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STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES

FINAL DECISION

OAL DKT. NO. HPW **10496-24 V.V.**

AGENCY DKT. NO. **C060601018 (SOMERSET COUNTY BOARD OF SOC. SVCS.)**

Petitioner appeals from Respondent Agency's termination of Work First New Jersey/Temporary Assistance for Needy Families ("WFNJ/TANF"), and denial of Emergency Assistance ("EA"), benefits. The Agency terminated Petitioner's WFNJ/TANF benefits due to excess income, and further found Petitioner ineligible for WFNJ/TANF benefits for a period of nine months due to the receipt of a lump sum Unemployment Insurance Benefits ("UIB") payment. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On August 15, 2024, the Honorable Deirdre Hartman-Zohlman, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents. On August 16, 2024, the ALJ issued an Initial Decision, affirming the Agency's determinations.

No Exceptions to the Initial Decision were received.

As Assistant Commissioner, Division of Family Development ("DFD"), Department of Human Services, I have reviewed the ALJ's Initial Decision and the record, and I hereby MODIFY the ALJ's Initial Decision, and AFFIRM the Agency's determinations, based on the discussion below.

Financial eligibility for Work First New Jersey ("WFNJ") benefits is determined based upon the assistance unit's ("AU") countable income, both earned and unearned, as well as countable resources. See N.J.A.C. 10:90-3.1(a). Pursuant to N.J.A.C. 10:90-3.1(c), once initial financial eligibility for a WFNJ/GA benefits recipient is found to exist, financial eligibility continues to exist so long as the total countable income of the WFNJ/TANF AU, with benefit of the appropriate disregards set forth in N.J.A.C. 10:90-3.8 for earned income, if applicable, is less than the maximum benefit payment level for the appropriate eligible AU size in accordance with Schedule II at N.J.A.C. 10:90-3.3(b). Effective July 1, 2019, the benefit level for an employable WFNJ/TANF AU, consisting of two persons, is \$425 per month. See N.J.A.C. 10:90-3.3(b); see also DFD Informational Transmittal ("IT") No. 19-21 at 3.

Unearned income, for WFNJ purposes, includes UIB payments. See N.J.A.C. 10:90-3.9(e).

WFNJ assistance units are required to report any changes in earned and/or unearned income, including UIB payments, that would affect eligibility as soon as possible to the Agency, but in no event later than 10 calendar days from the date the change in income occurred. See N.J.A.C. 10:90-3.11(e).

When a nonrecurring earned or unearned lump sum payment is received, that income shall be used to repay assistance granted in accordance with the agreement to repay. After the agreement to repay is satisfied, any lump sum remaining will be added together with all other countable income received that month by the eligible assistance unit after application of



the appropriate disregards. N.J.A.C. 10:90-3.18(c). An appropriate disregard is considered as money spent to “purchase items that are integral in promoting self-sufficiency, such as the purchase of a first vehicle, vehicle repairs or essential household items.” N.J.A.C. 10:90-3.18(c)(1). After any such appropriate disregard is applied, if the remaining amount exceeds 200 percent of the payment level for the assistance unit size then the assistance unit is ineligible for the number of full months derived by dividing this total income by the payment level applicable to the eligible assistance unit size. N.J.A.C.10:90-3.18(d). “In the event the nonrecurring income is not reported timely, the period of ineligibility shall begin at the point the ineligibility would have occurred had the county or municipal agency had knowledge of its receipt. The amount of overpayment for the period of ineligibility must be established and recovery made.” N.J.A.C. 10:90-3.18(e)(2).

Here the ALJ found, Petitioner acknowledged, and the record substantiates, that Petitioner had received earned income for the months of June and July 2024, and as such, the ALJ found it uncontested that Petitioner’s income was over the allowable benefit level for receipt of WFNJ/TANF benefits, and accordingly, affirmed the Agency’s termination of Petitioner’s WFNJ/TANF and EA benefits. See Initial Decision at 2-4; see also Exhibits R-1 through R-5, R-7, and N.J.A.C. 10:90-3-1(a), (c), -3.3(b), -6.2(a). Although it is unclear from the record whether the Agency applied the appropriate disregards to Petitioner’s earned income, it is of little consequence here, as Petitioner had subsequently become unemployed, and on July 26, 2024, applied for a redetermination of eligibility for continued WFNJ/TANF benefits, and reapplied for EA benefits. See Initial Decision at 2-3; see also Exhibit R-6, and N.J.A.C. 10:90-3.8. The Initial Decision is modified to reflect this finding.

During that redetermination review period, the Agency became aware that Petitioner had received a lump sum UIB payment on April 15, 2024, which Petitioner had failed to report to the Agency, and accordingly, the Agency denied Petitioner’s application, and determined Petitioner ineligible for WFNJ/TANF benefits for a period of nine months. See Initial Decision at 3-4; see also Exhibits R-8, R-9, R-10, and N.J.A.C. 10:90-3.9(e), -3.11(e), -3.18(c), (d), (e). Consequently, Petitioner was also denied EA benefits because he was no longer a WFNJ benefits recipient, nor a Supplemental Security Income (“SSI”) benefits recipient. See Initial Decision at 5; see also Exhibits R-11, R-12, R-14, and N.J.A.C. 10:90-6.2(a).

Based on the testimony, the evidence provided, and the relevant regulatory authority, the ALJ found it undisputed that Petitioner had received a lump sum UIB payment, had failed to report said UIB payment to the Agency, and had failed to provide any documentation to indicate that any disregard of such UIB lump sum monies was warranted. See Initial Decision at 2-4. Accordingly, the ALJ concluded that the Agency properly denied Petitioner continued WFNJ/TANF benefits, and properly imposed a nine-month period of ineligibility for said benefits beginning June 2024, and continuing through February 2025. Id. at 3-4; see also Exhibit R-10. Further, the ALJ concluded that the Agency’s denial of EA benefits to Petitioner was also proper, as he was no longer a WFNJ benefits recipient, nor an SSI benefits recipient. See Initial Decision at 5; see also Exhibit R-14. I agree.

By way of comment, I note that any WFNJ benefits, including EA benefits, that were in fact received by Petitioner during the above imposed nine-month period of ineligibility, beginning June 2024, constitute an overpayment for which the Agency may seek recovery. See Initial Decision at 4; see also N.J.A.C. 10:90-3.21(a)(1).

Based on the foregoing, the Initial Decision is MODIFIED and the Agency’s action is AFFIRMED, as outlined above.

Officially approved final version. September 05, 2024

Natasha Johnson
Assistant Commissioner

