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SENATE

{ REPORT
No. 700

DIRECTOR OF VETERANS' BUREAU TO TAKE ASSIGNMENTS OF CERTAIN CLAIMS AT FORT BAYARD, N. MEX.

JUNE 3, 1924.—Ordered to be printed

Mr. REED of Pennsylvania, from the Committee on Finance, submitted the following

REPORT

[To accompany S. J. Res. 131]

The Committee on Finance, to whom was referred the joint resolution (S. J. Res. 131) authorizing the Director of the United States Veterans' Bureau to take assignments of certain claims of officers, employees, and patients of General Hospital No. 55, Fort Bayard, N. Mex., having considered the same, do report favorably thereon and recommend that the bill pass with amendments as follows:

On page 1, line 5, strike out the words "officers, employees, and."

On page 1, lines 7 and 8, strike out the words "officers, employees, and."

On page 1, line 10, strike out the words "officers, employees, and."
Amend the title so as to read:

Joint resolution authorizing the Director of the United States Veterans' Bureau to take assignments of certain claims of patients of General Hospital Numbered 55, Fort Bayard, New Mexico.

The passage of this resolution as amended is recommended by the Director of the Veterans' Bureau, as appears by the following letter:

UNITED STATES VETERANS' BUREAU,
Washington, May 29, 1924.

Hon. DAVID A. REED,
United States Senate, Washington, D. C.

MY DEAR SENATOR REED: You have requested a report from me upon Senate Joint Resolution 131, introduced by Senator Bursum, authorizing the director of this bureau to take assignments of certain claims of officers, employees, and patients of General Hospital No. 55 at Fort Bayard, N. Mex.

This resolution is occasioned by the fact that certain banks, among them the two named in the joint resolution, have suspended, in which banks a number of officers, employees, and patients of General Hospital No. 55 were depositors. The joint resolution names the Silver City National Bank and the American National Bank, of Silver City, N. Mex. In addition to these two there is a third bank, not mentioned in the resolution, which also suspended and in which I understand patients of General Hospital No. 55 were also depositors. This is the Silver City Savings Bank, a State institution, which I am given to understand is in some way a subsidiary of the Silver City National Bank.

This much can certainly be said from the viewpoint of the Veterans' Bureau, that the fear of impending losses and the worry entailed upon the suspension of these banks must militate strongly to impair the successful treatment and convalescence of the patients in this general hospital, who are a class suffering from tuberculosis. Anything, therefore, which could be accomplished to remove this detrimental factor would greatly contribute to the welfare of these beneficiaries.

It is noticed that the joint resolution includes with the patients of the general hospital the officers and employees thereof also. What has been said in the last paragraph would not, of course, apply to the officers and employees as such who are not also beneficiaries of the Veterans' Bureau in the same situation as the patients.

I have endeavored to ascertain the aggregate amount of the claims covered by the joint resolution, but have been unable to do so with accuracy. I have been most informally advised that this amount will approximate \$150,000. If that is important, I suggest that inquiry be made of the Comptroller of the Currency. I understand that the national bank examiner who has had to do with these institutions is at present in the city of Washington.

The joint resolution authorizes the director to pay to the depositors named the amount of their claims in full and to assert the claims against the banks under an assignment thereof. I have been unable to form any estimate of the probable loss that this proceeding would entail. I am informed that of the two banks named in the joint resolution one of them shows a fair prospect of being able eventually to pay its depositors in full, whereas the other is likely to occasion a considerable loss; and that the greater part of the patients' deposits were carried in the latter bank.

Very truly yours,

FRANK T. HINES, *Director.*

The committee feels that there is no justification for including the officers and employees of this hospital in the benefits of the resolution.

