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DEPARTMENT OF HUMAN SERVICES
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NATASHA JOHNSON
Director

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 03939-19 G.E.

AGENCY DKT. NO. C121853020 (UNION COUNTY DIVISION OF SOC. SVCS.)

Petitioner challenges the correctness of a Supplemental Nutrition Assistance Program ("SNAP") benefits recoupment due to an overissuance. The Agency asserts that Petitioner received SNAP benefits, to which she was not entitled, as the result of a failure to report earned income. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On April 12, 2019, the Honorable Evelyn J. Marose, Administrative Law Judge ("ALJ"), held a plenary hearing, took testimony and admitted documents into evidence. On April 17, 2019, the ALJ issued an Initial Decision, affirming the Agency's determination.

No Exceptions to the Initial Decision were filed.

As the Director of the Division of Family Development, Department of Human Services, I have considered the ALJ's Initial Decision and following an independent review of the record, I hereby ADOPT the ALJ's Initial Decision and AFFIRM the Agency action.

In the instance of an overpayment of benefits, the Agency must recoup the overissuance. See N.J.A.C. 10:87-11.20. One type of overpayment which is subject to recoupment is one which results from "a misunderstanding or unintended error on the part of the household" receiving benefits, called an "Inadvertent Household Error" ("IHE"). See N.J.A.C. 10:87-11.20(e)(2). Repayment of overissuances may be sought for up to six years following the time that the Agency becomes aware of the overpayment. See N.J.A.C. 10:87-11.20(f)(1)(i).

Here, the ALJ found that the Agency had met its burden in establishing, by a preponderance of the credible evidence, that Petitioner received an overissuance of SNAP benefits to which she was not entitled. See Initial Decision at 4. Specifically, Petitioner did not report her earned income, which resulted in an overissuance of SNAP benefits to Petitioner in the amount of \$982, from March 2015, through August 2015. *Id.* At 2, 4; see also Exhibits R-1, R-2 and N.J.A.C. 10:87-5.2(a)(1), -5.4(a)(1), -9.5. Petitioner did not dispute the Agency's determination that she received the overissuance of SNAP benefits from March 2015, through August 2015; however, she contends that the Agency had already recouped the overissuance from her 2018 Federal Income Tax refund. See Initial Decision



at 2, 4; see also Exhibits P-1, P-2. The record reflects that a total of \$1,846.12 was recouped from Petitioner's 2018 Federal Income Tax refund and applied to existing debts Petitioner had incurred with the Agency. See Exhibit P-2. The Agency testified that the funds already recouped were applied to an earlier debt, and that the \$982 overissuance is a separate and distinct debt that has not yet been subject to final decision. See Initial Decision at 3. Based on the record presented, the ALJ concluded that the Agency's determination that Petitioner was overissued SNAP benefits for the period beginning March 2015, through August 2015, was proper, and that the resulting notice to repay the overissuance, was therefore appropriate. See Initial Decision at 4; see also Exhibit R-1, and N.J.A.C. 10:87-11.20(b), (e)(3). I agree.

The ALJ further concluded that before the Agency collects any monies for the overpayment of SNAP benefits from March 2015, through August 2015, Petitioner is entitled to an accounting of the debt for which the Agency had already received funds, by way of the Internal Revenue Service ("IRS") retention of part of Petitioner's 2018 Federal Income Tax refund. See Initial Decision at 4; see also Exhibit P-2. I also agree.

I ORDER and direct that the Agency proceed to recoup the overissuance, and to also provide Petitioner with an accounting of the debt for which it had previously received monies from Petitioner's 2018 Federal Income Tax refund.

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

Officially approved final version.

APR 26 2019

Natasha Johnson

Director

