



HUMAN SERVICES
DEPARTMENT

Susana Martinez, Governor
Sidonie Squier, Secretary
Ted Roth, Director

General Information Memorandum

ISD-GI 13-24

TO: ISD Employees
FROM: *TR* Ted Roth, Director, Income Support Division
RE: Identifying Loans in the Supplemental Nutrition Assistance Program
(SNAP)
DATE: April 9, 2013

The Food and Nutrition Services (FNS) has issued new guidance concerning the criteria for identifying loans. The Code of Federal Regulations (CFR) Policy 7 CFR 253.6 (e)(3)(B)(iv) states for SNAP that “loans, from whatever source, should be evidenced by a document signed by both parties.”

Is a loan earned or unearned income?

A loan is considered an unearned income source and is subject to mandatory verification as per regulation at 8.100.130.24 NMAC.

How do I verify the validity of a loan?

Regulation at 8.100.130.24 (K) NMAC states that verification of loan must contain the name of the person making the loan, the amount of the loan, date the loan was made and the repayment arrangement for the loan. FNS dictates also states that in addition to the four criteria listed above, a loan must also be signed by both parties.

Do loans count as countable income for SNAP?

No, regulation at 8.139.520.9 (D) (11) NMAC states all loans, including loans from private individuals as well as commercial institutions, other than educational loans on which payment is deferred is **excluded** income.

If you have questions regarding this GI, please contact Kristen Ortiz at 505-827-7233 or by e-mail at KristenR.Ortiz@state.nm.us.