INCREASING THE MONTHLY RATES OF PENSION PAYABLE TO WIDOWS AND FORMER WIDOWS OF DECEASED VETERANS OF THE SPANISH-AMERICAN WAR, CIVIL WAR, INDIAN WAR, AND MEXICAN WAR, AND PROVIDING PENSIONS TO WIDOWS OF VETERANS WHO SERVED IN THE MILITARY OR NAVAL FORCES OF THE CONFEDERATE STATES OF AMERICA DURING THE CIVIL WAR

APRIL 28, 1958.—Ordered to be printed

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

REPORT

[To accompany H. R. 358]

The Committee on Finance, to whom was referred the bill (H. R. 358) to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass. The amendments are as follows:

Amend the title of the bill to read:

An act to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, Civil War, Indian War and Mexican War, and provide pensions to widows of veterans who served in the military or naval forces of the Confederates States of America during the Civil War:

Strike out all the language after the enacting clause and insert the following:

That the Veterans' Benefits Act of 1957 (Public Law 85-56) is amended
(1) In section 431, strike out the figure "\$52.50" and insert the figure "\$65".
(2) In subsection 432 (a), strike out the figure "\$54.18" and insert the figure "\$65", and strike out the figure "\$67.73" and insert the figure "\$75".
(3) Section 432 is amended by adding at the end thereof the following new

subsection:

"(e) For the purpose of this section, and section 433, the term 'veteran' includes a person who served in the military or naval forces of the Confederate States of America during the Civil War, and the term 'active, military or naval service' includes active service in such forces."

(4) In section 433, strike out the figure "\$48.77" and insert the figure "\$73.13". 20006

(5) In subsection 434 (a), strike out the figure "\$54,18" and insert the figure "\$65", and strike out the figure "\$67,73" and insert the figure "\$75".
(6) In section 435, strike out the figure "\$48,77" and insert the figure "\$73,13".
(7) In subsection 436 (a), strike out the figure "\$54,18" and insert the figure "\$65", and strike out the figure "\$67,73" and insert the figure "\$75".
(8) In section 437, strike out the figure "\$62,31" and insert the figure "\$73,13".
(9) In section 437, strike out the figure "\$62,31" and insert the figure "\$73,13".
(9) In section 437, strike out the figure "\$62,31" and insert the figure "\$73,13".

month following its enactment.

EXPLANATION OF THE BILL

The bill, as passed by the House, proposed to increase the two rates of pension payable to widows of Spanish-American War and pay a single rate of \$75 per month, with proportionate increases for children.

The bill, as reported, will apply only to the widows of advanced ages. It will increase the Spanish War, Civil War, and Indian War widows' pension rate of \$54.18 to \$65 per month in case the widow is 70 years of age or over. If the widow was the wife of the veteran during the period of his service, the rate of \$67.73 per month will be increased to \$75 per month. Under this bill the pension rates will continue to be uniform for these groups. The bill includes proportionate increases for children. The average age of the widow married to the veteran during the period of his service is 80 years. The Mexican War widows' rates of pension of \$52.50 per month were increased to \$65 per month. There are four widows on the roll.

There are approximately 84,300 Spanish War widows on the roll and about 4,000 of these widows were the wife of the veteran during his period of service. There are approximately 2,500 children on the roll. There are 4,000 Civil War widows on the roll today and 646 children drawing pension. As to the Indian War widows, there are 1,000 widows with 15 children on the roll.

The bill, as amended, provides for a pension to the widows of veterans who served in the military or naval forces of the Confederate States of America during the Civil War at the same rates as are provided for widows of the Union forces. It is estimated that 2,600,000 Union veterans and 600,000 Confederate veterans served during the Civil War. Today there are approximately 4,000 widows of Union veterans on the pension rolls. It is estimated that if 1,000 widows of Confederate veterans could possibly qualify for benefits the cost would be approximately \$750,000.

COST OF THE BILL

It is estimated that the cost of the bill, as reported by the committee, would be approximately \$12 million, as against \$22 million as the bill passed the House.

The following table indicates the major effects of H. R. 358, as reported:

| For non-service-connected deaths | Widow | Widow, age 70 | If widow was wife of veteran during service | No widow, 1 child |
|---|---|-----------------|---|----------------------|
| Service on or after June 27, 1950, World War II, World War I | \$50.40 | | · · · | \$27, 30 |
| Spanish-American War Civil War, Indian wars Mexican War | \$50, 40 54, 18 (\$65) 40, 64 52, 50 (.65) | \$54. 18 (\$65) | \$67.73 (\$75) 67.73 (75) | |
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Pension rates for widows and children, all wars

The report of the Administrator of Veterans' Affairs is as follows:

JUNE 27, 1957.

Hon. HARRY F. BYRD,

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

DEAR SENATOR BYRD: Further reference is made to your letter of May 9, 1957, requesting a report by the Veterans' Administration relative to H. R. 358, 85th Congress, an act to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, which bill passed the House of Representatives on May 6, 1957.

The bill proposes to increase the rates of non-service-connected death pension payable to the widows and former widows of veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, under laws reenacted by the act of August 13, 1935 (49 Stat. 614), as amended and supplemented.

H. R. 358 is identical with H. R. 2867, 84th Congress, which was pending before your committee at the close of that Congress.

Pursuant to section 2 of the act of May 1, 1926 (44 Stat. 382), as reenacted by the act of August 13, 1935, supra, and as amended (38 U. S. C. 364 (a)), non-service-connected death pension is payable to otherwise eligible widows, former widows, and children of veterans of the Spanish-American War, Philippine Insurrection, or Boxer Rebellion, who served 90 days or more, and were discharged or released from active service under conditions other than dishonorable, or were discharged for, or died in service of, a disability contracted in service in line of duty. To be entitled to such pension, the widow, among other things, must have been married to the veteran prior to January 1, 1938. The current monthly rates of pension payable to such widows, former widows, and children are as follows:

| Widows and former widows: | |
|--|-----------------|
| Regardless of age | \$54, 18 |
| Wife during service | 67.73 |
| Additional for each child | 8.13 |
| Children, where there is no widow: | |
| 1 child (to age 16) | 6 2 , 31 |
| Each additional child (to age 16), total equally divided | 8, 13 |
| 1 child (age 16 or over) | . 27. 30 |
| 2 children (age 16 or over) | 40, 95 |
| 3 children (age 16 or over) | 54, 60 |
| Each additional child (age 16 or over) | 7.56 |

Section 1 of H. R. 358, if enacted into law, would establish a uniform rate of \$75 per month payable both to a widow or former widow who was the wife of the service person during his period of service and to those who married the service person thereafter.

Further, section 2 of the act of May 1, 1926, provides in part that where there is no widow or one not entitled to pension under any law granting additional pension to minor children, the minor children under 16 years of age shall be entitled to the pension provided for the widow. Based on this provision it has been held that the child succeeds to the entire pension of the widow including the additional allowance made for the child. Accordingly, the rate of non-serviceconnected pension payable to such child would be increased from \$62.31 to \$83.13 per month under the bill, if enacted.

The act of June 24, 1948 (62 Stat. 645; 38 U. S. C. 364i), liberalized the conditions of entitlement to such non-service-connected pension by providing an alternative marriage date applicable to those widows who married the veterans subsequent to December 31, 1937. Section 1 of that act provides that the unremarried widow of a veteran of the Spanish-American War, Boxer Rebellion, and Philippine Insurrection, who is barred from the receipt of pension because her marriage to the veteran occurred subsequent to December 31, 1937, but who is otherwise entitled to pension under the act of May 1, 1926, as reenacted and amended, shall be entitled to pension, at the \$54.18 rate set forth above, if she is dependent, has attained the age of 60 years, and married the veteran 10 or more years prior to his death and lived with him continuously from the date of marriage to the date of his death except where there was a separation which was due to misconduct of, or procured by, the veteran without the fault of The rate of pension payable to such widows would be the widow. increased from \$54.18 to \$75 per month, if section 2 of H. R. 358 is enacted.

The most recent increase in the rates of non-service-connected death pension payable to widows, former widows, and children of deceased veterans of the Spanish-American War group was provided by the act of August 28, 1954 (68 Stat. 916; 38 U. S. C. 750), which granted a 5-percent increase in the rates of pension payable to such persons, among others. It appears from the congressional debates on the bill which became the act of August 28, 1954, that the increased rates were predicated on the increased cost of living. In this connection, it is noted that the Consumer Price Index of the Bureau of Labor Statistics, United States Department of Labor, for August 1954, was 115 points and for May 1957, 119.6 points (1947-49=100 points), an increase of 4 percent. H. R. 358 proposes increases in the rates of pension for widows ranging from almost 11 percent to over 38 percent. It is noted that the 38 percent increase would be granted to more than 94 percent of these widows, the first year. It is readily apparent that the increases proposed by the bill greatly exceed the increase in the cost of living since these rates were last changed by Congress.

Moreover, the enactment of H. R. 358 might well be urged as a precedent for granting proportionate increases in the rates of nonservice-connected pension benefits payable to the veterans of the Spanish-American War and to the veterans, and widows and children of veterans, of prior wars.

It is estimated that, during the first year, the enactment of H. R. 358 would affect approximately 83,200 cases of deceased veterans of the Spanish-American War, Boxer Rebellion, and Philippine Insurrection, at an additional cost for that year of approximately \$20,139,000. In conformance with paragraph 7, Bureau of the Budget Circular A-19, an estimate of the cost of the mentioned bill for the ensuing 4 years is as follows:

| ,) . | Estimated number of cases affected | Estimated additional cost |
|--------------|--|---------------------------------|
| Second year | 82, 200 | \$19, 905, 000 |
| Third year | 80, 800 | 19, 550, 000 |
| Fourth year | 77, 800 | 18, 833, 000 |
| Fifth year | 74, 800 | 18, 111, 000 |

In the light of the foregoing, the Veterans' Administration is unable to recommend favorable consideration of H. R. 358 in its present form: However, we would not object to the measure if it were amended to provide moderate rate increases more in keeping with the increased cost of living.

This letter will also serve as a reply to your request for report on S. 1926, 85th Congress, which is identical with H. R. 358.

Advice has been received from the Bureau of the Budget that enactment of H. R. 358 or S. 1926 would not be in accord with the program of the President.

Sincerely yours,

H. V. HIGLEY, Administrator.

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are 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):

PART C—PENSIONS TO WIDOWS AND CHILDREN

SUBPART 1-WARS BEFORE WORLD WAR I

WIDOWS OF MEXICAN WAR VETERANS

SEC. 431. The administrator shall pay to the widow of each veteran of the Mexican War, who is on the pension rolls on the day before the effective date of this Act under any public law, a pension at the monthly rate of \$65.

WIDOWS OF CIVIL WAR VETERANS

SEC. 432. (a) The Administrator shall pay to the widow of each Civil War veteran who met the service requirements of this section a pension at the following monthly rate:

(1) \$40.64 if she is below seventy years of age; or

(2) \$65 if she is seventy years of age or older;

unless she was the wife of the veteran during his service in the Civil War, in which case the monthly rate shall be \$75.

(b) If there is a child of the veteran, the rate of pension paid to the widow under subsection (a) shall be increased by \$8.13 per month for each such child.

(c) A veteran met the service requirements of this section if he served for ninety days or more in the active military or naval service during the Civil War, as heretofore defined under public laws administered by the Veterans' Administration, or if he was discharged or released from such service upon a surgeon's certificate of disability.

(d) No pension shall be paid to a widow of a veteran under this section unless she was married to him—

(1) before June 27, 1905; or

(2) for five or more years; or

(3) for any period of time if a child was born of the marriage.
(e) For the purpose of this section, and section 433, the term "veteran" includes a person who served in the military or naval forces of the Confederate States of America during the Civil War, and the term "active, military or naval service" includes active service in such forces.

CHILDREN OF CIVIL WAR VETERANS

SEC. 433. Whenever there is no widow entitled to pension under section 432, the Administrator shall pay to the children of each Civil War veteran who met the service requirements of section 432 a pension at the monthly rate of \$73.13 for one child, plus \$8.13 for each additional child, with the total amount equally divided.

WIDOWS OF INDIAN WAR VETERANS

SEC. 434. (a) The Administrator shall pay to the widow of each Indian War veteran who met the service requirements of section 411 a pension at the following monthly rate:

(1) \$40.64 if she is below seventy years of age; or

(2) \$65 if she is seventy years of age or older; unless she was the wife of the veteran during his service in one of the Indian Wars, in which case the monthly rate shall be \$75.

(b) If there is a child of the veteran, the rate of pension paid to the widow under subsection (a) shall be increased by \$8.13 per month for each such child.

(c) No pension shall be paid to a widow of a veteran under this section unless she was married to him--

- (1) before March 4, 1917; or
- (2) for five or more years; or

(3) for any period of time if a child was born of the marriage.

CHILDREN OF INDIAN WAR VETERANS

SEC. 435. Whenever there is no widow entitled to pension under section 434, the Administrator shall pay to the children of each Indian War veteran who met the service requirements of section 411 a pension at the monthly rate of \$73.13 for one child, plus \$8.13 for each additional child, with the total amount equally divided.

WIDOWS OF SPANISH-AMERICAN WAR VETERANS

SEC. 436. (a) The Administrator shall pay to the widow of each Spanish-American War veteran who met the service requirements of section 412 (a) a pension at the monthly rate of \$65, unless she was the wife of the veteran during his service in the Spanish-American War, in which case the monthly rate shall be \$75.

(b) If there is a child of the veteran, the rate of pension paid to the widow under subsection (a) shall be increased by \$8.13 per month for each such child.

(c) No pension shall be paid to a widow of a veteran under this section unless she was married to him---

- (1) before January 1, 1938; or
- (2) for five or more years; or
- (3) for any period of time if a child was born of the marriage.

CHILDREN OF SPANISH-AMERICAN WAR VETERANS

SEC. 437. Whenever there is no widow entitled to pension under section 436, the Administrator shall pay to the children of each Spanish-American War veteran who met the service requirements of section 412 (a) a pension at the monthly rate of \$73.13 for one child, plus \$8.13 for each additional child, with the total amount equally divided.

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