

FORWARDING OF VETERANS' ADMINISTRATION BENE- FIT CHECKS

August 12, 1957.—Ordered to be printed

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

R E P O R T

[To accompany H. R. 1953]

The Committee on Finance, to whom was referred the bill (H. R. 1953) to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

EXPLANATION OF THE BILL

The purpose of this bill is to permit the forwarding of Veterans' Administration checks for pension, compensation, insurance, or other allowances or benefits provided for by laws administered by the Veterans' Administration to the addressee in certain cases.

Under existing law, the Post Office Department must return to the Veterans' Administration checks for pension, compensation, insurance, or other allowances or benefits administered by the Veterans' Administration where the payee has moved or the payee is a widow believed by the person delivering the mail to have remarried unless the mail is addressed in the name which the widow acquired by remarriage. The Post Office Department may not forward a check under any circumstances even though a regular change of address has been filed at the post office.

This is a requirement which is peculiar to benefits administered by the Veterans' Administration and is by no means general in application. For example, checks for social-security benefits may be forwarded if the addressee has moved and filed a regular change of address notice. In fact, the envelopes containing social-security checks bear the following notation:

Postmaster: PLEASE FORWARD if addressee has moved and filed a regular change of address notice. If addressee is deceased, return the letter with date of death, if known.

It is difficult to see why a distinction is drawn between checks going to social-security claimants and those going to Veterans' Administration claimants. Both are negotiable instruments, both are drawn on the Treasury of the United States. If there is a danger of fraud or delivery to an unauthorized person in one case the danger must also exist in the other case. Since the Social Security Administration is apparently satisfied with the system which it uses and has not asked the Congress to change the law, it may be assumed that the system is working well.

The enactment of this legislation would not require any additional appropriation of Federal funds, and it is possible that considerable savings might be achieved in reducing the administrative costs both in the Veterans' Administration and in the Treasury Department.

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 italics; existing law in which no change is proposed is shown in roman):

SECTION 920 OF PUBLIC LAW 85-56

PART C—PAYMENT OF BENEFITS

PAYMENT OF BENEFITS BY CHECK; DELIVERY

SEC. 920. (a) Monetary benefits under laws administered by the Veterans' Administration shall be paid by checks drawn, pursuant to certification by the Administrator, by the Secretary of the Treasury in such form as to protect the United States against loss, and payable by the Secretary of the Treasury. Such checks shall be payable without separate vouchers or receipts except in any case in which the Administrator may consider a voucher necessary for the protection of the Government. [Such checks shall be transmitted by mail to the payee thereof at his last-known address, and the envelope or cover thereof may bear an appropriate notice of the prohibition set forth in subsection (b).] *Such checks shall be transmitted by mail to the payee thereof at his last known address and, if he has moved and filed a regular change of address notice with the Post Office Department, shall be forwarded to him. The envelope or cover of each such check shall bear on the face thereof the following notice: "POSTMASTER: PLEASE FORWARD if addressee has moved and filed a regular change-of-address notice. If addressee is deceased, return the letter with date of death, if known".*

(b) Postmasters, delivery clerks, letter carriers, and all other postal employees are prohibited from delivering any mail addressed by the United States and containing any such check to any person whomsoever, if he has died [or moved], or in the case of a widow, if the postal employee believes that she has remarried (unless the mail is addressed to her in the name she has acquired by her remarriage). The preceding sentence shall apply in the case of checks in payment of benefits other than pension, compensation, dependency and indemnity com-

pensation, and insurance, only insofar as the Administrator deems it necessary to protect the United States against loss.

(c) Whenever mail is not delivered because of the prohibition of subsection (b), such mail shall be returned forthwith by the postmaster with a statement of the reason for so doing, and if because of death or remarriage, the date thereof, if known. Checks returned under this subsection because of death or remarriage shall be canceled.

