

# FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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**BILL #:** [CS/HB 1327](#)

**TITLE:** Veteran Benefit Payments to Minor Clients

**SPONSOR(S):** Cross

**COMPANION BILL:** [SB 1594](#) (Gaetz)

**LINKED BILLS:** None

**RELATED BILLS:** None

## Committee References

[Human Services](#)

17 Y, 0 N, As CS



[Health & Human Services](#)

21 Y, 0 N

## SUMMARY

### **Effect of the Bill:**

CS/HB 1327 ensures that survivor benefit payments provided by the United States Department of Veterans Affairs and received by the Department of Children and Families, on behalf of children in foster care, are conserved and disbursed to the child when he or she turns 18 years of age.

### **Fiscal or Economic Impact:**

The bill may have an indeterminate, insignificant, negative fiscal impact on the Department of Children and Families, which can be absorbed within existing resources.

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## ANALYSIS

### **EFFECT OF THE BILL:**

The bill requires the Department of Children and Families (DCF) to receive, deposit, and conserve all [survivor benefit payments](#) provided by the United States Department of Veterans Affairs to a minor in foster care. The bill prohibits DCF from using the survivor benefit payments to reimburse the state for the cost of care of the foster child. This creates an exception to current law, which allows DCF to use benefit payments, including survivor benefit payments, for a foster child's cost of care. (Section [1](#))

The bill requires DCF to disburse those funds in their entirety to the child when he or she turns 18 years of age. This will ensure that young adults eligible for these benefits receive financial support as they transition out of foster care. (Section [1](#))

The bill provides an effective date of July 1, 2026. (Section [2](#))

### **FISCAL OR ECONOMIC IMPACT:**

### **STATE GOVERNMENT:**

The bill may have an indeterminate, insignificant, negative fiscal impact on DCF, since DCF will no longer be able to use survivor benefit payments to repay the state for the cost of care of a foster child, which can be absorbed within existing resources. The number of surviving children, in foster care, who receive survivor benefit payments is unknown.

**STORAGE NAME:** h1327c.HHS

**DATE:** 2/24/2026

## RELEVANT INFORMATION

### SUBJECT OVERVIEW:

#### Federal Veteran Affairs Benefit Payments

#### Survivor Benefits

The United States Department of Veterans Affairs (VA) administers two primary financial support systems for survivors: the Dependency and Indemnity Compensation (DIC) and Survivors Pension (pension).

#### Dependency and Indemnity Compensation (DIC)

The DIC is a tax-free monthly benefit paid to eligible survivors, including spouses, children, and parents, of veterans who died in the line of duty or from a service-related injury or illness.<sup>1</sup> Survivors of veterans who did not die from a service-related illness or injury may also be eligible if the veteran was eligible to receive VA compensation for a service-connected disability that was rated as totally disabling for a certain period of time.<sup>2</sup> To be eligible for DIC benefits, a surviving child must be unmarried and under age 18, or up to age 23 if enrolled in a VA-approved school. A surviving child who becomes permanently unable to support themselves before the age of 18 may continue receiving benefits into adulthood.<sup>3</sup> The benefit amount for eligible surviving children depends upon whether there is also an eligible surviving spouse.

When the veteran has an eligible surviving spouse, the benefits for children under age 18 are disbursed to the eligible surviving spouse: the surviving spouse receives \$421 per month for each eligible child. For surviving children ages 18 through 22, when there is an eligible spouse, the benefit payments are not disbursed to the spouse; instead, the VA gives the benefit separately to the adult child. These surviving children receive \$356.66 per month if they are enrolled in a VA-approved school.<sup>4</sup> Surviving adult children who become permanently unable to support themselves before age 18 receive \$717.50 per month.<sup>5</sup>

When the veteran does not have an eligible surviving spouse, the VA bases the children's benefit amount on the number of children the veteran had. The monthly payment rates for these eligible surviving children when the veteran does not have an eligible surviving spouse, is shown in the table below.<sup>6</sup> These benefit amounts apply to surviving children under age 18, or ages 18 through 22 if enrolled in school.

| # of Eligible Children | Monthly Rate for Each Child | Total Monthly Payment |
|------------------------|-----------------------------|-----------------------|
| 1                      | \$717.50                    | \$717.50              |
| 2                      | \$516.09                    | \$1,032.18            |
| 3                      | \$448.97                    | \$1,346.92            |
| 4                      | \$400.72                    | \$1,602.87            |
| 5                      | \$371.76                    | \$1,858.82            |
| 6                      | \$352.46                    | \$2,114.77            |
| 7                      | \$338.67                    | \$2,370.72            |

<sup>1</sup> United States Department of Veterans Affairs, *Survivors Pension and DIC*, <https://www.va.gov/family-and-caregiver-benefits/survivor-compensation/> (last visited February 11, 2026).

<sup>2</sup> United States Department of Veterans Affairs, *About VA DIC for Spouses, Dependents, and Parents*, <https://www.va.gov/family-and-caregiver-benefits/survivor-compensation/dependency-indemnity-compensation/> (last visited February 11, 2026).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.* Young adults not enrolled in school are not eligible for DIC benefits.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* For each adult surviving child who became permanently unable to support themselves before age 18, the VA adds \$421 to the monthly rate. The VA adds \$255.95 for each eligible child in a family of 10 or more.

|          |          |            |
|----------|----------|------------|
| <b>8</b> | \$328.33 | \$2,626.67 |
| <b>9</b> | \$320.29 | \$2,882.62 |

### Survivor's Pension

The pension is a tax-free, needs-based benefit for low-income survivors of wartime veterans from certain wartime periods. Currently, the benefit applies to the Mexican Border period, World War I, World War II, the Korean conflict, the Vietnam War, and the Gulf War. Currently, to be eligible for the pension, a survivor's annual net worth cannot exceed \$163,699. The United States Congress sets a net worth limit for the pension, which includes yearly income and assets, which can change on an annual basis. The VA bases the payment amount of the pension on the differences between the survivor's income and the limit set by Congress.<sup>7</sup>

To qualify for the pension, surviving children must be unmarried and under the age of 18, or 23 if attending a VA-approved school.<sup>8</sup> The surviving child's net worth cannot exceed the limit set by the United States Congress. An eligible surviving child can receive up to \$2,984 per year.<sup>9</sup> A surviving child who became permanently incapable of self-support before the age of 18 may continue receiving benefits into adulthood.

Surviving children cannot receive both the DIC benefit and the pension. A surviving child who is eligible for both the DIC benefit and the pension will receive whichever benefit gives him or her the most money.<sup>10</sup>

### **Surviving Children in Foster Care**

When a child is placed in Department of Children and Families (DCF) custody, DCF, or the community-based care lead agency on behalf of DCF, must apply to become the representative payee<sup>11</sup> of any benefit payments for the child. For children who are eligible for VA benefits, DCF must apply to the VA to be appointed as a representative payee.<sup>12</sup> The VA appoints a representative payee through a formal administrative process involving both a comprehensive suitability screening and official designation.<sup>13</sup> Once DCF is appointed by the VA as the representative payee, VA benefits can be paid to DCF directly with limited and temporary supervision by the VA.<sup>14</sup> Federal law requires representative payees to use the benefits solely for the benefit of the child.<sup>15</sup>

DCF deposits the benefits it receives on behalf of the child into a master trust account. The master trust account allows for sub-accounts to meet the needs of each child, such as a current needs sub-account, lump sum special needs sub-account, Plan to Achieve Self-Support sub-account, and a sub-account for children who receive Social Security Administration benefits, VA benefits or other regular benefits.<sup>16</sup> DCF makes the decision to designate funds to different sub-accounts to balance current and long-term needs of the child.<sup>17</sup>

<sup>7</sup> United States Department of Veterans Affairs, *Current Survivors Pension Benefit Rates*, <https://www.va.gov/family-and-caregiver-benefits/survivor-compensation/survivors-pension/rates/> (last visited February 11, 2026). See also, United States Department of Veterans Affairs, *Survivors Pension*, <https://www.va.gov/family-and-caregiver-benefits/survivor-compensation/survivors-pension/> (last visited February 11, 2026).

<sup>8</sup> United States Department of Veterans Affairs, *Survivors Pension and DIC*, <https://www.va.gov/family-and-caregiver-benefits/survivor-compensation/> (last visited February 11, 2026).

<sup>9</sup> *Supra*, note 7.

<sup>10</sup> *Id.*

<sup>11</sup> [S. 402.33\(1\)\(e\), F.S.](#) A representative payee acts on behalf of a client as the receiver of any or all benefits.

<sup>12</sup> 38 U.S.C. § 13.100.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> 38 U.S.C. Code § 5502.

<sup>16</sup> Department of Children and Families, *Child Welfare Operating Procedure—No. 170-16*, <https://resourcelibrary.myflfamilies.com/cfop170/CFOP%20170-16.%20%20%20Administrative%20Functions.pdf> (last visited February 11, 2026).

<sup>17</sup> 65C-17.003, F.A.C.

DCF sets aside a personal allowance of \$30 in the current needs sub-account for each child who receives VA benefits.<sup>18</sup> Once the personal allowance is set aside, DCF uses the balance to repay the state for the full amount of the child’s costs of care.<sup>19</sup> DCF must conserve and invest remaining funds to meet the child’s future needs for independent living.<sup>20</sup>

DCF remains trustee of the master trust account until the beneficiary turns 18 years of age, unless:<sup>21</sup>

- The beneficiary is between the ages of 18 and 21 and is participating in Extended Foster Care.
- The beneficiary turns 18 and has a physical or mental disability.

DCF must disburse the money if the child leaves DCF custody due to adoption or placement with a parent or a relative.<sup>22</sup> Once the child turns 18 years of age and is no longer in the custody of DCF, DCF must disburse any money it is holding to the child or as the child directs.<sup>23</sup>

**BILL HISTORY**

| COMMITTEE REFERENCE                                   | ACTION   | DATE      | STAFF DIRECTOR/<br>POLICY CHIEF | ANALYSIS PREPARED BY |
|---|--|-----------|---------------------------------|----------------------|
| <a href="#">Human Services Subcommittee</a>           | 17 Y, 0 N, As CS   | 2/4/2026  | Mitz                            | Clenord              |
| THE CHANGES ADOPTED BY THE COMMITTEE:                 | <ul style="list-style-type: none"> <li>• Clarifies that the Department of Children and Families (DCF) must receive, deposit, and conserve all survivor benefit payments provided by the United States Department of Veterans Affairs on behalf of a foster child in its care and must disburse those funds to the child when he or she turns 18 years of age.</li> <li>• Clarifies that DCF is prohibited from using the survivor benefit payments to reimburse the state for the cost of care of the foster child.</li> </ul> |           |                                 |                      |
| <a href="#">Health &amp; Human Services Committee</a> | 21 Y, 0 N  | 2/24/2026 | Calamas                         | Clenord              |

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**THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.**  
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<sup>18</sup> *Id.*

<sup>19</sup> [S. 402.17, F.S.](#)

<sup>20</sup> *Id.*

<sup>21</sup> *Supra*, note 16. See also, [s. 402.17, F.S.](#)

<sup>22</sup> *Supra*, note 16.

<sup>23</sup> [S. 402.17, F.S.](#) See also, 38 U.S.C Code § 5502.