

PROVIDING BASIC AUTHORITY FOR CERTAIN ADMINISTRATIVE EXPENDITURES FOR THE VETERANS' ADMINISTRATION

MARCH 25 (legislative day, March 15), 1948.—Ordered to be printed

Mr. MILLIKIN, from the Committee on Finance, submitted the following

REPORT

[To accompany H. R. 4478]

The Committee on Finance, to whom was referred the bill (H. R. 4478) to provide basic authority for certain administrative expenditures for the Veterans' Administration, and for other purposes, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

The House report on this bill is as follows:

EXPLANATION OF THE BILL

This bill is approved by the Bureau of the Budget. It was introduced at the request of the Administrator of Veterans' Affairs for the purpose of providing clear, basic authority in the Administrator of Veterans' Affairs for the performance of certain functions, and for the expenditure of funds for particular purposes or in a particular manner. Although such activities are now specifically authorized by virtue of certain items in the current appropriation act for the Veterans' Administration, in the absence of such basic legislative authority items with respect to these activities appearing in appropriation bills for succeeding fiscal years might be regarded as subject to points of order. These activities, as enumerated in the bill, consist of furnishing and laundering such wearing apparel as may be prescribed for employees in the performance of their official duties; transporting children of Veterans' Administration employees located at isolated stations to and from school in available Government-owned automotive equipment; providing for the purchase of tobacco to be furnished to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes; providing for the purchase of printed reduced-fare request forms for use by veterans when traveling at their own expense from or to Veterans' Administration facilities; providing for the preparation, shipment, installation, and display of visual educational information and descriptive material; authorizing the Administrator of Veterans' Affairs when so specified in an appropriation or other act to make allotments and transfers to the Federal Security Agency (Public Health Service), the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration; and providing that any moneys received as repayment of debts incurred under article IV of the

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Soldiers' and Sailors' Civil Relief Act of 1940, as originally enacted, or as amended, shall be credited to the appropriation for the payment of claims under that article.

All of the legislation proposed by the bill is presently contained in the appropriation act for the fiscal year 1948, and the enactment of the bill would not increase the authority of the Administrator of Veterans' Affairs or involve any additional cost.

The letter dated August 6, 1947, from the Administrator of Veterans' Affairs, submitting a draft of this bill is as follows:

VETERANS' ADMINISTRATION,
Washington 25, D. C., August 6, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker of the House of Representatives,
Washington 25, D. C.

DEAR MR. SPEAKER: There is transmitted herewith a draft of a bill to provide basic authority for certain administrative expenditures for the Veterans' Administration, and for other purposes, with a request that it be introduced and considered for enactment.

The purpose of the proposed legislation is to provide clear, basic authority in the Administrator of Veterans' Affairs for the performance of certain functions, and for the expenditure of funds for particular purposes or in a particular manner. Although such activities are now specifically authorized by virtue of certain items in the current appropriation act for the Veterans' Administration, in the absence of such basic legislative-authority items with respect to these activities appearing in appropriation bills for succeeding fiscal years might be regarded as subject to points of order.

Section 1 of the bill would provide that appropriations hereafter made for the Veterans' Administration shall be available, subject to such limitations as the Administrator of Veterans' Affairs may prescribe by regulations, for furnishing and laundering such wearing apparel as may be prescribed for employees in the performance of their official duties, and for transporting children of Veterans' Administration employees located at isolated stations to and from school in available Government-owned automotive equipment.

For many years it has been the policy of the Veterans' Administration, under authority contained in appropriation acts, to furnish and launder washable white coats, white trousers, khaki trousers, smocks, aprons, caps, headbands, neckerchiefs, gloves, and operating gowns prescribed as wearing apparel for certain hospital, mess, domiciliary, and other attendants in the performance of their official duties. The articles of clothing furnished are such as are considered necessary for the sanitary and efficient operation of Veterans' Administration hospitals, homes, dispensaries, and other facilities connected therewith, and conform to the attire furnished employees of similar private establishments. Veterans' Administration Regulations and Procedure 6014 provides that such clothing will not be worn by employees off duty, and those not quartered on reservations or field stations will be required to change to their personally owned clothing before leaving upon completion of work hours.

The Veterans' Administration operates a number of hospitals, homes, and other facilities in areas remote from public transportation to schools. In such instances it is often necessary that employees reside on or near the reservations or establishment, and it has been found necessary, in order not to place an undue burden upon such employees, to utilize Government-owned automotive equipment in transporting their children to and from school. This practice has been authorized by enabling legislation repeated in the appropriation acts from year to year. Due to the recognized necessity of continuing this practice, general basic legislative authority for such purpose is deemed desirable.

Section 2 of the bill would amend Veterans Regulation No. 6 (a), as amended by adding a new paragraph IX thereto, to authorize the Administrator of Veterans' Affairs, under such regulations as he may prescribe, to provide for the purchase of tobacco to be furnished to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes.

It may be argued that tobacco is furnished hospital patients as a therapeutic measure, and that the expenditure therefor is now authorized as being incident to the proper care and treatment of disabled veterans. However, because this item has been included in prior appropriation acts it is considered desirable to obtain specific authorization for the use of appropriations for that purpose.

Section 3 of the bill would amend the act of March 14, 1940 (54 Stat. 49; 38 U. S. C. 76), by adding thereto a new section, which would authorize the Administrator of Veterans' Affairs to provide for the purchase of printed reduced fare

request forms for use by veterans when traveling at their own expense from or to Veterans' Administration facilities.

For many years the railroad companies of the United States have granted veterans traveling to and from Veterans' Administration hospitals or homes at their own expense, fares at reduced rates. In order to avail himself of this reduced-fare privilege the veteran is required to present to the ticket agent a standard form of request prescribed by the railroad companies. The concession is granted on condition that the railroad companies be placed to no expense in the matter of printing the form of request for reduced fare. The cost of printing such forms has been paid for by the Veterans' Administration under the authorization in appropriation acts from year to year.

Section 4 of the bill would provide that within the limitations of the appropriations made therefor the Administrator of Veterans' Affairs is authorized to provide for the preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including the purchase or rental of equipment.

While basic legislative support for the dissemination of visual educational information to veterans and the public generally as to the benefits provided under laws administered by the Veterans' Administration is regarded as authorized by sections 103 and 1500 of the Servicemen's Readjustment Act of 1944, as amended, it is deemed preferable to have specific authorization for the use of appropriations for these purposes.

Section 5 of the bill would amend section 1500 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 697), to authorize the Administrator of Veterans' Affairs when so specified in an appropriation or other act to make allotments and transfers to the Federal Security Agency (Public Health Service), the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration. It is provided that the amounts to be charged the Veterans' Administration for such care and treatment of patients in hospitals shall be calculated on the basis of a per diem rate approved by the Bureau of the Budget.

Under certain circumstances where the services can be more effectively or efficiently supplied, the Federal Security Agency (Public Health Service), the War, Navy, and Interior Departments make medical examinations of, and furnish hospitalization and certain other services to, beneficiaries of the Veterans' Administration. Legislative authority for allotments and transfers of funds from appropriations made for the Veterans' Administration to the above agencies and departments and authorization for disbursement by them under the various headings of their applicable appropriations of such amounts for such purposes have been repeatedly granted in appropriation acts from year to year. It is deemed desirable that specific basic authorization for the use of appropriations for such purposes be enacted. It is also desirable from an administrative standpoint that authority be granted for the calculation of the amounts due for such services supplied by other agencies on the basis of a per diem rate approved by the Bureau of the Budget.

Section 6 of the draft bill would amend section 406 of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended (50 U. S. C. App. 546), by adding a sentence at the end thereof, which would provide that any moneys received as repayment of debts incurred under article IV of that act, as originally enacted, or as amended, shall be credited to the appropriation for the payment of claims under that article.

Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, authorizes upon application, protection of certain commercial life-insurance policies against lapse for nonpayment of premiums during the active military service of the insured, with the requirement that the loan and interest be repaid at a later date. The purpose of section 6 of the draft bill is to provide that moneys received as repayment of such debts shall be credited to the appropriation for the payment of claims under article IV. This is desirable in order to reduce or obviate possible need for further appropriations for the purpose of administering the provisions of article IV.

All of the legislation proposed by the bill is presently contained in the Appropriation Act for the fiscal year 1948, and the enactment of the bill would not increase the authority of the Administrator of Veterans' Affairs or involve any additional cost.

This draft bill is prepared in accordance with the suggestion of the Bureau of the Budget, indicating that agencies would be expected to submit drafts of authorizing legislation to cover appropriation items in the budget which may be subject to points of order.

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Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of the proposed legislation to the Congress.

Sincerely yours,

OMAR N. BRADLEY,
General, United States Army, Administrator.

RAMSEYER RULE

In accordance with clause 2a of rule XIII, House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

VETERANS REGULATION NO. 6 (A), AS AMENDED—ELIGIBILITY FOR DOMICILIARY OR HOSPITAL CARE, INCLUDING MEDICAL TREATMENT

Paragraph VIII of Veterans Regulation No. 6 (a), as amended:

"The Administrator of Veterans' Affairs is authorized to continue hospital and domiciliary care of those persons properly admitted under the laws in effect prior to March 20, 1933, until such time as they may be discharged without jeopardizing their health or life.

"IX. Subject to such regulations as he may prescribe, the Administrator of Veterans' Affairs is authorized to provide for the purchase of tobacco to be furnished to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes."

PUBLIC LAW 432, SEVENTY-SIXTH CONGRESS, APPROVED MARCH 14, 1940 (54 STAT. 49;
38 U. S. C. 76)

"AN ACT To provide for allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for examination and treatment

"That the Administrator of Veterans' Affairs is hereby authorized, under regulations to be prescribed by the President, to pay the actual necessary expenses of travel, including lodging and subsistence, or in lieu thereof an allowance based upon the mileage traveled, of any person to or from a Veterans' Administration facility, or other place for the purpose of examination, treatment, or care: *Provided*, That payment of mileage upon termination of examination, treatment, or care may be made prior to completion of such travel: *And provided further*, That when any such person requires an attendant other than an employee of the Veterans' Administration for the performance of such travel, such attendant may be allowed expenses of travel upon a similar basis.

"SEC. 2. The Administrator of Veterans' Affairs is hereby authorized to provide for the purchase of printed reduced-fare requests for use by veterans when traveling at their own expense from or to Veterans' Administration facilities."

SECTION 1500 OF THE SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED (PUBLIC LAW 346, 78TH CONG., APPROVED JUNE 22, 1944; 38 U. S. C. 697)

"SEC. 1500. (a) Except as otherwise provided in this Act, the administrative, definitive, and penal provisions under Public, Numbered 2, Seventy-third Congress, as amended, and the provisions of Public, Numbered 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a and 556a), shall be for application under this Act. For the purpose of carrying out any of the provisions of Public, Numbered 2, as amended, and this Act, the Administrator shall have authority to accept uncompensated services, and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

"(b) When so specified in an appropriation or other Act the Administrator of Veterans' Affairs is authorized to make allotments and transfers to the Federal Security Agency (Public Health Service), the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: Provided, That the amounts to be charged the Veterans' Administration for such care and treatment of patients in hospitals shall be calculated on the basis of a per diem rate approved by the Bureau of the Budget."

SECTION 406 OF THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940, AS AMENDED
(PUBLIC LAW 571, 76TH CONG., APPROVED OCTOBER 17, 1940; 50 U. S. C. APP. 546)

"SEC. 406. Payment of premiums and interest thereon at the rate specified in section 405 hereof becoming due on a policy while protected under the provisions of this article is guaranteed by the United States, and if the amount so guaranteed is not paid to the insurer prior to the expiration of the period of insurance protection under this article, the amount then due shall be treated by the insurer as a policy loan on such policy, but if at the expiration of said period the cash surrender value is less than the amount then due, the policy shall then cease and terminate and the United States shall pay the insurer the difference between such amount and the cash surrender value. The amount paid by the United States to an insurer on account of applications approved under the provisions of this article, as amended, shall become a debt due to the United States by the insured on whose account payment was made and, notwithstanding any other Act, such amount may be collected either by deduction from any amount due said insured by the United States or as otherwise authorized by law. *Any moneys received as repayment of debts incurred under this article, as originally enacted and as amended, shall be credited to the appropriation for the payment of claims under this article.*"

"[H. R. 4478, 80th Cong., 1st sess.]

"A BILL To provide basic authority for certain administrative expenditures for the Veterans' Administration, and for other purposes

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That appropriations hereafter made for the Veterans' Administration shall be available, subject to such limitations as the Administrator of Veterans' Affairs may prescribe by regulations, (1) for furnishing and laundering such wearing apparel as may be prescribed for employees in the performance of their official duties, and (2) for transporting children of Veterans' Administration employees located at isolated stations to and from school in available Government-owned automotive equipment.

"Sec. 2. Veterans Regulation Numbered 6 (a), as amended, is hereby amended by adding a new paragraph IX as follows:

"IX. Subject to such regulations as he may prescribe, the Administrator of Veterans' Affairs is authorized to provide for the purchase of tobacco to be furnished to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes."

"Sec. 3. The Act of March 14, 1940 (54 Stat. 49; 38 U. S. C. 76), is hereby amended by adding thereto a new section as follows:

"Sec. 2. The Administrator of Veterans' Affairs is hereby authorized to provide for the purchase of printed reduced-fare requests for use by veterans when traveling at their own expense from or to Veterans' Administration facilities."

"Sec. 4. Within the limitations of the appropriations made therefor the Administrator of Veterans' Affairs is authorized to provide for the preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including the purchase or rental of equipment.

"Sec. 5. Section 1500 of the Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 697), is amended by inserting '(a)' immediately following 'Sec. 1500' and adding at the end thereof the following new paragraph:

"(b) When so specified in an appropriation or other Act, the Administrator of Veterans' Affairs is authorized to make allotments and transfers to the Federal Security Agency (Public Health Service), the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: *Provided*, That the amounts to be charged the Veterans' Administration for such care and treatment of patients in hospitals shall be calculated on the basis of a per diem rate approved by the Bureau of the Budget."

"Sec. 6. Section 406 of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended (50 U. S. C. App. 546), is amended by adding the following new sentence at the end thereof: 'Any moneys received as repayment of debts incurred under this article, as originally enacted and as amended, shall be credited to the appropriation for the payment of claims under this article.'"

The Committee is in accord with the purposes of the bill and recommends its enactment.