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SENATE

REPORT
No. 1522

AMENDING PUBLIC LAW 432, SEVENTY-SIXTH CONGRESS, TO INCLUDE AN ALLOWANCE OF EXPENSES INCURRED BY VETERANS' ADMINISTRATION BENEFICIARIES AND THEIR ATTENDANTS IN AUTHORIZED TRAVEL FOR VOCATIONAL REHABILITATION PURPOSES

JUNE 7 (legislative day, JUNE 1), 1948.—Ordered to be printed

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

REPORT

(To accompany S. 2806)

The Committee on Finance, to whom was referred the bill (S. 2806) to amend Public Law 432, Seventy-sixth Congress, to include an allowance of expenses incurred by Veterans Administration beneficiaries and their attendants in authorized travel for vocational rehabilitation purposes, having considered the same, report favorably thereon with amendments, and recommend that the bill as amended do pass.

The amendments are as follows:

Page 1, line 3, before the words "Public Law" insert the following: "section 1 of"

Page 1, line 4, before the words "is hereby amended", insert the following: "as amended."

EXPLANATION OF BILL

The purpose of this bill is to provide basic authority for commutation of travel expenses on a mileage basis in lieu of payment of actual necessary expenses of travel in connection with vocational rehabilitation under Public Law 16, Seventy-eighth Congress. The present authority permits the Administrator of Veterans Affairs to pay the actual necessary expenses of travel, including lodging and subsistence, or in lieu thereof, an allowance to any claimant or beneficiary of the Veterans Administration traveling under prior authorization to or from a Veterans Administration facility, or other place, for examination, treatment, or care, or, in his discretion, to the person or organization who actually paid the expenses of such travel, including lodging

and subsistence. This bill simply extends this authority to cover vocational rehabilitation cases.

This legislation is made necessary by a decision of the Comptroller General to the effect that commutation of actual expenses is not allowable except when authorized by statute, and, in the absence of expressed statutory authority, appropriated funds may not be used for travel expenses on a commutation basis, but such expenses may be reimbursed only on an actual-expense basis. The net effect of this ruling is to work to the disadvantage of the disabled veteran undergoing vocational rehabilitation.

This bill will not involve any additional cost, and will probably result in some administrative saving.

The letter from the Administrator of Veterans' Affairs on this bill is as follows:

VETERANS' ADMINISTRATION,
Washington 25, D. C., January 21, 1948.

HON. ARTHUR H. VANDENBERG,

President pro tempore of the Senate, Washington 25, D. C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a bill, to amend Public Law No. 432, Seventy-sixth Congress, to include an allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for vocational rehabilitation purposes, with a request that it be introduced and considered for enactment.

The purpose of the proposed legislation is to provide basic authority for the commutation of travel expenses on a mileage basis in lieu of payment of actual necessary expenses of travel in connection with vocational rehabilitation under part VII, Veterans Regulation No. 1 (a), as added by Public Law 16, Seventy-eighth Congress, and as amended.

Under section 3, Public Law 16, Seventy-eighth Congress, as amended, the appropriation for the Veterans' Administration, "Salaries and expenses, medical and hospital, and compensation and pensions" is made available for necessary expenses in connection with vocational rehabilitation under part VII, Veterans Regulation No. 1 (a), as amended, and may be used for payment or reimbursement of necessary expenses of trainees and may include in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended. This includes travel expenses necessary in connection with the vocational rehabilitation of veterans and any medical treatment or hospital care that may be required to restore employability lost by virtue of a handicap due to a service-incurred disability. Although, as indicated, the appropriations of the Veterans' Administration are available for the actual and necessary expenses of veterans while traveling in connection with vocational rehabilitation, the Comptroller General of the United States has ruled that a commutation of actual expenses is not allowable except when authorized by statute, and, in the absence of express statutory authority, appropriated funds may not be used for payment of travel expenses on a commutation basis, but such expenses may be reimbursed on an actual expense basis only (15 Comp. Gen. 206; 21 Comp. Gen. 610).

In view of the above, the Veterans' Administration is limited to two methods of authorization and reimbursement for travel by veterans in connection with vocational rehabilitation under part VII, Veterans Regulation No. 1 (a), as amended, both of which are cumbersome and inefficient. The first method is to furnish trainees with the necessary transportation, meal, and lodging requests to enable them to travel by common carrier at Government expense; and the second method is to allow the veterans to travel at their own expense and claim reimbursement for the actual necessary expenses. When transportation, meal and lodging requests are furnished, the complete itinerary must be prepared for each veteran's travel and transportation requests prepared to direct the mode of travel (i. e., train, bus, etc.), and the route to be traveled to or from the Veterans' Administration installation or other place. In rural areas, special transportation requests are sometimes issued to the veteran for travel from his residence to and from the nearest station of a common carrier. In a large percentage of cases, the veteran finds it more convenient to travel by privately owned automobile or a

different method than the one prescribed on the transportation requests. In such instances the veteran may be reimbursed for the actual necessary expenses in connection with such travel. However, in order to be reimbursed on an "actual expense basis," the veteran must return all of his transportation, meal and lodging requests and must have receipts, in duplicate, for all expenses which he incurred costing \$1 or more to support his voucher for reimbursement. Such a receipt must identify the purchaser and the seller and give sufficient information to determine that the item was an actual necessary expense of travel in connection with vocational rehabilitation. Experience has shown that it is very seldom that a receipt is received initially showing all the necessary information required to support a voucher for reimbursement of actual expenses incurred in such travel. Thus, the obtaining of such information often entails repeated correspondence, loss of time, and dissatisfaction.

Under Executive Order 9446, promulgated by the President on June 8, 1946, pursuant to the provisions of Public No. 432, Seventy-sixth Congress, approved March 14, 1940, the Administrator of Veterans' Affairs is authorized to pay actual necessary expenses of travel, including lodging and subsistence, or in lieu thereof an allowance of 3 cents per mile to any claimant or beneficiary of the Veterans' Administration traveling under prior authorization to or from a Veterans' Administration facility, or other place, for examination, treatment or care, or, in his discretion, to the person or organization who actually paid the expenses of such travel, including lodging and subsistence.

Under the above authority, the Veterans' Administration has established the policy of encouraging veterans reporting for examination, treatment, or care to travel at their own expense and claim reimbursement on a mileage basis in lieu of actual expense of travel. This system has been working successfully for some time with less difficulty for both the veterans and the Veterans' Administration than with the furnishing of transportation requests or authorizing reimbursement to the veterans in these cases on an actual expense basis.

The measure, if enacted, will not involve any additional cost, and should result in some administrative saving.

Because of the advantage to both the Government and the veteran which will result from enactment of the proposed measure, it is requested that it receive early consideration by the Congress.

The Bureau of the Budget has advised that there would be no objection to the submission of the draft of bill to the Congress for its consideration. The letter containing such advice was accompanied by a letter dated January 5, 1948, from the Comptroller General of the United States (a copy of which is enclosed) recommending favorable action on the proposal.

Sincerely yours,

CARL R. GRAY, Jr., Administrator.

Enclosures.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington 25, January 5, 1948.

The DIRECTOR, BUREAU OF THE BUDGET.

MY DEAR MR. WEBB: Reference is made to your letter of December 8, 1947, forwarding a draft of proposed legislation which was submitted by the Veterans' Administration, and requesting an expression of my views thereon. The proposed draft reads as follows:

"A BILL To amend Public Law Numbered 432, Seventy-sixth Congress, to include an allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for vocational rehabilitation purposes

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law Numbered 432, Seventy-sixth Congress, approved March 14, 1940 (54 Stat. 49), is hereby amended to read as follows:

"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 in connection with vocational rehabilitation or for the purpose of examination, treatment, or care: *Provided*, That payment of mileage in connection with vocational rehabilitation or 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."

Although the act of March 14, 1940, Public Law 432 (54 Stat. 49), and Executive Order No. 9446, June 8, 1944, issued pursuant thereto, authorizes the payment of mileage in lieu of actual expenses of travel "of any person to or from a Veterans' Administration facility or other place for the purpose of examination, treatment, or care," the actual and necessary expenses of veterans while traveling in connection with vocational rehabilitation are authorized by section 3 of the act of March 24, 1943, as amended (57 Stat. 45), but no provision is contained therein for the commutation of such expenses. The legislation here proposed seeks merely to amend the said Public Law 432 to include travel incident to vocational rehabilitation and to provide basic statutory authority for the commutation upon a mileage basis of actual expenses incurred by veterans while traveling in connection therewith.

If the proposed bill be enacted into law and be implemented by regulations imposing restrictions upon the commuted rate of allowance similar to those contained in Executive Order 9446, supra, it does not appear that the total cost to the Government would be any greater than that resulting from reimbursement of actual expenses now authorized by the said act of March 24, 1943. Accordingly, and since payment of allowances upon a commuted rate for mileage traveled would greatly simplify the submission and audit of expense accounts of the veterans involved, favorable action on the proposal is recommended.

Respectfully,

LINDSAY C. WARREN,
Comptroller General of the United States.

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

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