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STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES

FINAL DECISION

OAL DKT. NO. HPW 12139-25 L.B.

AGENCY DKT. NO. **S642483012 (MIDDLESEX COUNTY BD. 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 18, 2025, the Honorable Judith Lieberman, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents into evidence. The record was held open to allow for the submission of documents and closed on September 25, 2025. On October 10, 2025, 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 AFFIRMED, 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.

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 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, Petitioner is a household of one person and the household's income was previously comprised of Supplemental Security Income ("SSI") but currently is comprised of unearned income in the form of Retirement, Survivors and Disability Insurance ("RSDI") benefits of \$2,047 per month. See Initial Decision at 2; see also Exhibit R-1. 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(b)(2) (defining a disabled household member as one who receives Social Security disability benefits, including those under Title II, known as RSDI benefits). After factoring the monthly unearned income from RSDI benefits into the SNAP eligibility calculations, and after application of the standard deduction for a household of one person of \$204, together with the inclusion of the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$878, the household's net income, for SNAP eligibility purposes, was calculated to be \$1,843. See Initial Decision at 2; see also Exhibit R-2 and N.J.A.C. 10:87-6.16(b)(8). That amount is then multiplied by .3 and rounded up, or \$553. 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, \$292- \$553, resulting in a negative number \$-261. See N.J.A.C. 10:87-12.6(a)(1)(iii); see also DFDI 24-10-04 at 12. However, as a household of one person, Petitioner's household is eligible for the minimum allotment amount, which, at the time of the Agency's determination in this matter, was \$23, plus the state supplemental amount to bring Petitioner's SNAP benefits allotment to \$95 per month. See N.J.A.C. 10:87-12.6(a)(2); see also 7 CFR 273.10(e)(2)(ii)(C), DFDI 24-10-04 at 12, and Exhibit R-3. The ALJ in this matter concluded that the Agency had properly calculated the net income for Petitioner's household, and reduced Petitioner's SNAP benefits, effective July 1, 2025, in accordance with the new calculation. See Initial Decision at 2-4; see also Exhibits R-2, R-4. Accordingly, the ALJ determined that the Agency's reduction of Petitioner's SNAP benefits allotment in this matter was proper and must stand. See Initial Decision at 4. I agree, but modify the Initial Decision to include the above analysis and findings.

By way of comment, I note that the SNAP benefits allotment calculations do not include a shelter expense, as Petitioner did not report any such expense on his application for benefits. See Initial Decision at 2. However, on a recertification application, Petitioner included a monthly rental cost, but failed to respond to the Agency's request for documentation of rental/housing costs. Ibid.; see also Exhibits R-6, R-7, R-8, R-9. Should Petitioner submit documentation verifying a shelter expense, the Agency shall then complete a recalculation to include such expense.

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

Officially approved final version. November 10, 2025

Natasha Johnson
Assistant Commissioner

