



State of New Jersey

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DEPARTMENT OF HUMAN SERVICES
DIVISION OF FAMILY DEVELOPMENT
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NATASHA JOHNSON
Assistant Commissioner

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 **07344-24 S.G.**

AGENCY DKT. NO. **C074354014 (MORRIS CO. DIV. EMP. & TEMP ASST)**

Petitioner Agency charges Respondent with committing an intentional program violation ("IPV") of the Supplemental Nutrition Assistance Program ("SNAP,") and seeks to disqualify Respondent from receiving SNAP benefits for a period of 10 years. See N.J.A.C. 10:87-11.2(e), and -11.3; see also 7 C.F.R. 273.16(b)(5), and 7 C.F.R. 273.16(c)(1). The Agency asserts that Respondent did not disclose that she was receiving SNAP benefits from another state, while simultaneously receiving SNAP benefits from the State of New Jersey ("NJ"), thus causing Respondent to receive an overissuance of benefits to which she was not entitled. On April 5, 2024, Respondent was properly noticed of the Administrative Disqualification Hearing, the charges against her, and the proposed disqualification penalty, via certified mail, return receipt requested. See Exhibits P-1, P-3 at 1-2; see also N.J.A.C. 10:87-11.5(a)(3)(i), and 7 C.F.R. 273.16(e)(3)(i). Because Respondent failed to execute and return the waiver of her right to a hearing, the matter was transmitted to the Office of Administrative Law for a hearing as a contested case. See Exhibit P-3 at 3-4; see also N.J.A.C. 10:87-11.6(a)(1), and 7 C.F.R. 273.16(f)(1)(i). On June 4, 2024, the Honorable Andrew M. Baron, Administrative Law Judge ("ALJ,") held a telephonic plenary hearing, took testimony, and admitted documents. The hearing continued on July 16, 2024, and the record then closed on that date. On November 12, 2024, the ALJ issued an Initial Decision, finding that Respondent did not commit an IPV, warranting a disqualification period from receipt of SNAP benefits, but that Respondent did receive an overissuance of SNAP benefits to which she was not entitled, which must be repaid.

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, I hereby MODIFY the ALJ's Initial Decision, MODIFY the Agency's determination, and REMAND to the Agency, 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); see also 7 C.F.R. 271.1. In the instance of an overpayment of benefits, the Agency must recoup the overissuance. See N.J.A.C. 10:87-11.20; see also 7 C.F.R. 273.18(e)(1). 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," called an "Inadvertent Household Error" ("IHE"). See N.J.A.C. 10:87-11.20(e)(2); see also 7 C.F.R. 273.18(b)(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); see also 7 C.F.R. 273.18(c)(1)(i).

Here, the ALJ found the Agency did not meet its burden in establishing, by clear and convincing evidence, that Respondent had committed an IPV. See Initial Decision at 3; see also N.J.A.C. 10:87-11.3(a), -11.5(a)(6), 7 C.F.R.



273.16(c)(1), and 7 C.F.R. 273.16(e)(4). The ALJ further found Respondent to be credible when she testified that she had been unaware she was simultaneously receiving SNAP benefits from NJ and the State of Pennsylvania, and that when she discovered she had been collecting duplicate benefits, she tried to stop it. See Initial Decision at 3. The ALJ further found that, because Respondent had not committed an IPV, a disqualification penalty should not be applied against her. Ibid.; see also N.J.A.C. 10:87-11.2, and 7 C.F.R. 273.16(b).

Although the ALJ found that Respondent had not committed an IPV, the ALJ did conclude, however, that from the period beginning October, 2019, through December, 2019, Respondent received an overissuance of SNAP benefits, in the amount of \$1,476, to which she was not entitled, and which must be repaid. See Initial Decision at 3; see also Exhibits P-2, P-3 at 4-12. Based upon my independent review of the record, I agree with the ALJ, and find that Respondent committed an Inadvertent Household Error ("IHE") of the SNAP program, and that the SNAP benefits that were issued to Respondent beginning October, 2019, through December, 2019, as a result of the IHE, 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). 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 and the Agency determination are both modified to reflect these findings.

The ALJ further concluded that Respondent should "repay the overissuance of SNAP benefits on a reasonable repayment schedule, after a review of her ability to afford the payments has been completed by Petitioner Agency." See Initial Decision at 3. Pursuant to regulatory authority, only the Agency may compromise a claim, or any portion of a claim, if it can reasonably determine that household's economic circumstances dictate that the claim will not be paid in three years. See N.J.A.C. 10:87-11.20(m); see also 7 C.F.R. 273.18(e)(7). Additionally, the Agency may compromise a portion of a claim, but only if the individual meets the financial criteria, namely, if the current household monthly gross income is less than 200 percent of the Federal Poverty Level. See DFD Claims Management Plan, p. 10 (revised October, 2021).

Accordingly, I am remanding this matter back to the Agency with the following instructions. The Agency shall consider whether Respondent's claim is eligible for a compromise. Thereafter, the Agency shall provide a Notice Regarding Eligibility for Compromise of SNAP Claim (NJ SNAP-909) form to Respondent. In determining Respondent's eligibility for a claim compromise, the Agency shall refer to all applicable regulatory authority, and the DFD Claims Management Plan. Upon the Agency's request, Respondent shall promptly provide to the Agency, all current household financial information, including, but not limited to, the household's current monthly gross income. Again, this Initial Decision and the Agency determination are both modified to reflect these findings.

I ORDER and direct that the Agency proceed to recoup the overissuance.

Accordingly, the Initial Decision in this matter is MODIFIED, the Agency's determination is MODIFIED, and the matter is REMANDED to the Agency, as outlined above. A penalty disqualifying Respondent from receiving SNAP benefits is not imposed.

Officially approved final version. February 18, 2025

Natasha Johnson
Assistant Commissioner

