

**§ 13.55 Veterans Service Center Manager to select and appoint or recommend for appointment the person or legal entity to receive Department of Veterans Affairs benefits in a fiduciary capacity.**

(a) *Authority.* The Veterans Service Center Manager is authorized to select and appoint (or in the case of a court-appointed fiduciary, to recommend for appointment) the person or legal entity best suited to receive Department of Veterans Affairs benefits in a fiduciary capacity for a beneficiary who is mentally ill (incompetent) or under legal disability by reason of minority or court action, and beneficiary's dependents.

(b) *Payees.* Authorized payees include:

- (1) The beneficiary (§ 13.56(c));
- (2) The beneficiary under supervision (supervised direct payment) (§ 13.56 (a) and (b));
- (3) The wife or husband of an incompetent veteran (§ 13.57);
- (4) The legal custodian of a beneficiary's Department of Veterans Affairs benefits (§ 13.58);
- (5) A court-appointed fiduciary of a beneficiary (§ 13.59);
- (6) The chief officer of the institution in which the veteran is receiving care and treatment (§ 13.61);
- (7) The bonded officer of an Indian reservation (§ 13.62);
- (8) A custodian-in-fact of the beneficiary (§ 13.63);
- (9) Dependents of the veteran by an apportioned award (§ 13.70).

(c) *Certification.* The Veterans Service Center Manager's certification is authority to make payments to the designated payee.

[40 FR 54247, Nov. 21, 1975]

**§ 13.56 Direct payment.**

(a) *Veterans.* Department of Veterans Affairs benefits payable to a veteran rated incompetent may be paid directly to the veteran in such amount as the Veterans Service Center Manager determines the veteran is able to manage with continuing supervision by the Veterans Service Center Manager, provided a fiduciary is not otherwise required. If it is determined that an amount less than the full entitlement is to be paid, such payment shall be for

a limited period of time, generally 6 months, but in no event to exceed 1 year, after which full payment will be made and any funds withheld as a result of this section will be released to the veteran, if not otherwise payable to a fiduciary.

(b) *Other adults.* Department of Veterans Affairs benefits payable to an adult beneficiary who has been rated or judicially declared incompetent may be paid directly to the beneficiary in such amounts as the Veterans Service Center Manager determines the beneficiary is able to manage with continuing supervision by the Veterans Service Center Manager, provided a fiduciary is not otherwise required. If it is determined that an amount less than the full entitlement is to be paid, such payment shall be for a limited period of time, generally 6 months, but in no event to exceed 1 year, after which full payment will be made and any funds withheld as a result of this section will be released to the beneficiary, if not otherwise payable to a fiduciary.

(c) *Minors.* Department of Veterans Affairs benefits payable to a minor:

- (1) May be paid direct when:
  - (i) Arising in connection with a program of education or training under 38 U.S.C. ch. 35.
  - (ii) The Veterans Service Center Manager determines it would be in the minor's best interests.
- (2) Will be paid direct when:
  - (i) The beneficiary's only legal disability is minority and he or she is in active military, naval, or air service, or the widow or widower of a veteran.
  - (ii) The minor is deemed otherwise emancipated under State law.

[40 FR 54247, Nov. 21, 1975, as amended at 42 FR 34282, July 5, 1977; 67 FR 46869, July 17, 2002]

**§ 13.57 Payment to the wife or husband of incompetent veteran.**

Compensation, pension or emergency officers' retirement pay of a veteran rated or judicially declared incompetent, may be paid to the veteran's spouse, provided the spouse is qualified to administer the funds payable and agrees to use the amounts paid for the veteran and the veteran's dependents, if any.

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