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Assistant Commissioner

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STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES

FINAL DECISION

OAL DKT. NO. HPW **10888-24 P.G.**

AGENCY DKT. NO. **C134788011 (MERCER COUNTY BOARD OF SOC. SVCS..)**

Petitioner challenges the correctness of the Respondent Agency's calculation of Supplemental Nutrition Assistance Program ("SNAP") benefits at recertification. Petitioner's monthly SNAP benefits allotment was reduced at recertification due to no rental costs being included in the benefits allotment calculations. Petitioner further asserts that she is owed retroactive SNAP benefits for August and September, 2024, because she had timely advised the Agency that she was no longer receiving Unemployment Insurance Benefits ("UIB"), and her SNAP benefits should have been adjusted accordingly. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On September 17, 2024, the Honorable Dierdre Hartman-Zohlmán, Administrative Law Judge ("ALJ"), held the telephonic plenary hearing, took testimony, and admitted documents. On September 27, 2024, the ALJ issued an Initial Decision, affirming the Agency's reduction of Petitioner's SNAP benefits, effective July 1, 2024, but finding that the reduction of Petitioner's SNAP benefits allotment amounts for August and September, 2024, should be reversed.

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 MODIFIED, and the Agency determination is MODIFIED and REMANDED to the Agency for further action, 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). Further, N.J.A.C. 10:87-5.5(a)(2) specifically includes "unemployment compensation" as unearned income, which is to be included when determining a household's SNAP eligibility.

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(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. 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 shows that, at the time of her recertification for SNAP benefits, Petitioner was asked to provide verification of her rental costs. See Exhibit R-1. When Petitioner did not provide the requested rental costs verification, Petitioner was advised, by notice dated May 29, 2024, that her SNAP benefits allotment would decrease from \$486 to \$23, due to the no rental/shelter costs being factored into the allotment calculations. See Exhibit R-2. I take official notice of the fact that the records of the office reflect that on July 22, 2024, the Agency received Petitioner's rental verification which was sent via email on July 20, 2024. See N.J.A.C. 1:1-15.2(a) and N.J.R.E. 201(b)(4). I note that the Initial Decision also states a July 22, 2024, date with respect to the rental verification, and as such, Petitioner should be provided with the rental costs credit in the SNAP allotments calculation effective August 1, 2024, rather than on September 1, 2024. See Exhibit R-5.

Further, I agree with the ALJ that, based on Petitioner's credible testimony that she advised the Agency in July, 2024, that she was no longer receiving UIB, which is substantiated by the documentary evidence in this matter, UIB payments should not have been included in Petitioner's SNAP benefits allotment calculations for August and September 2024. See Initial Decision at 4, 5; see also Exhibit R-4. Based on the foregoing, I agree with the ALJ that the reduction of Petitioner's SNAP benefits, effective July 1, 2024, was proper. See Initial Decision at 6; see also Exhibit R-2. I also agree with the ALJ that Petitioner timely notified the Agency of the cessation of her UIB payments in July, 2024, and therefore, that unearned income should not have been factored into the SNAP benefits allotment calculations for August and September 2024. See Initial Decision at 6. Additionally, I also find that, due to Petitioner's submission of her rental costs in July, 2024, those rental costs should have been included in the SNAP benefits allotment calculations for August, 2024, and as such, I am remanding this matter to the Agency, and direct that the Agency recalculate Petitioner's SNAP benefits allotment for August 2024, adding the rental costs, but excluding UIB, and also to recalculate Petitioner's September, 2024, SNAP benefits allotment, excluding UIB. Based upon those calculations for August and September, 2024, Petitioner is to be issued any retroactive balance of SNAP benefits that may be due to her. See N.J.A.C. 10:87-8.18. The Initial Decision and Agency's determinations are modified to reflect these findings and directives.

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

Officially approved final version. October 30, 2024

Natasha Johnson
Assistant Commissioner

