

September 19, 2005

SUBJECT: FSP – Income Exclusion for Benefits Paid to Children of Vietnam Veterans  
with Certain Birth Defects

TO: All Regional Directors  
Food Stamp Program

It has recently come to our attention that under Public Laws 104-204 and 106-419, benefits paid by the Veterans Administration to the children of Vietnam veterans born with congenital spina bifida and certain other birth defects are excludable as income for food stamp purposes.

Pursuant to sections 421 and 422(c) of Pub. L. 104-204, effective October 1, 1997, title 38, United States Code, was amended by the addition of a new chapter 18, under which certain Veterans Administration benefits and services are provided to children of Vietnam veterans (including adult children) who were born with the congenital defect *spina bifida*. A subsequent amendment to chapter 18, made by section 401 of Pub. L. 106-419, effective December 1, 2001, extended these VA benefits and services to children of women Vietnam veterans born with certain birth defects. Included among the benefits provided for these children is a monthly monetary allowance paid at a rate that is based on the child's level of disability. Section 1823(c) of title 38, United States Code, states that "notwithstanding any other provision of law, a monetary allowance paid an individual [chapter 18] shall not be considered as income or resources in determining eligibility for, or the amount of benefits under, any Federal or federally assisted program." Under this comprehensive language, the above-described benefits would be excludable as both income and resources for the purpose of determining eligibility and benefit levels in the Food Stamp Program.

If you have any questions, please contact Larry Tropp of my staff by email or by telephone at (703) 035-2504.

/s/

Arthur T. Foley  
Director  
Program Development Division

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