

## CALFRESH (CF) PROGRAM REQUEST FOR POLICY/REGULATION INTERPRETATION

**INSTRUCTIONS:** Complete items 1 - 10 on the form. Use a separate form for each policy interpretation request. If additional space is needed, please use the second page. Be sure to identify the additional discussion with the appropriate number and heading. Retain a copy of the CF 24 for your records.

- Questions from counties, including county Quality Control, must be submitted by the county CalFresh Coordinator and may be submitted directly to the CalFresh Policy analyst assigned responsibility for the county, with a copy directed to the appropriate CalFresh Policy unit manager.
- Questions from Administrative Law Judges may be submitted directly to the CalFresh Policy analyst assigned responsibility to the county where the hearing took place, with a copy of the form directed to the appropriate CalFresh Bureau unit manager.

|   |  |                   |
|---|--|-------------------|
| 1. RESPONSE NEEDED DUE TO:<br><input checked="" type="checkbox"/> Policy/Regulation Interpretation<br><input type="checkbox"/> QC<br><input type="checkbox"/> Fair Hearing<br><input type="checkbox"/> Other: | 5. DATE OF REQUEST:<br>10/19/15  | NEED RESPONSE BY: |
| 2. REQUESTOR NAME:<br>Lainie Gray   | 6. COUNTY/ORGANIZATION:<br>Santa Cruz  |                   |
| 3. PHONE NO.:<br>(831) 763-8764   | 7. SUBJECT:<br>Reverse Mortgage  |                   |
| 4. REGULATION CITE(S):<br>MPP 63-502.2  | 8. REFERENCES: <i>(Include ACL/ACIN, court cases, etc. in references)</i><br><b>NOTE: All requests must have a regulation cite(s) and/or a reference(s).</b> |                   |

9. QUESTION: (INCLUDE SCENARIO IF NEEDED FOR CLARITY):

Is a reverse mortgage that requires repayment considered a loan and income exempt or is it considered a conversion of resources and countable?

10. REQUESTOR'S PROPOSED ANSWER:

A reverse mortgage is considered a loan and therefore income exempt.

11. STATE POLICY RESPONSE (CFPB USE ONLY):

The state concurs with the proposed answer.

A reverse mortgage in which the borrower/annuitant receives payments drawn from the equity of the home and as such is excludable as a loan rather than countable as income or a resource. In a reverse mortgage the borrower is guaranteed regular payments for life, but legally, it is still a loan secured by the residence and when the borrower/annuitant dies or otherwise vacates the house, it is sold and the proceeds are used to repay the lender.

### FOR CDSS USE

DATE RECEIVED:

DATE RESPONDED TO COUNTY/ALJ:

**CALFRESH (CF) PROGRAM  
REQUEST FOR POLICY/REGULATION INTERPRETATION (Continued)**

|  |   |                   |
|--|---|-------------------|
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| 2. REQUESTOR NAME:   |   |                   |
| 3. PHONE NO.:  |   |                   |
| 4. REGULATION CITE(S):   |   |                   |