



## State of New Jersey

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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 14647-25 Z.W.

AGENCY DKT. NO. C145270015 (OCEAN COUNTY BOARD OF SOC. SVCS.)

Petitioner appeals from the Respondent Agency's denial of Supplemental Nutritional Assistance Program ("SNAP") benefits. The Agency denied Petitioner's application for SNAP benefits because Petitioner's 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 ("OAL") for a hearing. The hearing was initially scheduled for October 3, 2025, however an error in the notice required the matter be rescheduled. On November 10, 2025, the parties appeared and during the prehearing conference, Petitioner requested additional time to submit documentation, which was granted and such filing was made on November 12, 2025. On December 1, 2025, the Honorable Tricia M. Caliguire, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony and admitted documents. On December 9, 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 ADOPTED and the Agency determination is AFFIRMED, 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. Additionally, for SNAP benefits cases, unearned income includes survivors, disability, and Social Security benefits, pension and retirement benefits for both adults and children in the household, as well as unemployment compensation. 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 only 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).

The ALJ in this matter issued a very thorough and comprehensive Initial Decision, outlining the procedural history, providing a detailed factual timeline, and rendering a well thought out analysis, applying law to fact. See Initial Decision at 2-6. Here, the record reveals that Petitioner applied for SNAP benefits on behalf of her assistance unit ("AU"), which consists of two adults and eight minor children. See Initial Decision at 2; see also Exhibit R-3. Upon review of the application, the Agency determined that the AU had the following sources of income: 1) monthly income from Petitioner (\$5,000 per month), 2) monthly income from Petitioner's spouse (\$1,250 per month), 3) monthly rental income (\$1,650 per month), 4) withdrawals from investment accounts (estimated to be \$3,267 per month), and 5) monthly partnership income (estimated to be \$8,832 per month). See Initial Decision at 2-3; see also Exhibits R-5, R-6, R-7, R-10. Based upon the Agency's calculations, Petitioner's AU had a total monthly gross income of \$19,998, which exceeded the maximum allowable income threshold for receipt of benefits. See Initial Decision at 3; see also Exhibits R-5, R-6, R-7, R-10, and N.J.A.C. 10:87-12.4. There is no indication in the record that Petitioner, or anyone in the SNAP household, is handicapped, disabled or elderly, and as such, the household must meet both the gross and net income tests for SNAP eligibility. See N.J.A.C. 10:87-2.34(a)(1), (2), and N.J.A.C. 10:87-6.16(d)(1), (2). At the time of the hearing, Petitioner disputed the characterization of the money received from the AU's investment accounts as income, arguing instead that she took loans from the investment account for which she pays interest, that are secured by the assets using the brokerage accounts as collateral. See Initial Decision at 3. In consideration of such argument, the ALJ found that, even without the inclusion of the investment accounts, the monthly gross income of the AU would be \$16,731. Ibid. Petitioner further argued, at the time of the hearing, that the money earned through the partnership should not be considered as income, and that the partnership incurred losses, as indicated on the partnership tax returns, however, Petitioner never provided such tax returns to the Agency nor the tribunal for review and consideration. Ibid.

Based on the foregoing, the ALJ found that the total monthly gross income of the AU, whether \$19,998 including all alleged sources of income, or \$16,731 excluding funds related to the investment accounts, exceeded the maximum allowable amount for an AU of 10 persons, which is \$9,788 per month. See Initial Decision at 3; see also DFD Instruction ("DFDI") 24-10-04 at 14. Accordingly, the ALJ found that Petitioner's household failed to meet the gross income test, which ended the Agency's analysis regarding eligibility for SNAP benefits. See Initial Decision at 6; see also N.J.A.C. 10:87-6.16(d)(1), (2) and DFDI 24-10-04 at 14. Thus, the ALJ found that the Agency's denial of SNAP benefits was proper and must stand. See Initial Decision at 6. I agree.

By way of comment, Petitioner is without prejudice to reapply for SNAP benefits, should her circumstances change, but must timely provide all information and documentation requested in order to determine eligibility. Petitioner is advised to communicate directly with the Agency with regards to the applications and any required documentation.

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

Officially approved final version. January 20, 2026

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Natasha Johnson  
Assistant Commissioner

