

## APPORTIONMENT OF COMPENSATION OF VETERANS WHO DISAPPEAR

August 11, 1959.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

### R E P O R T

[To accompany H.R. 255]

The Committee on Finance, to whom was referred the bill (H.R. 255) to amend section 358 of title 38, United States Code, to provide for apportionment of compensation of veterans who disappear, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

#### GENERAL STATEMENT

H.R. 255 permits the Veterans' Administration to pay to the wife, children, and parents of a competent veteran who disappears the service-connected disability compensation he had been receiving prior to his disappearance. Existing law permits such apportionment in the case of incompetent veterans.

If a competent veteran who is receiving service-connected disability compensation disappears the compensation is discontinued as of the date the Veterans' Administration receives notice of his disappearance. At the end of 7 years the veteran may be presumed dead and the widow would then be eligible for a non-service-connected pension.

The Committee on Finance agrees with the following excerpted statement from House committee report:

It is interesting to note that in the case of a disappearance of a competent veteran such as that described above the wife if she wishes to obtain the benefit of the veteran's insurance, assuming that he had a Government insurance policy, must keep the insurance in force by timely payment of premiums during the entire 7-year period. At the end of that time, presumably the insurance would be paid to her as of the end of the 7-year period. In other words, the Veterans' Ad-

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ministration is acting in one case as if the man were alive for the purpose of insurance but in the other case of compensation they do not treat him as either alive or dead during this period, but rather as if he had renounced his compensation when he first disappeared. There appears to be no valid reason why this situation should continue and thus the committee has reported this bill.

The Veterans' Administration report in part is as follows:

Veterans with nonstatic disabilities are periodically re-examined and payments of compensation are reduced or stopped if the condition has sufficiently improved. Benefits are also stopped if the veteran, without adequate reason, fails to report for a physical examination requested by the Veterans' Administration. When a competent veteran (who is presumed to be aware of the consequences of his acts) disappears, he deliberately makes it impossible for the Veterans' Administration to ascertain whether changes in the degree of his disability occur during his absence. Enactment of the bill would authorize continuation of payments in such cases for a disability which has materially improved or which no longer exists. Data upon which to base an accurate estimate of the cost effects of the bill, if enacted, are not available. However, an analysis of cases terminated because the address of the veteran is unknown would indicate that not more than 500 competent veterans with dependents, who would be affected by this proposal, would disappear the first year.

### CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italic; existing law in which no change is proposed is shown in roman):

### SECTION 358 OF TITLE 38, UNITED STATES CODE

#### DISAPPEARANCE

SEC. 358. Where **[an incompetent veteran]** *a veteran* receiving compensation under this title disappears, the Administrator, in his discretion, may pay the compensation otherwise payable to the veteran to his wife, children, and parents. Payments made to a wife, child, or parent under the preceding sentence shall not exceed the amounts payable to each if the veteran had died from service-connected disability.

