

EXTENDING TIME FOR APPLICATION FOR BENEFITS UNDER ADJUSTED COMPENSATION ACT

JULY 25, 1939.—Ordered to be printed

MR. CLARK, of Missouri, from the Committee on Finance, submitted the following

REPORT

[To accompany H. R. 5450]

The Committee on Finance, to whom was referred the bill (H. R. 5450) to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed, having considered the same, report it to the Senate without amendment and recommend that the bill do pass.

The purpose of the proposed legislation is fully explained in the report of the Committee on Ways and Means, House of Representatives, which accompanied the bill and which is attached hereto and made a part of this report.

[H. Rept. No. 1091, 76th Cong., 1st sess.]

The Committee on Ways and Means, to whom was referred the bill (H. R. 5450) to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

The amendment is as follows:

Page 1, line 7, strike out "1950" and insert in lieu thereof "1945".

GENERAL STATEMENT

When the World War Adjusted Compensation Act was enacted it was intended that the benefits thereunder should be available to all eligible veterans of the World War or their dependents. For the purpose of expediting the filing of applications in order to lessen the cost of administration, the original act, which became law on May 19, 1924, provided that application for benefits should be made on or before January 1, 1928. The amendatory act of May 29, 1928, extended the final date for the filing of applications to January 2, 1930. The act of June 5, 1930, further extended the final date for the filing of applications to January 2, 1935, and the act of August 23, 1935, extended the time for filing applications to January 2, 1940. The bill, as amended by the committee, will extend the final date for filing applications to January 2, 1945.

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Notwithstanding the extensive campaigns conducted by the various veterans' organizations and Government agencies to inform veterans of their rights under the law, it is estimated that approximately 150,000 veterans or their dependents have failed to make application for adjusted certificates. A number of those who have failed to file, according to the testimony given your committee, are mental cases, and many more have failed to file due to their lack of knowledge of the law. Many have not filed due to their favorable financial circumstances, but a change of status will undoubtedly necessitate some of them, or their dependents, making application. Attention is directed to the fact that the time for filing will expire, under the present law, on January 2, 1940, and unless action is taken many will be deprived of benefits which Congress intended they should receive and to which they are entitled.

Therefore, your committee unanimously recommend that the bill, as amended, do pass.

Mr. Harold W. Breining, Assistant Administrator of the Veterans' Administration, appeared and presented a copy of a letter from Gen. Frank T. Hines, Administrator of the Veterans' Administration, to Chairman Harrison, of the Senate Finance Committee:

(The letter referred to is as follows:)

APRIL 29, 1939.

HON. PAT HARRISON,

*Chairman, Committee on Finance, United States Senate,
Washington, D. C.*

MY DEAR SENATOR HARRISON: This is with further reference to your letter of March 24, 1939, requesting a report on S. 1910, Seventy-sixth Congress, a bill to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed, which provides as follows:

"That sections 2, 3, and 4 of Public Law No. 312, Seventy-fourth Congress, approved August 23, 1935, are hereby amended by striking out 'January 2, 1940, wherever it appears in such sections and inserting in lieu thereof 'January 2, 1950'."

Sections 2, 3, and 4 of Public Law No. 312, Seventy-fourth Congress, approved August 23, 1935, an act to amend section 6 of title I of the Act entitled "An Act to maintain the credit of the United States Government," approved March 20, 1933, as amended; to extend the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; and for other purposes, are set forth below:

"Sec. 2. Subdivisions (b) and (c) of section 302, section 311, and subdivision (b) of section 604 of the World War Adjusted Compensation Act, as amended, are amended, to take effect as of January 2, 1935, by striking out 'January 2, 1935', wherever it appears in such subdivisions and section, and inserting in lieu thereof 'January 2, 1940'."

"Sec. 3. Section 602 of the World War Adjusted Compensation Act, as amended, is amended, to take effect as of January 2, 1935, by striking out 'January 2, 1935', wherever it appears in such section, and inserting in lieu thereof 'January 2, 1940'."

"Sec. 4. Subdivision (b) of section 312 of the World War Adjusted Compensation Act, as amended, is amended, to take effect as of January 2, 1935, by striking out 'January 2, 1935', wherever it appears in such subdivision, and inserting in lieu thereof 'January 2, 1940'."

The purpose of this legislative proposal is to extend the time for filing application for the benefits of the World War Adjusted Compensation Act, as amended, from January 2, 1940, to January 2, 1950.

The original World War Adjusted Compensation Act, which became law on May 19, 1924, notwithstanding the veto of the President of the United States provided that application for benefits of the act shall be made on or before January 1, 1928, and if not made on or before such date shall be held void. The amendatory act of May 29, 1928, extended the final date for the filing of applications to January 2, 1930. The act of June 5, 1930, further extended the final date for the filing of applications to January 2, 1935, and the act of August 23, 1935, further extended the final date for filing application to January 2, 1940.

Much publicity was given to the provisions of the original act and the subsequent amendments, and it is the opinion of the Veterans' Administration that veterans have had ample opportunity to be informed relative to the time limitations for filing applications for benefits. The need for a further extension of time is not apparent.

The Veterans' Administration is reluctant to venture an estimate of the probable cost of the proposed measure. However, it can be stated that, based upon

the best information available from the War and Navy Departments the potential number of veterans who are potentially entitled to benefits under the World War Adjusted Compensation Act, 1924, as amended, and from whom it is estimated applications will not have been received (from neither the veterans nor their dependents) by January 2, 1940, is roughly estimated at 143,000. The estimated value of these potential claims, using approximate averages to date, is \$71,000,000.

For the foregoing reasons the Veterans' Administration does not recommend that the bill receive favorable consideration by your committee.

The Director, Bureau of the Budget, advises that there would be no objection to the submission of this report to the committee as the proposed legislation would not be in accord with the program of the President.

Very truly yours,

FRANK T. HINES, *Administrator.*

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the rules of the House of Representatives, 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 italics existing law in which no change is proposed is shown in roman).

Sections 2, 3, and 4 of the act of August 23, 1935:

"Sec. 2. Subdivisions (b) and (c) of section 302, section 311, and subdivision (b) of section 604 of the World War Adjusted Compensation Act, as amended, are amended, to take effect as of January 2, 1935, by striking out 'January 2, 1935', wherever it appears in such subdivisions and section, and inserting in lieu thereof 'January 2, [1940] 1945'.

"Sec. 3. Section 602 of the World War Adjusted Compensation Act, as amended, is amended, to take effect as of January 2, 1935, by striking out 'January 2, 1935,' wherever it appears in such section, and inserting in lieu thereof 'January 2, [1940] 1945'.

"Sec. 4. Subdivision (b) of section 312 of the World War Adjusted Compensation Act, as amended, is amended, to take effect as of January 2, 1935, by striking out 'January 2, 1935', wherever it appears in such subdivision, and inserting in lieu thereof 'January 2, [1940] 1945'."

For the information of the Members of the House the provisions of the World War Adjusted Compensation Act, as amended, which are amended by the act of August 23, 1935, as amended by the bill, are set forth below:

Subdivisions (b) and (c) of section 302, section 311, and subdivision (b) of section 604 of the World War Adjusted Compensation Act, as amended:

"Sec. 302. (b) Such application shall be made and filed on or before [January 2, 1940] *January 2, 1945*, (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making or filing of a personal application, then by such representative of the veteran and in such manner as may be by regulation prescribed. An application made by a person other than the representative authorized by any such regulation or not filed on or before [January 2, 1940] *January 2, 1945*, shall be held void. If the veteran dies after the application is made and before it is filed it may be filed by any person: *Provided, however,* That if the veteran died between May 19, 1924, and July 1, 1924, without making the application, leaving a widow surviving him, the application may be made by the widow and shall be valid with the same force and effect in every respect as if the application had been made by the veteran.

"(c) If the veteran dies after the application is made, it shall be valid if the Secretary of War or the Secretary of the Navy, as the case may be, finds that it bears and bona fide signature of the applicant, discloses an intention to claim the benefits of the Act on behalf of the veteran, and is filed on or before [January 2, 1940] *January 2, 1945*, whether or not the veteran is alive at the time it is filed. If the veteran dies and payments are made to his dependents under title VI, and thereafter a valid application is filed under this section, then if the adjusted-service credit of the veteran is more than \$50, payment shall be made in accordance with title V, less any amounts already paid under title VI.

"Sec. 311. Where the records of the War Department or the Navy Department show that an application, disclosing an intention to claim the benefits of any provision of this Act has been filed on or before [January 2, 1940] *January 2, 1945*, and the application cannot be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when

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originally filed. In such case the Secretary of War or the Secretary of the Navy, as the case may be, shall not be required to transmit to the Director the application (as provided in section 303 and 605) unless a new application is filed, in which case the new application shall be considered to have been filed on the date of filing of the lost application.

"Sec. 604. (b) Applications for such benefits, whether vested or contingent, shall be made and filed by the dependent of the veteran on or before [January 2, 1940] *January 2, 1945*; except that in the case of the death of the veteran during the six months immediately preceding such date the application shall be made and filed at any time within six months after the death of the veteran. Payments under this title shall be made only to dependents who have made and filed application in accordance with the provisions of this subdivision."

Section 602 of the World War Adjusted Compensation Act, as amended:

"Sec. 602. (a) No payment under section 601 shall be made to a widow if she has remarried before making and filing application, or if at the time of the death of the veteran was living apart from him by reason of her own willful act; nor unless dependent at the time of the death of the veteran or at any time thereafter and on or before [January 2, 1940] *January 2, 1945*. The widow shall be presumed to have been dependent at the time of the death of the veteran upon a showing of the marital cohabitation.

"(b) Payment under section 601 shall be made to a child if (1) under eighteen years of age at the time of the death of the veteran, or (2) at any time thereafter and on or before [January 2, 1940] *January 2, 1945*, incapable of self-support by reason of mental or physical defect.

"(c) No payment under section 601 shall be made to a mother, or father unless dependent at the time of the death of the veteran, or at any time thereafter and on or before [January 2, 1940] *January 2, 1945*. If at the time of the death of the veteran or at any time thereafter and on or before [January 2, 1940] *January 2, 1945*, the mother is unmarried or over sixty years of age, or the father is over sixty years of age, such mother or father, respectively, shall be presumed to be dependent."

Subdivision (b) of section 312 of the World War Adjusted Compensation Act, as amended:

"Sec. 312. (b) If in the case of any such individual who is a veteran it appears that his application was not made and filed prior to the beginning of such seven-year period, or that although entitled to receive adjusted-service pay he did not receive it prior to the beginning of such seven-year period, then (if such seven-year period began on or before [January 2, 1940] *January 2, 1945*) his dependents who have made and filed application before the expiration of one year after the date of the expiration of such seven-year period or on or before [January 2, 1940] *January 2, 1945*, whichever is the later date, shall be entitled to receive the amount of his adjusted-service credit in accordance with the provisions of title VI."

