



## State of New Jersey

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*Governor*

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DIVISION OF FAMILY DEVELOPMENT  
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TRENTON, NJ 08625-0716

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 **01188-24 S.T.**

AGENCY DKT. NO. **S480647014 (MORRIS CO. OFFICE OF TEMP ASSISTANCE)**

Petitioner challenges the correctness of the Respondent Agency's notice to repay Supplemental Nutrition Assistance Program ("SNAP") benefits that were allegedly overpaid to Petitioner. The Respondent Agency maintains that Petitioner received SNAP benefits to which she was not entitled, as a result of her failure to report rental income, and income from a registered business she and her spouse had owned until 2016. Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law ("OAL") for a hearing. A hearing was initially scheduled for March 26, 2024, but was adjourned at Petitioner's request. On the rescheduled date of April 24, 2024, the hearing was adjourned again, to allow Petitioner time to prepare for the hearing. On May 1, 2024, the Honorable Susana E. Guerrero, Administrative Law Judge ("ALJ,"), held a telephonic plenary hearing, took testimony, admitted documents into evidence, and the record then closed. On May 13, 2024, the ALJ issued an Initial Decision, reversing the Agency's notice to recoup SNAP benefits issued to Petitioner.

No Exceptions to the Initial Decision were filed by either party.

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

In the instance of an overpayment of [SNAP] benefits, the Agency must recoup the overissuance. See N.J.A.C. 10:87-11.20. One type of overpayment which is subject to recoupment is one resulting 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). Repayment of overissuances may be sought for up to six years following the time that the Agency becomes aware of the overpayment. See N.J.A.C. 10:87-11.20(f)(1)(i).

Here, the record reflects that, pursuant to an internal investigation, the Agency discovered that while receiving SNAP benefits and living with her child, Petitioner and her spouse owned a home in the state of New York, and, allegedly, had received rental income from this New York property, and did not report the rental income. See Initial Decision at 3; see also Exhibit R-1 at 26-28, 29-41, 42-54. Additionally, the Agency discovered that Petitioner and her spouse had a registered business in New Jersey, and that the business had estimated annual sales in the amount of \$123,665, in 2023, and that Petitioner had failed to report this business income. See Initial Decision at 3; see also Exhibit R-1 at 24-25. As a result of its investigation, the Agency determined that for the period beginning July, 2020, through September, 2023, Petitioner had received overissued SNAP benefits in the amount of \$14,875, to which she was not entitled, and notified her on November 22, 2023, that due to an IHE, these overissued benefits must be paid back to the Agency. See Initial Decision at 3; see also Exhibit R-1 at 12-15, 16-17, and N.J.A.C. 10:87-11.20(e)(2).



The ALJ found that the Agency presented no evidence to suggest that Petitioner received any income from the house in New York, and that she credibly testified that she did not receive any rental income from that property while receiving SNAP benefits. See Initial Decision at 4. The ALJ further found that the Agency failed to demonstrate that Petitioner received any income from her business while she received SNAP benefits, and that she had credibly testified that she and her spouse had shut the business down in 2016, and had cancelled the insurance for the business. Id. at 3, 4; see also Exhibit P-1. Accordingly, ALJ found that the Agency had not met its burden in establishing, by a preponderance of the credible evidence, that Petitioner had received an overissuance of SNAP benefits to which she was not entitled, and concluded that Petitioner did not commit an IHE regarding any alleged unreported income, and that the determination that Petitioner repay overissued SNAP benefit should be reversed. See Initial Decision at 4; see also Exhibit R-1 at 12-15, 16-18, and N.J.A.C. 10:87-11.20(e)(2). I agree.

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

Officially approved final version. July 09, 2024

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Natasha Johnson  
Assistant Commissioner

