

# Calendar No. 1193

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SENATE

{ REPORT  
{ No. 1147

## LIBERALIZATION OF EXISTING LAWS GOVERNING BENEFITS FOR WORLD WAR VETERANS

JULY 22 (calendar day, AUG. 7), 1937.—Ordered to be printed

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

### REPORT

[To accompany H. R. 6384]

The Committee on Finance, to whom was referred the bill (H. R. 6384) to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

An explanation of the bill by sections follows.

Section 1 of the bill liberalizes the provisions of Public, No. 484, Seventy-third Congress, June 28, 1934, as amended by Public, No. 844, Seventy-fourth Congress, June 29, 1936, to permit payment of compensation to widows and children of World War veterans where at the time of the veteran's death he was receiving or entitled to receive compensation, pension, or retirement pay for 20-percent disability or more presumptively or directly incurred in or aggravated by service in the World War. The present law requires 30-percent disability and marriage before July 3, 1931. In order for a widow to receive benefits under this liberalizing amendment it is required that a child must have been born of her marriage to the veteran and the date of marriage is immaterial.

This section would bring on the rolls the first year approximately 1,950 additional cases at an annual cost of approximately \$694,000.

Section 2 of the bill amends section 4 of Public, No. 484, Seventy-third Congress, June 28, 1934, to change the 30 percent disability to 20 percent disability to accord with section 1 of the bill, the purpose of the amendment being to permit proof of service connection of disability and degree thereof at date of death where claim is filed by widow, child, or children of a deceased World War veteran within 3 years after date of enactment of the act, or date of death whichever is the later. Under the present law proof of service connection of

disability cannot be established after the date of death of the veteran, although there is a provision that proof of degree of disability may be submitted within 3 years after the date of the original act or date of death whichever is the later.

This section would bring on the rolls a considerable number of cases, but it is not possible to determine the cost of the amendment.

Section 3 of the bill provides for increased rates of death compensation (service connection of death required) for the widows, and dependent parents of World War veterans. For a widow under 50 years of age there is no change in the rate. For a widow age 50 to 65 years the rate is changed from \$35 to \$37.50. For a widow age 65 years or over the rate is changed from \$40 to \$45. As to dependent parents, the present rate of \$20 for one is changed to \$45 per month or where there is both a dependent mother and a dependent father the rate of \$15 each is changed to \$25 each. The limitation of aggregate compensation of \$75 per month for widows, children, and dependent parents in the present law is changed so as to remove it from application in the case of dependent parents. There is also a limitation that the amount of compensation authorized under the proposed act shall be paid in the event the monthly payment of compensation under Veterans Regulation No. 1 (g) and the monthly payment of yearly renewable term, automatic, or United States Government life (converted) insurance does not aggregate or exceed the amount of compensation authorized in the proposed act. As to the widow, child or children, and/or dependent mother or father on the rolls at the date of enactment of the act, any increased award authorized by the proposed act would be effective from the date of the enactment of the act and in all other cases except as provided in section 6 of the bill effective dates of awards would be governed by the provisions of the veterans' regulations under Public, No. 2, Seventy-third Congress, March 20, 1933. As to claims under this section where claimant is not on the rolls, any award would be effective no earlier than the first day of the month next following the date of enactment of the act.

This section would authorize payments to 2,300 widows at a cost of \$80,000. Increased compensation will be paid to parents of 2,430 deceased veterans where insurance is being paid, and to parents of 19,180 deceased veterans where no insurance is being paid. The increased compensation of these parents will approximate \$5,747,000 for the first year. The total cost of this section is estimated at approximately \$5,827,000 the first year, providing increased payments to approximately 2,300 widows and to the parents of 21,610 deceased veterans.

Section 4 adds a new group of World War widows by including, in addition to those married to the veteran prior to July 3, 1931, as required by existing law, one who was married to the person who served at any time, providing a child was born of such marriage.

Based on the cases disallowed because of marriage subsequent to July 2, 1931, it is estimated that this section would make eligible for compensation approximately 500 service-connected widows at an annual cost of approximately \$121,000 and 100 widows entitled under Public, No. 484, as amended, at an annual cost of approximately \$18,000, or a total cost for this section of \$139,000.

Section 5 of the bill would amend the existing law to provide, except as to emergency officers' retirement pay, reenlistment in mili-

tary or naval service on or after November 12, 1918, and before July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918, shall be considered as World War service under the laws providing benefits for World War veterans and their dependents. Under the existing law, with the exception of service-connected blind cases on the rolls March 19, 1933, the period of World War service is determined by entry into or employment in the active service before November 12, 1918, or as to Russia, before April 2, 1920.

From the records available, it is indicated that approximately 3,500 veterans now paid at peacetime rates would be restored to wartime rates at an annual cost of \$921,000. In addition there would be a group of non-service-connected permanent and total veterans who might be entitled to compensation at wartime rates, but it is impossible to estimate the number of such cases. There would also be some additional cost in cases of widows, children, and dependent parents entitled to wartime rates, but this cost would not be large.

Section 6 provides that awards of death compensation shall be effective as of the date of death of the World War veteran if claim is filed within 1 year after the death of the veteran. Under the existing law the award is effective from date of application. It is estimated that during the first year approximately 3,200 claims would be affected at an annual cost of approximately \$279,000.

Section 7 has for its purpose the validation of insurance contracts carrying definitions of permanent and total disability for specific losses, and pertains to contracts of automatic, yearly renewable term, and United States Government life (converted) insurance issued prior to December 15, 1936. It is estimated that this section would provide for the payment of insurance to approximately 100 veterans at an annual cost of approximately \$56,000.

Section 8 of the bill provides that where an incompetent World War veteran receiving disability compensation under Public, No. 141, Seventy-third Congress, March 28, 1934, disappears the Administrator of Veterans' Affairs, in his discretion, may pay to the dependents of the veteran the amount of compensation payable to dependents of service-connected deceased veterans who die from war service-connected disabilities except that the amount cannot exceed the amount of disability compensation payable at the time of the veteran's disappearance. This is to effect uniformity with the similar provision for compensation payable under the veterans' regulations promulgated under Public, No. 2, Seventy-third Congress.

There are no figures available as to the number of cases which would be affected. However, it is believed that the cost would be negligible.

Section 9 of the bill provides that penal and forfeiture provisions, relating to pensions and compensation contained in Public, No. 2, Seventy-third Congress, shall be applicable to claims for compensation under Public, No. 484, Seventy-third Congress, as amended by Public, No. 844, Seventy-fourth Congress, and this act.

The total cost of this bill for the first year is estimated as follows:

First section.....	\$694, 000	Seventh section.....	\$56, 000
Second section.....	-----	Eighth section.....	-----
Third section.....	5, 827, 000	Ninth section.....	-----
Fourth section.....	139, 000		
Fifth section.....	921, 000	Total cost.....	7, 916, 000
Sixth section.....	279, 000		