

AMEND SECTION 201 OF THE WORLD WAR VETERANS'
ACT, 1924

MAY 3 (calendar day, MAY 22), 1928.—Ordered to be printed

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

REPORT

[To accompany S. 2372]

The Committee on Finance, to whom was referred the bill (S. 2372) to amend section 201, subdivision (1), of the World War veterans' act, 1924, as amended, having had the same under consideration, report it back to the Senate without amendment and recommend that the bill do pass.

Following are copies of reports from the Director of the United States Veterans' Bureau on the bill:

UNITED STATES VETERANS' BUREAU,
Washington, January 25, 1928.

Hon. REED SMOOT,
Chairman Committee on Finance,
United States Senate, Washington, D. C.

MY DEAR SENATOR SMOOT: Reference is made to your letter of January 16, 1928, transmitting copy of S. 2372, "A bill to amend section 201, subdivision (1), of the World War veterans' act, 1924, as amended," with a request for a report thereon.

This bill, with the exception of the last proviso, is in language identical to the amendment recommended to the Congress at the last session of the Sixty-ninth Congress, and there is inclosed for the information of the committee copy of letter addressed to Senator David A. Reed on February 21, 1927. As stated therein this amendment is urgently recommended to the favorable consideration of Congress.

With reference to the last proviso of the amendment to the effect "that no deduction shall be made from the sum allowed because of any contribution toward the burial which shall be made by any State, county, or municipality, but the aggregate of the sum allowed plus such contribution or contributions shall not exceed the actual cost of the burial," the committee is advised that the bureau would favor such an amendment.

A copy of this letter is inclosed for your use.

Very truly yours,

FRANK T. HINES, Director.

FEBRUARY 21, 1927.

Hon. DAVID A. REED,
United States Senate, Washington, D. C.

MY DEAR SENATOR REED: Reference is made to the provisions of section 201 (1) of the World War veterans' act, as amended, which authorizes the bureau to pay for burial and funeral expenses of honorably discharged ex-service men a sum not exceeding \$100. Considerable difficulty has been experienced by the bureau in its effort to provide respectable burials for veterans within the amount allowed by the statute by reason of the requirements of section 3709 of the Revised Statutes, which provides that all contracts for supplies and services in any Government department shall be awarded to the lowest bidder after advertisement. You will appreciate that the amount allowed by the statute is small. The bureau, in its effort to provide the best burial possible, has followed the practice of circularizing proposals containing specifications covering a limited number of items incident to burial and transportation of the body. Experience has demonstrated, however, that it is impossible to specify completely the services intended to be provided under the statutory provision, even to the extent of covering the grade (quality) of the material and workmanship to be used in the construction, covering, and lining of the casket, in the making of the shroud or suit, preparation of the body, etc. The existing method of awarding contracts under these specifications necessitated by rulings of the Comptroller General does not insure the provision of the best and most complete burial for \$100. For example, two bidders may submit proposals providing a wide variation in the quality of material to be used for a given purpose, yet both bidders would comply with the bureau specifications. Under the item "A separate grave for each body" of the proposal, even greater differences may occur; one bidder may provide a grave in a very poor section of the cemetery at a low cost and another a very desirable one at a reasonable cost. The only limitation in the bureau specification is to the effect that the grave is not to be located in a part of the cemetery used for the burial of paupers.

Further, the existing specifications give no consideration to the human side of the funeral, but deal only in the material items of permits, grave, casket, case, marker, shroud, suit, flag, transfer of body, embalming and hermetically sealing casket. For example, one bidder may offer to furnish a given quality of material and workmanship for these items within the general specifications of the bureau without providing chapel or home services; his parlor may be located in a part of the city few people would desire to visit. Another bidder would offer to furnish the same or better quality of material and workmanship in the same items of the specifications and in addition give the use of his parlor, which may be in a very desirable section of the city, and furnish burial notices, organ music and singing, ushers, minister and draperies for the burial. He may also provide kindly services and comforts to members of the deceased veterans' family. Should the latter, however, bid one cent higher than the first bidder who would not furnish these personal services, the award must be granted to the lowest bidder in accordance with the decision of the Comptroller General.

During the past fiscal year the bureau endeavored to use what was considered judgment in guarding contracts in the light of past experience with undertakers in obtaining superior quality of services, better all-around funerals, etc., under the assumption that the circular proposal issued pursuant to the provision of the Federal statute above mentioned requiring advertisement allowed the exercise of discretion. The circular proposal provided:

"Bidders may make proposals on the basis of the maximum services and supplies to be furnished for \$100 for a local burial (items 1-7), exclusive of the flag, and should clearly understand that awards will be based on the maximum services rendered and the quality of the materials and supplies to be furnished for that amount."

Under this practice some awards were granted to other than the lowest bidder. The Comptroller General has, however, made numerous suspensions of payments because the awards were not made to the lowest bidder. Through this ruling you will appreciate that the bureau is placed in an embarrassing position not only in the eyes of the undertakers of the country but also the dependents and relatives of deceased veterans. Other difficulties are also experienced in handling burials under the existing law as construed by the Comptroller General, inasmuch as it has been held that the several items in the specifications are separable and may be granted to the lowest bidder. For example, in a given city the item of transportation of the body may be given to one undertaker and the item of furnishing grave to another.

AMEND SECTION 201 OF WORLD WAR VETERANS' ACT, 1924 3

For the reasons outlined herein I am constrained to recommend to the Congress that the bureau be authorized to make contracts for burial and funeral services without respect to the provisions of section 3709 of the Revised Statutes as construed by the Comptroller General, the effect of which is explained herein. I am further impelled to request the enactment of legislation which will permit the bureau to pay for services rendered by undertakers under contracts issued to other than the lowest bidder during the past fiscal year as above described. I am therefore transmitting herewith draft of an amendment to section 201 (1) of the statute which, if enacted into law, will cure this situation. It is urgently recommended to the favorable consideration of the Congress.

A copy of this letter is inclosed for your use.

Very truly yours,

FRANK T. HINES, *Director.*

