

ADJUSTING THE EFFECTIVE DATE OF CERTAIN AWARDS OF PENSIONS AND COMPENSATION PAYABLE BY THE VETERANS' ADMINISTRATION

MAY 5. (legislative day, APRIL 11), 1949.—Ordered to be printed

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

R E P O R T

[To accompany S. 811]

The Committee on Finance, to whom was referred the bill (S. 811) to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration, and for other purposes, having considered the same, report favorably thereon with amendments, and recommend that the bill as amended do pass.

The amendments are as follows:

On page 1, line 9, after the word "death", insert "or attainment of a specified age".

On page 2, line 7, after the word "of" insert the words "age or".

On page 2, line 8, after the word "pension", insert the words "increased pension,".

The purpose of the amendments is to assure that claims for pension based upon disability, age, or increased pension would be provided for.

PURPOSE OF THE BILL

To authorize retroactive awards of pension, increased pension, compensation or increased compensation in cases of certain persons now on the rolls who were prevented from filing their claim at an earlier date because of capture, internment, or isolation by the enemy during World War II, if claim is filed therefor within 1 year from the date of enactment of this act.

GENERAL STATEMENT

This bill will apply to all veterans, their widows and dependents. Under existing law there is no limitation on the time within which applications may be made for pension or compensation. However, benefits are payable in the disability cases from the date of discharge

if the claim is filed within 1 year from date of discharge and in death cases benefits are payable from date of soldier's death if the claim is filed within 1 year; otherwise benefits are payable from the date of application. The general rule in claims for pension based upon age or non-service-connected disability is that payment is made from the date of filing application or from date of attaining the required age or degree of disability, whichever is the later date.

This bill would make an exception to the above in that it provides for the award of pension or compensation to be adjusted so as to be effective as of the day the claim would have been allowed had it been filed within 1 year of the death of the veteran discharged from the armed forces or the occurrence of age or disability, or increased age giving rise to a claim for a pension or compensation.

The bill will add no more new cases to the rolls and only applies to those now on rolls receiving pension or compensation and only to claims which arose on and after December 7, 1941. The bill will only authorize payment of pension or compensation to which the claimants would have been entitled to had it been possible for them to meet the requirements of the existing law as to date of filing claim.

The committee believes there are doubtlessly hardship cases in which veterans or their dependents were prevented for several years by enemy action from making application for pension or compensation and as a matter of equity believes that the extension proposed by this bill is justified and has sufficient extenuating circumstances as to warrant an exception being made to the existing law. The report of the Administrator of Veterans' Affairs on this bill is as follows:

MARCH 7, 1949.

HON. WALTER F. GEORGE,

*Chairman, Committee on Finance, United States Senate,
Washington 25, D. C.*

DEAR SENATOR GEORGE: Further reference is made to your letter of February 9, 1949, requesting a report from the Veterans' Administration on S. 811, Eighty-first Congress, a bill to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration.

The purpose of the bill is to authorize retroactive awards of pension and compensation in the cases of certain persons now on the rolls who were prevented from filing their claims at an earlier date because of internment, or other enemy action. The bill provides as follows:

"That notwithstanding the provisions of any other law which prescribes the effective date of awards of pensions and compensation, in the case of any claimant for pension or compensation under laws administered by the Veterans' Administration, who is receiving a current pension or compensation on the date of the enactment of this Act, whose claim arose with respect to the disability or death of a member or former member of the armed forces on and after December 7, 1941, and who was unable to file such claim by reason of being interned by a country with which the United States was at war or was otherwise prevented from filing such claim by action of such country, the award of pension or compensation shall be adjusted so as to be effective as of the day the claim would have been allowed had it been filed within one year of the death, discharge from the armed forces, or the occurrence of any disability or increased disability giving rise to a claim for pension, compensation, or increased compensation: *Provided*, That claims for the benefits of this Act shall be filed within one year from the date of enactment of this Act."

S. 811 is identical in substance with S. 2369, Eightieth Congress, on which the Veterans' Administration submitted a report to your committee under date of June 9, 1948.

The bill contains specific authorization for retroactive claims for "increased compensation." Under Public Law 494, Seventy-ninth Congress, July 9, 1946, monetary benefits, other than retirement benefits, for service-connected disability or death are designated as "compensation" and not "pension." The bill

could therefore be construed as not authorizing retroactive claims for "increased pension." Neither would the bill authorize a retroactive claim for pension based solely on age.

Under existing laws and regulations, there is no limitation on the time within which application may be made for compensation or pension, but benefits are payable in disability cases from date of discharge if claim is filed within 1 year from discharge, and in death cases benefits generally are payable from date of death if claim is filed within 1 year from death. Otherwise, such benefits are payable prospectively from the date of application. The general rule as to pensions based upon age or non-service-connected disability is that payment is made from date of application or date of attaining the required age or degree of disability, whichever is the later.

While there are doubtless some hardship cases in which veterans or their dependents were prevented for several years by enemy action from making application for compensation or pension or increase thereof, the extension proposed by the bill would constitute a departure from the generally uniform laws governing the effective dates of awards and might have the effect in certain cases of opening the door to stale claims.

Compensation and pension are gratuities primarily designed for the current partial support of veterans and their dependents. The enactment of such legislation as here proposed might in some instances involve large retroactive payments to noncitizens as well as citizens which would run into thousands of dollars and cover a period of more than 6 years. The usual policy of the Congress has been not to encourage or authorize the payment of retroactive compensation or pension for a period longer than 1 year, thus avoiding the establishment of large estates for veterans or their dependents which may be inherited ultimately by collateral heirs to whom the Government owes no obligation.

It is believed that this bill would be difficult of administration for the reason that, in many cases, it would be impossible to secure accurate evidence upon which to base determinations thereunder.

There is no information available upon which to base an estimate of the cost of the bill, if enacted.

Advice has been received from the Bureau of the Budget that the enactment of the proposed legislation would not be in accord with the program of the President.

Sincerely yours,

CARL R. GRAY, Jr., *Administrator.*

