

**INCREASED BENEFITS FOR WORLD WAR VETERANS AND THEIR
DEPENDENTS; MISCELLANEOUS LEGISLATION RELATING TO
ADMINISTRATION OF THE VETERANS' ADMINISTRATION**

HEARING

BEFORE A

**SUBCOMMITTEE OF THE
COMMITTEE ON FINANCE
UNITED STATES SENATE**

SEVENTY-SEVENTH CONGRESS

FIRST SESSION

ON

H. R. 4

**AN ACT TO PROVIDE MORE ADEQUATE COMPENSATION
FOR CERTAIN DEPENDENTS OF WORLD WAR
VETERANS, AND FOR OTHER PURPOSES**

AND

H. R. 4845

**AN ACT TO INCREASE THE RATE OF PENSION TO WORLD
WAR VETERANS FROM \$30 TO \$40 PER MONTH,
TO GRANT SUCH RATE AT AGE 65
AND FOR OTHER PURPOSES**

NOVEMBER 27, 1941

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INCREASED BENEFITS FOR WORLD WAR VETERANS AND THEIR DEPENDENTS

THURSDAY, NOVEMBER 27, 1941

UNITED STATES SENATE,
SUBCOMMITTEE ON VETERANS' LEGISLATION OF THE
COMMITTEE ON FINANCE,
Washington, D. C.

The subcommittee met, pursuant to call, at 10:30 a. m., in room 312, Senate Office Building, Senator Bennett Champ Clark (chairman) presiding.

Senator CLARK. The committee will come to order.

The committee has under consideration this morning H. R. 4, an act to provide more adequate compensation for certain dependents of World War veterans, and for other purposes; and H. R. 4845, an act to increase the rate of pension to World War veterans from \$30 to \$40 per month, to grant such rate at age 65, and for other purposes.

(H. R. 4 and H. R. 4845 are as follows:)

[H. R. 4, 77th Cong., 1st sess.]

AN ACT To provide more adequate compensation for certain dependents of World War veterans, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part III of Veterans Regulation Numbered 1 (a), as amended, is hereby amended by adding a new paragraph IV thereto, to read as follows:

"IV. (a) Subject to the income limitation of part III, paragraph II hereof, as amended, the surviving dependent widow as hereinafter defined, child, or children, and/or dependent mother or father of any deceased person who served in the active military or naval service during the World War, and whose service therein was as defined by part III, paragraph I hereof, as amended, shall be entitled to receive compensation at the monthly rates specified next below:

"Widow but no child, \$20; widow and one child, \$28; widow and two children, \$34 (with \$4 for each additional child); no widow but one child, \$12; no widow but two children, \$18 (equally divided); no widow but three children, \$25 (equally divided) (with \$3 for each additional child; total amount to be equally divided); dependent mother or father, \$20; or both, \$15 (each).

"(b) As to the widow, child, or children, the total compensation payable under this paragraph shall not exceed \$56. Where such benefits would otherwise exceed \$56, the amount of \$56 may be apportioned as the Administrator of Veterans' Affairs may prescribe."

SEC. 2. For the purposes of payment of compensation under the provisions of this Act, the term "widow" shall mean a woman who was married prior to July 3, 1921, to the person who served; or who was married prior to May 13, 1938, to the person who served, provided a child was born of such marriage: *Provided*, That the provisions of section 3 of the Act of May 13, 1938 (Public, Numbered 514, Seventy-fifth Congress), insofar as they are not inconsistent with the provisions of this Act, shall govern the determination of eligibility of a widow for benefits under this Act.

Passed the House of Representatives June 16, 1941.

Attest:

SOUTH TRIMBLE,
Clerk.

[H. R. 4845, 77th Cong., 1st sess.]

AN ACT To increase the rate of pension to World War veterans from \$30 to \$40 per month, to grant such rate at age sixty-five, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph I (f), part III, Veterans Regulation Numbered 1 (a), as amended, is hereby amended to read:

"I (f) The amount of pension payable under the terms of part III shall be \$40 monthly: Provided, That—"

SEC. 2. Veterans Regulation Numbered 1 (a), as amended, part III, paragraph I, is amended by adding thereto a new subparagraph (i), to read as follows:

"(i) Any veteran sixty-five years of age or over who meets the service requirements of part III and subject to the income limitation therein, shall be entitled to receive a pension of \$40 per month."

Passed the House of Representatives July 7, 1941.

Attest:

SOUTH TRIMBLE,
Clerk.

Senator CLARK. Several other members of the committee will be here in a few moments, but Congressman Rankin is present, and it is necessary for him to leave, and I will ask him to make any statement he desires to make.

STATEMENT OF HON. JOHN E. RANKIN, CONGRESSMAN FROM THE STATE OF MISSISSIPPI

Mr. RANKIN. Mr. Chairman, as you know, I am chairman of the Committee on World War Veterans' Legislation of the House, from which these bills came, and I wish to make just a brief statement as to the ones that I understand are to be taken up by this committee.

Some time ago the chairman of this committee asked me if we held hearings in the House committee on H. R. 4. I informed him that we did.

As a matter of fact, the hearings were held at a previous session of Congress; I believe it was on H. R. 9000—I think that was the number. But when the present Congress convened there had been no change in the situation, so this bill was reported from the committee on the basis of those hearings.

Primarily, this is to take care of the dependents of World War veterans who are not able to establish service-connected disabilities but who had 90 days' service during the World War. The bill speaks for itself, and instead of the fantastic claims that are being made by the opposition, in my opinion it is one of the most meritorious measures that has ever been proposed touching veterans' legislation.

I call attention to the fact that we have untold thousands of able-bodied men and women on relief in this country, who never served the Nation in times of war, and some of them never served it much in times of peace. Many thousands of them are in the District of Columbia, and in other cities and towns and communities.

Here we have these widows and orphans of these boys who responded to the country's call in time of war, who are now unable to care for themselves, many of them with little children that they are dragging through this depression, and it is depression for them, because many of them are unable to obtain employment of any kind.

And yet when we come in and propose a piece of legislation that would give them a meager compensation, extremely meager compared

with the compensation afforded the dependents of veterans of other wars, we are attacked on every hand by those selfish interests that want the veterans to do the fighting and then want their dependents to seek the shelter of the poorhouse after the combat is over, in order that they may not be required to pay their part of the charges.

This measure also provides a reasonable compensation for the dependent parents of those veterans who have passed away. The bill provides that they must show their need of compensation, and therefore is not a wholesale raid on the Treasury as some of its opponents contend.

Senator CLARK. Do you have any information about what it would cost, Mr. Rankin?

Mr. RANKIN. I had that material worked out at one time, Senator. I believe it is in the report of the committee. It is estimated that it would cost \$22,238,000 the first year.

But I think you will find, when you investigate, that there will be some savings that will offset a good deal of that charge, a good deal of that amount.

I am going to make the suggestion that it won't cost as much as the relief roll of the able-bodied people in the District of Columbia, or any other large city in the United States.

The contention has been made that these dependent parents are taken care of under social security. That is not true, because you and I represent agricultural States, and the farmers do not come in on social security. All they get out of it is the privilege of paying it indirectly in the prices of the things they have to buy, and in the excess charges for transportation, utilities, and so forth. But they will tell you that these people are given compensation in agricultural States through the old-age pension. Under that law the State is required to pay half, and in the agricultural States, if you will take the list and read it, you will find that the old farmer, who really works—and I am like the Negro, now, they asked the Negro if he was a laborer, and he says, "No, sir, I works"—I mean they work in the hot sun and often in the rain and in the cold. When they reach the period that renders them incapable, from old age, then they must depend on the small stipend they receive, which invariably is very meager, about one-third in many of the agricultural States what it is in some of the richer States.

So I contend that at least these people who sent their sons to the war—many of whom have died from disabilities that were incurred in the service that they have never been able to establish—I submit that we owe them a debt that at least we can partially meet by the passage of this legislation.

Another one is the total and permanent disability law, which would increase—

Senator CLARK. You are now speaking of H. R. 4845?

Mr. RANKIN. Yes.

Senator CLARK. I was just about to suggest, Mr. Rankin, and I will suggest to other witnesses who may follow you, that the committee has before it for this hearing H. R. 4 and H. R. 4845, and inasmuch as many of the witnesses will desire to refer to both bills, I would suggest that they first conclude their statements with regard to H. R. 4, and then proceed, without leaving the stand, to make any remarks they desire to about H. R. 4845. I believe that is in the inter-

ests of expedition rather than have the witnesses split up their statements into two parts.

The committee will be glad to hear anything that you desire to say about the other bill.

Mr. RANKIN. All right.

On H. R. 4 I desire to say that there are many witnesses here representing the various veterans' organizations, who are familiar with all the details and facts concerning the persons who will be covered by that measure, and I am going to leave the rest of the statement to them.

But I want to make a short statement about H. R. 4845, which increases the rate of compensation of totally and permanently disabled veterans from \$30 to \$40 a month, and grants compensation to veterans above 65 years of age.

It is estimated that this measure would cost—the first year would be \$11,602,000. If these men were veterans of any other war, they would be receiving around \$60 a month. We didn't raise this to \$60 because we knew what the opposition would be, and we feared that it might impose too heavy a burden on the Treasury at this time. So we brought it up to \$40 a month, and included those men who were disabled from old age.

Now there has been a great deal said in some of the magazines about the passage of some of these bills through the House.

I think if you will search the record you will find that one of them was passed with only four votes against it; that was H. R. 4. My recollection is that there were only four votes against it. And the other one passed by unanimous consent with only one objection.

So I submit, Mr. Chairman, that the very least we could do under the circumstances to bring any measure of justice to these people, would be to pass these two bills in their present form.

Senator DANAHER. It is not especially relevant, Congressman Rankin, but how do you pass a measure by unanimous consent with only one objection?

Mr. RANKIN. I will be glad to answer that, Senator, because I think it is time the House and the Senate understood each other, because over in the House they accuse the Senate of having only one rule; that is "unanimous consent."

Well, we have a modification of that rule. When a bill comes before the House on the unanimous-consent calendar—that is the Private Calendar or the Consent Calendar—the first time one objection prevents its passage. It remains on the calendar, but the next time it comes up it takes three objections. So the first time this bill came up some gentleman objected to it. That carried it over until the next time the calendar was called, and then it took three objections, and they couldn't find but one, so it passed by unanimous consent with only one objection.

Senator CLARK. At least it passed under the unanimous-consent calendar and under the unanimous-consent rule?

Mr. RANKIN. That is right. So when the House comes to criticize the Senate about its rules, I submit that ours are harder to understand than yours.

I will be glad to answer any questions I can with reference to this legislation.

Senator CLARK. Are there any questions?

Thank you very much, Congressman.

Mr. RANKIN. Thank you very much, Mr. Chairman.

Senator CLARK. General Hines, will you come forward, sir, please?

STATEMENT OF GEN. FRANK T. HINES, ADMINISTRATOR, VETERANS' ADMINISTRATION, WASHINGTON, D. C.

Senator CLARK. General, before we proceed to the consideration of these two bills which may be controversial, I understand we have five bills before us which the House has passed, and which the Veterans' Bureau has approved. It might be well just to mention them for the record.

There is H. R. 4905, to facilitate standardization and uniformity of procedure relating to determination of service connection of injuries or diseases alleged to have been incurred in or aggravated by active service in a war, campaign, or expedition.

That is simply, as I understand it, a bill to resolve every reasonable doubt in favor of the veteran.

General HINES. Really, Mr. Chairman and gentlemen of the committee, it writes into law the policy of the Veterans' Administration, which we have no objection to.

Senator CLARK. Then we have H. R. 4692, relating to the disposition of personal property of certain deceased patients or members of United States Veterans' Administration facilities. I understand that the Bureau has approved that.

General HINES. Yes, sir.

Senator CLARK. And H. R. 4853, to amend section 4, Public Law No. 198, Seventy-sixth Congress, July 19, 1939, to authorize hospitalization of retired officers and enlisted men who are war veterans on a parity with other war veterans.

General HINES. That is an equalization bill, and we are in favor of it.

Senator CLARK. The Bureau has recommended that?

General HINES. Yes, sir.

Senator CLARK. And H. R. 4787, providing that the unexplained absence of any ex-serviceman for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration. That is simply to make the veterans' law comply with the ordinary civil laws?

General HINES. With the State laws, and to make it uniform, Mr. Chairman.

Senator CLARK. Then there is H. R. 5305, authorizing the Administrator of Veterans' Affairs to grant easements in certain lands to the town of Bedford, Mass., for road-widening purposes. The Bureau has recommended that?

General HINES. That is right.

Senator CLARK. If there is no objection, these bills will be reported favorably.

(H. R. 4905, H. R. 4692, H. R. 4853, H. R. 4787, and H. R. 5305 are as follows:)

[H. R. 4905, 77th Cong., 1st sess.]

AN ACT To facilitate standardization and uniformity of procedure relating to determination of service connection of injuries or diseases alleged to have been incurred in or aggravated by active service in a war, campaign, or expedition

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs

is hereby authorized and directed to include in the regulations pertaining to service connection of disabilities additional provisions in effect requiring that in each case where a veteran is seeking service connection for any disability due consideration shall be given to the places, types, and circumstances of his service as shown by his service record, the official history of each organization in which he served, his medical records, and all pertinent medical and lay evidence.

In the case of any veteran who engaged in combat with the enemy in active service with a military or naval organization of the United States during some war, campaign, or expedition, the Administrator of Veterans' Affairs is authorized and directed to accept as sufficient proof of service connection of any disease or injury alleged to have been incurred in or aggravated by service in such war, campaign, or expedition, satisfactory lay or other evidence of service incurrence or aggravation of such injury or disease, if consistent with the circumstances, conditions, or hardships of such service, notwithstanding the fact that there is no official record of such incurrence or aggravation in such service, and, to that end, shall resolve every reasonable doubt in favor of such veteran: *Provided*, That service connection of such injury or disease may be rebutted by clear and convincing evidence to the contrary. The reasons for granting or denying service connection in each such case shall be recorded in full.

Passed the House of Representatives October 6, 1941.

Attest:

SOUTH TRIMBLE, *Clerk.*

[H. R. 4692, 77th Cong., 1st sess.]

AN ACT Relating to the disposition of personal property of certain deceased patients or members of United States Veterans' Administration facilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act approved June 25, 1910 (36 Stat. 736, 24 U. S. C. 136), be amended to read as follows:

"SECTION 1. Effective ninety days after the approval of this Act, whenever any veteran (admitted as a veteran) shall die while a member or patient in any facility, or any hospital while being furnished care or treatment therein by the Veterans' Administration, and shall not leave surviving him any spouse, next of kin, or heirs entitled, under the laws of his domicile, to his personal property as to which he dies intestate, all such property, including money and choses in action, owned by said decedent at the time of death and not disposed of by will or otherwise, shall immediately vest in and become the property of the United States as trustee for the sole use and benefit of the General Post Fund, a trust fund prescribed by section 20 (b) (45) of Public Law Numbered 473 of the Seventy-third Congress (31 U. S. C. 725s).

"The foregoing provisions are conditions precedent to the initial, and also to the further furnishing of care or treatment by the Veterans' Administration in a facility or hospital. The acceptance of care or treatment by any veteran admitted as such to any Veterans' Administration facility or hospital after ninety days from the date of approval of this Act, and as well the continued acceptance of care or treatment furnished by the Veterans' Administration after said ninety days by any veteran who is then receiving the same shall constitute an acceptance of the provisions and conditions of this Act and have the effect of an assignment, effective at his death, of such assets in accordance with and subject to the terms and provisions of this Act and the regulations issued in accordance with and pursuant thereto. Said Act of June 25, 1910, shall be and remain in effect during such ninety-day period except as modified by sections 3 to 10 of this enactment, which sections shall be effective upon approval of this enactment.

"SEC. 2. The fact of death of the veteran (admitted as such) in a facility or hospital, while being furnished care or treatment therein by the Veterans' Administration, leaving no spouse, next of kin, or heirs, shall give rise to a conclusive presumption of a valid contract for the disposition in accordance with this Act, but subject to its conditions, of all property described in section 1 of this Act owned by said decedent at death and as to which he dies intestate.

"SEC. 3. Any assets heretofore or hereafter accruing to the benefit of the said General Post Fund other than money, but including jewelry and other personal effects, may be sold at the times and places and in the manner prescribed by regulations to be issued by the Administrator of Veterans' Affairs. Upon receipt of the purchase price he is authorized to deliver at the place of sale, said property sold, and upon request to execute and deliver appropriate assignments or other

conveyances thereof in the name of the United States, which shall pass to the purchaser such title as decedent had at date of death. The net proceeds after paying any proper sales expenses as determined by the Administrator of Veterans' Affairs shall forthwith be paid to the Treasurer of the United States to the credit of said General Post Fund; and may be disbursed as other moneys in said fund by the Division of Disbursements, Treasury Department, upon order of said Administrator: *Provided*, That articles of personal adornment which are obviously of sentimental value, shall be retained and not sold or otherwise disposed of until the expiration of five years from the date of death of the veteran, without a claim therefor, unless for sanitary or other proper reasons it is deemed unsafe to retain same, in which event they may be destroyed forthwith. Any other articles coming into possession of the Administrator of Veterans' Affairs or his representatives by virtue of this Act which, under regulations to be promulgated by said Administrator, are determined to be unsalable may be destroyed forthwith or at the time prescribed by regulations, or may be used for the purposes for which disbursements might properly be made from said fund, or if not usable, otherwise disposed of in accordance with regulations.

"Sec. 4. Disbursements from the General Post Fund shall be made by the Division of Disbursements, Treasury Department, upon the order and within the discretion of the Administrator of Veterans' Affairs for the benefit of members and patients while being supplied care or treatment by the Veterans' Administration in any facility or hospital, and this authority is not limited to facilities or hospitals under direct administrative control of the Veterans' Administration: *Provided, however*, That there shall be paid out of the assets of the decedent so far as may be the valid claims of creditors against his estate that would be legally payable therefrom in the absence of this Act and without the benefit of any exemption statute, and which may be presented to the Veterans' Administration within one year from the date of death, or within the time, to the person, and in the manner required or permitted by the law of the State wherein administration, if any, is had upon the estate of the deceased veteran; and also the proper expenses and costs of administration, if any: *And provided further*, That if the decedent's estate be insolvent the distribution to creditors shall be in accordance with the laws of his domicile, and the preferences and priorities prescribed thereby shall govern, subject to any applicable law of the United States.

"Sec. 5. The remainder of such assets or their proceeds shall become assets of the United States as trustee for said Post Fund and disposed of in accordance with this Act. If there be administration upon the decedent's estate such assets, other than money, upon claim therefor within the time required by law, shall be by the administrator of the estate delivered to the Administrator of Veterans' Affairs or his authorized representative, as upon final distribution; and upon the same claim there shall be paid to the Treasurer of the United States for credit to said Post Fund any such money available for final distribution. In the absence of administration, any money, chose in action, or other property of the deceased veteran held by any person shall be paid or transferred to the Administrator of Veterans' Affairs upon demand by him or his duly authorized representative, who shall deliver itemized receipt therefor. Such payment or transfer shall constitute a complete acquittance of the transferor with respect to any claims by any administrator, creditor, or next of kin of such decedent.

"Sec. 6. If necessary to obtain such assets the Administrator of Veterans' Affairs, through his authorized attorneys, may bring and prosecute appropriate actions at law or other legal proceedings, the costs and expenses thereof to be paid as other administrative expenses of the Veterans' Administration.

"Sec. 7. Notwithstanding the crediting to said Post Fund of the assets, or proceeds thereof, of any decedent, whether upon determination by a court or the Veterans' Administration pursuant to the provisions of section 1 hereof, any person claiming a right to such assets may within five years after the death of the decedent file a claim on behalf of himself and any others claiming with the Administrator of Veterans' Affairs who, upon receipt of due proof that any person was at date of death of the veteran entitled to his personal property, or a part thereof, under the laws of the State of domicile of the decedent, may pay out of the Post Fund, but not to exceed the net amount credited thereto from said decedent's estate less any necessary expenses, the amount to which such person, or persons, was or were so entitled, and upon similar claim any assets of the decedent which shall not have been disposed of shall be delivered in kind to the parties legally entitled thereto: *Provided*, That if any person so entitled be under legal disability at the date of death of such decedent said five-year period of limitation shall run from the termination or removal of

legal disability. In the event of doubt as to entitlement the Administrator of Veterans' Affairs may cause administration or other appropriate proceedings to be instituted in any court having jurisdiction. In determining questions of fact or law involved in the adjudication of claims made under this section no judgment, decree or order entered in any action at law, suit in equity, or other legal proceeding of any character purporting to determine entitlement to said assets or any part thereof, shall be binding upon the United States or the Administrator of Veterans' Affairs or determinative of any fact or question involving entitlement to any such property or the proceeds thereof, or any part of said Post Fund, unless the Administrator of Veterans' Affairs has been seasonably served with notice and permitted to become a party to such suit or proceeding if he make request therefor within thirty days after such notice. Notice may be served in person or by registered mail upon said Administrator of Veterans' Affairs, or upon his authorized attorney in the State wherein the action or proceedings may be pending: *Provided, however,* That notice may be waived by the Administrator of Veterans' Affairs or by his authorized attorney, in which event the finding, judgment, or decree, shall have the same effect as if said Administrator were a party and served with notice. Any necessary court costs or expenses if authorized by the Administrator may be paid as are other administrative expenses of the Veterans' Administration.

"SEC. 8. The Administrator of Veterans' Affairs shall prescribe a form of application for hospital treatment and domiciliary care which shall include notice of the provisions of this Act. Within ninety days after approval hereof similar notice shall be given to each veteran then receiving care in any facility or hospital as described in this Act: *Provided, however,* That this requirement shall be met by posting of said notice with a copy of the prescribed form in a prominent place in each building wherein patients or members are housed.

"SEC. 9. Moneys in the General Post Fund not required for current disbursement may be invested and reinvested by the Secretary of the Treasury in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

"SEC. 10. Any provision of law in conflict with this Act is modified accordingly, but nothing herein shall be construed to repeal or modify Public Law Numbered 262, approved August 12, 1935 (49 Stat. 607; 38 U. S. C. 450), or any amendments thereto, or Public Law Numbered 734, approved June 25, 1938 (52 Stat. 1189; 38 U. S. C. 16).

"SEC. 11. The Administrator of Veterans' Affairs shall have power to issue rules or regulations necessary or appropriate to carry out the purposes of this Act."

Passed the House of Representatives July 7, 1941.

Attest:

SOUTH TRIMBLE, *Clerk.*

[H. R. 4853, 77th Cong., 1st sess.]

AN ACT To amend section 4, Public Law Numbered 198, Seventy-sixth Congress, July 19, 1939, to authorize hospitalization of retired officers and enlisted men who are war veterans on a parity with other war veterans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of Public Law Numbered 198, Seventy-sixth Congress, approved July 19, 1939, is hereby amended to read as follows:

"SEC. 4. In the administration of laws pertaining to veterans, retired officers, and enlisted men of the Army, Navy, Marine Corps, and Coast Guard, who served honorably during a war period as recognized by the Veterans' Administration, shall be, and are entitled to hospitalization and domiciliary care in the same manner and to the same extent as veterans of any war are now or may hereafter be furnished hospitalization or domiciliary care by the Veterans' Administration and subject to those provisions of paragraph VI (A) of Veterans' Regulation Numbered 6 (c), which provide for reduction of monetary benefits to veterans having neither wife, child, nor dependent parent while being furnished hospital treatment, institutional, or domiciliary care."

Passed the House of Representatives October 6, 1941.

Attest:

SOUTH TRIMBLE, *Clerk.*

[H. R. 4787, 77th Cong., 1st sess.]

AN ACT To provide that the unexplained absence of any ex-service man for seven years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no State law providing for presumption of death shall be applicable to claims for benefits under laws administered by the Veterans' Administration. If evidence satisfactory to the Administrator of Veterans' Affairs is produced establishing the fact of the continued and unexplained absence of any individual from his home and family for a period of seven years, during which period no evidence of the absentee's existence has been received, the death of such absentee as of the date of the expiration of such period may be considered as sufficiently proved.

Passed the House of Representatives October 6, 1941.

Attest:

SOUTH TRIMBLE, *Clerk.*

[H. R. 5305, 77th Cong., 1st sess.]

AN ACT Authorizing the Administrator of Veterans' Affairs to grant easements in certain lands to the town of Bedford, Massachusetts, for road-widening purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs is authorized and directed to grant easements, subject to any rights which the Boston and Maine Railroad Company may have in and over tract numbered 2, to the town of Bedford, Massachusetts, for road-widening purposes, in two small strips of land of the Veterans' Administration facility in such town, described as follows:

TRACT NUMBERED 1

Beginning at a point in the northeasterly line of Page or Pine Hill Road at the southerly corner of the property of the United States of America and known as Veterans' Administration Facility, Bedford, Massachusetts, north twenty-six degrees twenty-six minutes and thirty seconds west one hundred and seventeen and ninety-six one-hundredths feet along the northeasterly line of said road to a point in the new northeasterly street line as laid out by the county commissioners of Middlesex County on December 20, 1940; thence south twenty-eight degrees ten minutes and five seconds east one hundred and sixteen and forty-four one-hundredths feet along the said new northeasterly street line to a point in the southeasterly property line of the United States of America; thence south thirty-nine degrees twenty-three minutes and forty seconds west three and eighty-five one-hundredths feet along the southeasterly property line of the United States of America to the point of beginning, containing five one-hundredths acre, more or less.

TRACT NUMBERED 2

Beginning at a point in the northeasterly line of Page or Pine Hill Road at the southwestly corner of the property of the United States of America and known as Veterans' Administration Facility, Bedford, Massachusetts, north fifty degrees thirty-eight minutes and forty seconds east five and eighty-six one-hundredths feet along the westerly property line of the United States of America to a point in the new northeasterly street line as laid out by the county commissioners of Middlesex County on December 20, 1940; thence south twenty-eight degrees ten minutes and five seconds east six hundred thirty-seven and thirty-eight one-hundredths feet along the said new northeasterly street line to a point in the northwestly right-of-way line of the Boston and Maine Railroad Company; thence south twenty-eight degrees ten minutes and five seconds east forty-seven and ninety-one one-hundredths feet across said railroad right-of-way; thence south twenty-eight degrees ten minutes and five seconds east one and fifteen one-hundredths feet to a point in the northeasterly line of Page or Pine Hill Road; thence north twenty-nine degrees five minutes and sixteen seconds west one and thirteen one-hundredths feet to a point in the northeasterly right-of-way line of the Boston and Maine Railroad Company; thence north twenty-nine degrees five minutes and sixteen seconds west forty-seven and twelve one-hundredths feet across said railroad right-of-way; thence

north thirty degrees nineteen minutes and twenty-five seconds west three hundred forty-two and six one-hundredths feet; thence north thirty-three degrees seven minutes and ten seconds west one hundred and fifty feet; thence north twenty-one degrees thirteen minutes and thirty seconds west ninety-two and fifty-four one-hundredths feet; thence north eighteen degrees one minute and fifteen seconds west fifty-four and seventy-nine one-hundredths feet to the point of beginning, containing eighteen one-hundredths acre, more or less.

Passed the House of Representatives October 6, 1941.

Attest:

SOUTH TRIMBLE, *Clerk.*

Senator CLARK. Now, General, we have before us, as you know, H. R. 4 and H. R. 4845, and the committee is considering, for the purposes of convenience, so far as witnesses are concerned, both bills at the same time.

General HINES. Mr. Chairman and gentlemen of the committee, I am sure the committee appreciates that H. R. 4 is a type of bill that we would all like to agree upon, but there are some factors in this bill to which I desire to call the attention of the committee, and in order that your record may be in proper shape, because there probably will be some differences of opinion on certain provisions, I think it would be well, in order that the committee may have all of the things that the legislation proposes, if I read into the record at this time my report on the bill.

Senator CLARK. We would be very glad to have you do that, General.

General HINES. The report is addressed to the chairman of the committee at that time, dated July 7, 1941:

This is in response to your request of July 2, 1941, for a report on H. R. 4, Seventy-seventh Congress, "A bill to provide more adequate compensation for certain dependents of World War veterans, and for other purposes," which provides as follows:

"That part III of Veterans Regulation No. 1 (a), as amended, is hereby amended, by adding a new paragraph, IV, thereto to read as follows:

"IV. (a) Subject to the income limitation of part III, paragraph II hereof, as amended, the surviving dependent widow as hereinafter defined, child, or children, and/or dependent mother or father of any deceased person who served in the active military or naval service during the World War, and whose service therein was as defined by part III, paragraph I hereof, as amended, shall be entitled to receive compensation at the monthly rates specified next below:

"Widow but no child, \$20; widow and one child, \$28; widow and two children, \$34 (with \$4 for each additional child); no widow but one child, \$12; no widow but two children, \$18 (equally divided); no widow but three children, \$24 (equally divided) (with \$3 for each additional child; total amount to be equally divided); dependent mother or father, \$20; or both, \$15 (each).

"(b) As to the widow, child, or children, the total compensation payable under this paragraph shall not exceed \$56. Where such benefits would otherwise exceed \$56, the amount of \$56 may be apportioned as the Administrator of Veterans' Affairs may prescribe."

SEC. 2. For the purpose of payment of compensation under the provisions of this Act, the term 'widow' shall mean a woman who was married prior to July 3, 1921, to the person who served; or who was married prior to May 13, 1938, to the person who served, provided a child was born of such marriage: *Provided*, That the provisions of section 3 of the Act of May 13, 1938 (Public, Numbered 514, Seventy-fifth Congress), insofar as they are not inconsistent with the provisions of this Act, shall govern the determination of eligibility of a widow for benefits under this Act."

An identical report on this bill was made to the Chairman, Committee on World War Veterans' Legislation, House of Representatives, on February 25, 1941.

Part III of Veterans Regulation No. 1 (a), as amended, which the bill proposes to amend, grants pension on account of disabilities or death not the result of service, under the conditions hereinafter outlined. Disability pension is payable

to any honorably discharged veteran of the Spanish-American War, Boxer Rebellion, Philippine Insurrection, or the World War who is permanently and totally disabled not as a result of misconduct and not the result of military or naval service, if such veteran served at least ninety days or was discharged for disability incurred in line of duty and was in the active service before the cessation of hostilities. Death pension is payable to the widow or children of any deceased veteran of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection at the rates prescribed on the enclosed chart, provided the service of such disabled veteran was as above described. Under the existing provisions of part III, and as proposed by the bill, death pension is not payable to any unmarried person whose annual income exceeds \$1,000, or to any person with minor children whose annual income exceeds \$2,500. Part III of Veterans Regulation No. 1 (a), as amended, makes no provision for the payment of pension to the widow or children of a World War veteran. The bill would provide such a pension and in addition would include dependent parents.

The following criteria would govern eligibility for pension in addition to the service requirements heretofore set forth:

(1) The period of the World War would be deemed to have ended November 11, 1918, unless the veteran served in Russia, in which case the date would be extended, by virtue of Section 1 of Public No. 344, 74th Congress, August 26, 1935 (38 U. S. C. 704a), to April 1, 1920. Section 5 of Public No. 304, 75th Congress, which provides that "except as to emergency officers' retirement pay, reenlistment in the military or naval service on or after November 12, 1918, and before July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918, shall be considered as World War service under the laws providing benefits for World War veterans and their dependents," would also be applicable.

(2) The above-described income limitation would be applicable only in the case of children, in view of the provision of the bill which limits payment of compensation to *dependent* widows and dependent mothers and fathers. The condition of dependency would be determined under regulations prescribed by the Veterans' Administration.

(3) The term "widow," as defined by section 2 of the bill, would mean a woman who was married prior to July 3, 1921, to the person who served; or who was married prior to May 13, 1938, to the person who served, provided a child was born of such marriage; and the following provisions of section 3 of the act of May 13, 1938 (Public No. 514, 75th Congress) would govern the determination of eligibility of a widow for benefits under the proposed act:

"That all marriages shall be proven as valid marriages according to the law of the place where the parties resided at the time of marriage or the law of the place where the parties resided when the right to compensation accrued. Compensation shall not be allowed a widow who has remarried either once or more than once, and where compensation is properly discontinued by reason of remarriage it shall not thereafter be recommenced. No compensation shall be paid to a widow unless there was continuous cohabitation with the person who served from the date of marriage to date of death, except where there was a separation which was due to the misconduct of or procured by the person who served, without the fault of the widow."

(4) The term "child" would be that as described in paragraph VI, Veterans Regulation No. 10, as amended, which provides that:

"The term 'child' shall mean a legitimate child or a child legally adopted, unmarried and under the age of eighteen years, unless prior to reaching the age of eighteen, the child becomes or has become permanently incapable of self-support by reason of mental or physical defect, except that the payment of pension shall be further continued after the age of eighteen years and until completion of education or training (but not after such child reaches the age of twenty-one years), to any child who is or may hereafter be pursuing a course of instruction at a school, college, academy, seminary, technical institute, or university, particularly designated by him and approved by the Administrator, which shall have agreed to report to the Administrator the termination of attendance of such child, and if any such institution of learning fails to make such report promptly the approval shall be withdrawn."

(5) The administrative and penal provisions of title I, Public No. 2, 73d Congress, and the Veterans Regulations would be applicable.

While Congress has not heretofore seen fit to enact a service pension law on behalf of widows and children of World War veterans, Public No. 484, 73d

Congress, June 28, 1934, as amended by Public No. 198, 76th Congress, July 19, 1939, provides benefits on account of non-service-connected death as follows:

"(a) To the surviving widow, child, or children of any deceased person who served in the World War before November 12, 1918 (or before April 2, 1920, if the person was serving with the United States military forces in Russia), who, while receiving or entitled to receive compensation, pension, or retirement pay for 10 per centum disability or more presumptively or directly incurred in or aggravated by service in the World War, died from a disease or disability not service connected;

"(b) To the surviving widow, child, or children of any deceased World War veteran who served within either of the above described periods and who was honorably discharged after having served ninety days or more (or who, having served less than ninety days was discharged for disability incurred in the service in line of duty), and who died from a disease or disability not service connected and at the time of death had a disability directly or presumptively incurred in or aggravated by service in the World War for which compensation would have been payable if 10 per centum or more in degree."

The foregoing benefits are not payable to a widow without child, or to a child if such person's annual income exceeds \$1,000, or to a widow with a child if she has an income which exceeds \$2,500.

There is enclosed as part of this report a comparative chart showing widows' and children's rates of pension payable under the Spanish-American War Service Pension Act of May 1, 1926, under Public, No. 484, Seventy-third Congress, as amended, under Veterans Regulation No. 1 (a), as amended, part II and part III, and those proposed by H. R. 4.

While the proposed rates are lower than those prescribed by section 2 of the Spanish-American War Service Pension Act of May 1, 1926 (38 U. S. C. 304a), as reenacted by Public No. 269, Seventy-fourth Congress, August 13, 1935 (38 U. S. C. 368), the standards of entitlement are different.

For example, under the bill service before the beginning date of the World War, if in a period of service extending into the World War period may be counted, whereas under the Service Pension Act of May 1, 1926, service prior to April 21, 1898, the beginning date of the War with Spain cannot be counted. The act of May 1, 1926, does not require continuous cohabitation on the part of the widow of the veteran of the Spanish-American War (although it is required of widows of veterans of the Boxer Rebellion and Philippine Insurrection); whereas the bill, by incorporating an applicable provision of section 3 of the act of May 13, 1938, supra, makes continuous cohabitation a prerequisite to a widow's entitlement. Under the act of May 1, 1926, only a legitimate child is included within the definition of that term, whereas the bill would include an adopted child. Under the act of May 1, 1926, pension on behalf of a child is discontinued when the child reaches the age of 16 years, whereas the bill would permit an unmarried child to receive benefits until its eighteenth birthday and thereafter until 21 years of age if attending an approved course of training.

In every instance the rates prescribed by the bill exceed those provided by part III of Veterans Regulation No. 1 (a), as amended, based upon non-service-connected death and limited to widows and children of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection veterans. The proposed rates approximate those prescribed for a widow under 50 years of age by part II, Veterans Regulation No. 1 (a), as amended, based upon service-connected death in other than a period of war service. Enactment of such rates would, therefore, disturb the balance now existing between rates based upon service-connected death resulting from a period of service other than wartime, and those based upon wartime non-service-connected death.

In view of the unprecedentedly large numbers involved and the increasing yearly cost, it is believed that any legislation proposing a service pension on behalf of widows, children, and dependent parents of World War veterans should be considered in the light of the historical background and circumstances surrounding the original legislation with respect to World War veterans and their dependents, and also in the light of recently enacted laws granting benefits to dependents of deceased World War veterans where the death was not due to service but the veteran at time of death was suffering from a service-connected disability.

The original World War veterans' legislation was predicated on a desire to overcome the disadvantages of the pension system as it existed in the United

States prior to the World War, and to evolve an entirely new plan including liberal provision of compensation based upon workmen's compensation standards rather than the idea of a Government pension, provision for insurance against death and total permanent disability, vocational rehabilitation, and other benefits in keeping with the modern attitude of the Government's responsibility toward those who incurred disability or the dependents of those who died as a result of military or naval service. The new plan was designed to replace the old policy whereby pensions were granted not only on account of disability or death incurred as a result of military service, but also on account of death or disability in no way connected with that service. It was designed by the Government, after expert thought and study, for the purpose of obviating what were deemed to be defects in the old pension system.

Since the enactment of original legislation with respect to World War veterans, numerous liberalizations have occurred, including the World War Adjusted Compensation Act, whereby monetary relief was afforded to thousands of widows and children of World War veterans, and legislation permitting the indulgence of legal presumption of service connection of certain disabilities whereby compensation was awarded to thousands of World War veterans and their dependents who could not otherwise prove service connection. These and other enactments granting enlarged benefits to the World War group have served as the ground for not reviving the principles and policies followed by the Government in extending relief to veterans of wars prior to the World War and the dependents of such veterans.

The act of June 28, 1934 (Public, No. 484, 73d Cong.), provided compensation for widows and children of deceased World War veterans at rates lower than service-connected death rates if the veteran at the time of death from a non-service-connected cause, not due to misconduct, was entitled to or receiving compensation, pension, or retirement pay for a directly service-connected disability of at least 30 percent degree. The underlying theory of this law was that it could not reasonably be said that a 30-percent service-connected disability might not be related to the cause of death. In other words, the law in effect recognized a presumption that the service-connected disability, if 30 percent or more, was related to the cause of death regardless of what the evidence revealed or did not reveal in the individual case. Section 1, Public, No. 844, Seventy-fourth Congress, June 29, 1936, eliminated the misconduct bar and included presumptively service-connected cases. The act was further liberalized by Public, No. 304, Seventy-fifth Congress, August 16, 1937, by reducing to 20 percent the 30-percent disability requirement, and by Public, No. 514, Seventy-fifth Congress, May 13, 1938, the percentage requirement was still further reduced to 10 percent. A still further liberalization was provided by Public, No. 198, Seventy-sixth Congress, July 19, 1939, as heretofore set forth.

It is believed that the committee will wish to bear in mind that the Government's first obligation properly extends to those disabled in active duty in the military or naval service and to the dependents of such persons who die as the result of such disability. In at least one instance in the past relief extended to non-service-connected groups, as the result of economic depression, resulted in decreased relief to service-connected groups, as evidenced by the effect of Public, No. 2, Seventy-third Congress, March 20, 1933.

Pertinent to this proposal to enter a new and extensive field of relief is the question of the Government's existing and potential obligation. World War service-connected disability cases now total more than 349,000 and, it is believed, these cases will continue to increase. Each of these cases is potentially in line for death-compensation benefits either service-connected or under the liberal provisions of Public, No. 484, Seventy-third Congress, as amended, described above. Disbursements to World War veterans for non-service-connected permanent total disability will continue to increase for many years as will the cost of domiciliary and hospital care. Further, there is the larger question involving the Government's defense program requiring expenditures of billions of dollars in addition to which there will flow increased expenditures for relief to veterans (and their dependents) of our defense forces.

Senator CLARK. What do you say about the arguments advanced that you had better pay for the expenses of the last war, and those necessarily incurred as a result of it, before you start to get into another war?

General HINES. Well, we will have to pay both of them, I guess, Mr. Chairman (continuing):

Estimate of cost of the proposed measure for the first year is as follows:

| | Number of cases | Estimated cost first year |
|-----------------------------------|-----------------|---------------------------|
| Widows alone..... | 29,300 | \$7,032,000 |
| Widows with children..... | 60,000 | 24,689,000 |
| Children alone..... | 20,800 | 4,199,000 |
| Total..... | 110,100 | 35,920,000 |
| One-half cost..... | 55,000 | 17,960,000 |
| One parent..... | 28,300 | 6,792,000 |
| Both parents..... | 4,900 | 1,764,000 |
| Total..... | 33,200 | 8,556,000 |
| One-half cost..... | 16,600 | 4,278,000 |
| Estimated cost ¹ | | 22,238,000 |

¹ Based on experience it is estimated that not more than one-half of those entitled would apply and be paid the first year. Therefore, one-half cost has been used. Cases cannot be added since parents exist with other beneficiaries.

Income provisions contained in paragraph II of part III of Veterans Regulation No. 1 (a) has been applied. The term "dependent" widow may result in a denial of benefits in some cases where the income limitation would not bar payment, but no estimate can be made as to the number of such cases.

For the foregoing reasons favorable consideration of the proposed legislation by your committee is not recommended.

Advice has been received from the Bureau of the Budget that the proposed legislation would not be in accord with the program of the President.

I would just like to add to my report a few remarks.

As I said at the outset, I am sure that we all have the greatest sympathy in dealing with the dependents of men who have served their country; but we should not, however, in considering this legislation, lose sight of the fact that while we have reached about the approximate time that other pension bills have been passed for other groups of veterans, we are taking on the rolls many dependent widows who were not the wives of the men when they served.

In appearing before the House committee, I suggested that we might well give consideration first, if we have reached the point when, in the opinion of the Congress, it is time for pension legislation for the World War group, that we consider first the wife of the veteran who served and his dependent children.

I cannot find good reason to include a new principle in any pension bill dealing with the World War, that of compensating dependent parents, although I know that the other committee, the World War Veterans' Committee, considered my suggestion on that and sent it over to the Senate including it.

I know there is an appeal for a dependent mother and a dependent father, and while there may be some States where the social-security laws do not provide much, nearly all of them provide something, and the dependent parents of this group must be in that bracket now.

In other words, the World War veterans are at an average age of 48 years. Their parents must be, certainly, in the seventies somewhere. But aside from whether they are or are not, I am wondering at this time whether it is really in the interest of the veteran, the interest

of the veterans of the World War, to have a bill including a new principle, and a costly one, included at this time. It has already brought some criticism on the World War group, and I am sure that those veterans who served in the World War desire to stand in public esteem, as they stood for the last 23 years—

Senator CLARK. May I interrupt you just a moment to ask you a question of fact?

General HINES. Certainly.

Senator CLARK. You said that the number of widows and dependent children would be calculated to increase for a number of years?

General HINES. That is right.

Senator CLARK. Now exactly the opposite would be true with regard to the dependent parents, wouldn't it, that group would be calculated to decrease very rapidly, would it not?

General HINES. That is correct; and we indicate in one of our reports about the speed of that, and that is especially true as we consider the service-connected World War group. As a matter of fact, we had more dependent parents on the rolls than we did widows and children. They reached a peak—and I think I have some data on that which will give you some idea. Parents of the deceased World War veterans of the service-connected group, we feel reached a peak on the 30th of June 1939, when we had 82,398. That was a step-up from the previous year from 76,779.

In determining what caused that we found that it was in that year that the insurance benefits, which were payable to dependents, ran out, and, therefore, the compensation rolls increased.

So, in 1940, it dropped to 81,079, and in 1941, to 77,262, showing, we feel, a trend downward on that group.

Senator CLARK. Excuse me, General, I didn't mean to interrupt your trend of thought, but I did want to put that in the record at that point.

General HINES. I would like to put that report in. I think probably the committee may like it.

Senator CLARK. It may be inserted in the record, General.

(The report, Parents of Deceased World War Veterans on the Service-Connected Compensation Rolls, is as follows:)

Parents of deceased World War veterans on the service-connected compensation rolls

| June 30: | | June 30: | |
|-----------|---------|-----------|---------|
| 1932----- | 87, 400 | 1937----- | 81, 121 |
| 1933----- | 87, 447 | 1938----- | 76, 779 |
| 1934----- | 85, 477 | 1939----- | 82, 398 |
| 1935----- | 85, 975 | 1940----- | 81, 079 |
| 1936----- | 83, 877 | 1941----- | 77, 262 |

¹Increase due to cases where parents applied for compensation after the expiration of 240 installments of insurance.

Source: Budget and Statistics, November 26, 1941.

Senator DANAHY. Before you resume, may I ask you a question on your testimony?

General HINES. Yes; certainly.

Senator DANAHY. When you gave us the figure of \$22,238,000 and said that was the estimated cost for the first year, is it reasonable

to conclude that in the second year, and in succeeding years, the cost would revert to double that sum?

General HINES. It would undoubtedly increase. Now, whether it will be double or not, will depend upon how rapidly those cases apply. We have found for some reason, unexplainable, that in the widows group of the World War, they have been slow to apply. Now, whether it is because of their younger ages, whether they have been employed—there may be several causes. But we feel that there would be an increasing cost, the maximum of which we feel would be our total estimate. In other words, there would be that eligibility up to that time.

Senator LA FOLLETTE. What effect, General, has the lowering of the income-tax exemptions had on your rolls?

General HINES. So far we haven't noticed any change, but we probably will notice some. I should think that it would probably cause an increase of those. In other words, the exemption now that we follow, and the law, of course, dealing with those who are not eligible has not been changed—the tax law would not change that—is \$1,000 for the widow alone, and \$2,500 for a widow with children.

Now I think the committee should have in the record some information as to the present status of the subject we are dealing with, that is, the dependents.

First we have had to, necessarily, refer to the Spanish-American War and the other wars, but the Spanish-American War particularly because that is the nearest in date, of duration after the war when we passed pension legislation, and the rates are close to each other.

Now the World War group—and this report, which I doubt if the committee would desire the whole report in the record, I will quote from.

Senator LaFOLLETTE. Could we have copies for our own use?

General HINES. Certainly. (Copies of the report, Veterans Administration summary of activities as of October 31, 1941, were handed to the members of the committee.)

You will notice that the World War service-connected widows—first, we give deceased veterans. That means the number of veterans who have died. That is 96,185. Now those deceased veterans, of course, did not all have dependent widows, but they had some dependents. So we find, taking that number across, that we have 30,305 widows, 29,071 children, and 76,745 parents—making a total there of 136,121.

Now those covered by what I have termed the non-service-connected cases—and I should probably make it clear that that means the dependents of a veteran who had a disability that was capable of being measured. In other words, the last act lowered from 10 percent to what is really a disability of no percent, so we, in our adjudication, tried to determine, and many cases are reviewed where there has been no claim for compensation, to see if a disability exists upon the application of the widow for pension, and where they have died of any kind of disability, have been killed by an automobile or died of natural causes, not in any way connected with their service. We have on the rolls, under that group, 23,313 deceased veterans, whose dependents are 19,837 widows, 32,561 children.

Now up to this time we have not taken in the parents of the non-service group.

So that it seems to me, if I may be presumptuous and suggest this to the committee, that we might give very careful consideration—and I am perfectly willing to agree with your chairman that certainly this obligation that we have to the World War veterans is a very important one, it is important to the morale of the country, and the morale of the men who are now entering the service, I agree with that, and that whatever is the fair thing to do we should do—but I do urge the committee to consider two factors.

In the Civil War, as far back as that, they were very careful to single out the widow of the man who served, and they paid that widow the highest rate, and some are still drawing \$50 a month, which is \$5 higher than the service-connected World War cases.

In the Spanish-American War, they didn't do that.

But here is a chance in the World War, after all that we have done, with our desire—and I am frank to say that these new plans of insurance and various plans of relief for the veterans have not, in my judgment, changed the time-honored pension system; in other words, while I am not recommending at this time a pension, I feel that the time will come undoubtedly when, following the precedents that we have already set, Congress will undoubtedly go further in pensioning the World War veterans and their dependents.

So that it would seem that at this time, where we are studying—and this body, as a committee, is making an effort to find out ways of cutting down expenses that are not attached to the emergency—that we might well give careful consideration as to whether the next step should not be the widow who is the wife of the man who served, and likewise I urge—

Senator CLARK. You mean was the wife at the time he was in the service?

General HINES. That is right.

Senator CLARK. Congress has rather flouted that principle by giving a pension to the widow of President Harrison, who wasn't his wife at the time he was in the White House.

General HINES. Well, that was so well debated, I don't believe I will attempt to comment on it.

But that group certainly is meritorious, that is, provided you have now reached the point where we must have pensions for the World War group.

In years following other wars, you probably would be interested in knowing how these death service pension laws came along. The amounts were very small in the beginning, they were increased right along, but taking the period between the war and the law, in the case of the Civil War, the first one was 24 years after, and then from that up to the act of June 1930, they made changes, which was really 64 years after that they were still making changes.

The Spanish-American War—the first law that they enacted on pension, the period between the end of the war and the law was 16 years, and they have made changes.

Now the World War period is now 23 years past.

Senator CLARK. General, I understand the effect and the force of your argument with regard to limiting the pension in the first instance

to women who were the wives of the soldier at the time that he served. That would have the effect of obviating such things as have come about in previous pension bills.

I remember that my father, in the first term he served in Congress, in 1893, as a member of the old Pensions Committee in the House, reported three bills for Revolutionary widows; that is, for the widows of men who had served in a war which had terminated nearly 120 years before. This came about by a man enlisting as a very young man, living to a very old age, marrying a very young girl just before he died, and she living to a very old age.

On the other hand, I can't see the justice, if you are going to adopt the principle of the widows' pension at all, on which I am by no means convinced, if you are going to adopt that principle at all, I can't see the justice of saying that where a fellow was married just as he was going out in 1917, we will say, and who came on home and lived for a certain period of time, that his widow should be given a greater preference than another man who didn't happen to marry before he went into the war and who didn't marry until some time after he came back. [Applause.]

I will ask the courtesy of the visitors not to make demonstrations on either side. We are trying to get at the facts.

General HINES. Unless something is done like that, Senator, then we have the very troublesome problem of having Congress ask, from time to time, to change the marriage date, move it forward. Even at this time the Civil War and the Spanish-American War groups are urging that their marriage dates be moved forward. It is a difficult thing to know where that cut-off should come. The statement that you have just made is an argument against the proposal I have made, but I am wondering, when you consider the matter, the wife is the one—that is the widow or the wife who had the anguish of her husband being in service—and when you take the other side and attempt to find what is the Government's obligation really, if a man came out of the war with no disability—now we are talking about the groups that were not disabled in the war—came out of the war with no disability and then got married 10 years, or 2 years, or 20 years, or 23 years after the war, just wherein the Government's obligation is created. That is the problem that has confronted me from time to time.

And I want to say frankly, Senator, I realize that this position that I am occupying in making these suggestions to the committee should not be interpreted that I am hard-hearted in this matter—

Senator CLARK. I think everybody here recognizes that, not only on this committee but the service men at large.

General HINES. I am trying to bring to the attention of Congress, and I am doing it today not only because I want the Congress and the Senate to get the facts, but I also feel that in the minds of the public today we are dealing with a very ticklish public opinion, and I am a Legionnaire and a World War man—

Senator CLARK. A very distinguished one.

General HINES (continuing).—And I would dislike very much to see a barrage of newspapers, or what-not, attempt to say that at a time of national emergency, when we are bending every effort to bring about stable conditions, that the Congress was asked to further increase its obligations to those who served before.

Now the amount is small compared to what the other costs are, but we are considering other costs much smaller than this.

Now, Mr. Chairman, on that I feel that I have said sufficient, and maybe too much, but I would be glad to answer any questions. Senator CLARK. Are there any questions?

General, I would be glad to have you discuss the other bill, H. R. 4845.

General HINES. Well, H. R. 4845 deals with the matter of total and permanent disability for non-service-connected cases. The committee will well remember, and I will not attempt to read my report, but will simply ask that it be entered in the record in order to save time—

Senator CLARK. That may be done.
(General Hines' report on H. R. 4845 is as follows:)

AUGUST 15, 1941.

HON. WALTER F. GEORGE,
*Chairman, Committee on Finance, United States Senate,
Washington, D. C.*

MY DEAR SENATOR GEORGE: This is with further reference to your letter of July 11, 1941, requesting a report on H. R. 4845, Seventy-seventh Congress, "An act to increase the rate of pension to World War veterans from \$30 to \$40 per month, to grant such rate at age 65, and for other purposes," which provides as follows:

"That paragraph I (f), part III, Veterans Regulation Numbered 1 (a), as amended, is hereby amended to read:

"I (f) The amount of pension payable under the terms of part III shall be \$40 monthly: *Provided, That * * **"

"SEC. 2. Veterans Regulation Numbered 1 (a), as amended, part III, paragraph I, is amended by adding thereto a new subparagraph (i), to read as follows:

"(i) Any veteran sixty-five years of age or over who meets the service requirements of part III and subject to the income limitation therein, shall be entitled to receive a pension of \$40 per month."

This bill proposes (1) to increase from \$30 to \$40 per month pensions payable to World War veterans and veterans of the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, under the provisions of part III of Veterans Regulation No. 1 (a), as amended, on account of non-service-connected permanent total disability, and (2) to provide that veterans 65 years of age or over, who meet the other requirements of part III, shall be granted pensions in the amount of \$40 per month without being required to prove the existence of such permanent total disability.

Prior to the enactment of Public, No. 2, Seventy-third Congress, March 20, 1933, provision was made by the act of July 3, 1930, amending section 200 of the World War Veterans' Act, 1924, as amended, for the payment of disability allowance for non-service-connected disability to honorably discharged World War veterans who entered service prior to November 11, 1918, and served 90 days or more in the active military or naval service, and who met the other requirements of that act. Benefits were payable at the rate of \$12, \$18, \$24, and \$40 per month for permanent disabilities rated at 25 percent, 50 percent, 75 percent, or total disability, respectively. One of the reasons which led to the enactment of Public, No. 2, was the feeling that the disability allowance law was too liberal and that a retrenchment should be effected in the field of non-service-connected benefits to World War veterans. The following table shows the number of disability-allowance cases on the rolls June 30, 1933, classified by degree of disability:

| | |
|------------------|----------|
| 25 percent..... | 272, 399 |
| 50 percent..... | 92, 377 |
| 75 percent..... | 21, 343 |
| 100 percent..... | 26, 368 |
| Total..... | 412, 482 |

The annual expenditure for disability allowance for the fiscal year 1933 exceeded \$85,186,000, of which more than \$65,000,000 was on account of cases where the disability was rated less than total in degree.

Public, No. 2, repealed the disability-allowance provisions and under that act and part III of Veterans Regulation No. 1 (a), as amended, promulgated pursuant thereto, provision was made for the payment of non-service-connected pensions to World War veterans for permanent total disability at the rate of \$30 per month. The veteran must have been honorably discharged after having served 90 days or more during the World War, or been discharged for disability incurred in service in line of duty. Further, he must be suffering from a permanent total disability, not the result of his misconduct, and which is not shown to have been incurred in any period of military or naval service. Pension is not payable to any unmarried person whose annual income exceeds \$1,000 or to any married person or any person with minor children whose annual income exceeds \$2,500.

This group of totally disabled World War veterans, whose disabilities have been determined to be not due to their military service, is a steadily increasing group, which is to be expected with the advancing age of veterans and the hazards of disease and injury in civilian life. During the fiscal year ending June 30, 1910, the number on the roll increased from 52,936 to 60,296, all pensioned at the present total-disability rate of \$30 per month unless reduced to \$6 on account of receiving institutional care at Government expense and having no dependents. Of those on the roll, 770, or 1.28 percent, are over 68 years of age; 1,758, or 2.92 percent, are over 62 years of age; and 4,568, or 7.58 percent, are over 55 years of age. Disbursements to this group during the fiscal year 1940 amounted to \$19,324,715.45 as compared with \$17,100,317.81 during the year ending June 30, 1939, an increase of \$2,224,397.64. The experience for the fiscal year ending June 30, 1941, though not finally tabulated, will show a greater increase as the total disbursements for the first 11 months amounted to \$21,314,531.86. As of June 30, 1941, a total of 72,333 World War veterans were in receipt of such pensions.

There is also a small number of veterans of the Spanish-American War, including the Philippine Insurrection and the Boxer Rebellion, who are being paid pensions for non-service-connected disability under the provisions of part III of Veterans Regulation No. 1 (a), as amended. These pensions would be increased from \$30 to \$40 per month.

Enactment of this bill would result in paying service pensions at rates slightly in excess of the average monthly payment in World War service-connected-disability cases inasmuch as the average monthly payment to World War veterans for service-connected disabilities was \$39.71 as of March 31, 1941.

House of Representatives Report No. 618 from the Committee on World War Veterans' Legislation, recommending the passage of this bill points to the fact that veterans of the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, who were honorably discharged after 90 days or more service or were discharged for disability incurred in line of duty may under existing statutes be granted a service pension at the rate of \$60 per month for total disability, or for age 65 years or more. The committee expressed the feeling that it is only equitable World War veterans permanently and totally disabled should have restored to them the \$40 rate previously allowed and that World War veterans who have reached the age of 65 should be granted a similar pension without being required to prove permanent total disability. However, as consideration of the legislative history will show, there were factors in favor of such legislation for veterans of prior wars not applicable, or having less force if applied, to World War veterans.

The Veterans' Administration has always felt, consonant with the original intent of the Congress manifested in World War legislation, that the identical relief granted to the veterans and the dependents of veterans of prior wars should not as a matter of course be extended to the World War group. In the case of the World War, the numbers involved and the high rates of compensation paid for service-connected disabilities have resulted in expenditures, during earlier years after the war, that greatly surpass and will continue to surpass those which followed prior wars. Life and permanent total disability protection in the form of insurance, vocational rehabilitation, adjusted compensation,

statutory presumption of service connection and other relief were provided for veterans of the World War at great expense to the Government. More recent legislation affording age and survivors insurance will have an effect on many cases of veterans. It is believed that the Government's first obligation should be to those disabled in active duty in the military or naval service and to the dependents of such persons who die as a result of such disability. In at least one instance in the past relief extended to groups having non-service-connected disabilities resulted, in a time of depression, in decreased relief to those having service-connected disabilities, as witness the effects of Public, No. 2, Seventy-third Congress.

The attention of the committee is respectfully invited to the fact that H. R. 8729, Seventy-fifth Congress, contained a provision for increasing the rate under part III of Veterans Regulation No. 1 (a), as amended, from \$30 to \$40. That bill was passed by both Houses of Congress but failed to become a law as the President withheld his approval for the reasons disclosed in his memorandum of disapproval, dated June 20, 1938 (Cong. Rec., vol. 83, pt. 2, p. 9717).

Normally there might be good argument for returning to the \$40 rate, but full consideration supports the suggestion that this is not the time to do so. Necessary defense provisions will demand every effort of the Government for some time. Pertinent to this proposal also is the question of the Government's existing and potential obligation. World War service-connected disability cases now total more than 349,000 and it is believed these cases will continue to increase. Further, World War non-service-connected permanent total disability cases, now totaling more than 72,000, will continue to increase for many years, as will the cost of domiciliary and hospital care. Further, in addition to the larger question involving the Government's defense program requiring expenditures of billions of dollars, there will flow increased expenditures for relief to veterans (and their dependents) of our defense forces. Undoubtedly, the effect of social security legislation will decrease the need factor in many, especially age, cases.

It is estimated that section 1 would cost approximately \$8,098,000 the first year, affecting approximately 67,000 World War veterans and 220 Spanish-American War veterans. As to section 2, it is estimated that approximately 14,600 World War veterans would be entitled initially to the age pension. If one-half of those entitled apply and are paid, the first year cost would approximate \$3,504,000, bringing on the rolls 7,300 veterans. Veterans 70 years of age or over have been excluded from this estimate because it is assumed that those who meet the requirements of part III are already, or will be, on the rolls and those not on the rolls are receiving retirement pay or other income which would bar them from the pension. The total first year cost of this bill is, therefore, estimated at approximately \$11,602,000. It is the ultimate potential cost, however, foreshadowed in the attached chart which, in the opinion of the Veterans' Administration, gives pause to the proposed step—particularly referring to the age factor.

For the foregoing reasons, the Veterans' Administration is unable to recommend the bill for favorable consideration by your committee.

Advice has been received from the Bureau of the Budget that enactment of the proposed legislation would not be in accord with the program of the President.

Very truly yours,

FRANK T. HINES, *Administrator.*

General HINES. The committee will recall that prior to 1932 we had a problem before the Congress, and we ended in a compromise, really, and like most compromises it was not very good, and we undertook to bring out what was known as the disability allowance in which we paid \$12, \$18, \$24, and \$40 per month for 25, 50, 75, and 100 percent disability, respectively.

The Economy Act of March 20, 1933, repealed the disability allowance law, but under the authority therein contained the President promulgated Veterans Regulations, originally granting \$20 per

month and immediately thereafter increasing the rate to \$30 per month for permanent and total disability not shown to be due to service affecting both World War veterans and veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection.

Now the argument is made in the necessity for this bill, and some of them are good, that the rate should at least be put back to what it was initially, \$40, and we have had that before Congress for a number of years. Having granted it once, there is probably good argument to go back, and there are some that advocate that we even go higher than the \$40 on the basis that many of these men are at the same age as the Spanish-American War men, who get \$60 at 65 years of age. In other words, the Spanish War group—and all of these things seem to follow precedents, and we should keep that in mind—the Spanish War group obtains their pensions on disability and age—

Senator CLARK. In other words, we are dealing now with the veterans and widows of the next war, as well as of the last war?

General HINES. That is right, I am already dealing with those of the present emergency, although I refrain from using the word "war." I am dealing with the present emergency cases right now, and quite a number of them.

But the Spanish-American War groups and the groups preceding that, they established precedents, that will always be used as an argument to do something for these cases.

Now this bill brings in some factors that are new to the old disability allowance, in that it proposes to give these men at 65 years of age, regardless of disability, and it is based on the precedent of the Spanish-American War, the \$40 or the \$50—there are several bills of different rates.

Senator CLARK. It is a service pension?

General HINES. Yes; it is a service pension.

Now the initial cost of this bill doesn't run into large sums. It is estimated that section 1 of the bill, that is, the straight disability section, would the first year cost \$8,098,000, and would affect 67,000 World War veterans and 220 Spanish-American War veterans. This bill is broad enough to cover veterans of that preceding war.

As to section 2, it is estimated that approximately 14,600 World War veterans would be entitled to the initial age pension.

Now, if we take one-half the cost for the new cases, and the full cost for those on the rolls, the cost would be \$11,602,000 the first year.

I thought it would be well to call the committee's attention to the potential costs to which we should look at a little.

Now a table has been prepared, and I will put it in the record, if the committee will grant me permission.

Senator CLARK. Please do.

(The table referred to is as follows:)

Estimated cost of paying an age pension of \$40 per month to World War veterans who have attained the age of 65 years and who are not permanently and totally disabled, based on requirements contained in H. R. 4845, 77th Cong.

| Year | Annual cost | | Year | Annual cost | |
|-----------|-------------|-------------|-----------|-------------|---------------|
| | Number | Amount | | Number | Amount |
| 1942..... | 14,600 | \$7,008,000 | 1959..... | 816,900 | \$392,112,000 |
| 1943..... | 17,500 | 8,400,000 | 1960..... | 941,500 | 461,920,000 |
| 1944..... | 21,000 | 10,080,000 | 1961..... | 1,079,800 | 518,304,000 |
| 1945..... | 25,200 | 12,096,000 | 1962..... | 1,084,300 | 520,464,000 |
| 1946..... | 28,400 | 13,632,000 | 1963..... | 966,800 | 464,064,000 |
| 1947..... | 32,600 | 15,744,000 | 1964..... | 816,100 | 391,728,000 |
| 1948..... | 37,600 | 18,048,000 | 1965..... | 610,700 | 293,136,000 |
| 1949..... | 43,300 | 20,784,000 | 1966..... | 354,700 | 170,276,000 |
| 1950..... | 50,400 | 24,192,000 | 1967..... | 187,700 | 90,096,000 |
| 1951..... | 64,900 | 31,152,000 | 1968..... | 105,500 | 51,120,000 |
| 1952..... | 133,100 | 63,888,000 | 1969..... | 39,500 | 18,960,000 |
| 1953..... | 213,300 | 102,384,000 | 1970..... | 4,700 | 2,250,000 |
| 1954..... | 309,100 | 148,368,000 | 1971..... | 600 | 288,000 |
| 1955..... | 414,100 | 198,768,000 | 1972..... | 100 | 48,000 |
| 1956..... | 521,200 | 250,176,000 | 1973..... | 23 | 11,040 |
| 1957..... | 607,000 | 291,360,000 | 1974..... | 1 | 480 |
| 1958..... | 706,600 | 339,168,000 | | | |

Source: Budget and Statistics July 2, 1941.

General HINES (referring to table). It is the estimated cost of paying an age pension of \$40 per month to World War veterans who have attained the age of 65 years regardless of whether they are permanently and totally disabled, based on requirements contained in H. R. 4845, Seventy-seventh Congress.

Taking the first year 1942, the estimate is as I have given it to you. But suppose we run down to 1955. I feel quite confident that at that time I may not be before the committee explaining these matters, but suppose we take that year, where we have 414,000, where the annual cost is \$198,768,000, and it goes up to a peak, if our actuaries know what they are talking about, when in 1962 we would have 1,084,300 on the rolls, and the annual cost would be five-hundred-and-twenty-million-dollar.

Now, once or twice, Mr. Chairman and gentlemen of the committee, I have been severely "panned" in the press and in Congress for making predictions and estimates that way. But I think the committee should have that data.

I am not making the argument in presenting this that it isn't as strong as to whether we should pay a pension to the World War group at this time; we have got precedents for it. But others will do that anyway for me if I do not, and I feel that our data is much more accurate. We have more to base it on.

Senator CLARK. You can be sure, General, that the committee wants all the information you can give.

General HINES. Very few people realize how many veterans will be living when they reach the age group of 60 to 64 or 55 to 59, where even as late as 1951 our estimate is that in the age group 55 to 59 there will be 1,881,052 World War veterans living.

We have some now that are getting this disability pension of \$30 practically on age, because they are over 60, and you may realize

that we have at the present time three World War veterans between 90 and 94, we have 55 between 85 and 89, and 444 between 80 and 84, and they increase until they get to the average age.

Mr. Chairman, if the committee does anything with this bill, I think the most that should be done would be to restore the \$10 which was taken away.

Senator CLARK. That was in the law before the Economy Act, and was taken away by the Economy Act and never restored?

General HINES. That is correct. But I do not feel that we should bring into it a new element. I think that the Bureau—and I wish it to be made of record—in analyzing these cases of permanent and total disability, must take into consideration factors other than straight disability today. In other words, the factor of whether a man at a certain age, with a certain disability, can get employment. We hope, when we grant this permanent and total disability, that these men will not sit down and not do anything. I think they should make an effort to carry on, because if you take a man of 48 and grant him \$30 and he then stops trying to carry on, he can't live on that if he has a family, and we are not doing a good thing. In other words, we are telling a man that he can't work. So I feel that by regulations and by policy the Veterans' Administration should deal liberally with these men, considering the economic factors, employment factors, and take the entire picture, and I feel that the Congress will support that regulation.

We have gone far by instructions to our field up to date on that, and I doubt if we will ever be criticized for considering those factors, even though they may not all be specified in the law.

That is all I have to say on that.

Senator CLARK. Are there any questions?

Thank you very much, General.

Mr. Sullivan,

You are the executive director of the American Legion?

Mr. SULLIVAN. Acting director of the national legislative committee of the American Legion.

STATEMENT OF FRANCIS M. SULLIVAN, ACTING DIRECTOR, NATIONAL LEGISLATIVE COMMITTEE, THE AMERICAN LEGION; ACCOMPANIED BY T. O. KRAABEL, DIRECTOR, NATIONAL REHABILITATION COMMITTEE, THE AMERICAN LEGION; AND CARL BROWN, ASSISTANT DIRECTOR, NATIONAL REHABILITATION COMMITTEE, THE AMERICAN LEGION

Senator CLARK. How many members has the American Legion?

Mr. SULLIVAN. 1,100,000. We have an Auxiliary of over 500,000.

Senator CLARK. Are your eligibility rules limited to men and women who served in the World War?

Mr. SULLIVAN. And have an honorable discharge.

Senator CLARK. Does the American Legion have any other means of revenue except annual dues of the members?

Mr. SULLIVAN. That is the only way that we receive money.

Senator CLARK. You don't have any corporation members?

Mr. SULLIVAN. No, sir.

Senator CLARK. No members where a company pays for a number of its employees?

Mr. SULLIVAN. No, sir.

Senator CLARK. That is all; proceed.

Mr. SULLIVAN. We have an endowment fund that was raised through public subscription years ago, and the income from that is used to aid dependent widows and children.

Senator Clark and members of the subcommittee, first of all, on behalf of the Legion and the Auxiliary I want to express appreciation for giving us this opportunity to appear, and then at this point may I obtain permission to insert in the record a short general statement by our national commander?

Senator CLARK. That may be inserted.

Mr. SULLIVAN. Thank you.

(The statement of Lynn U. Stambaugh, national commander of the American Legion, is as follows:)

STATEMENT OF LYNN U. STAMBAUGH, NATIONAL COMMANDER OF THE AMERICAN LEGION, ON H. R. 4 AND H. R. 4845

The American Legion declared in 1933 at its national convention its profound belief "that in no event shall widows and/or dependent children of deceased World War veterans be without Government protection."

That declaration stands today. The report of the Veterans' Administration in respect to H. R. 4 shows that there are at least 89,300 widows of veterans who are without that protection today, and that 60,000 of those widows are the mothers of children of those deceased veterans, also that there are 20,800 children of veterans having neither father nor mother living, who are also "without Government protection."

The purpose of H. R. 4 is to provide that protection.

If it is conceded that these widows and orphans are entitled to this protection, I believe there will be no question that the rates provided in H. R. 4 are very modest. They are less than the rates provided for the widows and orphans of veterans of other wars.

I, therefore, take the liberty of suggesting to the subcommittee of the Committee on Finance of the United States Senate that the essential question is whether the Government of the United States will provide any protection for the widows and orphans of veterans of the World War.

The history of pension legislation in the United States is well known to all of you. It has been the custom from the foundation of this Republic to afford protection to the widows and orphan children of the veterans of American wars. Such protection had been provided in respect to the War of the Revolution, the War of 1812, and the War with Mexico, before the historic second inaugural address of Abraham Lincoln, in which he expressed in immortal language the obligation of the Republic to take care of him who had borne the battle and of his widow and orphans.

The provisions for the widows of veterans of the Civil War and of the War with Spain are a matter of record. The protection now asked for the widows of veterans of the World War and for the minor children of such veterans is strictly in accord with this historic American custom.

At a time when the young men of this country are again being summoned into the armed services in a program of total defense, it is not inappropriate to suggest that they have before them an example of the fact that the United States keeps faith with its defenders.

I understand that your subcommittee has also for consideration at this time H. R. 4845, which involves an increase in the rate of disability allowance for totally and permanently disabled veterans of the World War whose disabilities are not rated as service-connected. The current facts regarding the cost of living in the United States would alone seem to afford sufficient evidence of the justice of that measure.

Other officials of the American Legion will meet with your subcommittee to discuss this legislation in greater detail. May I emphasize to you that the mem-

bership of this organization and the very large number of ex-service men of the World War who are not members of any organization are much concerned over the fate of this legislation. I do not believe that there is any great cause for this concern, because I cannot conceive of the Members of Congress departing from the sound and established custom of this country.

Permit me with all respect to urge that you do not allow any prejudice or extraneous considerations to confuse your judgment in acting upon these bills. I am confident that you will forward them to the Senate with promptness and with the recommendation that they do pass.

Mr. SULLIVAN. Senator, General Hines covered details in these bills and therefore I can shorten my statement somewhat.

With reference to H. R. 4, our organization at its last national convention reaffirmed its previous stand on widows and orphans—protection for widows and orphans. That isn't anything new with us; we have been asking it since 1933. We feel that it is an established policy on the part of this Nation to take care of its disabled veterans and the dependents of veterans.

We further feel that now is no time to change it when the Nation is asking hundreds of thousands of young men to serve in the armed forces.

We take the position that care of the disabled veterans and dependents of deceased veterans is just as much a part of the cost of national defense as guns and bullets and ships and planes.

It is the responsibility of the Federal Government to take care of these people, we feel, not the responsibility of the State or the community; and in the final analysis the burden will fall on the Federal Government, whether it be through work relief, aid to dependent children, or any other form of aid.

Now H. R. 4—General Hines has given you the rates in that bill. We feel that they are very modest. We also want to point out that there are marriage date and income limitations in that bill. A childless widow must have been married to the veteran prior to July 3, 1921. That is the official date of the closing of the World War. Or if there are children, the marriage must have taken place prior to May 13, 1938. Under the proposal the death pension wouldn't be payable to any widow without children whose annual income exceeds \$1,000, and it wouldn't be paid to a person with minor children whose annual income exceeds \$2,500.

Mr. Chairman, the Veterans' Administration has given you the estimate of the cost of this bill. Supposing we take their very highest cost, over \$44,000,000, and add to it, make it \$50,000,000. That is less than four-tenths of 1 percent of the amount that we are giving to other nations under the two Lease-Lend Acts.

Now, I don't want that construed as any form of criticism of the acts, because the Legion approved such aid. However, I am just making a comparison.

Senator CLARK. It was rather inconsistent on the part of the Legion, wasn't it?

Mr. SULLIVAN. In what way, Senator?

Senator CLARK. Well, if the Legion adopts the principle that they ought to pay the debts of the last war before they get in another one as the only argument for this measure that I know of, it seems to me to be quite inconsistent. A number of the resolutions passed were quite inconsistent, one with the other.

Mr. SULLIVAN. Of course, we feel that the Nation will have to meet the costs of these wars, and all wars are costly.

Right now some of the opponents are using the cost as an argument against the passage of the bill, and they cite the large number of veterans that were called to service during the World War.

Well, we just want to point out that that isn't our responsibility, the Nation felt it needed that many men and called that many men.

Government protection now is accorded to widows and orphans of all other wars. The first act for all widows and children of Civil War veterans was enacted June 27, 1890, which was 23 years after the close of that war. The first act granting pensions to dependents of ex-service men of the Spanish-American War was enacted June 16, 1918, 18 years after the close of that war and, incidentally, that was during the second year of the World War, and then again we had considerable defense expenditures.

It is now 23 years since the close of the World War, and we of the Legion believe the time has arrived when the discrimination against our widows and orphans should be removed, and we respectfully request a favorable report on H. R. 4, so that the measure can be fully debated on the floor of the Senate, and that will take away that criticism that millions are being sneaked through. I have reference to an article that appeared in the Reader's Digest, and the writer of it charged that, I believe, H. R. 4845 was sneaked through the House when the Members weren't looking, or something to that effect.

Now, with reference to the so-called disability allowance bill, H. R. 4845—

Senator CLARK. Just a minute. Are there any questions on that? All right, proceed.

Mr. SULLIVAN. With reference to H. R. 4845, our resolution asks for an increase to \$50 a month. When that act was passed the American Legion neither sponsored nor supported the Disability Allowance Act. However, at our New York convention we took the stand that, inasmuch as the law was on the statute books, \$30 is a very small amount to pay to a totally and permanently disabled man who must clothe and feed himself and buy medicine; and then for the man that is married it is a pretty meager amount.

General Hines has given you the history of that, and there is no need for me to repeat it. However, the \$40 amount was in effect up to the time of the Economy Act, and we think that that is a just and a reasonable request.

In view of the fact that we have already covered the Voorhis bill, there is no need of mentioning that.

Senator CLARK. That bill has already been reported by the full committee.

Mr. SULLIVAN. Yes, sir; therefore we will refer to that criticism of H. R. 4 and H. R. 4845 which has appeared in the press and magazine articles.

Senators, I think it would be most enlightening if you gentlemen would call for the membership list of a so-called veterans' association which is opposing this legislation, and run through it. Those men, of course, have a perfect right to express their opinions as American citizens and, as veterans. However, we feel it is wrong to present

themselves to the public as a veterans' organization, criticizing veterans' beneficial legislation, without the public knowing the background. And I think, if you made a request on the House Committee on World War Veterans' Legislation and ran through some of those names, it would be most helpful in reaching a decision.

In conclusion we ask that H. R. 4 and H. R. 4845 be favorably reported, and that it be fully debated on the Senate floor.

Now, I have with me Mr. T. O. Kraabel, director, and Mr. Carl Brown, assistant director, of our national rehabilitation committee. They are here for the purpose of answering any questions that may arise on the need for the law—

Senator LA FOLLETTE. Mr. Sullivan, I wondered if you didn't want, for the purpose of the record, to make some comment on the General's testimony with regard to dependent parents? You didn't touch on that point. Was that purposely done?

Mr. SULLIVAN. Yes, sir; we don't have a resolution on it so we don't take any stand on dependent parents.

Senator LA FOLLETTE. I just wanted the record to show that.

Senator CLARK. The committee will be glad to hear these other witnesses, but it is necessary for us to recess at this time, because there is an important matter coming up in the Senate. However, we will be glad to hear from these gentlemen this afternoon.

Mr. SULLIVAN. They are not here to testify, but merely to answer any questions that the committee might ask.

Senator CLARK. Well, we will be glad to hear them if they desire to make any statement.

Senator LA FOLLETTE. I might say for their benefit that I have no questions that I care to ask.

Mr. SULLIVAN. Well, they will be here during the hearings, and available for anything you may desire.

Senator CLARK. Thank you.

The committee will now recess until 2 o'clock.

(Whereupon, at 12 noon, a recess was taken until 2 p. m. of the same day.)

AFTERNOON SESSION

(The hearing was resumed at 2, pursuant to the recess.)

Senator CLARK. The committee will come to order.

Is Mr. Ketchum in the room?

Mr. KETCHUM. Yes, sir.

STATEMENT OF OMAR B. KETCHUM, LEGISLATIVE REPRESENTATIVE, VETERANS OF FOREIGN WARS, WASHINGTON, D. C.

Mr. KETCHUM. My name is Omar B. Ketchum, and I am legislative representative of the Veterans of Foreign Wars.

Senator CLARK. What are the qualifications for membership in the Veterans of Foreign Wars?

Mr. KETCHUM. A veteran who has served in foreign waters or on foreign soil during a state of recognized hostilities between this country and some other country; in other words—

Senator CLARK (interposing). That includes any war in which the United States has ever been engaged?

Mr. KETCHUM. All wars, campaigns, and expeditions which have been recognized by the issuance of a campaign badge.

Senator CLARK. I knew that, because I am a member of the Veterans of Foreign Wars myself.

Mr. KETCHUM. And a very distinguished member.

Senator CLARK. How many members does the Veterans of Foreign Wars have?

Mr. KETCHUM. Two hundred and twenty-five thousand.

Senator CLARK. Does the Veterans of Foreign Wars have any means of support except the dues of its members?

Mr. KETCHUM. No support other than for our rehabilitation service for which we conduct annual poppy sales and from which we derive some funds for the maintenance of our national home.

Senator CLARK. These funds are devoted entirely to the welfare of disabled veterans?

Mr. KETCHUM. That is correct, sir.

Senator CLARK. You don't have any corporation members?

Mr. KETCHUM. We do not.

Senator CLARK. As far as you know there are not any cases in which employers, large companies for instance, force their employees into membership, assuming that they are eligible, and the employers pay the dues of the employees, or anything of that sort?

Mr. KETCHUM. I regret to say, Senator, that so far none of these corporation executives have seen fit to advance membership dues to their employees who are eligible in our organization.

Senator CLARK. In other words, if I understand you correctly, Mr. Ketchum, the only support of the Veterans of Foreign Wars from a financial standpoint, for the maintenance of their organization, outside of the poppy sales for the benefit of disabled soldiers, are the dues of the men and women who themselves are eligible to membership in the Veterans of Foreign Wars?

Mr. KETCHUM. That is correct, Senator.

Senator CLARK. You don't have associate contributing members?

Mr. KETCHUM. We do not. At one time we used to take a few honorary members, but after the organization was chartered by an act of Congress, they are not permitted under our charter so we no longer have honorary members in the organization.

Senator CLARK. Having been chartered by act of Congress, do you make regular reports to Congress?

Mr. KETCHUM. We do, every year.

Senator CLARK. Proceed with your statement, Mr. Ketchum. I think it is well to qualify the witnesses who are appearing here.

Mr. KETCHUM. Mr. Chairman and members of the committee, I have listened with a great deal of interest to the testimony which has preceded me here this morning. I came here prepared with a statement which I would like to read, relative to H. R. 4. There are some other remarks that I want to make, however, in view of the testimony that has already been offered.

Senator CLARK. You may proceed in any way you see fit, Mr. Ketchum. If you want to read your statement first, and then enlarge upon it, that is your privilege.

Mr. KETCHUM. It has long been the established policy of our Nation to pension the dependents of those who have honorably served the armed forces in time of war. This has been true of every major war since the Revolutionary period until we come to World War No. 1 in which this Nation participated in the years of 1917-18.

Prior to the World War, pension consideration has been given to the dependents of all deceased veterans of other wars, regardless of the nature of their death and as to whether those deceased veterans had incurred disabilities during their active service. In 1918, less than 20 years after the close of the Spanish-American War, Congress granted pensions to the dependents of deceased veterans of that war, regardless of the nature of their death or service-connected disabilities.

Almost 23 years have passed since the close of the World War and we find the policy of our Government has been to pension only the dependents of those deceased veterans of the World War whose death was either caused by service-connected disabilities or who had established some degree of service-connected disability prior to their death from other causes.

Thus we find that 23 years after the close of the World War a large number of widows and orphans of deceased World War veterans, who are ineligible for pension because their dead husbands and fathers did not die of injuries incurred in the service or who failed to establish a degree of service-connected disability prior to their death.

I am confident it is not in the minds and hearts of the fine women and men who make up the present day Congress to depart from the established tradition of our nation of granting pension relief to the widows and orphans of war veterans. While there may be justification in giving prior and stronger consideration to the dependents of those who died by reason of their service to their country, it is well to remember the others who were willing and often in a position to make the same sacrifice. Two soldiers advance against the enemy on the same battlefield. One falls, wounded and eligible for compensation, and his dependents eligible for pension benefits. The other, by the grace of God, continues unscathed to help bring victory to his flag. Who shall say the one was less willing or less brave than the other? And when misfortune and want strikes at the innocent dependents of each, who shall say in fairness—everything for the one, but nothing for the other. And who knows how many veterans go to their grave with service-connected disabilities for which no record exists and no claim was ever established. That point is a burning issue among veteran groups today.

The bill which this committee is now considering--H. R. 4, by Mr. Rankin--proposes to bring some relief to this group of forgotten widows and orphans of deceased World War veterans. The Veterans of Foreign Wars of the United States have repeatedly endorsed by unanimous action in their national encampments the policy of pensioning widows and orphans of all 90-day, honorably discharged, deceased World War veterans. We wholeheartedly approve the spirit

and principle of H. R. 4 and are grateful to Mr. Rankin and to the House of Representatives for their initial action toward this objective.

Our only objection to H. R. 4 is that it is not liberal enough in its provisions. Instead of the \$20 per month for widows, which H. R. 4 provides, we favor and are on record for \$30 per month for widows and \$6 for each child. It is unnecessary to point out that the cost of living has materially changed since H. R. 4 was first conceived, and those costs are advancing each month.

Another point where we are not completely in accord with H. R. 4 is the qualifying marriage date of July 3, 1921, where no children are born of the union. It is our belief that this qualifying marriage date should be liberalized to the extent that if a widow was married to the veteran at least 2 years prior to his death she should be eligible to the pension benefits.

I will digress for a moment from my prepared statement. I heartily concur with the statement made by the chairman of this committee this morning when he said that if we are going to adopt or go to a general pension program for the dependent widows and children of deceased World War veterans, should we discriminate between those who were married to the veteran during the war and those who married the veteran after the war?

Senator CLARK. Mr. Ketchum, if I may interrupt there. My remark this morning was brought about by the suggestion of General Hines that there ought to be a distinction between widows who happened to be married to veterans during the time of their service and widows who married veterans after the war. That has nothing to do with the question that you just stated. Of course, where a man was actually wounded, and came to his death by reason of his service in the war, his widow, of course, has a special claim on the Government.

Mr. KETCHUM. That is correct.

Senator CLARK. I can't see any answer to that. I was talking about the situation where two soldiers—let us assume two of approximately the same age, one of whom happened to be married and the other happened not to be married, who came home with equivalent disabilities, or with none at all, as happened in many cases. I can't see any rime or reason in making a distinction between the fact that one man happened to have been married just before the war and the other was married right after the war. In that connection, any date that is set up as a marriage date is necessarily an arbitrary date.

Mr. KETCHUM. There is no difference, Senator, between what I was attempting to say and your position. I was developing that point. I knew that your statement was predicated upon the suggestion of the General that we start by first recognizing the widows of those who were married during the wartime period, and then possibly later on take up—

Senator CLARK (interposing). It seems to be a distinction without any reason, just as I have heard in this committee from time to time the suggestion that there ought to be some difference or distinction made between a man that didn't serve overseas but served in the United States, and came to his death or suffered very serious disability in the line of duty, and a man wounded on the battlefield. Now I can't see any distinction there and never could. The first man I ever saw

killed in the war was one killed by being run over by an ammunition wagon drawn by a four-mule team. He was just as dead as the man who was killed in action on the battlefield.

Excuse me, I didn't mean to interrupt.

Mr. KERCHUM. We are in agreement. I was merely taking the statement that you made this morning as the spearhead of my argument.

The point I am trying to make is that most certainly a veteran has a right to choose the period of time in his life when he wants to marry, and certainly because hundreds of thousands of World War veterans who went into the service at a very early age and did not have an opportunity or did not choose the time to marry until several years afterward, it would seem to me to be unfair to say that because they were not married during the war period, that their widows should not receive consideration from the Government.

Senator CLARK. I agree with you entirely on that.

Mr. KERCHUM. That was the point that I was attempting to develop, and is the reason we believe the qualifying clause, in this present bill, of July 3, 1921, is unfair to thousands of those young World War veterans who did not marry until after July 3, 1921.

We believe that an obligation to a wife is just as strong, whether a man marries at the age of 18 or 20, or whether he marries at the age of 45, and that most certainly his widow is entitled to consideration from the standpoint of support and dependency as if she had married him during his early youth. For that reason we can't see eye to eye with those who contend that this pension should be limited to the widows who were wives during the period of the war. And for that reason we are suggesting that more liberal provisions be made in the bill for that qualifying date.

I make these suggestions for the consideration of this committee and not as opposing H. R. 4. I want the committee to understand that I am merely offering some suggestions which we believe in fairness will improve the bill.

Senator CLARK. The committee will be glad to have any such suggestions.

Mr. KERCHUM. If the committee feels that any amendments such as I have suggested would throw the bill into a conference wrangle, with a possibility of failure of passage, we would prefer to accept it as is, rather than to lose it altogether. In other words, a part loaf is better than none.

In conclusion, may I say it is the prayerful hope of our membership and the 150,000 ladies of our Auxiliary that this committee will see fit to recommend favorably H. R. 4—liberalized or as is. The economic security and happiness of thousands of widows and orphan children of deceased World War veterans depend on your decision, to a large extent.

I would like to supplement my remarks on this legislation, or proposed legislation, and the other bill which is also up for discussion, by stating that it is my belief that the fundamental principle which this committee must decide is not so much whether you are going to grant \$20 a month to these widows, and four, six, or eight dollars to the children, but whether you are going to depart from the traditional

principle of granting benefits to widows and dependent children of deceased war veterans. That seems to me to be the real issue before this committee. Certainly no member of the committee would believe, or could say, that \$20 a month is an excessive payment to a widow today, or that eight, or six, or four dollars is an excessive payment to the dependent child of that widow.

The point at issue is whether this Nation shall penalize the dependents of veterans of the World War simply because there are so many of them. And in listening to the testimony this morning it seemed to me that it resolved itself down to that particular point, that the principal argument against this legislation is not that it is unjustified, but that it is going to cost too much.

Statements have been made in the press—I think in the noon edition of one of the Washington papers today—to the effect that this legislation will cost \$5,000,000,000; and in the body or text of the article it raises the ante to \$10,000,000,000.

Now the whole argument is not whether it is justified, but whether it is going to cost the Government of the United States too much money.

Well, now, there have been times in Congress when the question of cost probably has been of great concern to the Congress, but it seems to me today that very few people are concerned about what something is going to cost. I had the privilege a day or so ago of reading testimony about one of the great construction projects of this Government down in Tennessee at Wolf Creek, and most certainly, where millions of dollars are being thrown away, who is particularly interested in how much money is going to be spent by this Government? And certainly, if millions and billions can be squandered for other purposes, why should some of these groups who are making no protest against the expenditure of those billions, suddenly say, "Why, this is a tremendous cost involved in granting pensions to the dependent widows and orphans of World War veterans."

So may I say to the committee that the fundamental decision that the committee must make here is not so much as to whether they are going to grant \$20 or \$30, but the decision is—Shall we depart from the traditional principle and penalize the dependents of World War veterans simply because there are so many of them that the cost, when projected over a long period of years, may reach a large sum of money?

I mentioned a moment ago that who can accurately say that a veteran who has gone to his death may not have been suffering from service-connected disability. I say to you that there are thousands of veterans in America today who are suffering from service-connected disabilities, and yet there are no records existing to show that those disabilities were incurred, and in many instances those veterans have not attempted to establish service-connected disability. And yet, when they go to their graves, their widows and dependent children are penalized because the veteran did not attempt to establish a claim or were denied their claim by reason of inconclusive proof.

If the committee will permit, I would like to bring to this stand now a widow who is exactly in that particular situation, the widow of a deceased World War veteran and the mother of seven children, whose

husband undoubtedly was suffering from a service-connected disability, according to her testimony, over a long period of years of suffering, and she has been unable to establish a claim with the Veterans' Administration for a pension for herself and her children.

I would like to cite to the committee a case which I believe to be exactly of that nature, to show that there are thousands of these widows whose husbands actually did have service-connected disabilities but did not establish proof of those disabilities before their death. And today we say to them that unless evidence can be submitted which will conclusively and definitely establish that service connection, they are not entitled to a pension.

That is why our organization believes that this is a fair and reasonable bill and that it will cover those thousands of widows and orphans who are the dependents of men who actually had service-connected disabilities but did not establish proof of same prior to their death. If the committee will give me permission, I will bring the lady to the stand.

Senator CLARK. The committee will be glad to hear the lady. We are trying to proceed with the organizations first, and give them an opportunity to be heard. I think we can readily do that in the course of the afternoon, and the committee will be very glad to hear the lady, but I think it is better for the various organizations who are appearing here to present their case first. We will then give the fullest opportunity for the lady to be heard.

Mr. KETCHUM. Thank you, sir. That concludes my statement relative to H. R. 4. I might add that some objection has been raised to the language of that bill, while I am still on it here. Some contend that the bill would sound better if the word "compensation" was changed to "pension." So far as I am concerned, and so far as our organization is concerned, we have no objection if the wording is changed from "compensation" to "pension" if there seems to be a differentiation between the interpretation of the two words, feeling that many of these men actually were service-connected disabled and that possibly compensation would apply in some of those cases. At least I wanted to develop that, because undoubtedly that point may be developed later on by some others who may testify.

Senator CLARK. This is undoubtedly a service pension bill?

Mr. KETCHUM. That is correct.

Senator CLARK. It doesn't make any difference whether you call it compensation or pension.

Mr. KETCHUM. Some people argue that if you are going to call it compensation, then the technical description or definition of the word "compensation" means to be compensated for something that occurred to you by reason of your service, and that there is a distinction between "pension" and "compensation." In other words, some contend that an honest definition should be given in the bill and rather than label it "compensation" it should be labeled "pension." So far as I am concerned it makes no difference. In the long run it has the same effect, if the bill is enacted into law.

Senator CLARK. Well, there is no distinction between them except in terms?

Mr. KETCHUM. That is my interpretation of them.

Senator CLARK. And that is also mine.

Mr. KETCHUM. Undoubtedly there are others who feel there is a distinction between "compensation" and "pension."

That is all I have on H. R. 4.

Senator CLARK. Are there any questions that any of you gentlemen have on H. R. 4?

Senator DANAHER. I have a question. In the course of this gentleman's excellent argument he referred to the date of July 3, 1921, and felt that that particular date afforded a discrimination. He did not, however, tell us what date he would select or how this date is selected?

Mr. KETCHUM. I don't know how this date was selected. I did make a suggestion, as a substitute for this qualifying date. I made the suggestion that our organization favors a qualifying date of 2 years of marriage prior to the death of the veteran.

Senator DANAHER. Regardless of the date of marriage?

Mr. KETCHUM. That is where there are no children born from the union; and in the event there are children, then, of course, there is no qualifying date other than probably the legal requirements of marriage.

Senator DANAHER. There wasn't some statute previously that became effective as of July 3, 1921, perhaps?

Mr. KETCHUM. I couldn't answer that, Senator.

Senator CLARK. Is there anybody here from the Veterans' Administration who might answer that?

Mr. EDWARD E. ODOM (Solicitor, Veterans' Administration). That was simply the original date taken as the end of the World War, under the World War Veterans' Act.

A joint resolution passed by the Congress July 2, 1921, provided that the state of war declared to exist by their resolution of April 6, 1917, was declared to be at an end. A treaty to restore friendly relations between the United States and Germany was signed at Berlin August 25, 1921; was ratified by the United States Senate October 18, 1921; by the President October 21, 1921; ratification was exchanged at Berlin November 11, 1921. Proclamation of the President of the United States November 14, 1921, declared that the war ended July 2, 1921.

Senator DANAHER. Thank you, I knew there must be some reason for it.

Senator CLARK. That was the date the last man got home, was it? [Laughter.]

Mr. ODOM. Most of them got home before that.

Senator CLARK. Are there any other questions on H. R. 4?

Now, if you desire to speak on H. R. 4845 the committee would be glad to hear from you.

Mr. KETCHUM. In discussing H. R. 4845 some of the points which I attempted to develop on H. R. 4 are also applicable to H. R. 4845. In other words, again this committee is going to be called upon to decide whether they are going to follow the trend of tradition and grant adequate pensions, service pensions let us say, to the veterans of the World War, and give similar consideration to what has been granted to veterans of other wars.

The purpose of H. R. 4845 is to increase from \$30 to \$40 the disability allowances to approximately 75,000 permanently and totally disabled World War veterans and, of course, any others who may later come on the rolls.

I don't think this committee would disagree with the veterans' organizations that if a disability pension is reasonable and sound, that that pension should not be increased from \$30 to \$40.

Senator CLARK. Well, so far as the first half of the bill is concerned, that having to do with disability compensation or pensions, as the case may be—it doesn't make any difference to me what you call it—the first half of this bill simply restores the rate authorized by Congress and in effect for several years, which was repealed by the Economy Act of 1933; it simply restores the old conditions, isn't that correct?

Mr. KITCHUM. That is correct. I made that observation because I know that there is opposition, not only to one provision of the bill but to all of the provisions of the bill. It is felt that there shouldn't even be an increase. I assume that the opposition feels that these men are not even entitled to \$30 a month; and as I say, the decision which this committee and this Congress must make is whether they are going to continue with the traditional policy of granting service pensions to veterans of the World War.

I might add that our organization—and I say this realizing that perhaps some of the opposition is present—that our organization is on record for an increase from \$30 to \$60, rather than to the \$40 which this bill provides; and we justify that by saying that the economic conditions of today certainly justify more than any \$30 or \$40. If recognition is going to be given to these men, and if they don't want to give them a reasonable recognition, then they might just as well wipe out the entire benefit and deny them anything.

Tradition has already been established, as the General pointed out, to veterans of other wars. Take, for example, a Spanish-American War veteran. If he is totally and permanently disabled he is eligible to \$60 per month and if in need of an attendant, \$100 per month.

This bill is most modest, it only asks for \$40 a month for a disabled veteran of the World War, and could anyone reasonably say that the cost of living today is less for a World War veteran than for a Spanish-American War veteran?

I don't think anyone can justify any difference between the two other than to again come back to the point I made awhile ago that the World War veteran is unfortunate because there are so many of them, and the only argument that can be given is that the cost would be so great if we recognize them the same as we do veterans of the Spanish-American War.

So our organization believes that this should not only be increased to \$40, but that it should go up to \$60.

I could have brought along a lot of charts from the Labor Department and other Government agencies, and introduced them into the record, with your permission, showing the increased cost of living. But that is unnecessary. Anyone who has a family, anyone who purchases anything today, and is purchasing even the bare necessi-

ties of life, knows about the rising costs of living, without having statistics stuck under his nose.

Senator CLARK. I think the committee could take judicial notice of that.

Mr. KETCHUM. I think the majority of these disabled veterans, the vast majority of them, have families. I think the records will indicate that these men who are on the rolls today and are rated as totally and permanently disabled, that the majority of them have wives and children.

I might mention something else, Senator, along that line. I wish it were possible for every member of this committee to see the scores of letters that come to me, and not only to me but, I assume, to representatives of other veterans' organizations from handicapped veterans who are not yet rated as totally and permanently disabled, but who have from 25 to 50 percent disability, and, so far as employment and economic considerations in this country are concerned, they might just as well be totally and permanently disabled. They are denied even this \$30 service pension because they cannot be rated yet as totally and permanently disabled by the Veterans' Administration. Yet from the standpoint of employment they are in the same position as if they were, because the Federal Government won't employ them and private industry in national defense will not employ them except in limited capacities.

So we believe there is ample justification for increasing this allowance to these totally and permanently disabled men.

I could take up the time of the committee and go on, but I want to be perfectly frank. There is no argument that I can present that the members of this committee are not fully cognizant of. This matter has come before Congress many times. Every member that is here on this committee has gone over this before. We can clutter up this record with a lot of words as to why this should be done. All of those arguments are familiar to you gentlemen.

As I say, it resolves itself down to this: Are we going to continue to follow the traditional policy of this Nation in recognizing the veterans of the World War the same as the veterans of the other wars have been recognized, or are we going to deviate and adopt a pseudo-scientific method of disposing of the cases of World War veterans. That reminds me of my own community when they started scientific case work investigation of relief clients in that community. We found that most of the allocation of funds was going to the case workers and those who were in need of relief were getting very little because it was so complicated and became such a complex problem.

So I wonder why all of these pseudo-scientific measures should be employed against the World War veterans.

In conclusion, gentlemen, may I say this, as I stated at the end of my discussion of H. R. 4, that I certainly hope that this committee will report this bill favorably in order that the Senate may have an opportunity to discuss and debate it, and I believe that you will have acted upon perhaps one of the most important fundamental measures that has come before your committee in a long, long time.

I shall be glad to answer any questions if any members of the committee have any.

Senator CLARK. Are there any questions? Thank you very much, Mr. Ketchum.

Mr. Rice, will you state your name for the record?

**STATEMENT OF MILLARD W. RICE, NATIONAL SERVICE DIRECTOR,
DISABLED AMERICAN VETERANS, WASHINGTON, D. C.**

Mr. RICE. Millard W. Rice, national service director, Disabled American Veterans of the World War.

Senator CLARK. Mr. Rice, you represent the Disabled American War Veterans?

Mr. RICE. Disabled American Veterans of the World War, commonly called the D. A. V. That is an organization of World War veterans who were either wounded, gassed, injured, or disabled by reason of their service in World War I.

Senator CLARK. Is that the sole qualification for membership?

Mr. RICE. Yes. That does not mean that they must be receiving compensation by reason of having received such disability. They must have been wounded, gassed, injured, or disabled, and that must be established to the satisfaction of the local unit to which application is made, in order that they can be a member of the outfit.

Senator CLARK. How many members do you have, Mr. Rice?

Mr. RICE. About 45,000 paid-up members.

Senator CLARK. Do you have any means of support for the organization other than the dues of the members?

Mr. RICE. Many disabled men themselves seem to think we have a mysterious source of income, because we endeavor to maintain a Nation-wide set-up of national service officers, who receive meager salaries ranging from \$20 to \$200 per month, depending upon the amount of service fees which we collect from the members of the organization in the territories which are served. But the only source of income that we do have is the membership dues that are collected from the members, and from the forget-me-not drives that are conducted by the local chapters, and possibly some incidental dances, and so forth, conducted by the local units. We have not yet been fortunate enough to have any large subscriptions; we would like very much to have them, of course.

Senator CLARK. Do you have any honorary members or associate members who contribute dues?

Mr. RICE. We did, once upon a time, have a few honorary members, but, so far as I know, none of them ever contributed anything financially to the organization.

Senator CLARK. Do you have any associate members?

Mr. RICE. No.

Senator CLARK. Or contributors?

Mr. RICE. I say, that, if we could be successful in getting some standby or foundation members who would be willing to contribute funds to the organization, we would be glad to have them.

Senator CLARK. You don't have any corporation members that require their employees to belong, and pay their dues?

Mr. RICE. I wish we did have, but we don't.

Senator CLARK. Very well, proceed, Mr. Rice.

Mr. RICE. Mr. Chairman and gentlemen of the committee. May I first be permitted to insert in the record an outline of the policies and objectives of the organization for the current year?

Senator CLARK. That may be inserted.

Mr. RICE. I don't have it with me, but I will furnish it later. (The document referred to is as follows:)

POLICIES OF THE DISABLED AMERICAN VETERANS

I. PRESERVE AMERICA

- (a) Promote active workable representative democracy in America.
- (b) Protect democratic institutions of America against subversive forces.
- (c) Prepare America to protect itself against any possible aggression.
- (d) Endorse President's policies as to preservation of democracies.

II. PROTECT AND PROMOTE WELFARE OF AMERICA'S DISABLED DEFENDERS

(a) Extend Disabled American Veterans service to all of America's disabled defenders.

(b) Authorize liberalized evaluation of evidence for service connection.

1. Reinstate direct service connections granted by the President's special review boards.

2. Veterans' Administration to be bound by medical findings and diagnoses officially recorded.

3. Place combat veteran on each Veterans' Administration rating board.

(c) Provide increased monetary benefits for disabled defenders.

1. Increase compensation and pension payments by 10 percent for every 10 percent increase in cost of living over 1940 figure.

2. Provide minimum 10 percent rating for wounded or gassed veteran.

3. Increase basic ratings by 20 percent for each 5 years after age of 40.

4. Restore full compensation to the so-called presumptives.

5. Provide full compensation or pension to single hospitalized veterans.

6. Award \$100 monthly to hospitalized service connected disabled World War veterans with dependents.

7. Provide \$100 monthly to service-connected disabled World War veterans after age 60.

8. Increase pensions to war veterans with permanent total non-service disabilities to \$60 per month.

(d) Liberalize Veterans' Administration determinations.

1. Determine permanent total disability on individual inability to follow any substantially gainful occupation.

2. Eliminate statutory limitations as to applications for benefits.

3. Define "misconduct" only as "felonious misconduct."

4. Adjudicate claims retroactively according to facts.

5. Adjudicate pending claims after death of veteran.

6. Death to be presumed after 7 years of unexplained absence.

7. Forfeit benefits only where evidence is clearly not sufficient.

8. Veterans guilty of fraud to be subject to fine or imprisonment.

9. Liberalize adjunct dental treatment.

10. Appointment permanent Disabled American Veterans rating schedule committee.

(e) Liberalize insurance benefits:

1. Reduce interest on Government insurance policy loans to 4 percent.

2. Permit suit on any Government life insurance policy at any time.

3. Make Government life insurance policies incontestable after 1 year.

4. Return premiums paid on canceled Government life insurance policies.

5. Provide insurance protection to World War veterans who have received 240 or more monthly installments of insurance benefits.

6. Veterans receiving insurance benefits on permanent and total disability not to be reexamined more than once each 5 years.

7. Provide permanent total disability insurance for armed forces.

(f) Provide miscellaneous benefits:

1. Extend effective preferences for service-connected disabled World War veterans, their wives and widows, for all Government employment for which qualified.
2. Expand vocational training and placement opportunities for handicapped.
3. Secure minimum annual salary of \$1,500 for all Federal employees.
4. Extend preferences of appointment to West Point and Annapolis Academies to sons of service-connected disabled veterans.
5. Extend Federal surplus marketing food-stamp plan to all compensated World War veterans and their dependents.
6. Provide adjusted compensation for provisional officers.
7. Establish Army, Navy, and Marine Corps boards of appeals and reviews with authority to grant honorable discharge certificates.
8. National cemetery in every State.

III. PROVIDE ADEQUATE BENEFITS TO DEPENDENTS OF SERVICE DISABLED

(a) Provide pension of \$60 per month to widows of World War veterans who have died by reason of service-connected disability or who suffered permanent total combat disability.

(b) Provide pension of \$50 per month to dependent widows of deceased World War veterans who were suffering from service-connected disability.

(c) Extend pensions to dependents of veterans who suffered disability traceable to examination or hospital treatment or vocational training.

(d) Widows otherwise eligible for pension to be eligible if married to and living with the veteran for 2 years immediately preceding his death.

(e) Regard children attending accredited schools as dependent until age 21.

(f) Provide pensions to dependent parents of deceased service-connected disabled war veterans.

Approved by Laurence R. Melton, national commander, Disabled American Veterans of the World War, October 22, 1941.

Mr. RICE. May I also be permitted to insert in the record at this point the D. A. V. omnibus bill, setting forth all of the various veteran objectives endorsed by the last national convention of the D. A. V. at its twenty-first national convention?

Senator CLARK. You hold annual conventions, do you, Mr. Rice?

Mr. RICE. That is right.

Senator CLARK. And the local organizations hold meetings from time to time?

Mr. RICE. The policies are arrived at first by the formation of resolutions in the minds of some one or more men, considered first by local chapters, then by State conventions, and then by the national convention. A local chapter may have the privilege of taking a resolution directly from the local unit up to the national convention. The delegates to the national convention are elected by the members of the local unit without any pyramiding, so that there is democratic control.

May the so-called omnibus bill be inserted as introduced by Mr. Rankin?

Senator CLARK. That may be inserted.

(H. R. 6106 is as follows:)

[H. R. 6106, 77th Cong., 1st sess.]

A BILL To provide liberalized benefits for disabled American veterans of the World War and their dependents, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That beginning on the first day of the third calendar month following the month in which this Act is enacted, except as to private Acts, the rates of payments of compensation or pension, in effect on the date of enactment of this Act, under the laws administered by the Veterans' Administration, shall be increased by 10 per centum if the index figure of the cost of living in the United States during the period of the six calendar months ending

with the close of the calendar month preceding the month during which this Act is enacted is 10 per centum higher than the index figure of the cost of living in the United States during the first six months of the calendar year 1940 which shall be known as the base period, and rates of payments of compensation or pension, in effect on the date of enactment of this Act, under such laws, shall be further increased by an additional 10 per centum thereof effective the first day of the fourth calendar month following each subsequent period of six calendar months if the index figure of the cost of living for each subsequent period of six months is sufficiently in excess of the index figure for the base period to support each such additional increase: *Provided*, That where increased payments are in effect hereunder and should the index figure of the cost of living for any subsequent period of six months in comparison with the index figure of the cost of living for the base period, be inadequate to support such increased rates of payments of compensation or pension in effect hereunder, such rates of payments shall be reduced by 10 per centum of the rates of compensation or pension in effect on the date of enactment of this Act, such reduction to be effective on the first day of the fourth calendar month following such subsequent period of six months, and thereafter any subsequent reduction of 10 per centum or increase by 10 per centum of the rates of compensation or pension in effect on the date of enactment of this Act, or continuation of the current rates of payment for another period of six months shall be determined in the manner hereinbefore prescribed: *Provided further*, That in no event shall rates of payments of compensation or pension be reduced below the rates of payments of compensation or pension in effect on the date of enactment of this Act.

SEC. 2. The Secretary of Labor is authorized and directed to report to the Administrator of Veterans' Affairs the index figure of the cost of living during the six months' period ending June 30, 1940, and the index figure of the cost of living for the six months' period ending with the close of the calendar month preceding the month during which this Act is enacted, at least one month in advance of the first day of the third calendar month following the date of enactment of this Act, and the index figure of the cost of living for the subsequent periods of six months at least one month prior to the first day of the fourth calendar month following each subsequent period of six months, so as to insure prompt adjustments of rates of payments of compensation or pension as herein provided, and such reports shall also include the percentage of difference, if any, between the index figure of the cost of living for the first six months of the calendar year 1940 and the index figure of the cost of living for the period of six months being reported upon: *Provided*, That the Administrator of Veterans' Affairs is hereby authorized and directed to make adjustments in the rates of payments of compensation or pension and payments thereon based upon such reports and in accordance with the provisions of this Act.

SEC. 3. That the Administrator of Veterans' Affairs is hereby authorized and directed to include in the regulations pertaining to service connection of disabilities additional provisions in effect requiring that in each case where a veteran is seeking service connection for any disability due consideration shall be given to the places, types, and circumstances of his service as shown by his service record, the official history of each organization in which he served, his medical records, and all pertinent medical and lay evidence.

In the case of any veteran who engaged in combat with the enemy in active service with a military or naval organization of the United States during some war, campaign, or expedition, the Administrator of Veterans' Affairs is authorized and directed to accept as sufficient proof of service connection of any disease or injury alleged to have been incurred in or aggravated by service in such war, campaign, or expedition, satisfactory, lay or other evidence of service incurrence or aggravation of such injury or disease, if consistent with the circumstances, conditions, or hardships of such service, notwithstanding the fact that there is no official record of such incurrence or aggravation in such service, and, to that end, shall resolve every reasonable doubt in favor of such veteran: *Provided*, That service connection of such injury or disease may be rebutted by clear and convincing evidence to the contrary. The reasons for granting or denying service connection in each such case shall be recorded in full.

SEC. 4. That the service-connected compensation or pension, exclusive of any amount authorized as a statutory award, payable to any veteran who reaches or has reached the age of forty, shall be increased by 20 per centum and

shall be further increased by 20 per centum of the basic compensation or pension exclusive of any amount authorized as a statutory award, on or for each succeeding fifth birthday after the age of forty. Where the degree of disability changes after the veteran's fortieth birthday, the veteran shall receive the compensation or pension payable under such changed degree of disability increased for the attained age as herein provided. No increase on account of age shall be granted when the amount of compensation or pension, exclusive of any amount authorized as a statutory award, resulting therefrom would exceed the amount payable for total disability: *Provided*, That this section shall not be so construed as to reduce any compensation or pension under any Act.

Sec. 5. That any person wounded, gassed, injured, or disabled by an instrumentality of war in a zone of hostilities in line of duty in the active military or naval service of the United States, who, if rated 10 per centum disabled, would be entitled to receive compensation or pension under laws administered by the Veterans' Administration, shall be paid \$10 per month, or who is receiving or entitled to receive compensation or pension under the provisions of such laws, shall be paid \$10 per month in addition to such compensation or pension. Any World War veteran entitled to the \$10 per month herein authorized, or any deceased World War veteran who if living would be entitled to the \$10 per month herein authorized, shall be deemed to be or to have been entitled to compensation for 10 per centum or more disability at the time of his death for purposes of Public Law Numbered 484, Seventy-third Congress, as amended. No payments shall be made under this section for any period prior to the date of its enactment.

Sec. 6. That part of the second proviso of section 28, Public Law Numbered 141, Seventy-third Congress, March 28, 1934 (48 Stat. 524; U. S. C., title 38, sec. 722), which limits payment of compensation thereunder to 75 per centum of the payments otherwise authorized, is hereby repealed, and the Administrator of Veterans' Affairs is hereby authorized and directed to pay 100 per centum of the compensation otherwise authorized under Public Law Numbered 141, Seventy-third Congress.

Sec. 7. That the part of paragraph VI (A), Veterans Regulation Numbered 6 (a), as amended by Veterans Regulation Numbered 6 (c), promulgated under the provisions of Public Law Numbered 2, Seventy-third Congress, March 20, 1933, preceding the first proviso, is hereby repealed insofar as it pertains to compensation and emergency officers' retirement pay being paid to World War veterans for service-connected disabilities.

Sec. 8. That for any period a World War veteran entitled to or receiving compensation for a service-connected disability, and having a wife, child, or dependent parent, is hospitalized for treatment of such service-connected disability, when such treatment is deemed necessary and suitable by the Administrator of Veterans' Affairs, his rate of compensation shall be \$100 per month: *Provided*, That when the monthly rate of compensation to which the veteran was entitled or was being paid upon commencement of such hospitalization exceeds the rate authorized herein, the veteran shall receive the higher rate: *Provided further*, That payments under this Act shall not be effective prior to date of enactment of this Act.

Sec. 9. That paragraph VIII, part III, of Veterans Regulation Numbered 2 (a) promulgated under Public Law Numbered 2, Seventy-third Congress, March 20, 1933, is hereby amended to read as follows:

"VIII. Except as to fraud or misrepresentation all decisions granting World War service connection rendered by special review boards established under the provisions of section 20, Public Law Numbered 78, Seventy-third Congress, June 16, 1933, are hereby made final and conclusive, and the Administrator of Veterans' Affairs is hereby authorized and directed to place such decisions in effect in each individual claim."

Payments to veterans restored to the rolls under this Act shall be effective the date of enactment of this Act, and payments to widows, children, or dependent parents shall not be effective prior to the date of enactment of this Act.

Sec. 10. That for the purposes of payment of compensation or pension for service-connected disability, inability of the individual to follow any substantially gainful occupation resulting from service-connected disability shall be deemed to be permanent total disability.

Sec. 11. That Veterans Regulation Numbered 1 (a), part III, paragraph III, paragraph I (e), as amended, is amended to read as follows:

"I. (e) Except as provided in subparagraphs (g) and (h) of paragraph I hereof, no pension shall be payable under part III for permanent disability less

than total. A permanent total disability shall be taken to exist when there is present any impairment and/or defect of mind or body which is sufficient to render it impossible for the individual to follow a substantially gainful occupation, and when it is reasonably certain that such impairment will continue throughout the life of the disabled person. Notwithstanding this definition, the Administrator of Veterans' Affairs is hereby authorized to classify as permanent and total those diseases and disorders the nature and extent of which in his judgment is such as to justify such a determination."

SEC. 12. That Veterans Regulation Numbered 1 (a), part III, paragraph I (f), is amended to read as follows:

"I. (f) The amount of pension payable under the terms of part III shall be \$60 monthly: *Provided, That*—"

SEC. 13. Paragraph IX of Veterans Regulation Numbered 10, as amended, be and hereby is amended to read as follows:

"IX. A disability, injury, or disease will be held to have resulted from misconduct when it is due to felonious misconduct."

SEC. 14. That paragraph III of Veterans Regulation Numbered 2 (a) is amended to read as follows:

"III. Applications for review on appeal to the Administrator of Veterans' Affairs shall be filed (excepting in those claims involving simultaneously contested claims (see paragraph X (a) hereof) within two years from the date of mailing of notice of the result of initial review or determination or from July 1, 1933, whichever is the later date. Applications for review must be filed with the activity which entered the denial. If no application for review on appeal is filed in accordance with this regulation within the time limit specified, the action taken on initial review or determination shall become final and the claim will not thereafter be reopened or allowed, except where subsequent to such disallowance new and material evidence in the form of official reports from the proper service department is secured the Administrator of Veterans' Affairs may authorize the reopening of the claim and review of the former decision. If application for review on appeal is entered within the time limit specified by regulations, a reasonable time thereafter will be allowed, if requested, for the perfection of the appeal and the presentation of additional evidence before final determination or decision is made. For the purpose of this paragraph, application for review on appeal, filed with the activity which entered the denial, which is postmarked prior to the expiration of the two-year period, will be accepted as having been filed within the time limit."

SEC. 15. Notwithstanding a previous denial, whenever the rights to any timely filed claim for any benefit, payable under prior or existing laws providing benefits for veterans and their dependents, is clearly demonstrated, the Administrator of Veterans' Affairs is authorized and directed to make payment in full of such benefit or benefits to such claimant.

SEC. 16. The last sentence of paragraph V of part I of Veterans Regulation Numbered 2 (a), as amended, be, and hereby is, amended by striking the last sentence thereof and substituting in lieu thereof the following:

"Pending claims for compensation, pension, or emergency officers' retirement pay may be adjudicated upon the evidence in file at the time of death, and any amount found due shall be awarded and paid in the manner hereinbefore provided."

SEC. 17. That no State law providing for presumption of death shall be applicable to claims for benefits under laws administered by the Veterans' Administration. If evidence satisfactory to the Administrator of Veterans' Affairs is produced establishing the fact of the continued and unexplained absence of any individual from his home and family for a period of seven years during which period no evidence of the absentee's existence has been received, the death of such absentee as of the date of the expiration of such period may be considered as sufficiently proved.

SEC. 18. On and after the date of enactment of this Act, the widow, child, or children, and/or dependent parents of any veteran permanently and totally disabled in combat in line of duty in active service in the Army, Navy, Marine Corps, or Coast Guard of the United States, in any war, campaign, or expedition, who dies or has died, regardless of cause of death, shall be entitled to receive the rates of compensation or pension which would be payable to them if the veteran had been killed in action in line of duty in such service.

SEC. 19. That, effective on the first day of the month next following the date of enactment of this Act, the monthly rate of death compensation payable under

the provisions of existing laws or veterans regulations to a surviving widow of any World War veteran who died as a result of injury or disease incurred in or aggravated by active military or naval service in the World War shall be \$5.00 per month.

Sec. 20. That Public Law Numbered 484, Seventy-third Congress, June 28, 1934, as amended, is hereby further amended by inserting the words "mother, father," between the words "child," and "or", wherever they therein appear in section 1 (a) and (b), and between the words "any" and "widow" in section 1 (c).

Sec. 21. That section 2 of Public Law Numbered 484, Seventy-third Congress, as amended (38 U. S. C., 504), is hereby amended to read as follows:

"Sec. 2. The monthly rates of compensation shall be as follows: Widow but no child, \$50; widow with one child, \$58 (with \$4 for each additional child); no widow but one child, \$15; no widow but two children, \$22 (equally divided); no widow but three children, \$30 (equally divided) (with \$3 for each additional child); total amount to be equally divided; mother or father, \$15, or both, \$40."

Sec. 22. That the widow, child, or children of any deceased World War veteran who at the time of his death was entitled to or in receipt of monetary benefits for disability resulting from an injury or an aggravation of any existing injury under the provisions of section 213 of the World War Veterans' Act, 1924, as amended (43 Stat. 1308; U. S. C., title 38, sec. 501), section 31 of Public Law Numbered 141, Seventy-third Congress (48 Stat. 526; U. S. C., title 38, sec. 501a), or section 12 of Public Law Numbered 806, Seventy-sixth Congress (54 Stat. 1197; U. S. C., title 38, sec. 501a-1), shall be entitled to the benefits of Public Law Numbered 484, Seventy-third Congress, June 28, 1934 (48 Stat. 1281, 1282; U. S. C., title 38, secs. 503 to 507, inclusive), as amended, provided that the other requirements thereof are met.

Sec. 23. That (a) on and after the date of enactment of this Act, for the purpose of payment of compensation or pension, including accrued amounts thereof under the laws administered by the Veterans' Administration, the term "child" shall mean a person unmarried and under the age of eighteen years, who is a legitimate child, a child legally adopted, a step-child, if a member of the household of the person who served, an illegitimate child, but as to the father only, if acknowledged in writing signed by him or if acknowledgment by the father is otherwise shown by evidence satisfactory to the Administrator of Veterans' Affairs, or if he has been judicially ordered or decreed to contribute to such child's support, or has been judicially decreed prior to death to be the putative father of such child; *Provided*, That a child born before the marriage of its parents if acknowledged by the father before or after marriage, or if legitimate under the law of the domicile of the father, shall be deemed legitimate; *Provided further*, That the payment of pension or compensation shall be continued or allowed after the age of eighteen years and until completion of education or training (but not after such child reaches the age of twenty-one years) to or on account of any child who is or may hereafter be pursuing a course of instruction at a school, college, academy, seminary, technical institute, or university particularly designated by him and approved by the Administrator; *And provided further*, That in case a child is permanently incapable of self-support by reason of mental or physical defect prior to attaining the age of eighteen years, pension or compensation shall be continued or allowed during the period of such disability, but not after marriage.

(b) This Act shall not serve to reduce in rate or to discontinue payments now being made under authority of any existing law or regulation.

Sec. 24. The sentence in section 5 of Public Law Numbered 198, Seventy-sixth Congress, approved July 10, 1930, which reads, "The amount of compensation herein authorized shall be paid in the event the monthly payment of compensation under Veterans Regulation Numbered 1 (g) and the monthly payment of yearly renewable term or automatic insurance does not aggregate or exceed the amount of compensation herein authorized", is hereby repealed.

Sec. 25. That on and after the date of enactment of this Act the widow of any veteran otherwise entitled to pension or compensation under the provisions of the laws administered by the Veterans' Administration shall be entitled to pension or compensation in accordance with the provisions of those laws notwithstanding the date of marriage of such widow to the veteran, provided she was married to and living with the veteran for two years immediately preceding his death, or if she gave birth to a child by the veteran.

Sec. 20. That on and after the date of enactment of this Act the rate of interest charged on any loan secured by a lien on United States Government life (converted) insurance shall not exceed 4 per centum per annum.

Sec. 27. That title III of the World War Veterans Act, 1924, as amended, is hereby amended by adding a new section thereto as follows:

"Sec. 313. In any case where after two hundred and forty installments or more of yearly renewable term, automatic, or United States Government life (converted) insurance have been or shall be paid to an insured on account of permanent total disability, it has been or is determined by the Veterans' Administration that such insured is no longer permanently and totally disabled, the Administrator of Veterans' Affairs is authorized and directed to resume payments of such monthly installments ~~to the insured~~ should such insured later have been or be determined to be permanently and totally disabled: *Provided*, That payments of monthly installments of insurance under this Act shall continue only during a period or periods of permanent total disability and in no event shall payments of such installments under this Act be effective prior to the date of enactment of this Act: *Provided further*, That payments of insurance herein authorized shall be made from the appropriation for military and naval insurance, Veterans' Administration."

Sec. 28. That title III of the World War Veterans Act, 1924, as amended, is hereby amended by adding a new section thereto as follows:

"Sec. 314. Those persons receiving monthly installments of insurance awarded for permanent total disability under the laws administered by the Veterans' Administration shall not be reexamined for insurance rating purposes more than once each five years and no reexamination shall be used for insurance rating purposes where such reexamination is or was made less than five years subsequent to the last prior examination upon which a rating for insurance purposes was made in the individual case."

Sec. 19. That section 307 of the World War Veterans Act, 1924, as amended, is amended to read as follows:

"Sec. 307. All contracts or policies of insurance heretofore or hereafter issued, reinstated, or converted shall be incontestable one year after the date of issuance, reinstatement, or conversion, except for nonpayment of premiums or on the ground that the applicant was not a member of the military or naval forces of the United States, and subject to the provisions of section 23: *Provided*, That any policy or contract of insurance issued, reinstated, or converted prior to the date of this amendment may be contested for fraud or mistake within one year of the date of this amendment and unless so contested within such period shall thereafter be incontestable, except on the grounds hereinafter specified: *Provided further*, That the insured under such contract or policy may, without prejudicing his rights, elect to make claim to the Bureau or to bring suit under section 19 of this Act on any prior contract or policy and, if found entitled thereto, shall, upon surrender of any subsequent contract or policy, be entitled to payments under the prior contract or policy: *And provided further*, That in any case in which a contract or policy of insurance is canceled or voided because of fraud or mistake under the provisions of this enactment, the Administrator of Veterans' Affairs is authorized and directed to refund to the insured, if living, or, if deceased, to the person designated as beneficiary of such insurance, all money, without interest, paid as premiums on such contract or policy after the date of such fraud or mistake."

Sec. 30. That the last proviso of the first paragraph of section 301, World War Veterans Act, 1924, as amended (47 Stat. 834; U. S. C., title 38, sec. 512), is hereby amended to read as follows: "*Provided further*, That at the expiration of any five-year period a five-year level-premium term policy may be renewed for a second or third or fourth five-year period at the premium rate for the attained age without medical examination; and in case the five-year period of any such policy shall have expired between January 24, 1942, and the expiration of five months after the date of the enactment of this amendment to this amendatory proviso and the policy has not been continued in another form of Government insurance such policy may be renewed as of the date of its expiration on the same conditions upon payment of the back premiums within five months after such date of enactment; and the Administrator of Veterans' Affairs shall cause notice to be mailed to the holder of any such policy of the provisions of this amendment to this amendatory proviso."

SEC. 31. That the second paragraph of section 19, World War Veterans Act, 1924, as amended, is hereby amended to read as follows:

"Suit on automatic, yearly renewable term, or United States Government life (converted) insurance, may be brought at any time after disagreement as to a claim, as hereinafter defined. Judgments heretofore rendered against the person or persons claiming under the contract of war-risk insurance on the ground that the claim was barred by the statute of limitations shall not be a bar to the institution of another suit on the same claim. No State or other statute of limitations shall be applicable to suits filed under this section."

SEC. 32. That (a) the Administrator of Veterans' Affairs is authorized and directed to insert a provision in all national service life insurance contracts heretofore or hereafter issued, granting the insured protection against permanent total disability occurring while his contract of insurance is in force.

(b) Permanent total-disability installments shall be payable during the insured's permanent total disability. If the insured dies after having become permanently and totally disabled, his beneficiary or beneficiaries shall be paid the full number of installments, less any installments paid to the insured.

(c) The United States shall bear the cost of such disability protection and the Administrator of Veterans' Affairs is authorized and directed to transfer from time to time from the national service life insurance appropriation to the national service life insurance fund such sums as may be necessary to carry out the provisions of this enactment.

SEC. 33. That section 4 of Public Law Numbered 198, Seventy-sixth Congress, approved July 19, 1930, is hereby amended to read as follows:

"SEC. 4. In the administration of laws pertaining to veterans, retired officers, and enlisted men of the Army, Navy, Marine Corps, and Coast Guard, who served honorably during a war period as recognized by the Veterans' Administration, shall be, and are entitled to hospitalization and domiciliary care in the same manner and to the same extent as veterans of any war are now or may hereafter be furnished hospitalization or domiciliary care by the Veterans' Administration and subject to those provisions of paragraph VI (A) of Veterans Regulation Numbered 6 (c), which provide for reduction of monetary benefits to veterans having neither wife, child, nor dependent parent while being furnished hospital treatment, institutional, or domiciliary care."

SEC. 34. That section 10 of Public Law Numbered 2, Seventy-third Congress, March 20, 1933, is hereby amended by adding a new paragraph thereto to read as follows:

"The Administrator of Veterans' Affairs is hereby authorized and directed to receive and adjudicate claims for World War emergency officers' retirement in accordance with the provisions of the Act of May 24, 1928 (Public Law Numbered 506, Seventieth Congress), subject to the limitations contained in this section, as amended, and, where entitlement is established, the Administrator of Veterans' Affairs is hereby authorized to grant retirement with or without pay as provided in the said Act of May 24, 1928, except that benefits or privileges herein provided shall not be denied because of failure to file claim within the period required by the said Act of May 24, 1928, or because the former officer was not, prior to March 20, 1933, granted retirement with pay: *Provided*, That benefits or privileges of emergency officers' retirement authorized under this paragraph shall commence from the date application therefor is filed with the Veterans' Administration after the date of this enactment."

SEC. 35. That sections 2, 3, and 4 of Public Law Numbered 312, Seventy-fourth Congress, approved August 23, 1935, are hereby amended by striking out "January 2, 1940" wherever it appears in such sections and inserting in lieu thereof "January 2, 1950".

SEC. 36. The first sentence of section 705 of the World War Adjusted Compensation Act is amended to read as follows:

"Whenever it appears to the Administrator of Veterans' Affairs, by evidence clear and satisfactory to him, that any adjusted-service certificate has, without bad faith on the part of the person entitled to payment thereon, been lost or destroyed, or is being withheld or concealed from a World War veteran, and such adjusted-service certificate is identified by number and description, the Administrator of Veterans' Affairs shall, under such regulations and with such restrictions as to time and retention for security or otherwise as he may prescribe, issue a duplicate thereof in like value in all respects to the original certificate and so marked as to show the original number of the certificate lost, destroyed, withheld, or concealed, and the date thereof."

Sec. 37. Subdivision (b), section 202, of the World War Adjusted Compensation Act (43 Stat. 122; U. S. C., title 38, sec. 602), is hereby amended to read as follows:

"(b) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces, or (while holding such commission or warrant) serving under a temporary commission in a higher grade—in each case for the period of service under such commission or warrant or in such higher grade after the accrual of the right to pay thereunder. This subdivision shall not apply to any noncommissioned officer nor to any provisional, temporary, or probationary commissioner or warrant officer, or commissioned officer under acting appointment in the military or naval forces within the grades or ranks not excluded by subdivision (a) hereof, who was honorably separated from the military or naval service prior to January 1, 1922;".

As to those persons who as a result of the foregoing amendment may become entitled to benefits under the Adjusted Compensation Act, 1924, as amended, or the Adjusted Compensation Payment Act, as amended, the delimiting date of January 2, 1940, provided in sections 2, 3, and 4 of Public Law Numbered 312, Seventy-fourth Congress (U. S. C., title 38, ch. 11), is hereby extended to January 2, 1945.

Sec. 38. That section 504 of the World War Veterans Act, 1924, as amended, is hereby amended to read as follows:

"Any person who shall knowingly make or cause to be made, or conspire, combine, aid, or assist in, agree to, arrange for, or in any wise procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper, or writing purporting to be such, concerning any claim or the approval of any claim for compensation or maintenance and support allowance, or the payment of any money, for himself or for any other person, under titles II or IV hereof, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$1,000 or imprisonment for not more than one year, or by both such fine and imprisonment, for each such offense.

"Forfeitures of benefits heretofore authorized under this section as previously enacted, shall be continued except that upon application for compensation, payment of which is no longer barred by virtue of this amendment, compensation otherwise payable may be paid from the date of such application, but in no event prior to the date of this amendment. This amendment shall be construed as authorizing future medical and hospital treatment and domiciliary care, despite prior forfeiture, as well as payment of burial expenses where death occurs after the date of this amendment, if otherwise authorized by law."

Sec. 39. Section 15, Public Law Numbered 2, Seventy-third Congress, approved March 20, 1933, is hereby amended to read as follows:

"Any person who shall knowingly make or cause to be made, or conspire, combine, aid, or assist in, agree to, arrange for, or in anywise procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper, or writing purporting to be such, concerning any claim for benefits under this title, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$1,000 or imprisonment for not more than one year, or both. Forfeitures of benefits heretofore authorized under this section as previously enacted shall be continued except that upon application for compensation, pension, or emergency officers' retirement pay, payment of which is no longer barred by virtue of this amendment, such benefits, if otherwise payable, shall be paid from the date of such application, but in no event prior to the date of this amendment. This amendment shall be construed as authorizing future medical and hospital treatment and domiciliary care, despite prior forfeiture, as well as payment of burial expenses where death occurs after the date of this amendment, if otherwise authorized by law."

Sec. 40. (a) That there is hereby created an Army Board of Appeals and Reviews to be composed of three commissioned officers of the Army, including at least one medical officer. The membership of such Board shall include one Reserve officer, who shall be on active duty. The members of the Army Board of Appeals and Reviews shall be appointed, and a chairman thereof designated, by the Secretary of War. Each member shall be an officer detailed to duty or residing in, or within fifty miles of, the District of Columbia; shall continue in office for a period of three years, or for the period during which he is so detailed or residing, whichever period is the shorter; and shall be eligible to succeed himself. Any vacancy occurring in the membership of such Board shall be filled in the manner in which the original appointment was made. A majority of the members of such Board shall constitute a quorum.

(b) The Army Board of Appeals and Reviews is authorized and directed to receive, consider, and pass judgment upon the verified petition of any person

who has been discharged under other than honorable conditions from the Army, or the verified petition of the widow or any dependent relative of such person, applying for correction or alteration of the record of such person to show honorable discharge. The Board shall consider each case within its jurisdiction under equitable principles, without regard to the decision in any other case, and without regard to technical rules of evidence and procedure; shall hear such evidence as it deems may tend to enable it to arrive at an equitable decision; and, in arriving at such decision, shall give consideration to the reasons for the discharge, any mitigating circumstances in connection therewith, and the character and conduct of the person after his discharge. Verified petitions for rehearing or reviews shall be received, considered, and passed upon, in the same manner as original petitions, and without prejudice by reason of any prior decision adverse to the petitioner in the case. The Board shall recognize representatives of the American National Red Cross, the American Legion, the Disabled American Veterans, the Grand Army of the Republic, the United Spanish War Veterans, Veterans of Foreign Wars of the United States, and such other organizations as it shall approve in the presentation of cases.

(c) In the case of any decision to correct or alter a record, such decision shall specify the date as of which such correction or alteration shall be held and considered to take effect, or to have taken effect, and such record shall be corrected or altered accordingly; but no pension, pay, bounty, or other benefit shall be held to have accrued prior to the date on which such decision is made. The Secretary of War shall execute and deliver to each person in whose favor a decision is rendered by the Army Board of Appeals and Reviews a discharge certificate showing that the person discharged under other than honorable conditions is held and considered to have been honorably discharged as of the date specified in the decision.

(d) Subject to the provisions of this section and subject to the approval of the Secretary who appoints its members, the Board is authorized to prescribe rules of practice and procedure before it. The chairman of the Board, or any member thereof, is authorized to administer oaths to witnesses.

SEC. 41. (a) That there are hereby created a Navy Board of Appeals and Reviews to be composed of three commissioned officers of the Navy, including at least one medical officer; and a Marine Corps Board of Appeals and Reviews, to be composed of one medical officer of the Navy and three commissioned officers of the Marine Corps. The membership of each Board shall include one Reserve officer, who shall be on active duty. The members of the Navy Board of Appeals and Reviews and of the Marine Corps Board of Appeals and Reviews shall be appointed, and the respective chairmen thereof designated, by the Secretary of the Navy. Each member shall be an officer detailed to duty or residing in, or within fifty miles of, the District of Columbia, shall continue in office for a period of three years, or for the period during which he is so detailed or residing, whichever period is the shorter; and shall be eligible to succeed himself. Any vacancy occurring in the membership of any such Board shall be filled in the manner in which the original appointment was made. A majority of the members of each Board shall constitute a quorum.

(b) The Navy Board of Appeals and Reviews and Marine Corps Board of Appeals and Reviews, respectively, are authorized and directed to receive, consider, and pass judgment upon the verified petition of any person who has been discharged under other than honorable conditions from the Navy or Marine Corps, respectively, or the verified petition of the widow or any dependent relative of such person, applying for correction or alteration of the record of such person to show honorable discharge. Each Board shall consider each case within its jurisdiction under equitable principles, without regard to the decision in any other case, and without regard to technical rules of evidence and procedure; shall hear such evidence as it deems may tend to enable it to arrive at an equitable decision; and in arriving at such decision, shall give consideration to the reasons for the discharge, any mitigating circumstances in connection therewith, and the character and conduct of the person after his discharge. Verified petitions for rehearings or reviews shall be received, considered, and passed upon in the same manner as original petitions and without prejudice by reason of any prior decision adverse to the petitioner in the case. Each Board shall recognize representatives of the American National Red Cross, the American Legion, the Disabled Veterans, the Grand Army of the Republic, the United Spanish War Vet-

crans, Veterans of Foreign Wars of the United States, and such other organizations as it shall approve in the presentation of cases.

(c) In the case of any decision to correct or alter a record, such decision shall specify the date as of which such correction or alteration shall be held and considered to take effect, or to have taken effect, and such record shall be corrected or altered accordingly; but no pension, pay, bounty, or other benefit shall be held to have accrued prior to the date on which such decision is made. The Secretary of the Navy shall execute and deliver to each person in whose favor a decision is rendered by the Navy Board of Appeals and Reviews or Marine Corps Board of Appeals and Reviews a discharge certificate showing that the person discharged under other than honorable conditions is held and considered to have been honorably discharged as of the date specified in the decision.

(d) Subject to the provisions of this section and subject to the approval of the Secretary who appoints its members, each Board is authorized to prescribe rules of practice and procedure before it. The chairman of each Board, or any member thereof, is authorized to administer oaths to witnesses.

SEC. 42. (a) That as to all appointments for, and retentions of, employment, either permanent or temporary, in each department, establishment, agency, bureau, administration, and project of the United States Government, and of the District of Columbia, including all jobs and positions both subject to and not subject to civil-service requirements, except where appointments must be confirmed by the United States Senate, preference shall be given to (1) those ex-service men who have served in any branch of the armed forces of the United States who have established the present existence of a service-connected disability or who are receiving compensation, disability-retirement benefits, or pension by reason of public laws administered by the Veterans' Administration, the War Department, or the Navy Department; (2) the wives of such service-connected disabled ex-service men as have themselves been unable to qualify for any civil-service appointment; (3) the unmarried widows of deceased ex-service men who had served in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized); and (4) those honorably discharged ex-service men who have served in any branch of the armed forces of the United States, during any war, or in any campaign or expedition (for which a campaign badge has been authorized).

(b) That in all civil-service examinations to determine the qualifications of applicants, ten points shall be added to the earned ratings of (1) those ex-service men who have served in any branch of the armed forces of the United States who have established the present existence of a service-connected disability or who are receiving compensation, disability-retirement benefits, or pensions by reason of public laws administered by the Veterans' Administration, the War Department, or the Navy Department; (2) the wives of such service-connected disabled ex-service men as have themselves been unable to qualify for any civil-service appointment; and (3) the unmarried widows of ex-service men who had served in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized); and five points shall be added to the earned ratings of those honorably discharged ex-service men who have served in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized).

(c) That, in examinations where experience is an element of qualification, time spent in the military or naval service of the United States shall be credited in a veterans' rating where his actual employment in a similar vocation to that for which he is examined was interrupted by such military or naval service.

(d) That, in determining the qualifications of a veteran applicant for original examination, appointment, promotion, retention, transfer, or reinstatement, all requirements, as to age, height, weight, physical condition, educational background, previous specified instruction, or the attainment of any degree or certificate from an educational institution, shall be waived by the Civil Service Commission, or other examining agency, and any such applicant's qualifications shall be determined upon the basis of his actual knowledge and ability to perform the duties of the position to be filled. The Civil Service Commission shall give appropriate consideration to the recommendation of any accredited physician, of the United States Public Health Service, or of the Veterans' Administration as

to the physical ability of any veteran applicant to perform the duties of any specified position.

(e) That, in all examinations to determine the qualifications of a veteran applicant, credit shall be given for all valuable experience, including experience gained in civil service, and organization activities, even though no compensation was received therefor.

(f) That the names of all qualified preference eligibles, entitled to ten points in addition to their earned ratings, shall be placed at the top of the appropriate civil-service register, or employment list, according to their relative ratings; that next in order on such appropriate civil-service registers, or employment lists, shall be the names of all honorably discharged ex-service men who served in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized), according to their relative ratings; and that next in order on such civil-service registers, or employment lists, shall be the names of all other eligibles, according to their relative ratings.

(g) That when, in accordance with civil-service laws and rules, a nominating or appointing officer shall request certifications of eligibles for appointment purposes, the Civil Service Commission shall certify, from the top of the appropriate register, or employment list, of eligibles, a number of names sufficient to permit the nominating or appointing officer to consider three names in connection with each vacancy. The nominating or appointing officer shall make selection for each vacancy from not more than the highest three names available for appointment on such certification, unless objection shall be made, and sustained by the Commission, to one or more of the persons certified, for any proper and adequate reason, as may be prescribed in the rules promulgated by the Civil Service Commission: *Provided*, That an appointing officer who passes over a veteran eligible and selects a nonveteran shall file with the Civil Service Commission his reasons in writing for so doing, which shall become a part of the record of such veteran eligible, and shall be made available upon request to the veteran or his designated representative; the Civil Service Commission is directed to determine the sufficiency of such submitted reasons and, if found insufficient, shall require such appointing officer to submit more detailed information in support thereof; the findings of the Civil Service Commission as to the sufficiency or insufficiency of such reasons shall be transmitted to such appointing officer, and a copy thereof shall be sent to the veteran eligible or to his designated representative; each veteran eligible shall retain his eligibility until appointed, without regard to the life of any register: *Provided further*, That if, upon certification, reasons deemed sufficient by the Civil Service Commission, for passing over his name shall three times be found to have been given by more than one appointing officer, certification of his name for appointment may thereafter be discontinued, prior notice of which shall be sent to the veteran eligible. When two or more substitutes are appointed on the same date, they shall be promoted to the regular force in the order in which their names appeared on the civil-service register from which they were originally appointed, whenever there are substitutes of the required sex who are eligible and will accept, unless such vacancies are filled by transfer or reinstatement.

(h) That the Civil Service Commission is authorized and directed to hold quarterly examinations for any position, to which any appointment has been made within the preceding three years, for, and upon application by (1) any ex-service man who has served in any branch of the armed forces of the United States who has established the present existence of a service-connected disability or who is receiving compensation, disability retirement benefits, or pension by reason of any public law administered by the Veterans' Administration, the War Department, or the Navy Department; (2) the wife of any such service-connected disabled ex-service man who has been unable to qualify for any civil-service appointment; (3) the unmarried widow of any deceased ex-service man who has served in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized); (4) any honorably discharged veteran who has served in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized); and (5) any honorably discharged ex-service man who

has served in any branch of the armed forces of the United States for a period of six years or more. The names of the resulting eligibles shall be entered on appropriate existing or new registers in the relative order as provided for by paragraph (f) hereof.

(i) That no preference eligible employed by any department, establishment, agency, bureau, administration, or project of the Federal Government, or of the District of Columbia, shall be dismissed, suspended, furloughed without pay, or reduced in rank or compensation, except for such cause as will promote the efficiency of such service, and except as provided for in section 10 hereof; the preference eligible whose removal, suspension, furlough without pay, or reduction in rank or compensation is sought shall have at least thirty days' advance written notice (except where guilty of a crime for which a sentence of imprisonment can be imposed), stating any and all reasons, specifically and in detail, for any such proposed action; such preference eligible shall be allowed a reasonable time for answering the same personally and in writing, and for furnishing affidavits in support of such answer, and shall have the right to appeal to the Civil Service Commission from an adverse decision of the administrative officer so acting, such appeal to be made in writing within a reasonable length of time after the date of receipt of notice of such adverse decision: *Provided*, That such preference eligible shall have the right to make a personal appearance, or an appearance through a designated representative, in accordance with such reasonable rules and regulations as may be issued by the Civil Service Commission; after investigation and consideration of the evidence submitted, the Civil Service Commission shall submit its findings and recommendations to the proper administrative officer and shall send copies of same to the appellant or to his designated representative: *Provided further*, That the Civil Service Commission may declare any such preference eligible who may have been dismissed or furloughed without pay to be eligible for the provisions of paragraph (k).

(j) Section 9 of the Classification Act of 1923, as amended (42 Stat. 149; U. S. C., 1934 edition, title 5, sec. 699), is hereby amended by striking it out in its entirety and inserting in lieu thereof the following:

"Sec. 9. That in any reduction in personnel in any civilian service of the United States, employees, in the class to be reduced, shall be released in the inverse order of the length of their total Federal service: *Provided*, That the length of time spent in active service in the armed forces of the United States of each such employee shall be credited in computing length of total service: *Provided further*, That when any or all of the functions of any agency are to be transferred to, or when any agency is to be replaced by, some other agency, or agencies, all preference employees in such transferring agency shall first be transferred to the replacing agency, or agencies, for employment in positions for which they are qualified, before such replacing agency, or agencies, shall appoint additional employees from any other source for such positions."

(k) That any preference eligible, who has been furloughed, suspended, or dismissed, without prejudice, shall have his name placed on all appropriate civil-service registers and/or on all employment lists, for every position for which his qualifications have been established, as maintained by the Civil Service Commission, or as shall be maintained by any agency or project of the Federal Government, or of the District of Columbia, in the order as provided in section 6 hereof, and shall then be eligible for recertification and reappointment in the order and according to the procedure as provided for in paragraphs (f) and (g) hereof. No appointment shall be made from an examination register of eligibles when there are three or more names of preference eligibles on any appropriate reemployment list for the position to be filled.

(l) That any preference eligible who has resigned shall, upon request to the Civil Service Commission, have his name again placed on all proper civil-service registers for which he may have been qualified, in the order as provided for in section 6 hereof, and shall then be eligible for recertification and reappointment in the order, and according to the procedure, as provided for in paragraphs (f) and (g) hereof.

(m) That any preference eligible who has resigned or who has been dismissed or furloughed may, at the request of any appointing officer, be certified for, and appointed to, any position for which he may be eligible.

(n) That preference eligibles shall not be subject to the provisions of the Civil Service Act concerning apportionment of appointments in the departments, estab-

ishments, agencies, bureaus, administrations, and projects of the Federal Government in Washington, District of Columbia, among the several States and Territories according to populations, but may be required to furnish evidence of residence and domicile.

(o) That all Acts and parts of Acts inconsistent with the provisions hereof are hereby modified to conform herewith and this Act shall not be construed to take away from any veteran, his wife, the widow of any veteran or any other preference eligible, any rights heretofore granted or existing under any law, Executive order, civil-service rule or regulation, or under any regulation of any agency of the United States Government.

(p) That any official or employee of any department, establishment, agency, bureau, administration, or project of the Federal Government, or of the District of Columbia, who shall violate any of the provisions of this section shall be summarily removed from office.

(q) That if any part of this section shall be found to be unconstitutional, the rest of it shall be considered as in full force and effect.

(r) That the President of the United States is hereby authorized to promulgate appropriate rules and regulations for the administration and enforcement of the provisions of this Act and is further authorized to promulgate such Executive orders as may extend additional preferences to veterans not herein provided.

SEC. 43. That the second paragraph of the Act of June 8, 1826, entitled "An Act to establish a department of economics, government, and history at the United States Military Academy at West Point, New York, and to amend chapter 174 of the Act of Congress of April 10, 1910, entitled 'An Act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1911, and for other purposes'" (44 Stat. 704), be, and the same is hereby, amended to read as follows:

"That the number of cadets now authorized by law at the United States Military Academy, and the number of midshipmen now authorized by law at the United States Naval Academy, are each hereby increased by forty from the United States at large, to be appointed by the President from among the sons of officers, soldiers, sailors, and marines of the Army, Navy, and Marine Corps of the United States, including members of the Army Nurse Corps (female) and Navy Nurse Corps (female) employed in the active service by the War Department or Navy Department who are suffering from compensable service-connected disabilities or who were killed in action or have died, or may hereafter die, of wounds or injuries received, or disease contracted, or preexisting injury or disease aggravated, in line of duty during the World War: *Provided*, That the determination of the Veterans' Administration as to the cause of disability or death shall be final and conclusive and shall be binding upon the Secretary of War and Secretary of the Navy, respectively."

Mr. RICE. At this point I would also like to have permission to insert in the record a set of statistics which I compiled some time ago and which appeared in the Congressional Record in the extension of remarks of Congressman Van Zandt, because many of such statistics are pertinent to the several objectives which we have endorsed.

Senator CLARK. That may be inserted in the record.

(The remarks of Hon. James E. Van Zandt, as appearing in the Congressional Record referred to above, are as follows:)

VETERANS' STATISTICS

Remarks of Hon. James E. Van Zandt, of Pennsylvania, in the House of Representatives, Thursday, July 24, 1941

Mr. VAN ZANDT. Mr. Speaker, many of us are under many misconceptions as to the extent of our Nation's expenditures on behalf of its veterans and their dependents, currently and as to past years.

Mr. Millard W. Rice, national service director for the Disabled American Veterans, recently compiled some statistics, which he secured from the Veterans' Administration, the War Department, the Navy Department, the Treasury Department, etc., which are so illuminating that I feel they will prove of interest to my colleagues.

I am sure that some of you have been of the impression that the Federal expenditures on behalf of veterans constitute a very substantial sum, but I want to point out that during the current fiscal year it will approximate only about 2½ percent of all Federal appropriations, and probably a much smaller percentage before the year is over. Since the inception of our Nation, expenditures on behalf of veterans have constituted only about 13 percent of all Federal expenditures of nearly \$200,000,000,000, of which more than three-fifths has been incurred directly for preparation against or for war, participation in war, and to provide for the human aftermath of war.

Less than 9 percent of all living World War veterans receive any Government compensation by reason of service-incurred disabilities, and 60 percent of them receive less than \$41 per month compensation, whereas more than 80 percent of them receive less than \$60 per month compensation.

Less than 10 percent of all living World War veterans receive any kind of monetary benefits from the Federal Government.

World War veterans now are dying at the rate of 103 per day, Spanish War veterans at the rate of 24 every 24 hours, and Civil War veterans at the rate of 8 a day.

Although the average age of World War veterans is now about 48 years, it is interesting to note that there are nearly 700,000 who have not yet reached the age of 45, and there are only slightly more than a million who have passed the age of 50.

Although more than 200,000 World War veterans were wounded during their active service, only 77,772 are now receiving any compensation from Uncle Sam because of such wounds.

The compilation by Mr. Rice is as follows:

"VETERAN STATISTICS AS OF JUNE 30, 1941

"4,757,240 served in United States armed forces during World War.

"4,057,101 served in Army, 2,059,629 overseas.

"593,673 served in Navy and 104,000 in Marine Corps, about 50 percent overseas.

"24,234,021 registered for the selective draft.

"2,810,206 were inducted after draft selection.

"250,240 were discharged from the draft after being called.

"10,250 Army men were dishonorably discharged.

"130,128 total deaths.

"30,362 were killed: 37,508 Army, 1,454 marines, and 340 Navy.

"14,009 died of wounds: 12,942 Army, 1,008 marines, and 59 Navy.

"53,371 were combat deaths: 50,510 Army, 2,462 marines, and 399 Navy.

"75,469 died of diseases: 60,446 Army, 701 marines, and 5,313 Navy.

"1,397 died of other causes.

"201,325 wounded, not mortally: 193,011 in Army and 7,714 in marines.

"340,770 World War veterans—less than 9 percent of all—receive compensation for service-connected disabilities: 32,455 on temporary partial ratings, 1,514 on temporary total ratings, 282,322 on permanent partial ratings, and 33,488 (9.57 percent) on permanent total ratings.

"27 percent of all service-connected disabled World War veterans receive less than \$20 per month compensation; 46 percent less than \$30; 60 percent less than \$40; 60 percent less than \$50; 81 percent less than \$60; 91 percent less than \$100; and only 8.8 percent receive compensation of \$100 or more, an average as to all of \$33.71 per month (\$39.77 year ago).

"72,333 World War veterans receive pensions for permanent total non-service-connected disabilities of \$6 (single men in facilities) or \$30 per month.

"37,026 disabled Regulars were receiving pensions averaging \$31.00 per month (only \$31.48 year ago).

"1,500 Civil War veterans were receiving pensions.

"1,855 Indian war veterans were receiving pensions.

"152,591 Spanish-American War veterans were receiving pensions (Philippine Insurrection and Boxer Rebellion) averaging \$55.90 per month (\$54.96 a year ago).

"2,017 emergency (including 5 provisional) World War officers were receiving retirement benefits, also 4 retired Reserve officers (Public. 18, sec. 5, 76th Cong.).

"161,107 service-connected death claims have been allowed; 90,491 are now active, providing pensions for 20,478 widows, 31,402 children, and 77,885 parents at an average monthly payment of \$46.65 per case.

"21,003 deceased World War veterans who died by reason of some disability other than their service-connected disabilities, provide pensions for 18,527 dependent widows and 32,104 children at an average monthly payment of \$35.31 per case.

"60,580 deceased Spanish-American War veterans provide pensions for 58,148 widows, 7,451 children, and 328 parents, a total of 65,927 dependents.

"3,830 deceased Indian war veterans provide pensions for 3,708 widows, 68 children, and 10 others, a total of 3,876 dependents.

"43,313 deceased Civil War veterans provide pensions for 41,270 widows and 2,211 children, a total of 43,490 dependents.

"107 widows of Mexican War (1848) veterans receiving pensions.

"1 deceased War of 1812 veteran provides pension for 1 daughter.

"251,761 veterans received hospital treatment during the last fiscal year, of whom only 26,141 were for service-connected disabilities.

"57,088 persons were in hospitals on June 30, 1941, of whom 12,825 were veterans with service-connected disabilities.

"51,838 were World War veterans, of whom 10,829 were service-connected, 40,731 non-service-connected, and 278 observation cases; 3,301 were other war veterans; 2,840 disabled Regulars, 38 allied veterans, 127 C. C. C. and W. P. A. employees; and 90 miscellaneous.

"34,257 were neuropsychiatric patients, 18,691 general medical and surgical patients, 4,758 were tubercular patients, and 535 observation and non-V. A. not classified.

"30,724 veterans were admitted for domiciliary care last fiscal year; 13,926 remaining on June 30, 1941, of whom 12,831 were World War veterans (12,134 non-service-connected).

"80,596 beds—61,849 hospital and 18,747 domiciliary—in 91 Veterans' Administration facilities.

"2,570 beds in other Government hospitals (Army, 705; Navy, 905; Public Health Service, 700; and Interior Department, 80).

"30,097 veterans were under guardianship.

"4,121,543 veterans and dependents have applied for adjusted compensation involving \$3,700,840,086.74.

"4,500,000 World War veterans applied for war-risk insurance, involving \$30,000,000,000.

"613,320 Government life-insurance policies were in force with face value of \$2,507,154,350.

"350,780 national service life-insurance policies in force, with face value of \$1,151,296,000.

"700,476 World War veterans were then less than 45 years of age, 2,102,566 between 45 and 50, 1,068,447 between 50 and 60, 3,241,322 more than 45, 1,138,756 more than 50, 70,300 more than 60, and 25,088 more than 65.

"4,007,798 living World War veterans now constitute about 3.18 percent of the total population and about 4.7 percent of total adult population of the United States.

"\$570,093,162 appropriation to Veterans' Administration for year ending June 30, 1941, is only about 2.5 percent of all Federal appropriations for year.

"\$24,700,700,000 has been expended because of relief to veterans and their dependents since Nation was founded, which, however, is only about 13 percent of the grand total of all Federal expenditures of about \$198,000,000,000, of which more than 60 percent was incurred directly because of preparation against or for war, participation in war, and to provide for the aftermath of war."

Age and death rate in 1941

| | World War | Spanish-American War | Civil War | Indian War |
|--|-----------|----------------------|-----------|------------|
| Average age of all veterans in 1941 | 48 | 66 | 96 | 81 |
| Average age of widows on rolls in 1941 | 47 | 62 | 79 | |
| Average age of emergency officers in 1941 | 53 | | | |
| Estimated number of veterans dying per day in 1941 | 103 | 24 | 3 | 1 |

Estimated numer of living World War veterans at the beginning of each calendar year by age groups

| Attained age | 1940 | 1941 | 1942 | 1943 | 1944 | 1945 |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 35-39 | 11,068 | 1,414 | 245 | 50 | 2 | |
| 40-44 | 1,304,070 | 705,002 | 410,535 | 238,326 | 90,036 | 10,691 |
| 45-49 | 1,823,076 | 2,102,500 | 2,136,345 | 1,934,814 | 1,655,710 | 1,254,991 |
| 50-54 | 753,008 | 956,957 | 1,116,212 | 1,301,575 | 1,507,983 | 1,743,152 |
| 55-59 | 86,883 | 111,400 | 226,704 | 361,738 | 529,351 | 709,554 |
| 60-64 | 39,295 | 44,621 | 51,462 | 58,982 | 67,827 | 78,937 |
| 65-69 | 14,270 | 10,933 | 10,620 | 23,611 | 28,353 | 33,908 |
| 70-74 | 5,801 | 6,334 | 7,170 | 8,546 | 9,792 | 11,255 |
| 75-79 | 1,597 | 1,995 | 2,399 | 2,734 | 3,238 | 3,702 |
| 80-84 | 303 | 384 | 444 | 577 | 608 | 844 |
| 85-89 | 36 | 48 | 55 | 67 | 78 | 107 |
| 90-94 | 4 | 4 | 3 | 3 | 4 | 4 |
| 95-99 | | | | | | |
| Total | 4,041,017 | 4,007,798 | 3,970,194 | 3,931,029 | 3,890,105 | 3,847,205 |

| Attained age | 1946 | 1947 | 1948 | 1949 | 1950 | 1951 |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 35-39 | | | | | | |
| 40-44 | 1,360 | 236 | 54 | 2 | | |
| 45-49 | 735,415 | 391,322 | 228,055 | 86,295 | 10,242 | 1,308 |
| 50-54 | 2,008,021 | 2,037,762 | 1,842,098 | 1,474,070 | 1,101,078 | 697,802 |
| 55-59 | 808,049 | 1,048,225 | 1,221,810 | 1,414,901 | 1,634,450 | 1,881,052 |
| 60-64 | 101,514 | 200,514 | 330,950 | 480,839 | 640,753 | 817,375 |
| 65-69 | 38,334 | 44,167 | 50,053 | 58,288 | 67,002 | 87,441 |
| 70-74 | 13,209 | 15,293 | 18,453 | 22,175 | 26,651 | 29,884 |
| 75-79 | 4,173 | 4,725 | 5,647 | 6,481 | 7,439 | 8,727 |
| 80-84 | 1,003 | 1,207 | 1,376 | 1,643 | 1,861 | 2,092 |
| 85-89 | 125 | 143 | 188 | 229 | 274 | 324 |
| 90-94 | 5 | 6 | 7 | 8 | 12 | 14 |
| 95-99 | | | | | | |
| Total | 3,802,111 | 3,752,000 | 3,700,401 | 3,645,531 | 3,587,462 | 3,526,029 |

Mr. RICE. May I say that we were very pleased to note that the committee has already decided, without any objection, to report out several bills which have already been passed by the House and are now before the committee; namely, H. R. 4905, to provide liberalized service connections; H. R. 4692, to take possession of property left by deceased hospitalized veterans; H. R. 4853, to provide the privilege of hospitalization for retired officers and war veterans on a parity with other war veterans; H. R. 4787, to provide for presumption of death after 7 years' absence; and H. R. 5305, to provide for certain easements.

We are heartily in accord with all of them.

Concerning H. R. 4905, we consider it to be one of the most important bills which has ever been before this committee.

The Administrator of Veterans' Affairs testified this morning that it was mostly a recapitulation of existing regulations of the Veterans' Administration. I want to call to the attention of the members of this committee, however, the fact that the members of the World War Veterans' Committee consider that this bill provides something more than is provided for by existing rules and regulations of the Veterans' Administration. If it failed to go further than provided for by the existing rules and regulations, it would be of no value whatsoever.

It is our intention—the intention of those organizations which have been tremendously interested in this bill and consider it one of the most important bills before the committee at this time, that it should be so interpreted, so administered, and so applied by the rating agencies

of the Veterans' Administration as to actually result in liberalized policies in the evaluation of evidence for service-connection purposes. I hope that when the committee submits its report to the Senate concerning this bill it will make it very clear that it intends this legislation to be so potent as will not only permit but authorize and make it possible for the local rating agencies in the field of the Veterans' Administration to reconsider cases which have previously been denied as to service connection.

If that be done, and if the regional offices of the Veterans' Administration feel that they really have something in addition to that which they have previously had, through existing rules and regulations, which would justify them in reconsidering the case because of a mandate from Congress, then I think we can expect that many of the border-line cases which are actually deserving of service-connection—where the disabilities were actually caused by military service—can then be technically and legally service-connected.

I think that is a very important point and I stress it, even though the committee has already agreed to report out the bill, because it deals with the question of eligibility for pensions for certain widows and orphans.

If the number of service connections can be increased, and if the basis for service connections can be sufficiently liberalized, then the border-line cases where widows and orphans are really equitably entitled, can be taken care of by reason of the enactment of this legislation.

So I think it is extremely important that this committee and the Senate and Congress should make it clear that it intends this bill to have some real power and to be something more than a reiteration of existing rules and regulations, because, may I point out, if it be merely that, then the Claims and Rating Board will say, "Well, we have previously followed the existing rules and regulations and we are not now going to admit that we were wrong, for the Administrator of Veterans' Affairs has said that this bill was merely a reiteration of existing rules and regulations."

With that kind of a build-up, and that kind of a background, the bill would then mean absolutely nothing. It must mean something, it was intended to mean something, and I hope the committee will make it clear that it is intended to have some power.

Our organization is very much interested in the provisions of H. R. 4845—

Senator CLARK (interposing). Before you pass on to that, are there any questions on these measures which Mr. Rice has just been discussing? Very well, proceed.

Mr. RICE. May I say that Senator Danaher made a very excellent fight on behalf of the principles of this very bill during the Seventy-sixth Congress in endeavoring to get it attached as an amendment to another bill, but it hadn't been sufficiently considered by this committee at that time, and since that time the language of the bill has been somewhat changed; as a matter of fact, it has been drafted and redrafted several times so that we could get the "green light," as we call it.

We would have liked to have had something even more liberal than is provided for, but if this committee will indicate in its report that it is intended to have power, it can have power.

INCREASED PENSIONS FOR WAR VETERANS WITH PERMANENT TOTAL NON-SERVICE-CONNECTED DISABILITIES

Another bill which is before this committee is potentially of great importance; namely, H. R. 4845, which would, first, restore the amount of pensions provided for war veterans suffering from permanent total non-service-connected disabilities, up to \$40 per month, as provided prior to the Economy Act, whereas they are now receiving the miserable, penurious pension of only \$30 per month.

It really is a shame that a supposedly generous and rich Nation should provide a pension of only \$30 per month to a war veteran who is permanently and totally disabled. It would be better, as a matter of fact, if the Federal Government provided no pension whatsoever than to provide such a miserly pension as only \$30 per month. I say that advisedly, because if he were not getting the \$30 per month, he would be eligible to receive public-welfare assistance from his own city, from the public-welfare agencies that exist there, or he would be eligible for other forms of relief. But because he is getting something, although altogether too little, from the Federal Government the local agencies will do nothing in most instances.

And so, because of that, many of these men are being discriminated against, and their children are being compelled to get along on \$30 per month. It is a crying shame. It is a blot upon the escutcheon of our Nation that it should pay such a penny-pinching pension. Forty dollars per month is altogether too little and we advocate that it ought to be increased to \$60 per month by this Congress.

But for fear that there might be a veto if it were jumped up too fast, we are not going to protest or criticize the committee if it reports out a bill providing for a pension of \$40 per month for those war veterans who have become permanently and totally disabled.

Some of the members of the committee may be disposed to ask why it is that an organization composed exclusively of men with service-incurred disabilities would be interested in a bill providing for pensions for men with permanent, total non-service-connected disabilities. The reason is that although the average amount of compensation to the average service-connected World War veteran is nearly \$40 per month, about 58 percent of all of them receive less than \$40 per month. You see statistics can paint the picture differently, depending upon which side of the prism you look at.

May I say also that about 80 percent of the service-connected compensated World War veterans receive less than \$60 per month compensation for their partial service-connected disabilities. As increasing age comes on, more and more of these veterans suffering with partial service-connected disabilities will be found also to be suffering with one or more non-service-connected disabilities which, in connection with their service-connected disabilities and increasing age, will make more and more of them unemployable.

Now this pension, on the basis of permanent total disability for war veterans, is essentially to be based upon unemployability. It is now based upon the inability of the average individual to follow a substantially gainful occupation. We contend that it should be based upon the inability of the individual applicant to follow a substantially

gainful occupation, and one of the principles of the D. A. V. omnibus bill so provides.

But H. R. 4845 does not go to the definition, merely to increase the amount. Our organization is interested in this provision because a greater and greater number of service-connected disabled veterans who have been able to establish service connection for only one or two of their disabilities, and not for the rest of them, will become permanently and totally disabled—unemployable—and will then have the option to receive either the smaller amount of compensation they are now receiving or the pension provided for under this section of the law.

We are therefore very much interested in the bill. If this committee could see fit to increase the amount up to \$60 per month, or \$50 per month, or \$45 per month, or only \$40 per month, as provided for herein, it will be a step forward. May I call to your attention, however, that the widow of a World War veteran who died by reason of a service-connected disability gets \$45 per month, plus additional amounts for her children. Most of these veterans also have children. They are of the average age, the veterans, of 48, and if they are unemployable they need a pension of more than \$40 per month for themselves, for their wives, and for their minor children, trying to grow up as normal American citizens.

We concur with the recommendation made by the Administrator of Veterans' Affairs that section 2 of this bill should be deleted therefrom, mostly because we fear that if it were included in this bill it might jeopardize the chances for section 1 to receive Presidential approval.

I say that advisedly too, because about 3 years ago the President did send back a memorandum of disapproval to the Congress of a bill which increased the amount from \$30 to \$40 per month, for this same class of cases. It is true that that bill did provide for a liberalized definition of "total permanent disability" also.

Senator CLARK. Your proposition amounts to this, that there are two essentially different propositions included in this one act?

Mr. RICE. That is right, and we think they ought to be divided. I am not expressing an objection to section 2, but I think it inadvisable, from a strategical standpoint, to include it in the same bill; and so it won't jeopardize section 1, we believe it ought to be separated from the bill and introduced as a separate bill.

Since you have mentioned that particular point, may I say that, although we have introduced an omnibus bill H. R. 6106, we certainly do not expect it to be passed. As a matter of fact, we do not believe that it is good policy for a committee to report out any omnibus veteran bill.

Rather, we feel that the committee ought to report out one bill concerning each principle which may be involved, so that those principles as to which there may be no disagreement, may not need to be jeopardized by those principles as to which there may be disagreement.

Along that same line, we believe this bill ought to be divided into two parts. Let section 1 go through by itself, without being jeopardized by section 2. Let that be introduced as another bill by those who may be interested in it, and in that form I wouldn't express any

opposition to it, although I perhaps would not find myself in a position to give the endorsement of the D. A. V., because it was not passed upon at our last national convention.

Senator DANAHY. I would like to ask a question. In line 3 of H. R. 4845 we talk about amending paragraph 1 (f), of part III, of Veterans Regulation No. 1 (a). Is that regulation at present in the form of a statute, or is that a regulation of the Veterans' Administration?

Mr. RICE. You will recall that Public Law No. 2 provided that the President should have the right to issue regulations within 2 years after the effective date of that law, and that such regulations as were in existence at the expiration of the 2-year period should thereafter become law, and this regulation became law with the sum of \$30.

Senator CLARK. That is about all that is left of that Economy Act, isn't it?

Mr. RICE. Yes; but there are still quite a number of things that have not yet been restored. The only change in that regulation is as to the amount, the rest of the language would be the same—that is in section 1 of this bill.

Section 2 would be a brand-new section not there now, and we think that ought to be in a separate bill.

Senator DANAHY. Thank you.

Mr. RICE. I don't know whether it is the purpose of this committee to have separate hearings as to other legislation which may come before it, and perhaps I may be treading upon the time of this committee to mention the fact that there are other principles in which the service-connected disability veterans are very much interested.

Senator CLARK. The committee will consider them when they come before us. We are trying to expedite the hearings as much as possible, which have been delayed by causes beyond the committee's control, and we are anxious to confine this discussion to a consideration of such measures as may be before us at this time.

Mr. RICE. Then may I insert an explanation of the objectives in which we are interested at this point?

Senator CLARK. Yes; that may be done. I thought you did that at the start of your remarks?

Mr. RICE. No; that was an outline of the policies of the organization. That would be a résumé and explanations.

Senator CLARK. That may be inserted.

(The outline referred to is as follows:)

Mr. Chairman, I have already introduced into the records the D. A. V. omnibus bill, H. R. 6106, a bill to provide liberalized benefits for disabled American veterans of the World War and their dependents. Inasmuch as such bill is not as yet before this committee, I do not propose to discuss its justifiable provisions on behalf of service-connected and service-connectible disabled veterans, and their dependents, in any detail.

I do, however, want to put the committee on notice that the D. A. V.—consisting of those American citizens who were wounded, gassed, injured, or disabled by reason of their active service in World War I—believes that first things ought to come first, and that, therefore, the first legislation to be enacted into law, on behalf of veterans, should be on behalf of those veterans who are suffering with service-connected disabilities, or with disabilities which ought to be rated as service-connected, and for their dependents.

The existing inadequacies, inequities, and inequalities, as to America's disabled defenders, and their dependents, should certainly be the primary concern of

Congress, and ought to be the first veteran matters to be satisfactorily taken care of.

These important objectives, on behalf of the Nation's disabled veterans and their dependents, include the following:

- (1) An automatic increase of 10 percent in the compensation and pensions payable to disabled veterans and their dependents, with every 10 percent increase in the cost of living, above the cost-of-living index figure for 1940 (secs. 1 and 2 of H. R. 6106);
- (2) Liberalized service connections for service-connectible disabled veterans (sec. 3);
- (3) Increases in the basic amounts of compensation of pension, equivalent to 20 percent of such basic amounts, payable to veterans for each succeeding 5 years after the age of 40 (sec. 4);
- (4) A minimum 10 percent rating for all veterans who were wounded or gassed in action (sec. 5);
- (5) Full compensation for the so-called presumptives (sec. 6);
- (6) Full compensation for hospitalized veterans (secs. 7 and 8);
- (7) Reinstatement of the direct service connections granted by the President's Special Review Boards, created by the so-called Economy Act (sec. 9);
- (8) Determination of permanent and total disability for both service-connected compensation and for non-service-connected pension purposes, on the basis of the "inability of the individual to follow any substantially gainful occupation" (secs. 10, 11);
- (9) Increase pensions to war veterans with permanent total disabilities from \$30 to \$60 per month (sec. 12);
- (10) Redefine misconduct so that it will be applicable only to "felonious" misconduct (sec. 13);
- (11) Permit appeals to be taken within 2 years, instead of 1 as at present (sec. 14);
- (12) Authorize and direct compensation to be paid, as to previously denied claims, on the basis of the facts in file, as equitably evaluated (sec. 15);
- (13) Permit pending claims to be adjudicated on the basis of evidence in file at the time of death (sec. 16);
- (14) Provide presumption of death after 7 years of unexplained absence (sec. 17);
- (15) Extend eligibility for pensions to the widows, children, and dependent parents of veterans permanently and totally disabled in combat, on the same basis as if killed in action (sec. 18);
- (16) Increase the pensions payable to widows of veterans who have died by reason of service-connected disabilities up to \$60 per month (sec. 19);
- (17) Extend eligibility for pensions to the dependent mothers and fathers of World War veterans who, at time of death, were suffering with service-incurred disabilities (secs. 20, 21);
- (18) Increase the pensions payable to widows of diseased World War veterans who, at time of death, were suffering from service-incurred disabilities, from \$30 to \$50 per month (sec. 21);
- (19) Extend eligibility for pensions to the widows and orphans of deceased World War veterans who were suffering with service-connected disabilities traceable to examinations, medical treatment, or hospitalization (sec. 22);
- (20) Provide uniform definition of "child" (sec. 23);
- (21) Eliminate all consideration as to amount of insurance received by widow or dependent parents in determining amount of death compensation to be payable to them (sec. 24);
- (22) Extend eligibility for pensions to widows otherwise eligible, if married to and living with a veteran for 2 years immediately preceding veteran's death or if the mother of a child by the veteran (sec. 25);
- (23) Reduce interest on Government life-insurance loans from 5 to 4 percent (sec. 26);
- (24) Provide for reinstatement of insurance benefit payments to a veteran who again becomes permanently and totally disabled where, after having received 240 or more monthly payments of insurance benefits, he had been declared no longer permanently and totally disabled (sec. 27);
- (25) Prohibit discontinuance of Government insurance benefits based on permanent and total disability on examinations less than 5 years apart (sec. 28);
- (26) Make a Government life-insurance policy incontestable after 1 year and return premiums collected on policies canceled because of fraud (sec. 29);
- (27) Extend privilege of 5-year level-premium term-insurance policies for a fourth term (sec. 30);

(28) Permit suits on Government insurance policy contracts at any time (sec. 31) ;

(29) Provide permanent and total disability insurance in National Service Life Insurance contracts for selectees and regulars (sec. 32) ;

(30) Provide eligibility for hospitalization in Veterans' Administration contract hospitals for retired officers and enlisted men who had war service on parity with other war veterans (sec. 33) ;

(31) Permit application for and adjudication of claims for World War emergency officers retirement benefits at any time (sec. 34) ;

(32) Extend period before which to make application for adjusted compensation from January 2, 1940, to January 2, 1950 (sec. 35) ;

(33) Provide for issuance of duplicate adjusted-service certificate where original is being concealed or being withheld from veteran (sec. 36) ;

(34) Extend eligibility for adjusted compensation for provisional, probational, and temporary World War officers (sec. 37) ;

(35) Reinstate compensation previously forfeited where evidence otherwise warrants, but provide fine or imprisonment for submission of false evidence (secs. 38, 39) ;

(36) Provide for Army, Navy, and Marine Corps Boards of Appeals and Reviews, with authority to issue certificates of honorable discharge in lieu of previous dishonorable-discharge certificates (secs. 40, 41) ;

(37) Provide really effective preferences as to examinations, appointments, and retention of service-connected disabled veterans, the wives of those who are unemployable, the widows of veterans, and other veterans, as to all Federal civil-service jobs (sec. 42) ; and,

(38) Provide special West Point and Annapolis appointments for sons of war veterans suffering from compensable service-connected disabilities (sec. 43) ;

I furnish the committee with this résumé of the requests, on behalf of the service-connected and service-connectible disabled veterans, for corrective and liberalizing legislation, as objectives which we believe to be eminently justifiable and of paramount importance in the Nation's program of providing adequately for America's disabled defenders—the human aftermath of war—the cost of which we consider to be an essential part of the cost of preserving America and its valued democratic institutions.

Senator CLARK (interposing). Mr. Rice, that is not concerned with any one of these two bills?

Mr. RICE. No; I merely wanted to indicate that there are quite a number of objectives that are of real importance—

Senator CLARK (interposing). The committee will be glad to hear you when those matters come before it.

Mr. RICE. There is one more comment I would like to make concerning a bill as to which I have no right to testify as to the merit or demerit of the provisions of the bill, and that is H. R. 4. Our organization did not adopt any resolution concerning this objective, but I would like to say that we believe that if the committee has in mind to give favorable consideration to the bill, it should make a distinction between those who are entitled to "compensation" on the basis of service-connected disabilities and those who are entitled to monetary benefits without regard to the basis of service connection.

Those who receive monetary benefits without regard to a service connection should, we believe, be receiving such monetary benefits not under the name of "compensation" but under the name of "pension." Call it what it really is. We are not afraid to advocate anything that we are in favor of under its proper name.

I don't have any authority from my organization to say anything about the provisions of the bill other than that, but we do believe that it should sail under its own colors and not rest upon the assumption that it has something to do with service connections.

May we hope that the committee will later on be in a position to give consideration to those objectives which would affect the service connected and the service connectable.

Thank you, gentlemen.

Senator CLARK. Are there any questions? Thank you, Mr. Rice.
Mr. Luchars.

You appear for the American Veterans Association?

Mr. LUCHARS. Yes, sir.

Senator CLARK. As its national commander?

Mr. LUCHARS. That is correct.

Senator CLARK. For the record, what is the membership of your organization?

**STATEMENT OF ROBERT B. LUCHARS, NATIONAL COMMANDER,
AMERICAN VETERANS ASSOCIATION, WASHINGTON, D. C.**

Mr. LUCHARS. Thirteen thousand.

Senator CLARK. Are they organized into groups or departments, or does it simply function as a national organization?

Mr. LUCHARS. We formerly had local chapters but we are now simply a national organization.

Senator CLARK. Does the association have any source of income other than the dues of its members?

Mr. LUCHARS. Ninety-nine percent, I would say, are straight dues of the members. We occasionally have pitifully small contributions and in pitifully small numbers. We wish we could boast they were larger in amount and number.

Senator CLARK. What are the qualifications for membership in your association?

Mr. LUCHARS. The qualification for membership is that every member should be a veteran of a war of the United States.

Senator CLARK. Of any war?

Mr. LUCHARS. Yes. We have Spanish-American War veterans and World War veterans. I might say that our members are not "so-called veterans," as has been said, but actual veterans, a majority of whom saw first-line service in the World War.

Senator CLARK. Is the paying of dues a necessary requisite for membership, or do you have members on your list who don't pay dues?

Mr. LUCHARS. Yes; they must pay dues of some kind, a dollar, or 2 dollars, or 4 dollars.

Senator CLARK. You do not have any set dues?

Mr. LUCHARS. No, we do not; from 1 dollar up, to indicate interest.

Senator CLARK. Any contribution that anybody chooses to make?

Mr. LUCHARS. That is correct.

Senator CLARK. Do you have classifications of membership?

Mr. LUCHARS. No, sir.

Senator CLARK. Do you have associate members?

Mr. LUCHARS. No just one form of membership.

Senator CLARK. Do you have anybody in the organization who hasn't been a member of the armed forces of the United States?

Mr. LUCHARS. No, sir.

Senator CLARK. Do you have any corporation members?

Mr. LUCHARS. None.

Senator CLARK. Do you have any cases, as far as you know, where an employer puts his employees into the organization and pays for them? I ask you that because I happen to know of one case where that has been done, although not in connection with your association.

Mr. LUCHARS. I join Mr. Rice in saying that we wish we could have such a delightful situation, but have none that I know of.

Senator CLARK. Do you have meetings from time to time of your organization?

Mr. LUCHARS. We have an annual convention.

Senator CLARK. Is that on a delegate basis, or on the basis of just whoever voluntarily comes?

Mr. LUCHARS. Any member is entitled to attend the convention.

Senator CLARK. You have a regular annual meeting?

Mr. LUCHARS. Yes, sir.

Senator CLARK. Where was the last one?

Mr. LUCHARS. In New York.

Senator CLARK. How many members attended it, if you can estimate it?

Mr. LUCHARS. I wouldn't recall exactly, not a very large number, probably under one hundred.

Senator CLARK. All right, proceed, Mr. Luchars.

Mr. LUCHARS. First, for the purpose of clarity I will read this, if you will permit me?

Senator CLARK. Yes, sir; we will be glad to hear it.

Mr. LUCHARS. It is a privilege to appear before this committee and I hope I may be able to contribute something that will be helpful in getting at the facts and clarifying issues. I realize how difficult it must be to find time to give adequate attention to all the important matters which are coming up for consideration and understand the heavy responsibility which attaches to your work, particularly in these critical times of national emergency.

First, if you will permit me, I want to say a word about the American Veterans Association which I represent. We are a small organization composed of Spanish-American and World War veterans, a large portion of whom saw active front-line service. Our membership is, I believe, a typical cross section of the men who know what active military service means and have proved their patriotism beyond question. The American Veterans Association has at times been criticized by those with whom it differs and has, on occasion, been attacked with a bitterness that has shown scant regard for the truth. Perhaps one or two of you gentlemen have had similar experiences in the course of your public careers and so will understand when we say that we welcome the other fellow's point of view and have no fear of criticism, honest or otherwise, but we do insist that the opposition confine itself to facts.

This association is, perhaps, unique in that neither it nor any of its members have an ax to grind. The work is carried on through the voluntary services of its officers, none of whom receive any salary for their services. In other words, there are no professional officeholders. The American Veterans Association is affiliated with no other organization or group, representing only the opinion of its membership.

Before proceeding with a discussion of the two pension bills that we consider of chief importance here, I wish to say that with respect

to H. R. 4845 the American Veterans Association heartily concurs with section 1 which undertakes to increase the amount of compensation or pension. We believe that that is proper and just, and consequently when in the future I refer to H. R. 4845, I am referring to section 2, to which we are opposed.

Two pension bills recently passed in the House, H. R. 4 and H. R. 4845, which are up for your consideration, are enormously important on two counts. They both involve huge amounts of money but, even more important, they would, if enacted into law, establish new principles in respect to World War pensions that would entail consequences running for generations to come.

May I inject this remark, that action, taken especially on H. R. 4, is something that will carry for at least 100 years, if we look back at the history of pension legislation. So that we are taking action now that will bind this Nation for a long time to come.

As an indication of the fact that these consequences run for a long time, may I remind you that today, 129 years after it took place, we are still paying a pension to a dependent of a veteran of the War of 1812. As evidence that the practice is still going on, witness H. R. 2310, passed August 4, moving up the marriage date of Spanish War widows to 1938, permitting a woman born many years after the war to receive a pension if married within 40 years of its end.

Pensions to men who have suffered wounds or disability in the service of their country are recognized by everyone not only as just and proper but the least that a grateful Government could do. I am sure that everyone in this room agrees with me that no treatment could be too liberal for a man wounded in the defense of his country or for the dependents of the war dead. We in the A. V. A. believe this and what is more, we believe that certain of the groups are not being adequately cared for today. For them we have continuously urged, and are still urging, more liberal compensation. But the questions before us have nothing whatever to do with the compensation of the wounded or the dependents of the war dead. I ask you to make careful note of that fact.

An appeal in favor of these bills will be made to your natural sympathies for the men who have been wounded and disabled in military service. When the proponents of these big pension bills will be telling how deeply grieved they are over the sufferings of the men who fought for their country I urge you to remember that not one man wounded in battle nor one dependent of the men killed in action will be benefited by these bills. On the contrary, it is almost a certainty that their interests will be seriously jeopardized. And I also urge you to remember that these same big pension lobbyists whose hearts are so wrung with anguish and whose tears flow so copiously at the thought of the suffering of the training-camp heroes who never smelled gunpowder or even set foot in France—these same heart-throb specialists have found no time to devote to the cause of improving the lot of the men who were wounded in combat or for the dependents of the war dead. Before you credit their anguish as genuine I ask you to remember that for years they have done nothing, or next to nothing, on this score, nor have they raised a finger to support the bills sponsored by the American Veterans Association which have been aimed to correct the shamefully inadequate compensation awarded to those who have really suffered.

The average age of World War veterans is 47—

Senator CLARK (interposing). General Hines says 48.

Mr. LUCHARS. Perhaps since I have written this it has changed. The point is that it is below 50, because that is the critical level.

Do you know what the 47-year-old widow of a soldier killed in the Argonne gets today? \$38. Do you know what the average is in pensions paid to World War veterans suffering from service-connected disability? \$39. Are the heart-throb boys proposing that these widows, these wounded and crippled veterans, should receive a higher rate of compensation? Not a bit of it. It wouldn't take a great deal of money to take care of such cases where the compensation is obviously inadequate, but instead of that they are asking you to pay a \$40-a-month pension to veterans who suffered no disability whatsoever, and although modest amounts can apparently not be spared for the veterans who really suffered, they are asking you to obligate this Nation to the tune of \$5,000,000,000 for this one measure, and as much again for H. R. 4.

Now as a background to a discussion of these two House bills, let me mention a few facts. By way of indicating the prairie-fire rate of growth evident in the custom of granting pensions to war veterans, let us compare pensions paid to the veterans of the War of 1812 with Spanish-American War veterans. The total cost of 1812 War pensions amounted to \$46,000,000, whereas the cost to date of Spanish-American War pensions totals \$1,539,000,000, a thirtyfold increase, and this in spite of the fact that only about half as many men were mobilized and half as many wounded or killed in action in the Spanish War as in the War of 1812.

To the veterans of the World War the United States has already paid in cash nearly \$8,000,000,000. This includes, of course, the \$3,770,000,000 bonus, an item that is conveniently forgotten when it is urged that World War veterans should be treated on an equal basis with Spanish-American War veterans. The bonus alone totaled practically three times the entire cost to date of Spanish War pensions. That is something to keep in mind when the proponents of H. R. 4845 urge its adoption on the plea of equality of treatment between World War and Spanish War veterans. Let me point out that if, in addition to what has already been paid World War veterans and their dependents, added pensions are granted similar to those given Spanish-American War veterans, the World War pension cost will be increased by at least \$20,000,000,000.

H. R. 4 is a forthright proposal to introduce a new principle in connection with World War pensions; extending payments to the widows and dependents of deceased World War veterans who suffered no disability whatever as a result of their war service. Starting at a cost of nearly \$22,000,000 a year, it is estimated that by 1963 the cost of this measure alone would run to more than a billion dollars a year. H. R. 4845 is a fine example of a piece of sneak legislation, both in form and the manner of its passage in the House. The casual reader would never suspect that this would do more than increase the application of an existing statute—that is, applying to total disability cases.

Senator CLARK. Well, Mr. Luchars, it is only fair to say that your organization and various newspapers have sent out many diatribes

against it, and the proponents have sent out literature in favor of it; that the matter has been considered at a previous session of Congress; and that any Senator or Congressman must necessarily have been familiar with its provisions.

Mr. LUCHARS. I will have something later on to say about that.

Actually, section 2 of this bill would establish for the first time the principle of granting general pensions to living World War veterans who have suffered no service disability. Its first year's cost would amount to \$7,000,000, which perhaps is chicken-feed these days, but if you refer to page 5973 of the July 7 Congressional Record you will find that the official Veterans' Administration estimate of cost shows that 20 years from now this cost will run to approximately a half a billion dollars a year, and the eventual total cost will be about \$5,000,000,000. Note that this estimate is made without taking into account the effect of liberalizing amendments which are not only possible but absolutely certain if one looks back over the history of pension legislation.

Once the principle is established, it is only a question of time when the conditions in the bill, if passed, will be removed. Then the pension rate of \$40 a month in the present bill is practically sure to be increased later on to equal the Spanish-American War pension of \$60 per month, and as this pension applies to all Spanish War veterans regardless of need it will be only a matter of time before the "needs" condition is removed from the World War pension regulations if this bill goes through.

You gentlemen will, I am sure, agree that a piece of legislation involving the expenditure of \$5,000,000,000 is not a thing to be treated lightly. The least to be expected is that such a measure would be carefully studied and fully discussed. Theoretically this bill comes to you with the unanimous approval of the House but I doubt if more than a handful of members of that body had the slightest idea of the important issue or the amount of money involved in this tricky bill. H. R. 4845 was reported out of the House World War Veterans' Legislation Committee after an executive session and without any public hearings having been held. It was introduced in the House by way of the unanimous consent calendar on the Monday following the 4th of July, when very few members were present and, as a matter of fact, it had been given out that no important legislation would be introduced on that day. One objection was made but as three were needed, unanimous consent was given and this \$5,000,000,000 bill passed in less than 5 minutes, without debate and without a record vote—a perfect example of sneak legislation.

Senator CLARK. As a matter of fact Mr. Rankin, chairman of the House committee, testified here this morning that the incident to which you refer when one objection was made, and three objections were necessary, was not the first but the second time that the matter had come up for consideration by the House. Now, the theory of the House rule is that one objection is sufficient the first time, in order to put everybody on notice as to what may be on the unanimous consent calendar the second time, and it was not until the calendar was called the second time, on a different day, that the matter passed for lack of three objections. So it is hardly fair to say that the matter was sneaked through clandestinely.

Mr. LUCHARS. It was brought up when they knew that the people opposing it wouldn't be there.

Senator CLARK. It has been my observation in legislation that the proponents or the opponents of a bill ought to be on hand when their matter comes up for consideration.

Mr. LUCHARS. There are lots of things we ought to do in this world. It is possible that you are confusing, Mr. Chairman, Mr. Rankin's remarks about H. R. 4, with those concerning H. R. 4845. There he reminded you that H. R. 4 was identical to H. R. 9000, which was fully discussed in committee and fully debated in the House. H. R. 4845 had not 1 minute of debate at any time.

Senator CLARK. Hadn't hearings been held on both of them by a previous Congress?

Mr. LUCHARS. No; executive sessions only.

You have here, then, two pension proposals which, if enacted, will impose an enormous added burden on the Nation's finances, already staggering under the load of vitally needed defense-program costs. If these measures are enacted into law, it will mean that our national debt will have to be increased a minimum of \$10,000,000,000; probably 20 billion is a more likely figure. Where is the money coming from? With the vitally essential financial needs on the part of our national-defense program continuing to make such heavy demands on national finances, can this country undertake to assume any such additional burden? According to Veterans' Administration estimates, the annual cost of these pension measures will run to something like a billion and a half a year in future years. How easy would it be to raise that amount of increased taxes today, especially for nondefense spending? Would you be willing to propose such taxes?

It would be a nice thing to pension all veterans who had ever offered their services to the country. It would be a nice thing to pension every man and woman who are loyal citizens of the United States. But, gentlemen, I maintain that if we can't do the one thing we can't do the other, except where disability was incurred in service. I unreservedly favor the most generous treatment of our war wounded and dependents of the war dead. If there is any money to be found for additional pension purposes, may I earnestly recommend that this be used to increase the rates of compensation paid to those people (or their dependents) who really have suffered because of their loyal service to their country. But I maintain that it is as ridiculous as it is dangerous to say that there is any practical difference between a patriotic citizen of the United States who did not happen to get into military service during the last war as one who, having been drafted, put on a uniform and served for a few days but suffered no disability and who didn't even come within sound of gunfire.

It seems to me this thing can be reduced to simple terms. On the one hand you have what clearly should be done and is being done—the pensioning of those who actually suffered as a result of the World War. On the other hand we have the thing that can't be done, whether we want to or not—the pensioning of every World War veteran who ever wore a uniform. In between there are border cases, and that is where the complications come in. To handle them successfully we need a yardstick.

It would be fine if we could reward the good intentions of every veteran who showed that he was willing to fight for his country, whether or not he actually got into battle. But there were plenty of civilians with just as good intentions. In fact many civilians em-

ployed in industry, such as workers in powder plants, not only showed their patriotic intentions but actually exposed themselves to danger far more than training camp veterans. And so good intentions won't do as a yardstick. It could be claimed, with a considerable amount of justice, that veterans who were actually in the front lines, exposed to machine-gun bullets and shell fire, even though they came out unscathed, should rate a preference in any pension consideration, but combat veterans would, I am certain, be the last to agree to being singled out for especially favorable pension treatment. That would be no good as a yardstick and so by the process of elimination we are left with service-connected disability as the qualifying condition for a veteran's pension.

Under the proposed laws a man who served for 89 days, or his dependents, would not qualify for the suggested benefits. In other words, a man who served 90 days, suffered on account of his military service, but he didn't suffer if he served only 89 days. What an utterly ridiculous basis on which to rest such important legislation! The time of service has obviously nothing to do with it. The thing that counts is—did this man suffer disability on account of his service to the Nation? If so, he is entitled to generous compensation; if not, he is entitled to commendation for doing his duty, but nothing else. To say that because these things have been done in previous pension laws they should be done again, is to say that because the Federal Treasury has been robbed in previous years it is all right to continue robbing it.

Gentlemen, let's face the facts. These bills will cost only 29 millions the first year, but their combined eventual cost will be several billions as a minimum and when the inevitable liberalizing amendments are made it is conservative to expect the total cost to go to 30 billions or more. They are unwise and vicious proposals, unfair to the wounded veterans and the dependents of the war dead, and unfair to the American people. If passed they will make dangerous inflation a certainty, if not complete financial collapse. They are unfair to labor because they will lower the purchasing power of every dollar in every working man's pay envelope. They are unfair to the new army because if these laws go into effect there will be no money left to pay compensation to the genuine service-disabled. They are unfair to national defense because such reckless non-defense spending will imperil the whole program. I earnestly urge that these things be fully weighed in your consideration of these pension proposals.

Thank you.

SENATOR CLARK. Are there any questions? Thank you, Mr. Luchars.

MR. ODOM. Mr. Chairman, could I volunteer a statement for the record?

SENATOR CLARK. Certainly.

STATEMENT OF EDWARD E. ODOM, SOLICITOR, VETERANS' ADMINISTRATION, WASHINGTON, D. C.

MR. ODOM. Referring or relating back to Senator Dauber's question, the committee—I am sure Senator George wouldn't ask this question and others who are familiar—but the reason for putting these various amendments onto the Presidential regulations is so as to conserve all of the administrative and penal provisions which go along with that

general system of legislation, instead of having to reenact all of those administrative and penal provisions.

That is why these are made as amendments to the regulations instead of amendments to a specific statute.

The other statement I want to make for the record is that there is a misunderstanding—which I have seen repeated in the press—with respect to the consideration that was given to H. R. 4845. It is true that that bill in its present form was not the subject of hearings, that is to say open hearings. Of course I will not relate what happened at executive sessions. But the principles of that bill, both of them, were the subject of extensive hearings, and if this committee is interested in that matter I will volunteer, on the part of General Hines, to produce the record of the hearings with the pages marked showing where General Hines did testify as to those two principles.

Senator CLARK. It is a fact, isn't it, that the principles of both of those measures had been before Congress for a number of years, and that public hearings had been held on bills embodying the principles of both of them, by a preceding Congress?

Mr. ODOM. That is true.

Senator CLARK. And that hearings by the committee, in executive session, were held on this particular measure by the House?

Mr. ODOM. Yes; in addition to that, open hearings were held on these principles by the World War Veterans' Legislation Committee, House of Representatives, at this session of Congress; and if the committee would like to have General Hines' remarks inserted in this record, I would be glad to furnish them.

Senator CLARK. Thank you, we would like to have them and they may be inserted at this point in this record.

(The material referred to is as follows:)

EXTRACTS FROM HEARINGS ON H. R. 4, AND OTHER BILLS, INCLUDING BILLS OF THE NATURE OF H. R. 4845, SEVENTY-SEVENTH CONGRESS, BEFORE COMMITTEE ON WORLD WAR VETERANS' LEGISLATION, HOUSE OF REPRESENTATIVES, SEVENTY-SEVENTH CONGRESS, FIRST SESSION

[Pp. 271-293]

The CHAIRMAN. General, whatever veterans' legislation we pass now so far as putting additional men on the roll will be with reference to men who are classed as non-service-connected; that is right, is it not?

General HINES. Well, we will put on some service-connected.

The CHAIRMAN. That is under present law?

General HINES. Yes.

The CHAIRMAN. But the bills now before Congress, so far as putting additional men on the roll, really are directed to non-service-connected cases?

General HINES. That was the next item I was going to speak about, Mr. Chairman—non-service-connected cases.

You have a bill here—there are several bills, as a matter of fact—which proposes several changes. One, the straight increase in the rate being paid from \$30 to \$50 or \$60. The other, a change in the definition of permanent and total, to take into account certain factors which I feel are already taken into account, but which the advocates of the bill desire to be written into the law, and that is relating primarily to unemployability. We have issued instructions liberalizing the definition of "permanent and total." And the effect of that instruction, which was issued some time ago, as the committee was advised, on April 2, 1940, the effect of that letter is well shown in a statement I have here for the year prior to the issuance of the service letter of April 2, 1940. There was a net increase of 6,185, or 12 percent over that year; whereas for the year following the issuance of this letter there was an increase of 12,155, or 21 percent. Now, that letter indicated to the field and central office certain

liberality in the case of a man with disabilities of certain percentages. And the letter can be read if the committee desires it. The factors of age and employment necessarily are taken into account, I am sure, by the boards.

I do not see how they can measure the ability of a man to carry on a gainful occupation without considering his age along with the disabilities and his chances of getting work. Since that letter was issued the employment conditions have materially changed. We know that for two very good reasons. First, when it came time to fill the quota of the C. C. C. group the veterans did not fill the quota. We were short in certain sections because of better employment conditions. Now, it is true we are not talking about the totally disabled man but we are talking about the factor of employment and its importance as advocated here.

The CHAIRMAN. And while there are probably no bills meeting that situation exactly, the question of age, it seems to me, and that was the question I was going to ask you about a minute ago, the question of age now is going to have to enter into this legislation, it seems to me. At the present time, this is 1941, we have 16,933 veterans between the ages of 65 and 69 years; 25,688 over 65 years.

General HINES. That was the World War group?

The CHAIRMAN. Yes.

And the Spanish-American War veteran is considered permanently and totally disabled from old age at 65 years of age.

General HINES. That is hardly the contention. That was the contention before the committee. But that is hardly the fact. As a matter of fact they have had in the Spanish War legislation for years two rates, that is, two rates that could be paid. One, on the degree of disability; and the other of age, starting at 62 and going on up to 75.

Now, taking the history of their legislation, and I have a memorandum here on that which would be enlightening:

The act of June 5, 1920, the Spanish-American War, granted a pension of \$12 at 62. On May 1, 1926, that was increased for the same age up to \$20. On June 2, 1930, to \$30. The pension of \$60 at 65 was passed May 24, 1938. Now, if you take the years after the war, you have in the first case, 21, 27, 31, and the last at 39 years after the war.

Now, they have, of course, degrees of disability pensions. But those are straight age pensions; a man is entitled to it. It does not mean that the man is totally disabled.

The CHAIRMAN. No; but it means he gets a pension.

General HINES. It means he gets \$60 when he is 65.

The CHAIRMAN. Yes.

General HINES. Now, he can get a higher rate when he becomes totally disabled and in need of aid and attendance, which raises that rate to \$100, with regular aid and attendance. He gets \$60 if he was totally disabled under the act of June 2, 1930.

The CHAIRMAN. Now, one of the problems that confront us is the fact that there are so many of these men reaching the age at which veterans of other wars are given automatic pensions.

General HINES. That is right.

The CHAIRMAN. Now, for instance, we have the 62 years of age on this list. But in 1941 there are 44,620 veterans between 60 and 65 years of age. There are 70,308 over 60 years of age. I would say there are probably 25,000 or 30,000 of them between 62 and 65 years of age. Now, as we approach and as the years go on and these men approach that period in life where their earning capacity will be destroyed because of old age, and especially with this silly idea that has crept in in industry and propagated all over the country by certain interests that a man is too old to work when he gets to be 45 years of age or 50 years of age, it is rendering it almost impossible for a man of 60 or 65 years of age, if he has not got a job already, or employment, to get employment.

General HINES. I agree with that. Although it has been broken down a lot recently due to the demand. It was broken down entirely so far as skilled mechanics and skilled personnel are concerned, but not with the laboring classes, of course. We have considerable evidence of that in the fact that you find these men leaving our domiciliary facilities even at advanced ages and getting employment; but it has been due to the fact that they had at one time a trade or were skilled in something that is useful at this time. I have no doubt, Mr. Chairman, that as we proceed with the World War legislation in years to come you will take up the matter of payments similar to this part III, which is a pension. We

must recognize it as that. And no doubt the factor of age will come in. I believe it is in now I think the rating boards are taking it into account. The service organizations differ with me. I read the testimony here. They feel we should definitely put in our regulations the age factor. I probably would have put more in on age if I had not had before me the fact that the Congress has legislated on pensions due to age and I did not feel that I had the authority to legislate in issuing regulations.

The CHAIRMAN. What do you think of a situation of this kind? Changing the law, the present disability allowance law, no matter whether we raise the amount or not—to say “a person who is permanently and totally disabled or who has reached the age of 65.”

General HINES. Well, that would be much more definite and preferable. But I call attention to the fact that it might be written to reduce some men unless there is a straight increase.

The CHAIRMAN. It would not reduce a man who was nonservice-connected. And the service-connected already are on the roll.

General HINES. Yes.

The CHAIRMAN. At least, they can get on the roll. Now for nonservice-connected disability, suppose we write a law and say, “a veteran who is totally and permanently disabled or who has reached the age of 65 years shall be given a certain percentage of pension?”

General HINES. That would be preferable and that certainly, Mr. Chairman, would come nearer to meeting, I think, from a legal standpoint, the situation than for the Veterans' Administration to attempt by regulations to say that a man because he was of a certain age was permanently and totally disabled, because that may not be so. We all know there are some men at 60 who are fully capable of carrying on and many beyond that age. But others, due to probably their education or background and their environment, and so on, are unable to carry on. At one time they had a very definite hurdle in industry that a man over 40, I think, had a handicap and we have tried to overcome it and have overcome it to some extent by getting employers to give veterans preference.

Mr. ALLEN. Do you give it, then, as your judgment from your experience in this work that the age of 65 would be a proper age at which to begin a general pension regardless of disability?

General HINES. If we are to go the pension I should say 60 to 65, somewhere in there, would be the right age.

Mr. ALLEN. In other words, if we were to resort to a general pension, regardless of financial condition or physical condition, you would suggest 60 to 65?

General HINES. That is right. Others started at 62 and somewhere between 62 and 70, the Government considers compulsory retirement at 70. They also permit retirement in certain groups at ages less than 70—65 and 64, and so on.

The CHAIRMAN. On this proposition, to go a little further, General. What would you think of a provision something on this order “or totally and permanently disabled if he is 55 years of age, we will say, and is 50 percent disabled.” “Or if he has reached the age of 65 years?”

General HINES. Mr. Chairman, when we depart from the total disability and start to take lesser degrees, 75 or 50 percent, we are getting right back into the old disability allowance that probably was more responsible than any other piece of legislation for bringing about the economy drive. We had under that legislation, in other words, at one time, and were paying more than 400,000 veterans, practically equal your present roll of the World War group, both service and nonservice. So I would hesitate to recommend to reduce total disability until you have prepared to go to the straight pension system. But I can see merit in it because of the precedents established in the other group preceding where the age factor might very well be brought into the part III benefits.

The CHAIRMAN. Suppose we put the same age factor in as they had in the Spanish-American War, at 62 years of age and 50 percent disabled. They do not call it 50 percent disabled but they pay him 50 percent. That is right, is it not?

General HINES. That is, approximately.

The CHAIRMAN. And at the age of 65 pay 100 percent, whatever the disability allowance is.

General HINES. That all works out about right—50 percent.

Mr. Chairman, the main point I wished to speak of in connection with the part III benefits was I felt that the matter of definition could hardly be made any broader than we have made it. There is another contention in connec-

tion with that group of cases, and that was as to the field organization. The field, of course, handles all cases under the regulations, but certain cases that they feel are meritorious, even that do not meet the regulations, come in for special consideration in the central office. The contention is made that as those cases we should decentralize. I doubt the advisability of that because unless we are prepared to reduce or, in other words, make more liberal, the requirements of the regulation then certainly there should be some control and not leave to it to the judgment of so many people in the field. In other words, you would get a lack of uniformity and you might get bad cases. In all this work, I think it is essential in the administrative end of it, if we are to avoid upsetting the meritorious list, either the service-connected or nonservice, to make sure we do not put on bad cases. They live in communities; they are living among veterans and the veterans recognize them. I feel that it is just and my duty to make sure that a list of veterans drawing benefits is not jeopardized by bad cases going on.

Mr. OLIVER, Mr. Chairman.

General, I would like to get back for a moment to this permanent and total pension of \$30 a month that is paid.

General HINES, Yes.

Mr. OLIVER. It is manifestly unfair, is it not, to expect a veteran who has a straight permanent and total disability because of non-service-connected disabilities to get along on \$30 a month?

General HINES. I agree with you, Congressman; he cannot get along on \$30 a month. I doubt if the pension legislation all the way back has ever contemplated that the amount paid would be sufficient to carry a man and his family, but it gives them something.

Mr. OLIVER. It seems to me that this committee and Congress should make a reasonably constructive approach to the situation and not just throw a man a tidbit because we feel financial conditions will not warrant paying anything more.

General HINES. I am not advocating you should not do that, Congressman. I am trying to keep the thing, if we can, in line, and not get overbalanced so that if we go in one direction too far we have another group we have to bring up.

Mr. OLIVER. We were at one time paying the non-service-connected cases permanently disabled \$40?

General HINES. \$20?

Mr. OLIVER. \$40.

General HINES. You were, before the Economy Act.

Mr. OLIVER. Is there any reason why this committee should not at least consider very seriously the increase back to \$40 in view of the fact that practically all the other cuts have been reestablished?

General HINES. I see no reason why you should not consider it if you feel this is the time to do it.

Mr. OLIVER. And even if the committee saw fit to increase that, in its judgment, to \$50, would we then be stepping on anybody's toes? Would we be militating unfairly against the service-connected group?

General HINES. Well, if you go very far, when you take the average rate of the service-connected group, it makes an unfavorable comparison.

Mr. OLIVER. That average is about \$40 now?

General HINES. \$39.69. I just read it into the record.

Mr. OLIVER. So your fear is by raising it above \$40—I do not want to put words in your mouth—but my impression is that your statement implies if those men were raised above \$40 immediately you would run into a bad situation with the service-connected cases?

General HINES. I feel the service-connected cases would feel we should be more liberal in the same way and bring their average rate up.

Mr. OLIVER. If we did this for non-service-connected?

General HINES. I think so.

Mr. OLIVER. If they were paid \$40 there might be an unfavorable reaction?

General HINES. I read with considerable interest the contention of one of the witnesses here that this average meant nothing. That the comparison should only be made with the permanent and total service-connected cases. Well, that may be also. But it is not trick statistics. It is giving the average so that the Congress can get some idea about what is the average.

Mr. OLIVER. How many men are there in the service-connected group who are actually receiving under, we will say, \$50 a month?

General HINES. Well, I do not know. Have you got that data, Mr. Birdsall?
 Mr. OLIVER. If it is not available it is all right. You can put it in the record.
 General HINES. I can get it for the record.
 Mr. BIRDSALL. We will have to get that.
 General HINES. We know, of course, the average is \$39.69.
 Mr. OLIVER. Yes.
 General HINES. And that a greater number are drawing less than \$50 a month.
 (The matter referred to is as follows:)

World War service-connected active disability awards, showing monthly rate of payment per case as of Dec. 31, 1940

(3,764 cases without dependents reduced for hospitalization or domiciliary care distributed according to degree of impairment at time veteran entered hospital)

| Monthly rate: | Number of cases | Monthly rate: | Number of cases |
|---------------|-----------------|---------------|-----------------|
| \$0----- | 21 | \$54----- | 801 |
| \$7----- | 21 | \$55----- | 1,387 |
| \$8----- | 840 | \$56----- | 2,412 |
| \$9----- | 593 | \$57----- | 581 |
| \$10----- | 36,960 | \$58----- | 749 |
| \$11----- | 2,257 | \$59----- | 735 |
| \$12----- | 6,441 | \$60----- | 4,974 |
| \$13----- | 3,328 | \$61----- | 1,194 |
| \$14----- | 3,138 | \$62----- | 569 |
| \$15----- | 18,490 | \$63----- | 970 |
| \$16----- | 5,347 | \$64----- | 524 |
| \$17----- | 4,171 | \$65----- | 2,231 |
| \$18----- | 5,537 | \$66----- | 972 |
| \$19----- | 4,000 | \$67----- | 513 |
| \$20----- | 17,973 | \$68----- | 642 |
| \$21----- | 4,896 | \$69----- | 448 |
| \$22----- | 7,332 | \$70----- | 2,268 |
| \$23----- | 2,476 | \$71----- | 974 |
| \$24----- | 3,072 | \$72----- | 334 |
| \$25----- | 19,422 | \$73----- | 309 |
| \$26----- | 3,148 | \$74----- | 454 |
| \$27----- | 1,585 | \$75----- | 8,447 |
| \$28----- | 2,775 | \$76----- | 285 |
| \$29----- | 4,727 | \$77----- | 266 |
| \$30----- | 19,743 | \$78----- | 390 |
| \$31----- | 1,411 | \$79----- | 898 |
| \$32----- | 2,008 | \$80----- | 2,348 |
| \$33----- | 2,856 | \$81----- | 434 |
| \$34----- | 3,713 | \$82----- | 347 |
| \$35----- | 4,120 | \$83----- | 458 |
| \$36----- | 2,247 | \$84----- | 226 |
| \$37----- | 1,161 | \$85----- | 828 |
| \$38----- | 7,994 | \$86----- | 373 |
| \$39----- | 1,674 | \$87----- | 158 |
| \$40----- | 9,267 | \$88----- | 255 |
| \$41----- | 1,285 | \$89----- | 150 |
| \$42----- | 1,782 | \$90----- | 620 |
| \$43----- | 959 | \$91----- | 114 |
| \$44----- | 1,567 | \$92----- | 113 |
| \$45----- | 3,442 | \$93----- | 65 |
| \$46----- | 1,088 | \$94----- | 99 |
| \$47----- | 873 | \$95----- | 1,062 |
| \$48----- | 1,090 | \$96----- | 90 |
| \$49----- | 719 | \$97----- | 154 |
| \$50----- | 44,473 | \$98----- | 86 |
| \$51----- | 1,303 | \$99----- | 45 |
| \$52----- | 804 | \$100----- | 23,894 |
| \$53----- | 1,217 | \$101----- | 45 |

VETERANS' ADMINISTRATION LEGISLATION

World War service-connected active disability awards, showing monthly rate of payment per case, as of Dec. 31, 1940—Continued

[3,764 cases without dependents reduced for hospitalization or domiciliary care distributed according to degree of impairment at time veteran entered hospital]

| Monthly rate: | Number of cases | Monthly rate: | Number of cases |
|---------------|-----------------|---------------|-----------------|
| \$102 | 61 | \$127 | 4 |
| \$103 | 50 | \$128 | 15 |
| \$104 | 45 | \$129 | 9 |
| \$105 | 740 | \$130 | 20 |
| \$106 | 50 | \$131 | 9 |
| \$107 | 65 | \$132 | 1 |
| \$108 | 53 | \$135 | 1,010 |
| \$109 | 38 | \$139 | 1 |
| \$110 | 179 | \$140 | 2 |
| \$111 | 32 | \$146 | 1 |
| \$112 | 31 | \$150 | 1,002 |
| \$113 | 307 | \$155 | 8 |
| \$114 | 44 | \$160 | 1 |
| \$115 | 778 | \$165 | 1 |
| \$116 | 49 | \$170 | 2 |
| \$117 | 29 | \$175 | 144 |
| \$118 | 46 | \$185 | 30 |
| \$119 | 24 | \$188 | 4 |
| \$120 | 55 | \$194 | 1 |
| \$121 | 44 | \$200 | 480 |
| \$122 | 7 | \$250 | 91 |
| \$123 | 8 | \$275 | 14 |
| \$124 | 15 | | |
| \$125 | 462 | | |
| \$126 | 15 | | |
| | | Total | 3,840,380 |

¹ Of this number, 228,214, or 65 percent, entitled to basic rate, less than \$50.

World War service-connected active disability awards, showing monthly rate of payment per case, as of Dec. 31, 1940

| Monthly rate: | Number of cases | Monthly rate: | Number of cases |
|---------------|-----------------|---------------|-----------------|
| \$6 | 20 | \$31 | 1,397 |
| \$7 | 29 | \$32 | 2,031 |
| \$8 | 840 | \$33 | 2,817 |
| \$9 | 593 | \$34 | 3,675 |
| \$10 | 36,067 | \$35 | 4,083 |
| \$11 | 2,253 | \$36 | 2,219 |
| \$12 | 6,410 | \$37 | 1,144 |
| \$13 | 3,327 | \$38 | 7,980 |
| \$14 | 3,137 | \$39 | 1,664 |
| \$15 | 22,161 | \$40 | 9,169 |
| \$16 | 5,241 | \$41 | 1,276 |
| \$17 | 4,093 | \$42 | 1,758 |
| \$18 | 5,428 | \$43 | 951 |
| \$19 | 3,898 | \$44 | 1,551 |
| \$20 | 17,652 | \$45 | 3,415 |
| \$21 | 4,838 | \$46 | 1,081 |
| \$22 | 7,221 | \$47 | 865 |
| \$23 | 2,439 | \$48 | 1,085 |
| \$24 | 3,624 | \$49 | 713 |
| \$25 | 19,053 | \$50 | 44,414 |
| \$26 | 3,112 | \$51 | 1,297 |
| \$27 | 1,562 | \$52 | 799 |
| \$28 | 2,741 | \$53 | 1,211 |
| \$29 | 4,068 | \$54 | 795 |
| \$30 | 19,497 | \$55 | 1,381 |

World War service-connected active disability awards, showing monthly rate of payment per case, as of Dec. 31, 1940—Continued

| Monthly rate: | Number of cases | Monthly rate: | Number of cases |
|---------------|-----------------|---------------|-----------------|
| \$56 | 2,402 | \$104 | 45 |
| \$57 | 581 | \$105 | 740 |
| \$58 | 747 | \$106 | 56 |
| \$59 | 720 | \$107 | 65 |
| \$60 | 4,893 | \$108 | 58 |
| \$61 | 1,180 | \$109 | 38 |
| \$62 | 567 | \$110 | 179 |
| \$63 | 968 | \$111 | 32 |
| \$64 | 524 | \$112 | 31 |
| \$65 | 2,226 | \$113 | 367 |
| \$66 | 965 | \$114 | 44 |
| \$67 | 512 | \$115 | 778 |
| \$68 | 642 | \$116 | 49 |
| \$69 | 446 | \$117 | 29 |
| \$70 | 2,241 | \$118 | 46 |
| \$71 | 965 | \$119 | 24 |
| \$72 | 334 | \$120 | 55 |
| \$73 | 309 | \$121 | 44 |
| \$74 | 449 | \$122 | 7 |
| \$75 | 8,030 | \$123 | 8 |
| \$76 | 285 | \$124 | 15 |
| \$77 | 266 | \$125 | 462 |
| \$78 | 388 | \$126 | 15 |
| \$79 | 893 | \$127 | 4 |
| \$80 | 2,318 | \$128 | 15 |
| \$81 | 420 | \$129 | 9 |
| \$82 | 345 | \$130 | 20 |
| \$83 | 457 | \$131 | 9 |
| \$84 | 226 | \$132 | 1 |
| \$85 | 828 | \$133 | 1,019 |
| \$86 | 371 | \$139 | 1 |
| \$87 | 158 | \$140 | 2 |
| \$88 | 255 | \$146 | 1 |
| \$89 | 150 | \$150 | 1,902 |
| \$90 | 617 | \$155 | 8 |
| \$91 | 114 | \$160 | 1 |
| \$92 | 113 | \$165 | 1 |
| \$93 | 65 | \$170 | 2 |
| \$94 | 99 | \$175 | 144 |
| \$95 | 1,062 | \$185 | 30 |
| \$96 | 90 | \$188 | 4 |
| \$97 | 154 | \$194 | 1 |
| \$98 | 86 | \$200 | 479 |
| \$99 | 45 | \$250 | 91 |
| \$100 | 23,143 | \$275 | 14 |
| \$101 | 45 | | |
| \$102 | 61 | | |
| \$103 | 56 | | |
| | | Total | 349,380 |

The CHAIRMAN. General, may I ask you a question right there which goes back into history a little?

General HINES. Certainly.

The CHAIRMAN. Did not the Veterans' Administration recommend that \$40 in 1930 when the Rankin bill was vetoed and the disability allowance bill was passed?

General HINES. I am not sure to what extent we recommended it. We sat in. That allowance, Mr. Chairman, was a compromise and all compromises on legislation are generally not so good. But I would not contend, as I have said to Congressman Oliver, that \$40 would be out of line. I am sure there would be the service-connected groups who would feel that if a man who is disabled and whose disability cannot be charged to service is entitled to \$40, that those who have service-connected disabilities should have theirs raised.

Mr. VAN ZANDT. May I make this observation. If we amended the existing law to increase the allowance from \$30 to \$40 and if there was a service-connected case receiving, we will say, \$25 a month, could he not elect to take the nonservice-connected allowance of \$40 a month?

General HINES. If he was permanently and totally disabled. But he may be drawing the \$25 a month for a 25-percent disability. In other words, he would not meet the definition.

Mr. VAN ZANDT. Of permanent and total?

General HINES. Of permanent and total under part III. We have some cases where men have a service-connected disability plus other disabilities which make them totally disabled and they do take the \$30.

The CHAIRMAN. If his service-connected disability should become total and permanent then he would go far above the compensation of nonservice connected?

General HINES. Yes; but the Congressman has in mind if a man has a service-connected disability like a gunshot wound and on which he is getting \$25 a month. That man is not totally disabled under the definition of part III, or he would certainly take the \$30 as some of them do. If that disability should increase in severity and finally become total, instead of \$25 he would get the \$100.

The CHAIRMAN. And if he had some other disability that was not service-connected that rendered him permanently and totally disabled he could reject the \$25 and elect to come under the nonservice clause?

General HINES. That is right. That small average of the service-connected group is brought about by many of the disabilities that are fixed in rates.

The CHAIRMAN. General. I do not like to ask the Administrator for opinions that might be embarrassing.

General HINES. I have always been very frank to give them, Mr. Chairman.

The CHAIRMAN. But would it be unreasonable to recommend that these nonservice total and permanently disabled cases be raised to \$40 and that all veterans over 65 years of age be given \$40?

General HINES. No; that would not be unreasonable.

The CHAIRMAN. I think we are going to have to meet this age proposition as we go along.

General HINES. This committee is best able to judge whether in view of the demands you have in other directions, whether you desire to increase or make increases like that so far as the cost goes. As far as the reasonableness of the matter goes I would not consider that unreasonable at all.

The CHAIRMAN. Let me go one step further. If we went one step further and adjusted this to the present Spanish-American War law and not from the standpoint of the man, but say that a man who has had a nonservice-connected disability that is total and permanent should be paid \$40 a month and that a man who had reached the age of 62 be paid half that amount, \$20 a month; that a man who reached the age of 65 be paid \$40. Would that be unreasonable?

General HINES. I doubt if that would change the cost very much and it might be helpful. It would make this distinction which might be troublesome in certain places. You might have a man of 62 full capable of doing work and earning good wages.

The CHAIRMAN. You have that in the Spanish-American Act.

General HINES. That is right. Now, the contention would then be that we created an inequality. While at 65 you are not apt to get as many that are able to carry on, although you will get some, I am sure, in both groups. I am satisfied there are men of the Spanish War group that are occupying good positions whether they have applied for pensions or not, at 65, I could not say, but they could if they wished; and they are earning good salaries.

The CHAIRMAN. I am no stickler for the doctrine of stare decisis. I do not know what the reason was when we made it 62 in the Spanish War bill. But it is in there.

General HINES. That is right.

The CHAIRMAN. It is in the law. And if we did that with the exception of the maximum amount, we used \$40 instead of \$60, why that would then have them on a parity with the Spanish War veteran.

General HINES. You certainly would have a precedent that has existed for a long time back of your action, Mr. Chairman.

The CHAIRMAN. Of course, one difficulty about making this maximum \$60 as some members want to, is an enormous cost that it would bring and it might provoke another economy bill or a veto might be sustained, probably would

be sustained in one House or the other. What I am trying to do is to work out legislation that will be sustained and will be reasonable and that will coordinate, in a measure, veterans' legislation for the various wars so that will not be going off at one tangent and then at another from now on.

General HINES. The Veterans' Administration will be glad to assist the committee in drawing up something along that line and also estimate its cost, if you wish to do that.

The CHAIRMAN. General, we will have to adjourn until tomorrow morning at 10:30. Can you come back then?

General HINES. Yes, sir.

(Whereupon the committee adjourned.)

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION,
HOUSE OF REPRESENTATIVES,
Washington, D. C., Friday, May 16, 1941.

The committee met at 10:30 a. m., Hon. John E. Rankin (chairman) presiding.

The CHAIRMAN. Let the committee come to order.

General HINES, you may proceed.

General HINES. Mr. Chairman and gentlemen of the committee, yesterday I made some reference to the disability allowance. I would like to just complete that reference by calling attention to the distribution of the number that we used. I gave the total of over 400,000 were on the rolls on June 30, 1933, the time the Economy Act became effective. I think the committee should have before them the distribution of that number because it has quite an important bearing on the last item we were discussing; that is, the permanent and total group.

The CHAIRMAN. Yes.

General HINES. This table, which can be placed in the record, shows that the 412,482 were divided in this ratio: 25-percent disabled, 272,309, or 66.04 percent; 50-percent disabled, 92,377, or 22.4 percent; 75-percent disabled, 21,343, or 5.17 percent.

Of the permanent and total on the \$40 rate which was then paid there were 26,363, or 6.39 percent.

In other words, I do not want to leave with the committee the impression that all of that 400,000 would be charged with permanent and total. Of course, that would not be. And there would be more of them now than there were at that time.

The CHAIRMAN. And 26,000 of them were permanent and total?

General HINES. Yes; that is about right, 26,363, or a little over 6 percent.

The CHAIRMAN. Now, all of them were taken off the roll except the permanent and total?

General HINES. Yes; except the permanent and total.

The CHAIRMAN. And how many permanent and total disability cases are on the roll now?

General HINES. We have approximately 70,000.

(H. R. 4845 was reported by committee May 26, 1941, House Rept. 618. Consideration objected to by Mr. Kean on June 16, 1941, Cong. Rec. p. 5320. Mr. Kean objected to consideration of bill on July 7, 1941, Cong. Rec., p. 5373, but as there were not three objections the bill passed the House without record vote on July 7, 1941, p. 5973.)

Senator CLARK. Mrs. Boyle.

Mrs. Boyle, you are the chief commander of the War Veterans' Widows and Dependents of America, Inc.?

Mrs. BOYLE. I am.

Senator CLARK. How many members do you have?

Mrs. BOYLE. We have 2,700 that are on relief; widows with children and without children; and we have 621 members—paid members—only in New York.

Senator CLARK. Only in New York?

Mrs. BOYLE. Just New York State, Brooklyn, and New York City; that is what we are representing right now until our national charter comes through.

Senator CLARK. The qualification for membership is to be a widow—

Mrs. BOYLE. The husband must have had service during the period of any war, not just the World War; and she must produce a death certificate and a marriage certificate to prove she was legally married to the deceased veteran.

Senator CLARK. Does your organization have any source of revenue outside of the dues of the members?

Mrs. BOYLE. Only dues, sir.

Senator CLARK. Thank you, Mrs. Boyle; just proceed in your own way.

STATEMENT OF MRS. MAUDE V. BOYLE, CHIEF COMMANDER, WAR VETERANS' WIDOWS AND DEPENDENTS OF AMERICA, INC., BROOKLYN, N. Y.

Mrs. BOYLE. "An act to provide more adequate compensation for certain dependents of World War veterans, and for other purposes":

The underlying grounds of the measure are socially sound—as it states in so many words it is "to provide more adequate compensation for certain dependents of World War veterans."

It is well to remember that the plight and sacrifice of the soldier is beginning to be recognized in its true light. It is a sacrifice beyond price. Nothing can repair the shock and the strain of military life both in conflict and in preparing for it. Who can say what the damage is to a man's subsequent physical and mental well-being and earning capacity? And remember, he was paid a nominal return only.

Surely if capital and property must be adequately paid for its efforts—and nobody has said that it shouldn't be—no one has said that we may take and draft and destroy and damage capital and property without paying adequate compensation for it—so should the soldier be given at least some measure of fair payment.

If the country could not pay, it might be another question. But if it can pay for capital and property, it surely can pay for life and flesh and blood.

No method of payment or compensation can do more good than that directed to soldiers' and sailors' wives and children. If a soldier is to have peace of mind—if he is to feel inspired and uplifted to meet the tremendous cares of his exacting calling and its sacrifices both in camp and on the field—if he is to do his best—there is nothing more effective than his realization and hope and trust that his loved ones will be cared for.

At the present time, to build the morale of the soldiers of today, there is nothing better than to show them that we intend to deal fairly with the soldiers of yesterday.

Don't think that the men in camp are not making comparisons in their minds even today. They are only in the first stages of their sacrifice. They have not yet been called upon to shed their blood—and God forbid that they may ever be called upon to make this supreme sacrifice—but they have been called upon to give up a

valuable part of their lives, to spend freely of themselves and their bodies and souls, while others are reaping huge salaries and benefits and dividends from war work outside the service.

You can gather together all the entertainment and cigarettes and candy for the troops—and I urge everybody strongly to do so—but you can do a thousand times more by planting firmly in their minds, that toil and sacrifice shall not go without its reward and that in the future that this Republic will pay off to their dear ones some measure of what they are suffering.

Incidentally, every cent of this money will be spent in the necessities of life, and to that extent will stimulate business and production most effectively. In fact, the bill might almost be labeled as a measure to stimulate local business, for that is the most pertinent effect it will have.

There is, however, a defect in the measure, as it now stands, to the extent of excluding childless widows from its benefits if they were married between June 3, 1921, and May 13, 1938.

Such a discrimination is ridiculous from the physical standpoint. It might just as well say that the benefits should be withheld from widows who weigh more than 200 pounds or who have red hair or who cannot play the piano. Many women cannot have children, especially the physical wrecks that many veterans were reduced to by their war service. Should these women be punished for a physical reason entirely beyond their control?

It is equally unsound from the economic standpoint. Poor and helpless because of their war duties, many veterans and their wives were lucky to provide for themselves, to say nothing of children. Are they to be punished for this poverty and helplessness? The leading men and women of this Nation have spoken in praise of parenthood planned to fit economic conditions. Yet because these veterans and their wives did not gamble with fate and the economic cruelties of our generation to hurl children into a questionable destiny of a still more questionable economic system, are we to withhold the help tendered by this measure?

The additional cost will be inconsequential, even in terms of dollars and cents when we consider the economic stimulant which this measure will prove to be. But on a matter of justice, we must look beyond dollars and cents to the spiritual values and the essential justice involved, and I submit to you that you cannot, in justice, say to one widow who may have given the best years of her life and the blood of her beauty in nursing a hapless, unfortunate veteran during years of invalidism, "you cannot have the benefits because you have no children"—although across the street another widow who has borne less of the heats and burdens of her soldier's life—"you can have the benefits because God in His mercy blessed you with a child, which has been and will be comfort to you all your days."

Both widows need help, both are equal in the sight of American justice—see that they receive equal benefits.

In its present form this measure is a step in the right direction, but illogically discriminating against childless widows. Amended as our organization suggests, it is a much more desirable piece of legislation, because, when it extends the same measure, the same index to the widows and the only proper index, and that is the fact that during his

life, she loyally, faithfully, and honestly served as the wife and help-mate of a service man.

Amend H. R. 4 as follows:

(1) Page 2, line 17, strike out "July 3, 1921," and insert in lieu thereof "May 13, 1938."

(2) Page 2, beginning in line 18, strike out the semicolon and the words "or who was married prior to May 13, 1938, to the person who served, provided a child was born to such marriage," so as to read as follows:

SEC. 2. For the purpose of payment of compensation under the provisions of this Act, the term "widow" shall mean a woman who was married prior to May 13, 1938, to the person who served; *Provided*, That the provisions of section 3 of the Act of May 13, 1938 (Public, Numbered 514, Seventy-fifth Congress), insofar as they are not inconsistent with the provisions of this Act, shall govern the determination of eligibility of a widow for benefit's under this Act.

In this connection it is significant to point out that our lawmakers of yesterday, dealing with the pension problem of the veterans' widows and dependents of the Civil War, and likewise of the Spanish-American War, did not establish any discrimination against widows arising out of the time of marriage and the birth of children. Both of these measures became effective as to the widows who were married and who had become widows at any time prior to the respective enactment of either one of these laws—of which we have a copy of both—and in neither one was there anything that the widow would have to have delivered a child in this marriage.

What I wish to state, after I have made my statement here, is this: General Hines claimed that the general public was opposed to our pension. I would like to offer for the record petitions signed by non-veteran families. These are here, and over at the hotel we have many more, signed in the State of New York, where people all over have relatives all over the United States and have sent in petitions asking to help the widows.

Senator CLARK. Mrs. Boyle, those petitions may be received. The committee will later determine whether they shall be printed in the record.

Mrs. BOYLE. We will give it to the Senate on the floor?

Senator CLARK. They may be received by the committee if you so desire.

Mrs. BOYLE. Yes; I am willing to leave them.

Senator CLARK. What I am saying is that the matter of the inclusion of petitions is for the committee to determine at a later date, on account of the size of the record, but if you desire to leave them, we will be glad to have them, and the committee will determine whether they shall be simply filed as part of the record or included in the printed record. They will be noted in any event.

Mrs. BOYLE. Yes, sir; the reason the widows feel that there should be no discrimination against many of our widows that were childless, many of them deliberately were childless because they worked as char-women and supported their husbands for many years before they deceased; they made old women of themselves. Many of our women that had children lived on so meager an amount that practically three-quarters of them are so undernourished that the amount of relief they get isn't sufficient to feed the children properly or feed the mother that was left behind, and many of our widows without children cannot

today go out and work because a lot of them are from 40 to 55 years old, and they will not take them. The Government has taken some, kept them 3 days, and expelled them for not being fast enough. They didn't have the speed that the young girls had.

Well, if they haven't got the speed after nursing the Government's problem, the man they sent back here, if they have worn themselves out and the Government doesn't want them, who does want them? Aren't they entitled to something to maintain themselves?

One and all widows in our organization are alike. Many of our women have sons in the service, and I, for one, have two; and when they say that the widows are trying to raid the Treasury, if that is what they call raiding the Treasury, then why do they raid our homes of our sons? [Applause.]

Senator CLARK. The Chair has requested that there be no demonstration. The Chair is very deeply in sympathy with what Mrs. Boyle is saying, but I hope there will be no further demonstrations on either side of this problem.

Mrs. BOYLE. At a previous meeting I was called upon, Senator Clark, to state what our widows thought about holding the service men—which is here of record in the United States record room—and my organization stated that if they wanted to hold our sons 1 year or 10 years or life, if it was necessary to defend our country, we were the willing mothers; and if we are the willing mothers to extinguish our families and have to carry the bread basket through the street and beg, I don't think the Government is dealing fairly with us; and there are many of our women that have given sons, from two to four and five boys and girls in a family, some in the Red Cross learning to be nurses, and boys that have volunteered their services, and I think that all of our women and widows should be treated equal, whether they married in 1935, 1934, or 1921.

I don't know many of our boys that could marry in 1918 and have minor children today, because if they married then they were only 17 and 18 years old, and I don't think I would ever want my son to go out and contract a wife for himself when he was 17 or 18 years old. I don't think he would be responsible for it; I think the more sensible man went to his duty and came back and waited 4 or 5 years and tried to do the right thing by a wife, and then marry.

Senator CLARK. Any questions?

Thank you, Mrs. Boyle.

Mr. Kyle.

STATEMENT OF JACK KYLE, NATIONAL EDUCATIONAL DIRECTOR, REGULAR VETERANS' ASSOCIATION, WASHINGTON, D. C.

Senator CLARK. Mr. Kyle, you represent the Regular Veterans' Association?

Mr. KYLE. I am the national educational director of the Regular Veterans' Association.

Senator CLARK. Tell us what that association is? How many members do you have?

Mr. KYLE. We have approximately 12,000, a little more, but in round numbers 12,000.

Senator CLARK. What is the qualification for membership?

Mr. KYLE. One must have served 1 year or more in the active service of the Army, Navy, Marine Corps, or Coast Guard.

Senator CLARK. During the war?

Mr. KYLE. At any time, as long as he has volunteered and has served 1 year.

Senator CLARK. Do you have any other classes of membership?

Mr. KYLE. We have in our organization a few veterans of the Civil War, many of the Spanish-American War, and the World War, and the Indian Wars.

Senator CLARK. All of them come within those qualifications?

Mr. KYLE. Because they volunteered for those wars or were in when the war began.

Senator CLARK. Does your organization have any means of support outside of the dues?

Mr. KYLE. We get \$3 a year from each member, and no other means of support.

Senator CLARK. Do you have regular meetings?

Mr. KYLE. We are organized on the same principle as the American Legion. For instance, we have posts and departments throughout the country, almost identically the same as the Legion.

Senator CLARK. Just proceed, Mr. Kyle.

Mr. KYLE. Mr. Chairman, I would like to quote from a pretty big man who at one time had something to do with a pretty big war—President Lincoln:

Let us care for the widows of those who shall have borne the battle.

And in that respect the Regular Veterans' Association is interested in all legislation not discriminatory. We are interested in providing adequate compensation for all veterans, whether they served in war or peace, and for adequate pensions for the dependents of all such veterans. We heartily approve H. R. 4 without amendment, and I would like to make one comment about the bill, about the effective date of marriage.

I think possibly, had we restricted the dates to those that were married during the war, there would be very few widows, so there wouldn't be any H. R. 4. It wasn't the policy to take married men, if I recall, in cases where it could be avoided.

The statement was made that many veterans' organizations sponsoring H. R. 4 had not smelled gunpowder. I would like to state that one witness who preceded me today, represents an organization of approximately 250,000, of which practically all smelled gunpowder, all of them must have served in a foreign war or campaign or expedition; and I think the same is true of most of the organizations. There were a few men in training camps in all wars who didn't see action, but it wasn't their fault, they were there to see it. Many of them suffered disabilities and became disabled from disease, and when they returned to civil life they were just as much physically handicapped and under just as much of an economic handicap as were those who lost a limb or were wounded in battle.

Senator CLARK. The first man I saw get killed in the war was run over by an ammunition wagon drawn by a four-mule team. He was just as dead as the man who got his head shot off on the battlefield.

Mr. KYLE. With that, Senator, I heartily agree, and his widow should

be just as much entitled to the benefit of the pension laws as though he had been killed by a bomb.

The cost of this legislation has been discussed. We know it is going to cost a lot of money. All good things cost money. They talk about what the War of 1812 cost. Well, if we hadn't had the War of 1812 there wouldn't have been any war of 1898; and if we hadn't had the war of 1898, there wouldn't have been any war in 1917.

The veterans have made, protected, and preserved the wealth of this Nation. Without those men responding to the call, and without our regular police force between wars, I doubt very much if there would have been anybody living today under the Stars and Stripes.

Now, I would like to confine the rest of my short statement to H. R. 4845. I think this is a very forward step in legislation. I think that the veterans are entitled to all of the compensation that this bill contemplates, and as several of the witnesses have stated before, I think it is little enough.

I would like to see the bill amended to give these disabled men \$100 a month, but if the committee sees fit to report this bill in its present form, I am sure that it will receive the wholehearted support of all veterans' organizations, including my own.

That is all.

Senator CLARK. Are there any questions?

Thank you very much, sir.

Mr. Haley, you represent the Order of the Purple Heart?

Mr. HALEY. That is right.

STATEMENT OF EARL HALEY, ORDER OF THE PURPLE HEART, WASHINGTON, D. C.

Senator CLARK. Will you state for the record what the membership and qualifications for membership of the Order of the Purple Heart are?

Mr. HALEY. The Military Order of the Purple Heart is composed exclusively of men who were wounded in some war, no particular war, but in any war.

Senator CLARK. During the Revolution?

Mr. HALEY. Well, we have members that were in the Civil War. Any man who was wounded and was authorized to wear a wound chevron in any war is eligible for membership, or a man who was cited during the World War by the Commander in Chief of the A. E. F. for merit, extraordinary merit, and those are the only ones qualified for membership in our organization.

In 1932 when this organization was revived, after having been dormant since 1782 when it was instituted by George Washington, at that time in 1932 we had a potential membership of 72,000. We figure that our membership today is approximately 70,000. All men who have been issued the Purple Heart Medal are members of our organization, whether they pay dues or not.

Senator CLARK. Every one of them has a certificate to show for it, too, has he not?

Mr. HALEY. Yes; he has, and he is entitled to sit in at any of our meetings of the organization, whether they be a local meeting of a chapter, a State department convention, or a national convention.

Senator CLARK. Do you have any source of revenue outside of dues?

Mr. HALEY. No. Well, I will qualify that by saying that in addition to the \$3 a year dues we pay, the organization issues two publications which are being sold to the public, and we derive some revenue from that, which goes exclusively to the maintenance of our Washington office for rehabilitation purposes.

Senator CLARK. You don't have any associate members, or anything of that sort?

Mr. HALEY. No, sir.

Senator CLARK. Or honorary members?

Mr. HALEY. No, sir; they must have the Purple Heart to be members of our organization.

I have no prepared statement to submit to this committee, and I am not going to take up much of this committee's time; I realize it is getting late.

Anything I may say, I want it strictly understood, is not said in opposition to H. R. 4. Our organization feels that we are not opposed to any benefits which may be granted any veteran or any dependent of a veteran by a grateful country or appreciative Congress. We wish them more power, and certainly do not object to any benefits whatsoever, whether to dependents or otherwise.

But we do feel this way about it, that in constructing anything we feel it is necessary to start at the bottom and build up. In enacting veterans' legislation we feel that the first one to be considered is the veteran himself, and out of that group of veterans is the disabled veteran, and out of those disabled veterans are the group of which our organization is composed, the man who was actually wounded and who certainly smelled powder during the war. I think those are the foundation of the veterans.

Now, I regret to say—I may be wrong, but I don't think so—we feel at least this way about it, that that is one group of veterans that have been to a great extent overlooked, passed by, and ignored. True, our members enjoy the benefits of any general veterans' legislation having been passed, those that have any other service-connected disability, or any disabilities which they have succeeded in having service-connection granted for, aside from the wounds, but it is our contention that the wound itself should be recognized and that the man should be given something for having suffered that disability and that particular agony that the average veteran did not have to suffer, fortunately for him.

Examiners, Bureau examiners, will tell you that of course they cannot diagnose pain, and for that reason a man who suffered a wound or multiple wounds, perhaps, they have held—there are scars left—but there are no residuals or no effects of that scar at this time that can, from a medical standpoint, be diagnosed, nor can it be rated under existing rating schedules.

And therefore we feel that that class of veterans should be given some consideration, and there is at present—and I may be digressing somewhat, Mr. Chairman, from the question at issue, for which I want to apologize—but there is at present legislation, two or three different bills, which have a section in them providing for an automatic payment of a 10 percent rating to any man who was wounded during his World War service and whose wounds are recorded

on his A. G. O. records, who was hospitalized for these wounds and who was given the authorization to wear a wound chevron, and has been issued the Purple Heart Medal.

We feel that when such a bill comes to the attention of this committee that this committee undoubtedly will give it careful consideration. I therefore want to apologize for bringing that up at this time.

As far as H. R. 4845 is concerned, I think much has been said here, and about everything has been said that possibly could be said by me. I can only reiterate the statements made by Mr. Rice, representing the D. A. V. The members of the Purple Heart feel the reasons for our organization supporting that bill are identical with the reasons outlined by Mr. Rice.

The fact is that many of our members who have gunshot wounds for which they are not drawing a cent of compensation, because they are rated at less than 10 percent, have other disabilities, for some of which they have been able to secure an established service connection; and other disabilities for which they have not been able to establish service connection. However, all of those disabilities, of course, in conjunction with any effects from the wounds, would cause them to be considered and rated as permanent and total, and would make them entitled to a pension under this act.

For that reason we are heartily in support of that bill.

That is about all that I have to say at this time. I think to further go into a discussion would only be a repetition of what has already been said, and I want to thank you, Mr. Chairman, and the members of the committee.

Senator CLARK. Are there any questions?

Thank you, Mr. Haley.

Mrs. Muldowney, will you come around now?

STATEMENT OF MRS. MARY MULDOWNEY, BROOKLYN, N. Y.

Senator CLARK. You may proceed.

Mrs. MULDOWNEY. I want to appear here on behalf of the men that fought in actual combat. My husband is one of the veterans, one of the men, and I think, typical of a good many cases. They cannot establish direct service connection, those men, some of them are in insane institutions, and they cannot speak for themselves, and therefore justice is denied them by the Veterans' Administration.

Now, General Hines spoke this morning, and he said H. R. 4905 is typical of what is in force. If it is, there is no use in passing it, because it is left to the doctors to decide, and the doctors make blunders, and if you have two psychiatrists to sit down and agree on a case, you would be doing something.

My husband went to the war when he was 23 years of age; he was physically and mentally fit, and we must say he got a thorough examination when he went in—otherwise, I don't think they would have taken him.

He was put in with the Eleventh Infantry of the Fifth Division. That saw service. He fought in the Meuse-Argonne and St. Mihiel offensives. He came back from the war, and 2 weeks after he was discharged he was examined by Dr. Wissenberg. The doctor said

he was suffering from abdominal pains, vomiting, he said, caused by reaction, he thought, from the war. So it went on, little by little, from time to time, and while he was in St. Mihiel he fell in a trench and got a wound in his head, a cut, he got first aid and sent on, and there was no record of the wound.

He came back. After being examined by Dr. Wissenberg he went to Cumberland Hospital two or three times, but as far back as 1920 they wouldn't keep any record of a clinic case. So, therefore, we were out, there.

Well, he never readjusted himself; he would have one little job here and one there, here, there, and another place. But he was nervous, excitable, but not that you could put him down sick in bed. If he was down sick in bed you would have doctors' records.

Well, then he went to his former employer; he worked for Walter White out in Cleveland, Ohio; he used to train race horses, polo ponies. He went back to get his job after the war, and he was refused his job because they said they couldn't hold the job.

We have records of the Veterans' Administration proving that, from Mr. White's superintendent.

Then he went, and as I tell you, from little to little, place to place, he had been here a week and there a week; and after I married him it was then I really noticed, you couldn't notice it so much meeting a person, but I really noticed it afterward.

So it went on, up to 1932, and I took him out to California. I worked myself, that is how the family was supported. My grandmother left me \$5,000 when she died. I took in sewing and I worked.

Then, he had a brother in California. I went out there with him and we thought the rest would do him good. We went out there and he was worse, that was in 1930. He came back and wasn't able to do anything. He had finally to give up altogether.

Then we went to the Veterans' Administration for an examination, over on Thirty-fourth Street. He went in, the doctors examined him, looked at him, told him that he had tonsilitis. He came home, went back again. They asked him if he would have his tonsils out. Yes; he would have his tonsils out.

I took him to Dr. Walsh, and Dr. Walsh told me the man was fit for a hospital. Dr. Walsh said, "I am not a psychiatrist, but I am going to send you to one," so he sent him to a psychiatrist, and the man ordered my husband to a hospital.

Well, the Economy Act was on then, and he wouldn't be taken into a hospital because, under the Economy Act, they couldn't be taken in unless they drew compensation.

He was another year going around, and finally he got in. When Dr. Walsh examined him he sent the reports to 81 Hospital, and they sent back and said from Dr. Walsh's reports he was a case for a mental hospital, and they sent the record to Northport, in Long Island, and they sent back and said they were overcrowded and he wasn't a service-connected case and he couldn't come in.

He used to complain of pains in the stomach, right from the time he came back from the war to this very day. I thought, "I will get him into 81." They asked me if there was anything else wrong with him. I said he complained of those pains in the stomach. He was

3 years then in 81, and I kept telling them all about it. Well, they couldn't see anything wrong.

So finally we applied in 1932, and in 1937 he got a presumptive rating of \$14 a month. So I told the doctor that I thought the man was totally and permanently disabled, and was insane, and he said no, he wasn't.

So three checks came from the Veterans' Bureau, and we took the checks to him to sign them, and he wouldn't sign the checks. So I went back to the Veterans' Administration and they told me to give the check to the doctor at the hospital and ask the doctor to go in.

Then he had four examinations in that month. The doctor went in to examine him, and I went with him, and he came out and he said to Dr. Bates, he said, "My God, I think that man is insane. He shouldn't have been kept here at all. Put him under close observation."

They moved him out of where he was, and he was sent to the other ward, and after 2 weeks he was declared incompetent, which the man was right along.

Then they couldn't send him anywhere, there was no guardian appointed—I couldn't sign to send him away and he wouldn't sign for himself, and I had to bring him home.

I had him home from May to November 5, 1937, and the man got a spell one night and shook from head to foot, and he fell on the floor and kept hollering that there was gas, and talking about the war, and we thought he was talking about the gas in the stove, we didn't know, he threw himself all over.

So we sent for the ambulance, and the ambulance doctor came up and they sent the man to Kings County Hospital, and the man was there for 2 weeks under close observation, and they said he was suffering from a mental condition caused by convulsions of the nerves, which I had been saying the man had from the time he came out of the Army.

Senator CLARK. Mrs. Muldowney, if you will excuse me, I think you are talking about H. R. 4905, which was reported by the committee this morning.

Mrs. MULDOWNEY. Yes; but I wanted to stress the point. My husband's case was tried under it several times, but he couldn't get a service connection.

Senator CLARK. It has been brought to the committee's attention several times that the intention of the bill goes far beyond General Hines'—

Mrs. MULDOWNEY. Those men in the insane hospitals can't talk for themselves. Therefore, I think there should be some consideration given to those men that fought in actual combat.

Senator CLARK. I am certain that is the intention of the act.

Mrs. MULDOWNEY. And it should be stressed by the committee and by the Senate, if they pass it out, which I really think they will, I really think you men want those men to get what is coming to them, a man having fought in actual combat like that, that the law should be that he would get his direct service connection, even if those records can't be found.

Senator CLARK. Are there any questions?

Thank you very much, Mrs. Muldowney.

Mrs. Hamilton.

I don't want to cut anybody short, but the hour is getting late, and there are two or three witnesses from out of town, and I would appreciate it if you will be as brief as possible.

STATEMENT OF MRS. OSCAR W. HAMILTON, SPARROWS POINT, MD.

Mrs. HAMILTON. Thank you, and I will, because, Mr. Chairman and United States Senators, and other guests in the rear, I didn't expect to say anything. I asked if I could come because I have worked for 8 years as a social-service worker, my husband having been a World War veteran and served 28 months overseas with the United States Navy, and I have this week had turned to me 25 little orphan children. I reside in Maryland, and I handle these cases voluntarily without any funds.

I have seen in the last 3 months, 20 veterans die, who have served actively in the Marine Corps, the Navy, and the Rainbow Division, whose wives have been denied pensions because their husbands had never been hospitalized during service, and it is self-evident that if they served in these combats, the Meuse-Argonne and in the Rainbow Division, that these men have suffered. They came back and refused to file claims because they were physically able, at that time, to carry on.

Now, they leave wives with babies, families of seven and eight and nine, and I am not pleading for the widows so much as I am pleading for the babies of these World War veterans who have given their lives, and I am sure that they have given them, that I have seen die at Fort Howard, Md., recently, in active service; because that is the way I personally see these veterans, lying there dying today and tomorrow, and when I get back they will be dead, because they were honest with their country and came back unscarred, having given their best, having come back to sweethearts, as my husband came back to me, who is known personally to one of the most honorable Senators that we know of.

We were married, and have a son who will go into the Navy as his father did.

I am asking that this committee give serious consideration to granting some relief to these widows and to these little orphans that are now turning to the relief of counties and States of the United States of America.

Thank you.

Senator CLARK. Are there any questions?

Thank you very much, Mrs. Hamilton.

Mrs. Fawcett.

STATEMENT OF MRS. ROBERTA FAWCETT, NATIONAL LEGISLATIVE CHAIRMAN, LADIES' AUXILIARY TO THE VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mrs. FAWCETT. Mr. Chairman and honorable members of the Senate Finance Subcommittee, as the national president of the Ladies' Auxiliary to the Veterans of Foreign Wars of the United States of America, Alice M. Donahue, was unable to be present today due to previous

appointments, I have the honor and privilege to appear before you to urge some of the facts concerning the proposed legislation under debate by this distinguished committee.

The Ladies' Auxiliary to the V. F. W., composed of the mothers, wives, daughters, and sisters of men who saw combat service on foreign soil, never have a separate legislative program, always endorsing all legislative objectives of the parent organization, the V. F. W. I concur sincerely, as national legislative chairman.

The two bills, H. R. 4 and H. R. 4845, as passed by a large majority by the House of Representatives several weeks prior to this date, are now under consideration by the distinguished members of this subcommittee of the Senate, and gentlemen, I beseech you to look with favor on the passage of these measures. After 23 years since World War No. 1, this Nation should guarantee payment of adequate pensions to disabled World War veterans and to the widows and orphans of deceased World War veterans.

H. R. 4 is a bill of paramount importance to the members of the Ladies' Auxiliary to the V. F. W. as it deals with the welfare of the widows and orphans of World War veterans. These children are the future citizens of our beloved America. Give them a chance for health and happiness by granting pensions of such amount suitable to furnish proper necessities of life, and further to help the morale of such disabled World War veterans still living but lying on sick beds in the veteran facilities throughout the country by having them feel their families will not suffer from hunger and want. In our circulation among the World War veterans in and out of the various veteran facilities, we, as mothers, wives, daughters, and sisters of the World War veterans, can truthfully report the dire need of passage of this bill, H. R. 4. Gentlemen, I feel you are all human, and will never wish to impose on women and children.

Gentlemen, may I further urge you to look with favor on the bill H. R. 4845, as passed by the House of Representatives, which, as you are aware, stresses on the vital importance of increasing the pensions for disabled World War veterans from the small sum of \$30 to \$40 per month, and to further grant the same amount per month to World War veterans when the age of 65 years is attained.

Why should veterans of some campaigns receive more adequate recognition than veterans of later wars? With living necessities soaring sky-high, shouldn't men who have served this country so faithfully in time of emergency be allowed compensation to eke out a scanty livelihood? As they are not growing younger and feel the burden is becoming heavier and heavier, I again beseech you, gentlemen, to stand by your guns by giving earnest and serious consideration to the passage of these bills, H. R. 4 and H. R. 4845.

Thank you, sincerely.

Senator CLARK. Thank you, Mrs. Fawcett.

Mr. Ketchum, did you say you had a lady here that would like to be heard?

Mr. KETCHUM. I would like to present to you the case of a World War widow, who is the mother of seven children, who feels that her husband died actually by reason of service-connected disabilities, but to date has not been able to establish that claim.

I would like to present her briefly for a moment, so you may hear from an actual case.

STATEMENT OF CATHERINE INGRAM, WASHINGTON, D. C.

Mrs. INGRAM. Mr. Chairman and members of this committee, I represent no organization, I represent a mother of seven children.

Due to the fact that I have not been able to establish service-connected disability, I have no help. I have five children under 18 years of age, whom I am solely supporting working here in a temporary position at the Census Bureau, which very shortly will be over.

I have been able to establish a home and give them proper food and clothing in a certain way, but I feel that if this bill could be passed, my children could have more. Today I am getting two quarts of milk for three children; I could get three quarts of milk.

It isn't much, but it would help, and today's program of bringing the children up properly, properly fed, means a great deal to we war mothers, and I do sincerely hope that this bill will be passed.

Thank you.

Senator CLARK. That concludes the list of witnesses that put in application to be heard, and the committee will recess and consider these matters in executive session.

(Whereupon, at 4:20 p. m., the hearings on H. R. 4 and H. R. 4845 were concluded.)

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