

SNAP Student Loan Guidance Memo

Attention: Financial Aid Administrators

The composition and financial needs of today's student population have changed significantly over time. More students work, have family obligations, or attend classes part-time.¹ That's why today's students require broader and more robust financial supports to help ensure their success in attaining a postsecondary credential.²

Public benefit programs, like the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), can support students' basic needs. SNAP provides nutrition assistance to low-income individuals and families, which financial aid earmarked solely for education expenses cannot do. Because food insecurity—especially for community college students—is one of the greatest threats to health, wellbeing, and academic success.³

Access to SNAP, and other public benefits can increase the financial stability of adults and youth and improve educational attainment.⁴ Students enrolled at least half-time, and otherwise meeting the SNAP eligibility criteria, may receive SNAP if they meet one of several conditions. These include but are not limited to; having certain caregiving responsibilities, working 20 hours a week, participating in work-study, receiving Temporary Assistance for Needy Families (TANF) benefits, or participating in a program to increase employment.⁵ Student eligibility restrictions do not apply to those enrolled less than half-time as defined by the institution they attend.

To ensure students receive all benefits for which they are eligible, financial aid administrators should be aware of the interactions between SNAP and financial aid. The following can help clarify common confusions about how SNAP interacts with other forms of aid.

- SNAP benefits are **not** counted as income to calculate a student's expected family contribution (EFC).⁶
- Any payment or reimbursements related to a student's participation in an education component under the SNAP E&T program is not counted as income for the FAFSA.
- When completing the FAFSA, a student/family's receipt of SNAP in the past 24 months can allow them to skip asset questions and qualify them for an **EFC of zero**. Some states still require answers to the asset questions to qualify for state financial aid.⁷
- Federal financial aid is **not** treated as income for the purpose of determining eligibility for public benefit programs, including SNAP. This includes grants, scholarships, fellowships, work-study, and educational loans on which payment is deferred (including but not limited to Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOG)).⁸ FNS generally directs states **not** to disregard educational assistance used for normal living expenses (e.g. room and board). States may,

however, disregard all educational assistance for SNAP if they do so for TANF or Medicaid, and choose to align their SNAP policies with the other program.⁹

- SNAP does not count as income private loans (from individuals as well as commercial institutions).
- Guidance issued earlier this year based on federal law clarifies that, with the student's written consent, institutions **may share** data from a student's FAFSA for an application for Federal, State, local, or tribal assistance for any component of the applicant's cost of attendance. This includes FAFSA data sharing related to applications for means-tested food and housing assistance programs including SNAP.¹⁰

For additional information please visit CLASP's website or contact us for more information.

Endnotes

¹ Carrie Welton, *Student Access to Benefits*, Center for Law and Social Policy, December 2017, <https://www.clasp.org/sites/default/files/publications/2017/12/2017.12.6%20Student%20Access%20to%20Benefits%20Fact%20Sheet.pdf>.

² Laura Perna, "Testimony Provided to the Subcommittee on Higher Education and Workforce Training Committee on Education and the Workforce United States House of Representatives," Committee on Education and the Workforce, October 2015, <https://pennur.upenn.edu/publications/my-testimony-to-congress-how-we-can-improve-college-access-and-completion>.

³ Sara Goldrick-Rab, Jed Richardson, and Anthony Hernandez, *Hungry and Homeless in College: Results from a National Study of Basic Needs Insecurity in Higher Education*, Wisconsin Hope Lab, March 2017, <https://hope4college.com/wp-content/uploads/2018/09/Hungry-and-Homeless-in-College-Report.pdf>.

⁴ Amy Ellen Duke-Benfield and Katherine Saunders, *Benefits Access for College Completion: Lessons Learned from a Community College Initiative to Help Low-Income Students*, Center for Law and Social Policy, July 2016, <https://www.clasp.org/sites/default/files/publications/2017/04/Benefits-Access-for-College-Completion-Lessons-Learned.pdf>.

⁵ 7 CFR § 273.5 - Students, Cornell Law School, accessed August 2019, <https://www.law.cornell.edu/cfr/text/7/273.5>. For more information, see Elizabeth Lower-Basch, *SNAP for College Students: An Overview*, Center for Law and Social Policy, October 2017, <https://www.clasp.org/sites/default/files/publications/2017/10/SNAP%20for%20College%20Students-An%20Overview.pdf>.

⁶ "The EFC Formula, 2017–2018," Federal Student Aid, 2017, <https://www.westada.org/cms/lib8/ID01904074/Centricity/Domain/6562/EFC%20Activity%20Handout.pdf>.

⁷ "Automatic-Zero Expected Family Contribution and Simplified Needs Test," Federal Student Aid, n.d., <https://financialaidtoolkit.ed.gov/tk/learn/fafsa.jsp#auto-zero-simplified-needs>.

⁸ e-CFR data is current as of August 6, 2018, Electronic Code of Federal Regulations, 2018, https://www.ecfr.gov/cgi-bin/text-idx?SID=3c4a2243fbo69f3e47c1e03fcaa25e4c&mc=true&node=se7.4.273_19&rgn=div8.

⁹ Electronic Code of Federal Regulations (e-CFR): Title 7. Subpart D. Eligibility and Benefit Levels Section 273.9 - Income and deductions, Cornell Law School, accessed August 2019, https://www.law.cornell.edu/cfr/text/7/273.9#c_3.

¹⁰ Karen McCarthy, NASFAA Policy & Federal Relations Staff, "Data Sharing Decision Tree Updated to Reflect Expanded Allowable Data Sharing," National Association of Student Financial Aid Administrators, January 2019, https://www.nasfaa.org/news-item/17144/Data_Sharing_Decision_Tree_Updated_to_Reflect_Expanded_Allowable_Data_Sharing.