REPORT No. 1409

REMOVING THE LIMITATIONS ON THE AMOUNT OF DEATH COM-PENSATION OR PENSION PAYABLE TO WIDOWS AND CHILDREN OF CERTAIN DECEASED VETERANS

June 4 (legislative day, March 5), 1946.—Ordered to be printed

Mr. LA FOLLETTE, from the Committee on Finance, submitted the following

## REPORT

[To accompany S. 2100]

The Committee on Finance, to whom was referred the bill (S. 2100) to remove the limitations on the amount of death compensation or pension payable to widows and children of certain deceased veterans, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The report from the Veterans' Administration on this bill is self-

explanatory and is as follows:

MAY 7, 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 letter of April 24, 1946, requesting a report on S. 2100, Seventy-ninth Congress, a bill to remove the limitations on the amount of death compensation or pension payable to widows and children of certain deceased veterans.

This bill is substantially the same as a draft suggested by my letter of February 16, 1946, in reporting on S. 1671. The purpose of S. 1671 is to remove the limitation on the maximum amount of compensation or pension payable to widows and children of veterans whose death was due to a wartime service-connected cause. No objection was interposed to the bill, but favorable consideration by your Committee was recommended of a revision which would extend the same treatment to pensions based (a) on service-connected peacetime death and (b) non-service-connected death. This recommendation was made in the interest of eliminating inequalities which would result from the enactment of S. 1671. It was pointed out that the number of cases which would be affected by the proposed extension was small, entailing slight additional cost, and that the purpose sought to be accomplished when the limitation on the total amount payable was originally established, had long since lost its significance.

Inasmuch as the reasons supporting enactment of this type of legislation were fully set forth in the report of February 16, 1946, on S. 1671, they will not be

It is estimated that S. 2100 would grant increases to dependents of approximately 2,000 deceased veterans at an additional cost of approximately \$264,000 the first year.

The Veteraus' Administration recommended legislation such as is proposed by S. 2100. However, advice was recieved from the Bureau of the Budget, in connection with my report on S. 1671, that while there would be no objection by that Office to the enactment of legislation which would remove the present top limitation on the monthly pension payable to widows with children, or to children of deceased veterans dying as a result of wartime service injuries or peacetime service-connected injuries, it was not believed that the proposed removal of the present top monthly limitation with respect to pensions for widows with children or to children in non-service-connected cases should be considered as being in accord with the program of the President.

Very truly yours,

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

Further explanation of this bill is set forth in the report from the Veterans' Administration on the bill S. 1671, which is as follows:

FEBRUARY 16, 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 letter dated December 8, 1945, requesting a report on S. 1671; Seventy-ninth Congress, a bill to give widows of any deceased person, entitled to wartime service-connected death compensation or pension at the rates provided in paragraph 2 of section 5 of Public Law No. 198, Seventy-sixth Congress, approved July 19, 1939, credit for each child regardless of number, removing present top limit of \$100 monthly.

for each child regardless of number, removing present top limit of \$100 monthly. The purpose of the bill is to remove the \$100 monthly limitation on the total amount payable to widows with children, or to children, for wartime service-connected death under the provisions of section 14 (a), Public Law 144, Seventy-eighth Congress, July 13, 1943. The effect of the proposed legislation is to permit payment of compensation or pension for each child, irrespective of the number of children, at the rates prescribed by law, whereas under the existing law, a widow with more than four children may receive no more than a widow with four children, as a result of the limitation on the total amount payable. While removing an inequality which now exists in wartime service-connected death cases, where there is a widow with four or more children, the bill would establish an inequality in peacetime service-connected and non-service-connected death cases unless a similar limitation on the total amount payable is likewise removed as to these groups. While the Veterans' Administration favors the provisions of the bill in its present form, it is believed that the relief afforded in wartime service-connected cases should be extended to these other groups, particularly in view of the small number of cases which would be affected thereby, at slight additional cost, and for the further reason that the purpose sought to be accomplished when the limitation on the total amount payable in death cases was originally established, has long since lost its significance.

A limitation on the total amount of compensation payable for service-connected death was originally established in section 301 of the War Risk Insurance Act, as amended October 6, 1917. This act provided specific rates for a widow alone and for a widow and one or two children, with \$5 for each additional child up to two, and if no widow, for one, two, or three children, with \$5 for each additional child up to two. The rate provided for a widowed mother was \$20. However, the amount payable to the mother could not be greater than a sum, which, when added to the total amount payable to the widow and children, did not exceed \$75. As a result, if there was a widow and four children, the widowed mother could receive only \$17.50. This provision, as amended, was carried forward with some changes in the World War Veterans' Act of June 7, 1924, as section 201, and although there were several amendments to said section thereafter, the \$75 limitation on the total amount payable as to the widow, child or children, and dependent mother or dependent father was continued, subject to the provision in the act of July 3, 1930, that where there was both a dependent mother and a dependent father, the amount payable to them should be not less than \$20.

dependent father, the amount payable to them should be not less than \$20.

The limitations on the total amount payable for wartime and peacetime serviceconnected death under Public Law 2, Seventy-third Congress and Veterans Regutation No. 1 (a), as amended, originally included amounts payable to dependent
parents. Benefits payable to parents were excluded in applying the limitation in

World War cases by Public Law 304, Seventy-fifth Congress, August 16, 1937, and

in other wartime and peacetime cases by subsequent laws.

The purpose of the original \$75 limitation contained in the act of October 6, 1917, on the total amount payable as death compensation was to restrict the amount payable to the family of a deceased veteran to the amount payable generally to a disabled veteran who could receive no more than \$75 per month compensation for himself and dependents, except when suffering from certain specific disabilities or where he was in constant need of a nurse or attendant. Although the rates payable generally to the disabled veteran have been increased from time to time so that now he may receive as high as \$138.50 monthly for partial and \$150 monthly for total disability, and up to \$300 for certain specific disabilities in wartime service connected cases, no change was made in the limitation on the amount payable for service-connected death to dependents of a deceased veteran prior to enactment of Public Law 198, Seventy-sixth Congress, July 19, 1939, although under the act of August 16, 1937 (Public Law 304, 75th Cong.), the amount payable to dependent parents was excluded from the limitation which was applied only to benefits payable to a widow with children or to children where there was no widow. of July 19, 1939, increased the limitation on the total amount payable as to the widow, child, or children in World War cases from \$75 to \$83, and this amount was further increased as to wartime service-connected death by section 14 (a), Public Law 144, Seventy-eighth Congress, to the present \$100 limitation which These various increases in the total amount payable in the bill would remove. wartime service-connected death cases have never been commensurate with the amount payable to the disabled veteran as contemplated by the act of October 6,

The limitation on the total amount payable for peacetime service-connected death under part II, Veterans Regulation No. 1 (a), as amended, as to the widow, child or children, and dependent parents, was originally established at \$56, following the correlation of such benefits at 75 percent of the rates provided for wartime The \$56 limitation as to this group was increased to \$62 by Public Law 690, Seventy-seventh Congress, July 30, 1942, which likewise excluded benefits payable to dependent parents in applying this limitation. The \$62 limitation was further increased by section 14 (b), Public Law 144, Seventy-eighth Congress,

to \$75.

There is likewise a limitation of \$27 on the total amount payable to a widow.

There is likewise a limitation of \$27 on the total amount payable to a widow. tation, which is applied to benefits payable for non-service-connected death to the surviving widow, child, or children of a deceased veteran of the Spanish-American War, Philippine Insurrection, or Boxer Rebellion under paragraph III, part III, Veterans Regulation No. 1 (a); and a limitation of \$74 on the total amount payable for non-service-connected death to the surviving widow, child, or children of a deceased veteran of the World War or of World War II, under

Public Law 484, Seventy-third Congress, as amended.

The foregoing considerations never were applied in determining the amount payable to dependents of the World War for non-service-connected death under Public Law 484, Seventy-third Congress, June 28, 1934, which benefits have recently been extended to World War II cases. The original limitation on the total amount payable to the widow with children, or to children, was \$56, although the amount payable to the widow with emidren, or to emidren, was 550, atthough the amount payable to the disabled veteran for permanent total non-service-connected disability was \$30. This \$56 limitation was increased to \$64 by section 2, Public Law 198, Seventy-sixth Congress, July 19, 1939, although the veteran's rate was not increased until June 10, 1942, under Public Law 601, Seventy-seventh Congress, which provided a \$40 rate. The present limitation, \$74, was established by Public Law 483, Seventy-eighth Congress, December 14, 1944, and is still higher than the rate provided for the disabled veteran which was increased still higher than the rate provided for the disabled veteran which was increased to \$50 by Public Law 313, Seventy-eighth Congress, May 27, 1944, or \$60 where the veteran has been in receipt of pension for permanent total non-service-connected disability for a continuous period of 10 years or attains the age of 65 years and is permanently and totally disabled.

The number of cases which are affected by the maximum limitation in any of these groups is small. For example, in wartime service-connected death cases, a widow with four children, but for the limitation, would receive \$104, and a widow with more than four children may receive no more than \$100. If there is no widow, payments to children are affected by the limitation only in cases involving nine or more children. In peacetime service-connected death cases, the \$75 limitation restricts payments to \$75 instead of \$79, if the widow has four children, and the amount payable to a widow with more than four children may

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not exceed \$75. If there is no widow, payments to children would be affected by the limitation only in cases involving nine or more children. In non-serviceconnected death cases, the limitation would affect a widow with eight or more children, and payments to children, there being no widow, would be limited only

in cases involving 13 or more children.

In view of the small number of cases which would be affected, and the fact that the limitation on the amount payable works a hardship in cases where there are a large number of children, the Veterans' Administration recommends removal of the limitation in wartime service-connected death cases as provided in the bill, but suggests that if it is removed as to this group, consideration be given to the removal of the limitation in peacetime service-connected and non-service-connected death cases as well. A revision of the bill which would accomplish this purpose is enclosed.

There is also enclosed a committee print of the amendment proposed and

S. 1671.

It is estimated that the bill in its present form would grant increases to dependents of approximately 1,400 deceased veterans at an additional cost of approxi-

mately \$224,000 the first year.

If the bill is revised so as to remove the limitation on the total amount payable in peacetime service-connected and non-service-connected death cases, it is estimated that the bill would grant increases to dependents in approximately 600 additional cases at a cost of \$40,000 the first year, or a total of approximately 2,000 cases at a cost of approximately \$264,000 the first year.

The Veterans' Administration interposes no objection to S. 1671, Seventy-

ninth Congress, in its present form, but recommends favorable consideration by your committee of the amendment herein proposed.

Advice has been received from the Bureau of the Budget that while there would be no objection by that office to the enactment of legislation which would remove, as proposed, the present top limitation on the monthly pension payable to widows, with children, or to children, of deceased veterans dying as a result of wartime service injuries or peacetime service-connected injuries, it is not believed that the proposed removal of the present top monthly limitation with respect to pensions for widows with children, or to children, in non-service-connected cases should be considered as being in accord with the program of the President.

Very truly yours,

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