

AMENDING THE SERVICEMEN'S READJUSTMENT ACT
OF 1944

JULY 11 (legislative day, JULY 5), 1946.—Ordered to be printed

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

REPORT

[To accompany S. 2256]

The Committee on Finance, to whom was referred the bill (S. 2256) to amend the Servicemen's Readjustment Act of 1944, having considered the same, report favorably thereon, without amendment, and recommend that the bill do pass.

The report from the Acting Secretary of the Treasury on this bill is self-explanatory and is as follows:

MAY 22, 1946.

The PRESIDENT OF THE SENATE.

SIR: There is transmitted herewith a proposed bill to amend section 301 of the Servicemen's Readjustment Act of 1944, approved June 22, 1944 (58 Stat. 286). That provision of law authorizes and directs the Secretary of War and the Secretary of the Navy to establish in the War and Navy Departments boards to review discharges or dismissals of former officers or enlisted personnel.

The Coast Guard is a military service and constitutes a branch of the land and naval forces of the United States at all times. In time of peace the Coast Guard operates under the Treasury Department; in time of war, or when the President shall so direct, it operates as a part of the Navy, subject to the orders of the Secretary of the Navy.

While the Coast Guard was operating as a part of the Navy and subject to the orders of the Secretary of the Navy, the authority contained in section 301 of the Servicemen's Readjustment Act of 1944, with respect to former personnel of the Coast Guard, was exercised by the Secretary of the Navy.

By Executive Order No. 9666 dated December 28, 1945 (11 F. R. 1), the Coast Guard was returned to the jurisdiction of the Treasury Department, subject to the conditions set forth therein, which involve certain personnel and facilities temporarily continuing as a part of the Navy and certain operational functions continuing under the directional control of the Navy for such period as may be mutually agreeable to the Secretary of the Treasury and the Secretary of the Navy.

By the above-mentioned Executive order, the functions authorized to be performed by section 301 of the Servicemen's Readjustment Act of 1944 by the Secretary of the Navy are presently authorized to be performed by the Secretary of the Treasury with respect to former personnel of the Coast Guard. This authority will continue during the life of the Forst War Powers Act of 1941. After the

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expiration of that act, section 301 of the Servicemen's Readjustment Act of 1944 will no longer authorize the review of discharges or dismissals of former personnel of the Coast Guard. It is believed that former personnel of the Coast Guard should continue to have the same right to review of their discharges or dismissals as former personnel of the Army, Navy, and Marine Corps.

It would be appreciated, therefore, if you would lay this proposed bill before the Senate. A similar bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

E. H. FOLLEY, Jr.,
Acting Secretary of the Treasury.