REPORT No. 365

PRIORITY OF VETERANS' ADMINISTRATION IN EMPLOY-MENT OF PERSONNEL AND ACQUISITION OF SPACE

JUNE 14 (legislative day, JUNE 4), 1945.—Ordered to be printed

Mr. Johnson of Colorado, from the Committee on Finance, submitted the following

REPORT

[To accompany H. R. 3118]

The Committee on Finance, to whom was referred the bill (H. R. 3118) to amend section 100 of Public Law 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes, having considered the same, report favorably thereon with amendments and recommend

that the bill as amended do pass.

One purpose of this bill is to strengthen the priorities relating to personnel, equipment, supplies, and materials extended to the Veterans' Administration under section 100 of the Servicemen's Readjustment Act of 1944. Under that section the Veterans' Administration is declared to be an essential war agency, and to be entitled to such priorities second only to the War and Navy Departments. Under H. R. 3118, the Veterans' Administration would be entitled to priorities with respect to these matters equal to the highest granted any department or agency of the Government. In addition, such priorities would be extended to cover service and space as well as personnel, equipment, supplies, and material.

The bill also authorizes the Veterans' Administration to procure space for administrative, clinical, medical, and out-patient treatment purposes by lease, purchase, or construction of buildings, or by con-

demnation or declaration of taking, pursuant to existing laws.

As passed by the House, the bill contained provisions under which, during the war and for 6 months after its termination, personnel could be employed by the Veterans' Administration and their compensation fixed without regard to the provisions of the civil-service laws and the Classification Act. The committee believes that this is a matter which falls under the jurisdiction of the Civil Service Committee, and that, in view of its possible effects upon personnel administration in the Government, it might appropriately be made the subject of a separate bill which could be referred to and considered by that committee. Accordingly it recommends that the provision be omitted from the bill.

In order properly to serve the many persons who will be discharged from the armed services it has become necessary that the Veterans' Administration enlarge its administrative offices in all sections of the country and establish new offices in many communities. Great difficulty is being encountered in securing adequate space for administrative purposes. Under existing laws the Administrator is without authority to purchase or construct buildings for administrative purposes solely. It is also considered necessary that the Veterans' Administration have authority to condemn property under existing laws for administrative purposes. Legislation is necessary if the Veterans' Administration is to have adequate office space to perform its duties.

The committee is of the opinion that in view of existing conditions resulting from increased demands upon the services and facilities of the Veterans' Administration, the additional authority provided under this bill is urgently needed to enable the Veterans' Administration to carry out its duties and responsibilities, and that the bill should be enacted without delay.