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SENATE

{ REPORT
No. 1426

INCREASING THE RATE OF PENSION TO WORLD WAR VETERANS FROM \$30 TO \$40 FER MONTH, TO GRANT SUCH RATE AT AGE 65

MAY 28 (legislative day, MAY 26), 1942.—Ordered to be printed

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

REPORT

[To accompany H. R. 4845]

The Committee on Finance, to whom was referred the bill (H. R. 4845) to increase the rate of pension to World War veterans from \$30 to \$40 per month, to grant such rate at age 65, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments recommended by your committee are as follows: Page 1, beginning with line 7, strike out all down to and including line 3 on page 2.

Amend the title so as to read:

A bill to increase the rate of pension to World War veterans from \$30 to \$40 per month, and for other purposes.

The existing regulation, part III, Veterans Regulations No. 1 (a) as amended, was promulgated by the President under title I of Public No. 2, Seventy-third Congress. It provides a monthly pension of \$30 to any person who served in the active military or naval service, for a period of 90 days or more, during the World War, and who has been honorably discharged therefrom, or who, having served less than 90 days, was discharged for disability incurred in the service in line of duty, who is shown to have been in active service therein before the cessation of hostilities and who is suffering from permanent total disability not the result of misconduct and which is not shown to have been incurred in any period of military or naval service. Pension may not be paid to any unmarried person whose annual income exceeds \$1,000, or to any married person or any person with minor children whose annual income exceeds \$2,500.

Prior to the enactment of the Economy Act (Public, No. 2, 73d Cong.), provision was made by the act of July 3, 1930, amending the

World War Veterans' Act, 1924, as amended, for the payment of disability allowance to honorably discharged World War veterans who entered service prior to November 11, 1918, and served 90 days or more in the active military or naval service and who met the other requirements of that act. Benefits were payable at the rate of \$12, \$18, \$24, and \$40 per month for permanent disabilities rated at 25, 50 or 75 percent, or total permanent disability, respectively. The Economy Act, Public, No. 2, repealed the disability-allowance provision and under that act and the veterans regulations promulgated pursuant thereto, provision was made for the payment of non-service-connected pensions to World War veterans only for permanent total disability and at the rate of \$30 per month. Section 1 of this bill would restore the \$40 rate for permanent total non-service-connected disability.

It is estimated that section 1 would cost approximately \$9,504,000 for the fiscal year ending June 30, 1943, affecting approximately 79,000 World War veterans and 200 Spanish-American War veterans.

Your committee felt the restoration of the \$40 per month pension rate is justifiable under present economic conditions, and reached its conclusion following public hearings which indicated that the present rate of \$30 is inadequate for those totally incapacitated for work, many of whom have dependents.

The amendments recommended by your committee remove that provision which would grant pension of \$40 per month to all veterans upon reaching the age 65 and who are not permanently and totally disabled. Based on requirements contained in this bill, section 2 would in the year 1943 affect 17,500 veterans at an annual cost for that year of approximately \$8,400,000, according to estimates of the Veterans' Administration.

