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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 **10021-25 L.D.**

AGENCY DKT. NO. **C107689009 (HUDSON COUNTY DEPT OF FAM SVCS)**

Petitioner challenges the correctness of the Respondent Agency's claim for recovery of Supplemental Nutrition Assistance Program ("SNAP") benefits issued to Petitioner between April, 2023 to November, 2024, as well as between February, 2025 to April, 2025. The Agency asserts that Petitioner's household received SNAP benefits to which it was not entitled, thereby resulting in an overissuance of benefits which must be repaid. On September 2, 2025 the Honorable Evelyn J. Marose, Administrative Law Judge ("ALJ"), held the plenary hearing, took testimony, and admitted documents. On October 3, 2025 the ALJ issued an Initial Decision, affirming the Agency's determinations.

No Exceptions to the Initial Decision were filed.

As Assistant Commissioner, Division of Family Development, Department of Human Services, I have reviewed the record in this matter and I hereby MODIFY the Initial Decision, and AFFIRM the Agency determination, based on the discussion below.

SNAP is designed to promote the general welfare and to safeguard the health and well-being of the population by raising the levels of nutrition among low-income households. See N.J.A.C. 10:87- 1.1(a). In the instance of an overpayment of benefits, the Agency must recoup the overissuance. See N.J.A.C. 10:87-11.20. Overpayment claims are considered federal debts, which must be established and collected. See N.J.A.C. 10:87-11.2(b). 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 amounts going back six years prior to the time that the Agency becomes aware of the overpayment. See N.J.A.C. 10:87-11.20(f)(1)(i).

"Every NJ SNAP application shall be made on behalf of a household. It is critically important to determine exactly who constitutes the household for NJ SNAP since all considerations of eligibility will follow from this initial determination." See N.J.A.C. 10:87-2.1. Further, N.J.A.C. 10:87-2.2(a) states, "A household may be composed of any of the following individuals or groups of individuals ... [a] group of individuals living together for whom food is purchased in common and for whom meals are prepared together for home consumption[.]" See N.J.A.C.10:87-2.2(a)(3).

In order to determine eligibility for SNAP benefits, mandatory verification of certain information is required, such as household income, both earned and unearned income, as well as residency. See N.J.A.C. 10:87-2.19, -2.20.

Here, the record reflects that, from April, 2023 through November, 2024, Petitioner was living with her daughter, K.D., who was part of her household, and that during that time K.D. failed to report earned income and the receipt of unemployment



insurance benefits. See Initial Decision at 2. Based upon this failure to report income, the Agency determined that Petitioner was overpaid SNAP benefits in the amount of \$4,682 from April, 2023, through November, 2024. Ibid.; see also Exhibits P-1, P-33, P-35. Additionally, the record reflects that, from February, 2025, through April, 2025, Petitioner's daughter, K.D., separately applied for, and was receiving SNAP benefits for herself and her children while also being a member of Petitioner's household, leading to a duplication of benefits in the amount of \$1,782 for that time period. See Initial Decision at 2; see also Exhibits P-1, P-7, P-10. At the time of the hearing, Petitioner testified that she was unaware that K.D.'s earned income and unemployment benefits had not been reported from April, 2023 through November, 2024. See Initial Decision at 2. Further, she testified that she was unaware that K.D. was receiving SNAP benefits as a separate household from February, 2025 through April, 2025. See Initial Decision at 2-3. As a result of the failure to properly report all earned income, as well as failing to accurately report the household composition, the ALJ concluded that Petitioner's household had received an overpayment of \$4,682 to which she was not entitled, from April, 2023 to November, 2024, as well as an overpayment of \$1,782 from February, 2025 to April, 2025, both of which must now be repaid. Id. at 3-4; see also Exhibits P-1, P-7, P-10, P-33, P-35, and N.J.A.C. 10:87-11.20(b), (e)(2).

Based upon my independent review of the record, I agree with the conclusion of the ALJ that Petitioner received an overissuance of benefits, however I find that Respondent committed an Inadvertent Household Error ("IHE"), rather than an Intentional Program Violation ("IPV") of the SNAP program, and as a result of the IHE, that benefits must be repaid to the Agency. See N.J.A.C. 10:87-11.20(e); see also 7 C.F.R. 273.18(b)(2). Moreover, it should be noted that the Agency did not bring the present matter as an Administrative Disqualification Hearing, which requires adherence of specific rules for advance notice. See N.J.A.C. 10:87-11.5. I note that an IHE cannot result in a windfall to Respondent, as receipt of an overissuance of SNAP benefits is money that Respondent received, to which she was not entitled, and therefore, must be repaid. See N.J.A.C. 10:87-11.20(a), (b); see also 7 C.F.R. 273.18(e)(1). To this end, I direct that the Agency proceed to recoup the overissuance of SNAP benefits. The Initial Decision is modified to reflect these findings.

Further, I am modifying this Initial Decision for the following reason. With respect to a matter alleging an IPV, the Agency is responsible for initiating an administrative disqualification hearing. See N.J.A.C. 10:87-11.1. Accordingly, as the Agency is the party requesting relief in an IPV case, it is the "Petitioner." See N.J.A.C. 1:1-2.1, "Definitions." Conversely, the party responding to the Agency's request for relief in an IPV case is the "Respondent." Ibid. However, the matter before the tribunal was not alleging an IPV, but rather than IHE. As such, in the caption of the Initial Decision, L.D. was incorrectly referred to as "Respondent," when she was, in fact, the Petitioner. The Agency was incorrectly referred to as "Petitioner," when it should have been referred to as Respondent. Additionally, the parties were identified as Petitioner or Respondent within the text of the Initial Decision; thus, it is also necessary to correct any party designations within the text of the Initial Decision itself. Therefore, the Initial Decision is further modified to reflect the correct designation of the parties within the case caption of the Initial Decision, within the body of the Initial Decision, and in the list of Exhibits as noted in the Initial Decision.

Accordingly, the Initial Decision is hereby MODIFIED and the Agency determination is AFFIRMED, as outlined above. I further ORDER that the Agency is to recoup the overissuance.

Officially approved final version. November 07, 2025

Natasha Johnson
Assistant Commissioner

