

General Information Memorandum

ISD GI 16 - 19

TO: ISD Employees
FROM:  Marilyn Martinez, Director, Income Support Division
RE: Crowdfunding Accounts and SNAP & TANF Eligibility
DATE: February 24, 2016

The Food and Nutrition Service (FNS) has provided the following guidelines for determining how to treat Crowdfunding accounts, held in SNAP applicants or household member's names, when determining SNAP eligibility. This guideline also applies to all Cash Assistance Programs.

Crowdfunding websites such as GoFundMe, Kickstarter, and Indiegogo allow individual donors to fund specific fundraisers for charity, individuals in need, etc. The majority of the websites allow account holders to access funds in one of two ways – at any point in the fund raising or only after the funding goal is met.

Households categorically eligible for SNAP do not have to meet the resource limits and are therefore not subject to these guidelines. Households losing categorical eligibility will have their eligibility recalculated using these guidelines.

FNS has determined that funds in these accounts meet the definition of a liquid resource, as specified in the Code of Federal Regulations (CFR) 273.8(c)(1) for SNAP and CFR 45 233.20(3) for Cash Assistance Programs, when the funds become available to the household. Crowdfunding websites typically indicate the funding goal and level of fundraising contributions; however the amounts accessible to the accountholder may be different from the amounts indicated. State agencies should count the actual value of funds accessible to the household at the time of their interview per regulations at CFR 273.10(b).

The monetary value of any of these fundraising accounts is not to be excluded when used for deductible expenses such as medical or shelter costs. The Food and Nutrition Act of 2008, as amended, provides for specific resource exclusions, and these types of accounts are not addressed. Therefore these accounts must be included the eligibility determination process.

When these funds are accessible to the SNAP household and used to pay for a qualified allowable deduction, then the deduction is to be applied. If the funds are accessible to the SNAP household and have not been used to pay for qualified expenses then those funds are to be counted as a liquid resource.

SNAP resource eligibility standards can be found at 8.139.510.8 NMAC.

Cash Assistance resource eligibility standards can be found at 8.102.510.9(B) NMAC.

If you have questions regarding this GI, please contact Rita Paz at rita.paz@state.nm.us or 505-827-7286.