



State of New Jersey

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DIVISION OF FAMILY DEVELOPMENT
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TRENTON, NJ 08625-0716

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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 **12545-25 M.E.**

AGENCY DKT. NO. **S952883009 (HUDSON COUNTY DEPT OF FAM SVCS)**

Petitioner appeals from the Respondent Agency's termination of Emergency Assistance ("EA") benefits. The Agency terminated Petitioner's EA benefits, contending that Petitioner has the funds to prevent homelessness, as his income exceeds his rental cost. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On October 20, 2025, the Honorable William J. Courtney, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents. The record was then held open to allow for the submission of supplemental written arguments and closed on November 21, 2025. On December 4, 2025, the ALJ issued an Initial Decision, reversing the Agency's determination.

An Exception to the Initial Decision was filed, on behalf of the Agency, on December 8, 2025.

As Assistant Commissioner, Division of Family Development ("DFD"), Department of Human Services, I have reviewed the ALJ's Initial Decision and the record, and I hereby ADOPT the ALJ's Initial Decision, and REVERSE the Agency's determination, based on the discussion below.

In order to be eligible for EA benefits, the recipient must demonstrate that his/her shelter costs equal or exceed the total income available to the assistance unit. N.J.A.C. 10:90-6.1(a)(1). Further, as part of the determination of EA eligibility, the agency must evaluate all potential contributions of support to the household. N.J.A.C. 10:90-6.1(c)(2).

An assistance unit ("AU") may qualify for EA benefits when the AU demonstrates that available funds were exhausted on "items deemed appropriate, necessary or reasonable for decent living and such expenditures were made as the result of a significant occurrence or situation, or from meeting the expenses of daily living." N.J.A.C. 10:90-6.1(c)(1)(ii); see also DFD Instruction ("DFDI") 11-03-07 at 2. Items deemed appropriate, include, but are not limited to, food, clothing, housing, attending the funeral of a family member, excessive unreimbursed medical expenses, or car payment or repairs. See N.J.A.C. 10:90-6.1(c)(1)(ii).

Here, the record reflects that Petitioner has been provided with EA benefits since June, 2022. See Initial Decision at 2; see also Petitioner Ltr. Br. at 2. Since July, 2022, Petitioner has resided in a boarding house with a monthly rent of \$825, for which he had contributed \$292 towards his rent. Ibid.; see also Exhibits P-2, P-3. Petitioner has been continuously compliant with his EA service plan ("SP"), including attempting to find and apply for affordable housing. See Initial Decision at 2; see also Petitioner Ltr. Br., Exhibits P-2, P-5.

In November, 2022, the Social Security Administration found Petitioner to be disabled and he has been receiving Supplemental Security Income ("SSI") since that time, and currently receives \$998 per month. See Initial Decision at 2;



see also Petitioner Ltr. Br., Exhibit P-2. Petitioner also currently receives Supplemental Nutrition Assistance Program ("SNAP") benefits in the amount of \$198 per month. See Initial Decision at 2; see also Petitioner Ltr. Br., Exhibits P-12.

On May 28, 2025, the Agency sent Petitioner a Notification, informing him that his EA benefits would terminate, effective July 2025, due to his monthly rent being affordable based upon his SSI income. See Initial Decision at 3; see also Petitioner Ltr. Br., Exhibit P-6, and N.J.A.C. 10:90-6.1(c)(3)(v).

Petitioner contends that, while his SSI income (\$998 per month) exceeds his rent (\$825 per month), he is unable to afford his rent after satisfying other necessary household expenses including the purchase of food which exceeds his SNAP benefits, the purchase of hygiene products, the cost of laundry, the cost of clothing, the cost of car insurance, the cost of car repairs, and the cost of gasoline for his vehicle. See Initial Decision at 3; see also Petitioner Ltr. Br., Exhibit P-12. In total, Petitioner asserts that he spends \$677 per month, on average, on necessary living expenses. *Ibid.*

The ALJ finds that, pursuant to N.J.A.C. 10:90-6.1(c)(1)(ii), a lack of realistic capacity to plan exists when an assistance unit can demonstrate that available funds were exhausted from meeting the expenses of daily living, wherein certain daily living expenses can be considered an acceptable diversion of funds when establishing continued EA eligibility. See Initial Decision at 4-6; see also Exhibits P-8, P-9, and DFDI No. 08-05-04 and DFDI No. 11-03-07. The ALJ concluded that Petitioner provided proof of daily living expenses, which the ALJ finds reasonable and necessary, which reduced his income to an amount less than the amount necessary to pay his rent of \$825 per month. See Initial Decision at 4-6; see also Petitioner Ltr. Br., Exhibits P-7, P-12; N.J.A.C. 10:90-6.1(c)(1)(ii) and DFDI No. 08-05-04 and DFDI No. 11-03-07. Based on the foregoing, the ALJ concluded that Petitioner is in a state of imminent homelessness and does not have a realistic capacity to plan in advance for alternative housing, and as such, he is entitled to continued EA benefits. See Initial Decision at 6. Based on an independent review of the record, I agree.

By way of comment, Petitioner is reminded of his responsibility to continue to search and apply for subsidized and affordable housing.

By way of further comment, Petitioner must submit updated monthly living expenses, with documentary evidence, periodically as requested by the Agency.

Accordingly, the Initial Decision is hereby ADOPTED, and the Agency's determination is REVERSED, as outlined above.

Officially approved final version. January 22, 2026

Natasha Johnson
Assistant Commissioner

