (the Limited Utility Allowance), \$464 at the time of Petitioner's SNAP benefits application, in the benefits allotment calculations. *Ibid.*; see also Exhibit R-1. If Petitioner qualifies for either the LUA, or the UTA, the applicable utility allowance is to be factored into the SNAP benefits allotment calculation, and Petitioner's monthly benefit amount will be adjusted accordingly, as appropriate. If Petitioner does not qualify for either the LUA or the UTA, the \$106 monthly benefits allotment will stand. The Agency's determination in this matter is also modified to reflect these findings.

Accordingly, the Initial Decision in this matter is hereby MODIFIED, and the Agency's determination is also MODIFIED and REMANDED to the Agency for further action, as outlined above.

Officially approved final version. October 08, 2024

Natasha Johnson
Assistant Commissioner

