

AUTHORIZING THE ADMINISTRATOR OF VETERANS' AFFAIRS TO ACCEPT GIFTS, DEVISES, AND BEQUESTS IN BEHALF OF THE GENERAL POST FUND FOR THE USE OF VETERANS; AND FOR THE SALE AND CONVEYANCE OF ANY SUCH PROPERTY UNDER CERTAIN CIRCUMSTANCES AND THE COVERING OF THE PROCEEDS THEREOF INTO THE POST FUND

JUNE 5 (legislative day, MARCH 5), 1946.—Ordered to be printed

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

REPORT

[To accompany S. 2099]

The Committee on Finance, to whom was referred the bill (S. 2099) to authorize the Administrator of Veterans' Affairs to accept gifts, devises, and bequests in behalf of the general post fund for the use of veterans and for the sale and conveyance of any such property under certain circumstances and the covering of the proceeds thereof into the post fund, and for other purposes, having considered the same, report favorably thereon, without amendment, and recommend that the bill do pass.

The reports from the Veterans' Administration on this bill are self-explanatory and are as follows:

JUNE 5, 1946.

Hon. WALTER F. GEORGE,
*Chairman, Committee on Finance,
United States Senate, Washington, D. C.*

MY DEAR SENATOR GEORGE: Further reference is made to your request of April 24, 1946, for a report on S. 2099, Seventy-ninth Congress, "A bill to authorize the Administrator of Veterans' Affairs to accept gifts, devises, and bequests in behalf of the general post fund for the use of veterans and for the sale and conveyance of any such property under certain circumstances and the covering of the proceeds thereof into the post fund, and for other purposes." A report on a similar bill, S. 972, Seventy-ninth Congress, was rendered to your committee by the Veterans' Administration on November 8, 1945. In that report the Veterans' Administration recommended favorable consideration of S. 972 with certain proposed amendments.

S. 2099 incorporates those amendments and makes certain technical changes for purposes of clarification. It is the recommendation of the Veterans' Administration that S. 2099 be given favorable consideration by your committee.

2 ADMINISTRATOR TO ACCEPT GIFTS, DEVISES, AND BEQUESTS

The purpose of this proposed legislation is to provide specific and adequate statutory authority for the acceptance of devises, bequests, and gifts with respect to which the testator or donor shall have indicated his intention that such property shall be for the benefit of groups of former members of the military or naval forces of the United States who are or shall be patients or members of a Government hospital or home or for the benefit of any such hospital or home. The bill, if enacted, will insure the carrying out of the wishes of the testator or donor as to the use of the devise, bequest, or gift.

The Veterans' Administration report of November 8, 1945, a copy of which is attached, sets out in detail an analysis of the bill and the reasons why it is necessary.

Advice has been received from the Bureau of the Budget that there would be no objection to the submission of this report to your committee.

Very truly yours,

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

NOVEMBER 8, 1945.

Hon. WALTER F. GEORGE,
*Chairman, Committee on Finance,
United States Senate, Washington, D. C.*

MY DEAR SENATOR GEORGE: Further reference is made to your letter dated May 9, 1945, requesting a report on S. 972, Seventy-ninth Congress, "A bill to authorize the Administrator of Veterans' Affairs to accept gifts, devises, and bequests in behalf of the general post fund for the use of veterans and for the sale and conveyance of any such property under certain circumstances and the covering of the proceeds thereof into the post fund, and for other purposes."

The bill contains 6 sections which may be briefly summarized as follows:

Section 1 would provide that the Administrator of Veterans' Affairs be authorized in his discretion to accept devises, bequests, and gifts with respect to which the testator or donor shall have indicated his intention that such property shall be used for the benefit of veterans of the armed forces who are or shall be patients or members of hospitals or homes operated by the Government.

Section 2 would authorize the Administrator of Veterans' Affairs to initiate or appear in any appropriate legal proceedings to reduce any such devises, bequests, or gifts to possession. It would further authorize the payment of any costs incident to such proceedings or any other necessary expenses. Section 2 further provides that all funds so realized from gifts, devises, and bequests shall be deposited with the Treasurer of the United States to the credit of the general post fund, a trust fund provided by Public Law 473 of the Seventy-third Congress, June 26, 1934.

Section 3 provides the method of disbursements of the general post fund and contains a proviso that any devise, bequest or gift directed to a particular use shall be used or disbursed in conformity with the desire of the testator or donor so far as may be proper and practicable. Section 3 would further provide that if the testator has indicated a desire that the devise, bequest, or gift shall be for the benefit of persons or institutions operated by the United States or under jurisdiction of an official other than the Administrator of Veterans' Affairs, the proceeds of such devise, bequest, or gift shall be disbursed for the benefit of such persons or institution by the Administrator of Veterans' Affairs in such manner as the Administrator may determine as nearly as practicable in conformity with the desire of the testator or donor. However, it is suggested that the language of the first proviso be amended to read as follows: "Provided, That, if the testator or donor has directed or shall direct that his devise, bequest, or gift be devoted to a particular use authorized by this act, the same, less expenses incurred, or the net proceeds thereof, shall be used or disbursed as directed, except that a precatory direction shall be fulfilled only insofar as may be proper or practicable."

The bill, in section 4, provides for the conversion, sale, assignment or transfer of any interest in property other than moneys as may be required and authorized and the execution of necessary instruments to convey title to any such property.

Section 5 provides that nothing in this bill, if enacted into law, shall be construed to repeal or modify the act of May 23, 1928, or section 111 of title 24, United States Code, or any other statute authorizing the acceptance of devises, bequests, or gifts to the United States provided, where in any case the United States may hereafter receive property and it appears to have been the intention

of the testator or donor that such devise, bequest, or gift be for the benefit of persons described in section 1 that such property or the proceeds thereof shall be credited, used, or disbursed in accordance with the provisions of this bill. It is suggested that the section be amended by inserting after the phrase "section 111 of title 24" a further reference as follows: "R. S. § 4831, Act of March 21, 1866, § 5, 14, Stat. 11."

Section 6 requires that the Administrator include a report on the post fund in the annual report to the Congress.

As appears from the foregoing analysis of the bill, the purpose of this proposed legislation is to provide specific and adequate statutory authority for the acceptance of devises, bequests, and gifts with respect to which the testator or donor shall have indicated his intention that such property shall be for the benefit of groups of former members of the military or naval forces of the United States. The bill, if enacted, will insure the carrying out of the wishes of the testator or donor as to the use of the devise, bequest, or gift.

As to the authority of the Administrator of Veterans' Affairs to accept gifts or donations of money, or other property, reference is made to section 4831 of the Revised Statutes (24 U. S. C. 111), and section 1 of the act of May 23, 1928 (38 U. S. C. 438a). The provisions of these statutes cover purposes of limited scope. Thus they are inadequate to establish requisite authority and administrative provisions generally to permit the acceptance of devises, bequests, and gifts; the acquiring of title and incurrence of administrative expenses in regard thereto. Nor does there exist the desirable correlation of such authority with the provisions governing the general post fund, Act of June 26, 1934, section 20 (b) (45) (31 U. S. C. 725s, 48 Stat. 1233), and the act of December 26, 1941, Public, No. 382, Seventy-seventh Congress (55 Stat. 868). The proposed legislation will permit the carrying out of the intent of the testator or donor, authorize any necessary disposition of property other than cash, and generally assure efficient action with respect to assets, the owners of which express a desire to have devoted to the welfare of veterans under the existing machinery of the Government. The question arises from time to time, and, in view of the present war, may be expected to arise more frequently.

While it will be noted that the bill as drafted does not restrict its provisions to institutions operated by the Veterans' Administration, it is believed that section 3 thereof will preclude any practical difficulties of administration. The disposition of funds in each instance would necessarily carry out, insofar as practicable, the intent of the testator or donor. The thought which prompts this broad provision is that if it is proper public policy to accept devises, bequests and gifts for veterans in institutions operated by the Veterans' Administration, it is equally proper policy to accept such devises, bequests, and gifts for veterans who happen to be in some Government institution that is not administratively operated by the Veterans' Administration. There appears to be no sound reason for leaving the situation uncared for and thus necessitating special acts of Congress, or, in the alternative, a complete disregarding of the wishes of the testator or donor, or (another alternative) losing the benefit of the devise, bequest, or gift.

It is believed that enactment of the proposed legislation, in addition to accomplishing the purposes heretofore indicated, will serve to remove any question as to the policy of the Federal Government with reference to disposition of these moneys and will better insure uniformity of administration.

For the foregoing reasons the Veterans' Administration recommends favorable consideration of S. 972, Seventy-ninth Congress, by your committee, with the amendments suggested herein.

Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of this report to your committee.

Very truly yours,

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

