REPORT No. 1071

## AMEND SECTION 6 OF TITLE I OF THE ECONOMY ACT

MAY 13 (calendar day, JULY 11), 1935.—Ordered to be printed

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

## REPORT

[To accompany S. 3060]

The Committee on Finance, to whom was referred the bill (S. 3060) to amend section 6 of title I of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, as amended, having considered the same, report it back to the Senate with amendments and recommend that the bill, as amended,

do pass.

The committee amendments have for their purpose the amending of sections 302, 311, 312, 602, and 604 of the World War Adjusted Compensation Act, as amended, to extend the time from January 2, 1935, to January 2, 1940, within which applications may be made for the benefits of the World War Adjusted Compensation Act. The title of the bill is amended in order to carry out the purposes of the committee amendments. Section 5 in the committee amendments is in substantially identical language with paragraphs in prior acts which amended the World War Adjusted Compensation Act.

The other phase of the bill has for its purpose the extension of the provisions of existing law providing hospitalization and domiciliary care so as to include men discharged from the Army, Navy, Marine Corps, or Coast Guard who are in receipt of pension for service-connected disability. The existing law permits the granting of such benefits to peace-time veterans only in the event they were discharged for disabilities incurred in line of duty. The bill, if enacted, would affect peace-time veterans who received disabilities in line of duty and as a result thereof are pensionable. Since the requirements for service connection for disability incident to peace-time service are much more rigid than those required for service-connected disabilities based upon war-time service, and since war veterans are accorded hospitalization and domiciliary care for other than service-connected disabilities, the committee feels that the provisions of the bill are fair and equitable.

The Administrator of Veterans' Affairs has notified the committee that it is impossible to estimate the actual number of cases which would be entitled to hospitalization under the provisions of the bill, but states that no additional cost would be involved since hospital and domiciliary beds which are now available for nonservice-connected cases could be used for cases brought in by the proposed legislation.

The bill is recommended by the Veterans' Administration and information from the Bureau of the Budget is to the effect that the enactment of this proposed legislation would not be in conflict with the financial program of the administration. The committee is informed also that there is no objection upon the part of the Veterans' Administration to the committee amendments extending the time within which applications for benefits under the World War Adjusted Compensation Act may be filed.

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