



State of New Jersey

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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 **15426-25 W.B.**

AGENCY DKT. NO. **C074983018 (SOMERSET COUNTY BOARD OF SOC. SVCS.)**

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutrition Assistance Program ("SNAP") benefits. The Agency denied Petitioner's application for SNAP benefits, contending that Petitioner's countable household income exceeded the maximum permissible level for receipt of said benefits. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On October 14, 2025, the Honorable Sarah G. Crowley, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony and admitted documents. On October 28, 2025 the ALJ issued an Initial Decision, affirming the Agency's determination.

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 also MODIFIED, 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. Earned income includes "all wages and salaries received as compensation for services performed as an employee." See N.J.A.C. 10:87-5.4(a)(1). Additionally, for SNAP benefits cases, unearned income includes survivors, disability, and Social Security benefits for both adults and children in the household, as well as child support or alimony payments made directly to the household from non-household members. See N.J.A.C. 10:87-5.5(a)(2), (5).

In order to determine an applicant's eligibility for SNAP benefits, 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(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, an independent review of the record reflects that Petitioner's SNAP household is comprised solely of Petitioner. See Initial Decision at 2; see also Exhibit R-1. The record further reflects that Petitioner receives Retirement, Survivors, and Disability Insurance ("RSDI") benefits, in the amount of \$1,501 per month, as well as a pension payment of \$1,155 per month, for a household total of \$2,656 in unearned income. Ibid. 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).

Continuing with the calculations to determine the household's net income for SNAP eligibility, the household's unearned income is \$2,656. See N.J.A.C. 10:87-6.16(b)(2), (3). After subtracting the standard deduction of \$204 for a household of one person, Petitioner's household income is reduced to \$2,452. See N.J.A.C. 10:87-6.16(b)(4); see also DFDI 24-10-04 at 12. The record does not show any medical expense deduction. See Exhibit R-1 at 4. Next is to determine if Petitioner receives a shelter deduction, and if so, how much. Petitioner's shelter costs are \$716, plus the Heating and Cooling Standard Utility Allowance ("HCSUA") of \$878, which total \$1,594. Ibid.; see also N.J.A.C. 10:87-6.16(b)(8). Subtracted from that amount is 50% of Petitioner's income after the above deductions, or half of \$2,452, which is \$1,226, (\$1,594 - \$1,226), resulting in \$368, and therefore, an excess shelter deduction is given in this case. See N.J.A.C. 10:87-6.16(b)(8). This amount is then subtracted from Petitioner's income minus the deductions $((\$2,656 - \$204) - \$368)$, resulting in a net monthly SNAP income of \$2,084. See N.J.A.C. 10:87-6.16(b)(9); see also Exhibit R-1 at 4. For SNAP benefits eligibility, the maximum net income level for a household of one person, at the time of Petitioner's application, was \$1,255. See DFDI 24-10-04 at 12; see also Exhibit R-1 at 4. As Petitioner's calculated net income of \$2,084 exceeds the maximum net income eligibility amount of \$1,255, Petitioner is not eligible for SNAP benefits. Ibid. Based on the foregoing, the ALJ concluded that the Agency's denial of Petitioner's SNAP benefits was proper and must stand. See Initial Decision at 4; see also Exhibit R-1. I agree, but modify both the Initial Decision and the Agency's adverse action notice in this case to include the above analysis and findings based upon Petitioner's household needing to meet the net income for SNAP eligibility, rather than the gross income threshold. Ibid.

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

Officially approved final version. November 26, 2025

Natasha Johnson
Assistant Commissioner

