Calendar No. 414

72D CONGRESS, 1st Session | SENATE | REPORT No. 395

TO AMEND SECTION 300 OF THE WORLD WAR VETERANS' ACT, 1924, AS AMENDED

MARCH 2 (calendar day, MARCH 7), 1932. Ordered to be printed

Mr. WALSH of Massachusetts, from the Committee on Finance, submitted the following

REPORT

[To accompany S. 2190]

The Committee of Finance, to whom was referred the bill (S. 2190) to amend section 300 of the World War veterans' act, 1924, as amended, having considered the same, report it back to the Senate and recommend that the bill do not pass.

The purpose of this bill is to amend section 300 of the World War veterans' act, 1924, as amended July 3, 1930, so as to permit the naming of a trust company or a bank as the beneficiary of the life (converted) insurance for the benefit of any or all persons now included within the permitted classes.

STATEMENT OF FACTS

Section 300 of the World War veterans' act, prior to May 29, 1928, permitted payment of insurance, both yearly renewable term insurance and United States Government life insurance, only to a spouse, child, grandchild, parent, brother, sister, uncle, aunt, nephew, niece, brother-in-law, sister-in-law, or to any or all of them and also during total and permanent disability to the injured person. On that date the law was amended to continue this restriction as to yearly renewable term insurance, thus permitting the payment of United States Government life insurance to any beneficiary designated by the insured.

All yearly renewable term insurance expired on July 2, 1927, except those policies which had matured by permanent and total disability or death and those in which insurance conversion was impossible because of the mental condition or disappearance of the insured. Since the lack of restriction on designation of beneficiaries of United States Government life insurance permits the holders of these policies to make any designation, including trust companies or banks author-

ized to do a general trust business, the need for legislation on this subject no longer exists.

The Veterans' Administration report is as follows:

VETERANS' ADMINISTRATION,
Washington, January 7, 1932.

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

MY DEAR SENATOR SMOOT: This is in reply to your letter dated December 29, 1931, requesting a report concerning S. 2190, a bill to amend section 300 of the World War veterans' act, 1924, as amended.

This bill is identical with S. 926 introduced in the first session of the Seventy-first Congress and upon which a report was furnished your committee under date of June 26, 1929.

Under date of May 29, 1928, section 300 of the World War veterans' act was amended to remove the restriction on the designation of beneficiaries of converted insurance policies. As the committee knows, all yearly renewable term insurance expired on July 2, 1927, except those cases in course of payment and those in which conversion was impossible because of the mental condition or disappearance of the insured.

In view of the above facts, it is probable that the committee will not desire to take any action on the present bill.

A copy of this letter is inclosed for your use.

Very truly yours,

FRANK T. HINES, *Administrator.*

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