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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 **06148-25 K.N.**

AGENCY DKT. NO. **S958663009 (HUDSON COUNTY DEPT OF FAM SVCS)**

Petitioner challenges the Respondent Agency's reduction of Supplemental Nutrition Assistance Program ("SNAP") benefits. Petitioner's SNAP benefits were reduced as a result of household earned income. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On June 17, 2025, the Honorable Mumtaz Bari-Brown, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. On July 8, 2025, the ALJ issued an Initial Decision, affirming the Agency's determination.

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 also 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.

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.

Gross income is determined by adding together the household's monthly earned and unearned income, minus any earned income exclusions. See N.J.A.C. 10:87-6.16(b), (b)(1). That total gross income amount is then utilized to determine a household's SNAP eligibility in accordance with N.J.A.C. 10:87-6.16(d)(1) and (2).

N.J.A.C. 10:87-6.16 then outlines the procedures used to calculate net income and benefit levels for SNAP recipients. 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, the Agency received verification from Petitioner's employer regarding her weekly gross pay, which led to the determination that Petitioner's monthly earned income increased from \$300, as reported, to \$1,733. See Initial Decision at 2; see also Exhibit R-1. Specifically, Petitioner's weekly gross earned income was reported by Petitioner's employer to be \$400 per week, which, after application of the regulatory multiplier, Petitioner's monthly earned income is calculated to be \$1,733. See Exhibit R-1; see also N.J.A.C. 10:87-6.9(d)(1) (stating that weekly income amounts are multiplied by 4.333 to determine the anticipated monthly income amount). Based upon Petitioner's household of three people, and the increase in monthly earned income, Petitioner's SNAP benefits were reduced from \$508 per month to \$176 per month effective March 1, 2025. Ibid. Based upon the testimonial and documentary evidence produced at the hearing, the ALJ found that the Agency properly reduced Petitioner's SNAP benefits amount in accordance with her verified weekly gross earned income, which amount was undisputed by Petitioner. See Initial Decision at 3.

I note that the Agency in this matter did not produce a calculations page in the record to indicate what specific deductions were applied in Petitioner's case. I take official notice of the fact that the records of this Agency show that Petitioner was given the standard deduction of \$204 for her household size of three persons, rental costs of \$1,615, the Heating or Cooling Standard Utility Allowance of \$878 and inclusion of contributory unearned income in the amount of \$1,500, all of which were included in SNAP benefits allotment calculations. See N.J.A.C. 1:1-15.2(a) and N.J.R.E. 201(b)(4).

It should be further noted that, when a household's income increases, while all other amounts in the SNAP benefits allotment calculation remain the same (such as shelter costs, utility allowance, standard deduction, contributions), the SNAP benefits allotment will decrease. The Initial Decision is modified to reflect these findings.

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

Officially approved final version. July 18, 2025

Natasha Johnson
Assistant Commissioner

