

States of the amounts paid in unemployment compensation benefits to Federal employees."

The Committee declared that benefits in some of the individual States might well be made somewhat higher, and recommended that the States survey their situations in the light of the general increases in wage scales

and the great increases in reserve funds. It did not recommend country-wide increase in the level of unemployment compensation payments, saying that it refused "to predicate its plans for a post-war economy on the theory that any segment of the economy must be subsidized"; that it agreed "with the State directors that

there must be a definite and distinct financial advantage in employment, as against the benefits drawn on account of unemployment"; and that, with readjustment allowances to soldiers fixed by the Servicemen's Readjustment Act of 1944 at \$20 a week, "the Congress would not be justified in exceeding this figure for civilians,"

## The G. I. Bill of Rights: An Analysis of the Servicemen's Readjustment Act of 1944\*

A COMPREHENSIVE PROGRAM to aid returning veterans—both men and women—in a speedy readjustment to civilian life, and to enable them to fit once more into the civilian economy as promptly and effectively as possible, is provided in the Servicemen's Readjustment Act of 1944, signed by the President on June 22.

Popularly termed the "G. I. Bill of Rights," the act (Public, No. 346, 78th Cong.) provides for enlarging and strengthening hospital facilities (title I); educational and training opportunities (title II); loans for aid in purchasing or constructing homes and in purchasing farms or business property (title III); assistance in obtaining employment through the U. S. Employment Service (title IV); and readjustment allowances while the veteran is finding employment (title V). These benefits, the majority of which are limited to specified periods after the veteran's release or discharge from the armed forces or the end of the war, are additional to the various benefits now provided by existing legislation for veterans and their dependents and survivors. The main Federal provisions for servicemen and servicewomen of the present war, and their dependents and survivors, are outlined in tables 1 and 2.

In signing the bill, the President declared that "a well-rounded program of special veterans' benefits" has been completed except for extension of credits under the Federal old-age and survivors insurance system to all serv-

icemen and women for the period of their military service. The new law, he said, "gives emphatic notice to the men and women in our armed forces that the American people do not intend to let them down. . . . This bill . . . and the former legislation provide the special benefits which are due to the members of our armed forces—for they 'have been compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems.' While further study and experience may suggest some changes and improvements, the Congress is to be congratulated on the prompt action it has taken."

The bill as passed represents intensive study of hundreds of bills and various proposals before the Committees responsible for the legislation—the Senate Committee on Finance and the House Committee on World War Veterans' Legislation. The Senate hearings<sup>1</sup> on the general subject of post-war readjustment of veterans and on specific proposals for their attainment ran from January 14 to March 10; the House hearings<sup>2</sup> from January 11 to March 31. S. 1767—the bill now law—was introduced on March 13 by Senator Clark of Missouri, for himself and 78 other Senators. It was reported out with amendments on March 18 by the Committee on Finance (S. Rept. 755) and passed the Senate, with amend-

ments, on March 24. The House Committee, to which the Senate bill was referred, held hearings and reported the bill, recast, to the House on May 5 (H. Rept. 1418); the House version of the bill was passed on May 18. The disagreements between the two houses were reconciled in a Committee of Conference, which submitted its report (H. Rept. 1624) on June 12; the report was agreed to by the Senate the same day, and by the House the following day, and was approved by the President on June 22.

The Senate report described the legislation as "a fundamental bill of rights to facilitate the return of service men and women to civilian life. The committee does not contend that it is or can be the last word on the subject. We do assert that it is a comprehensive statement of the measures presently necessary and that it represents the very least that should be done at this time both in justice to the veterans and in enlightened self interest for the remainder of the country . . ."

"Your committee recognizes that this bill authorizes a program which will be costly to the Nation. Yet we view it as true economy. None can deny that it is part of the bare-bones necessary cost of the war. We regard it as the best money that can be spent for the future welfare of the Nation." Pointing out that the legislation was "admittedly more extensive and generous in its benefits to returning veterans than any bill previously introduced as to this or any other war," the Committee added, "We believe that this is entirely justifiable in view of the character of service in this war. . . . It is the view of the committee that the enactment of this bill will render unnecessary any consideration of adjusted compensation, and that the benefits provided by the bill, if enacted into law, will be of greater advantage to veterans, at a lesser ex-

\*Prepared jointly in the Program Division, Bureau of Employment Security, and the Division of Publications and Review, Office of the Executive Director. The analysis is based solely on the provisions of the act and was prepared before interpretations or regulations had been issued by the Veterans Administration.

<sup>1</sup>U. S. Congress, Senate Committee on Finance, *Veterans' Omnibus Bill, Hearings on S. 1617, 78th Congress, Second Session*, Jan. 14–Mar. 10, 1944, 204 pp.

<sup>2</sup>U. S. Congress, House Committee on World War Veterans' Legislation, *World War Veterans' Legislation, Hearings on H. R. 3917 and S. 1767, 78th Congress, Second Session*, Jan. 11–Mar. 31, 1944.

Table 1.—Summary outline of major Federal provisions in effect for members of the armed forces, World War II

Type of benefit	Eligibility and other conditions	Benefits
Relief from certain civil obligations.	Active service in armed forces.....	Enforcement of certain civil liabilities suspended, and relief from certain other obligations guaranteed, for period of service. Under certain conditions Veterans Administration will guarantee to keep serviceman's commercial life insurance (up to \$10,000) in force during period of service and 2 years thereafter.
National Service Life Insurance.	Active service in armed forces..... Optional with serviceman or woman. Beneficiaries of initial policy limited to spouse, child, parent, brother, or sister.	Government underwrites extra hazard of war and provides inexpensive 5-year term life insurance, with premiums payable by deduction from pay. Amounts from \$1,000-10,000, in multiples of \$500. Number and rate of benefit payments related to age of beneficiary at time of serviceman's death. Convertible after 1 year and before 5 years to ordinary life, 20-payment life, or 30-payment life policy. Premium payments waived during total-permanent disability. In case of death, disability, or capture before Apr. 20, 1942, serviceman with less than \$5,000 insurance in force is presumed to have been insured for full \$5,000. Aviation cadets, from Oct. 8, 1940, to June 3, 1941, presumed to have \$10,000 insurance.
Mustering-out pay.....	Honorable discharge or release from active service on or after Dec. 6, 1941. Retroactive to persons honorably discharged or relieved from active service before effective date of legislation (Feb. 3, 1944), if application is made within 2 years of that date, but not more than 1 payment under act to an individual.	Less than 60 days' service, \$100. Service of 60 days or more: If not outside continental U. S., \$200; If outside continental U. S., \$300. \$100 paid at time of final discharge and additional amounts in monthly payments of \$100. If veteran dies before receiving full amount to which he is entitled, balance to be paid to surviving spouse, or child or children, or parent, but no other person.
Loans for purchase or construction of homes, or purchase of farms and farm equipment or business property. <b>am</b>	Service on or after Sept. 16, 1940; 90 days' service unless discharged earlier for service-connected disability. Discharge other than dishonorable. Application must be made within 2 years after discharge or end of war, whichever is later, but in any event not later than 5 years from end of war. General limitations on suitability of property, terms of mortgage payment, and purchase price. Loan must be repaid in full within 20 years.	Federal Government guarantees 50 percent of loan but not more than \$2,000; if loan made by Government agency, Government will guarantee an additional loan not exceeding 20 percent of purchase price, within \$2,000 limit. Interest on principal loan, not more than 4 percent; on second loan, not more than 1 percent additional. Federal Government pays first year's interest on amount guaranteed.
Employment: Employment service.....	Active service in any war in which U. S. engaged.....	Special placement services through U. S. Employment Service.
Reemployment rights.....	Active service on or after May 1, 1940.....	Reemployment with previous employer, in previous or similar position, if person is still qualified and applies within 40 days after release.
Priority in employment where Federal funds are disbursed.	Honorable discharge. Veterans; widows or widowers of disabled veterans, and wives or husbands of disabled veterans who themselves are not qualified for civil-service appointment. The widow must not have remarried. Widowers must be supporting a child or children under age 18 of deceased ex-servicewoman.	Preference in examinations, appointment, retention, transfer, or reinstatement in classified or unclassified civil-service positions.
Readjustment allowances.....	Service on or after Sept. 16, 1940; 90 days' service unless discharged earlier for service-connected disability. Discharge other than dishonorable. Residence in U. S. Must be completely unemployed, or partially unemployed and earning wages in any week of less than amount of allowance plus \$3; must register with and continue to report to a public employment office; must be able to work and available for work unless prevented by disability occurring after beginning of period of continuous unemployment. Self-employed and net earnings in preceding month less than \$100. Program effective Sept. 4, 1944, and ends 5 years after end of war.	\$20 a week for total unemployment; for partial unemployment, \$20 less wages payable for week plus \$3. Duration determined by length of service: First 90 days: 8 weeks of benefits for each month of service; Thereafter, 4 weeks for each month of service or major fraction thereof. Maximum, 52 weeks in 2 years after discharge or end of war, whichever is later. Difference between \$100 and net earnings for such month; duration as above. Benefits withheld for specified disqualifications, except for self employed.
Education.....	Service on or after Sept. 16, 1940; 90 days' service, unless discharged earlier for service-connected disability. Discharge other than dishonorable. Except for refresher or retraining courses, education deemed interrupted, impeded, or otherwise interfered with; automatically so determined if person not over age 25 at induction. Application not later than 2 years after discharge. Continuance based on satisfactory progress according to standards of institution. Program ends 7 years after war's end.	Up to \$500 per ordinary school year for tuition, books, etc., paid to any accredited institution person chooses. Maintenance allowance of \$50 per month if no dependents, \$75 if one or more dependents; reduced or may be omitted for part-time courses or on-the-job training. Duration related to length of service: 1 year of continuous full-time (or equivalent part-time) education or refresher training to any eligible person; Additional periods (but not refresher or retraining courses) not exceeding length of service and not more than 3 additional years. In computing length of service, certain periods of educational training during service excluded.
Vocational rehabilitation.....	Service on or after Sept. 16, 1940. Honorable discharge. Disability incurred in or aggravated by service for which pension (except retirement pension) is payable. Needs vocational rehabilitation to overcome handicap of disability to fit him for employment. Program ends 6 years after war's end.	Training through nearest veterans' facility for 1 year (and up to 4 years); with all necessary expenses paid, including transportation; also medical care as required. During training and for 2 months thereafter, disability pension increased to \$50 per month if without dependents, and to \$90 if married; \$5 additional for each child and \$10 for each dependent parent.

Table 1.—Summary outline of major Federal provisions in effect for members of the armed forces, World War II—Continued

Type of benefit	Eligibility and other conditions	Benefits
Compensation for disability.....	<p>Service on or after Sept. 16, 1940; 90 days' service unless discharged earlier for service-connected disability. Discharge other than dishonorable. Service-connected disability.....</p> <p>Non-service-connected disability..... Disability must be permanent total, and not due to own misconduct. Veteran's annual income must not exceed \$1,000 if single, or \$2,500 if married or with minor children.</p>	<p>Range of monthly payments:</p> <p>General disability payments: For partial permanent disability, \$11.50-103.50; For total permanent disability, \$115; Loss, or loss of use, of 1 hand, foot, or eye, an additional \$35.</p> <p>Special payments: For specified anatomical losses and helplessness requiring regular aid or attendance, \$165-265. Maximum to any veteran, \$287. \$50 per month; increased to \$50 when veteran reaches age 65 or has received pension for 10 continuous years.</p>
Medical care:	<p>Honorable discharge or, in certain circumstances, discharge other than dishonorable.</p> <p>Hospitalization..... Suffering disability, disease, or defect, whether service-connected or not, needing care for which he is unable to pay.</p> <p>Domiciliary care..... Suffering permanent disability, unable to earn living because of disability, and without means of support.</p> <p>Out-patient care..... Suffering from service-connected disability or condition and requiring treatment but not hospitalization.</p>	<p>Care in Government hospital or facility; if such facilities not available, care in private hospital reimbursable by Government.</p> <p>If veteran has wife, child, or dependent parent, his monthly compensation for service-connected disability continues; if no such dependent, allowance reduced to not more than \$20 a month. If disability is non-service-connected, allowance reduced to \$8.</p> <p>Care in Government homes or facilities. Disability allowance continued as under Hospitalization, above.</p> <p>Medical care at a facility or regional office of Veterans Administration, or at home if unable to travel; necessary prosthetic appliances and training in their use.</p>

Sources: Compiled from legislative acts and Veterans Regulations; also *Benefits to Veterans and Their Dependents* . . . (S. Doc. 146, 78th Cong., 2d sess.) 1944, 28 pp.; *Handbook for Servicemen and Servicewomen of World War II and Their Dependents* . . . (H. Doc. No. 391, 78th Cong., 2d sess.), 1944, 60 pp. See also *Congressional Record* for June 15, 1944, pp. A3291-A3295; and June 22, 1944, pp. A3521-A3531 (includes also citations to major pertinent public laws and summary

of activities and disbursements of the Veterans Administration as of April 1944. See also Aronson, Franklin M., "Pensions and Compensation to Veterans and Their Dependents," *Social Security Bulletin*, Vol. 5, No. 11 (November 1942), pp. 10-24; and Bronson, D. C., "Present Protections and Relief for Members of the Armed Forces," *Social Security Bulletin*, Vol. 5, No. 12 (December 1942), pp. 22-30.

pense to the Government, than could possibly be accomplished by an Adjusted Compensation Act, at least under factors known or readily foreseeable at this time."

The Committee on World War Veterans' Legislation, in reporting to the House, also expressed the belief that, at this time, the proposed benefits were preferable to adjusted compensation. Of the many plans advocated and studied by the Committee, they said, the consensus appeared to be that, "considering length and character of service, together with comparable sacrifices, the plan which would guarantee the most nearly uniform consideration would be an adjusted service pay. Thorough and painstaking exploration of this field, however, demonstrated that now is not the time to consider such plan for there are too many unforeseeable factors which might have a direct bearing upon any such proposal. Furthermore, it is not clear that the tremendous expense involved in such plan can be borne by the national economy should the war continue beyond present expectations."

**General Provisions**

Except under the employment service title and the general provisions in

title I, eligibility for all benefits in the act is based on service in the active military or naval service of the United States at any time on or after September 16, 1940 (when the Selective Training and Service Act went into effect) and before the end of the present war. The serviceman or woman must have served for at least 90 days, unless discharged earlier for disability incurred in line of duty, and the final discharge or release from active service must be under conditions other than dishonorable. Assistance under the employment service title is available to any veteran with active service in the armed forces in any period in which the United States is, or has been, engaged in war.

**Hospitalization, Claims, and Procedures**

The first of the act's six titles recognizes the Veterans Administration not only as an important post-war agency but an exceedingly important war agency, and gives it the necessary priorities for carrying out its essential functions of hospitalization, rehabilitation, and other activities. The title authorizes an appropriation of \$500 million for constructing additional hospital facilities, to be available to all eligible veterans, and pro-

vides for the mutual use or exchange of hospital and domiciliary facilities and personnel by agreement between the Administrator of Veterans Affairs, the Secretary of War, and the Secretary of the Navy.

To protect the rights of the servicemen, representatives of the Veterans Administration may be stationed in Army and Navy installations to advise and aid servicemen about to be discharged or released from active service and to adjudicate disability claims. No serviceman is to be released until his certificate of discharge or release and his final pay—or a substantial part—are ready; he shall not be discharged for disability until he has executed a claim for compensation, pension, or hospitalization or has signed a statement indicating that he has been informed of his rights. Even if he waives a claim immediately, such a waiver does not affect his right to file a claim at any future time. Moreover, the veteran must not be required to sign a statement concerning the origin, incurrence, or aggravation of any disease or injury. Persons entitled to a prosthetic appliance are assured the necessary fitting and training, including institutional training, in the use of such appliance.

Table 2.—Summary outline of major Federal provisions in effect for dependents or survivors of members of the armed forces, World War II<sup>1</sup>

Type of benefit	Eligibility and other conditions	Benefits
Dependents' allowances	<p>Dependents of enlisted personnel in grades 1-7:</p> <p>Class A: wife, divorced wife, child or children. Divorced wife must not have remarried and alimony must be payable. Child must be unmarried, under age 18, or incapable of self-support. Husband and children of servicewoman eligible only if woman was their chief support.</p> <p>Class B-1: parents, brothers, sisters, who have received their chief support from servicemen.</p> <p>Class B: parents, brothers, sisters, who have received a substantial portion of their support from servicemen; B dependents eligible only if there are no B-1 dependents.</p>	<p>Monthly allowances:</p> <p>Spouse, no child, \$50; wife and 1 child, \$80; each additional child, 20; Child, no spouse, \$12; each additional child, \$20. Divorced wife, no child, up to \$12; with 1 child, up to \$72; each additional child, \$20.</p> <p>One parent, \$50; 2 parents or 1 parent and 1 brother or sister, \$68; Brother or sister only, \$12; Each additional brother or sister, \$11.</p> <p>\$37, payable to 1 designated dependent only.</p> <p>Financed by: \$22 deducted from each month's pay of enlisted person (after 1st month), if dependents are either Class A or B; an additional \$5 deducted if dependents are of both classes. Balance of monthly amount and total first month's allowance paid by Government.</p>
Maternity and infant care	Wives of enlisted personnel in 4 lowest grades	Hospital, nursing, and medical care during pregnancy, childbirth, and for 6 weeks thereafter, and for the child during the first year. Payments for service made directly to physicians, hospitals, nurses, or others.
Compensation for death	<p>Dependents of servicemen who die in active service or from service-connected disability.</p> <p>Class of survivor:</p> <p>Widow; must have married man before 10 years after discharge from service and not remarried. Children under 18 years, or until 21 if at school; or no age limit if helpless before age 18.</p> <p>Dependent parents</p> <p>Widow and child or children of serviceman whose death was not service-connected but who at time of death had a disability incurred in or aggravated by service. Widow's income must not exceed \$1,000 if alone or \$2,500 if she has child or children.</p>	<p>Monthly payments:</p> <p>Widow, no child, \$50; with 1 child, \$65; each additional child, \$13. 1 child, no widow, \$25; 2 children, \$38; each additional child, \$10. Maximum payment to widow, child, or children, \$100.</p> <p>Both parents, \$25 each; 1 parent only, \$15.</p> <p>Widow, no child, \$35; with 1 child, \$45; each additional child, \$5. 1 child, no widow, \$18; 2 children, \$27; 3 children, \$36; each additional child, \$4. Maximum payment to survivors, \$64.</p>
Six months' gratuity pay	Widow or child; or parent, brother, or sister; or other relative, who must prove dependency. Man must have been killed in active service and death not due to own misconduct.	Six times monthly base pay at time of death.
Burial allowance	Person paying burial expenses of serviceman who was honorably discharged or receiving veteran's compensation or pension.	Up to \$100.

<sup>1</sup> For other provisions for dependents or survivors—e. g., additional amounts of pensions or priority in employment—see table 1.

Accredited representatives of specified veterans organizations are also to be admitted to, and furnished space and equipment in, military or naval establishments from which servicemen are discharged or released.

Discharge or dismissal of any person from the military or naval forces by reason of a general court martial, or as a conscientious objector who refused to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar such person from all rights (except life insurance), based on the period of service from which he is so discharged, under any laws administered by the Veterans Administration. Chapter 3

of title I provides, however, that if it can be established to the satisfaction of the Veterans Administrator that the man was insane, he will not be barred from the benefits to which he would otherwise be entitled.

That chapter also sets up for both the Army and the Navy boards of review of five members each, to review cases of irregular or questionable discharge—except by general court martial. The review can be initiated on their own motion, on the request of the enlisted man or officer, or, if he is deceased, of the surviving spouse, next of kin, or legal representative. The boards have power to change any such discharge or dismissal and issue a new discharge in accord with the facts presented. The findings are

subject only to review by the Secretary of War or of the Navy.

Under similar conditions and limitations, boards of review, consisting of five commissioned officers, two of whom are from the Medical Corps of the Army, Navy, or Public Health Service, as the case may be, are to be set up to review cases of officers who, by decision of a retiring board, have been retired or released to inactive service, without pay, for physical disability. The findings of the board of review, affirming or reversing the decision, shall be sent to the Secretary of War, Secretary of the Navy, or Secretary of the Treasury, as the case may be, to be presented by him to the President for approval or disapproval, and further orders.

## Education

Title II amends part VII of Veterans' Regulation 1 (a)—vocational training and rehabilitation provisions—and adds a new part VIII. The education provisions of part VIII are quite different from the vocational training and rehabilitation facilities furnished under part VII to veterans whose employability is impaired through a service-connected disability. The new provisions are not limited to disabled veterans but are based on the assumption that the war has prevented, interrupted, or otherwise interfered with the education of thousands of servicemen and servicewomen, and that continuation of regular educational courses will pay incalculable dividends to the Nation as well as to individuals.

Any veteran whose education is considered to have been so interrupted or interfered with is entitled to a year of educational training at any approved public or private school or educational institution of his own choice which will admit him, in any subject or subjects for which he is fitted. If he was not more than 25 years of age when he entered the service, his education is automatically deemed to have been so interrupted or prevented.

Refresher or retraining courses are also to be available to any eligible veteran who wishes to enroll in one. For these courses, proof that the period of service interfered with the veteran's education is not required.

The only other eligibility requirement is service of 90 days or more, exclusive of any period in which he took courses under Army specialized training or Navy college training programs which were a continuation of his civilian course and were completed, and exclusive of periods as a cadet or midshipman at one of the service academies. The 90 days' requirement is waived if the veteran was discharged earlier for disability incurred in line of duty. The courses must be initiated not later than 2 years after the date of discharge or the end of the war, whichever is later, and none can be continued beyond 7 years after the war's end.

All tuition and other fees, including cost of books, supplies, or equipment, up to \$500 for an ordinary school year, are paid by the Administrator of

Veterans Affairs to the institution in which the veteran is enrolled. In addition, during his course, he will receive a subsistence allowance of \$50 a month (\$75 if he has one or more dependents).

Instead of a continuous full-time course, the veteran may elect an equivalent period of continuous part-time study or apprentice training on the job. In that case, the subsistence allowance may be reduced or omitted.

Any veteran eligible for educational benefits under this act and also for vocational rehabilitation for service-connected disabilities under the provisions of Veterans' Regulation 1 (a) may choose which training he prefers but may not receive benefits under both. His allowance, however, must not exceed the amount of additional pension payable under the vocational training provisions.

On completion of the first year, the student may continue his regular courses—but not refresher or retraining courses—for an additional period or periods not exceeding his length of service and in any event for not more than 3 additional years. Continuance is based on satisfactory progress according to the regularly prescribed standards and practices of the institutions. In computing the qualifying period of service, the same exclusions of periods of training courses are to be applied as hold for qualification in the first instance.

The educational or training institutions at which the veteran may enroll include all types of public and private elementary and secondary schools, colleges, universities, and business and technical schools; also business and other establishments providing apprentice or other training on the job. The only limitation on choice of institution is that it must be approved by the appropriate State educational agency or by the Administrator. In administering the title, the Administrator, "insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them." And no supervision or control of the educational institution shall be exercised by a Federal agency or department other than that already authorized by existing law.

In reporting out the original legis-

lation (S. 1767), both Senate and House Committees stressed the fact that there was no intention to set up the Veterans Administration as an educational agency or to establish any new educational organization; the sole purpose is to furnish a simple, direct benefit to veterans, administered as such and without any additional machinery or control whatsoever of any educational systems or institutions.

Title II also authorizes the Administrator to arrange for educational and vocational guidance to persons eligible for education and training under the title. Whenever he deems it necessary, he shall make available information about the need for general education and for trained personnel in the various crafts, trades, and professions. So far as possible, he should use the facilities of other Federal agencies collecting such information.

## *Loans for the Purchase or Construction of Homes, Farms, and Business Property*

Title III does not authorize direct Government loans but provides rather that the Government, through the Administrator of Veterans Affairs, will guarantee up to 50 percent (but not more than \$2,000 in all) of any approved loan or loans obtained by the veteran for purchasing or constructing a home, purchasing a farm or farm equipment, or acquiring business property. These loans may be made by any person, or by private or public (Federal or State) lending agencies and institutions. Interest on the loan may not exceed 4 percent, and the loan must be repaid in full within 20 years. The Federal Government pays the first year's interest on the amount guaranteed. The same service requirements hold as under title II, and application must be made within 2 years after separation from the armed forces or the end of the war, whichever is later, but in any event within 5 years after the end of the war.

The Administrator shall designate such agency or agencies, if any, as he finds equipped to determine whether the guarantee of the loan should be approved under the title. No security for the guaranty is required, but the Government must have the right

of subrogation to the extent of the guaranty paid; in case of default, the Government must have the right to bid on foreclosure proceedings or to refinance; and liability under the guaranty must decrease or increase with the decrease or increase of the amount of unpaid obligation.

If the principal loan is made, guaranteed, or insured, by a Federal lending agency and the veteran needs a second loan to cover all or part of the balance of the purchase price or cost, the Administrator may guarantee the second loan, provided it does not exceed 20 percent of the cost or purchase price or the \$2,000 limitation. Interest on the second loan may not exceed the rate on the principal loan by more than 1 percent. The act also stipulates that this second loan shall not make a first mortgage loan on the same property ineligible for insurance under the National Housing Act.

In guaranteeing loans for purchase or construction of homes, the Administrator must determine that the proceeds are to be used only for the purpose specified; that the terms of payment in any mortgage to be given bear a proper relation to the veteran's present and anticipated income and expenses; that the property is suitable for dwelling purposes; and that the purchase price or cost does not exceed the reasonable normal value thereof as determined by proper appraisal. Loans may also be guaranteed for repairing, altering, or improving property, or for paying delinquent taxes or other indebtedness on property already owned by the veteran and used as his home.

Loans for the purchase or repair of farms and farm equipment and business property (real or personal) will be guaranteed if the Administrator finds that the proceeds of the loan will be used by the veteran in the bona fide pursuit of his occupation; that the property will be useful in and reasonably necessary for the efficient and successful pursuit of the occupation; that the ability and experience of the veteran, and the nature of the proposed farming or business operations, are such as to make reasonably likely his success in the occupation; and that the price paid does not exceed the reasonable normal value of the property.

Title III also provides that any per-

son qualifying under this title may be eligible under the Bankhead-Jones Farm Tenant Act, as amended, as if he were a farm tenant.

### *Employment of Veterans*

The purpose of title IV is declared to be to assure "an effective job counseling and employment placement service for veterans" to provide them "the maximum of job opportunity in the field of gainful employment." The service will not be limited to World War II veterans but, like the Veterans' Employment Service of the USES, established in 1933 by the Wagner-Peyser Act, will be available to all veterans with active service in any wars in which the United States has been engaged.

A Veterans' Placement Service Board is created to cooperate with and assist the U. S. Employment Service. The Board will consist of the Administrator of Veterans Affairs, as chairman, the Selective Service Director, and the Federal Security Administrator, or whoever is responsible for the administration of the Employment Service, and will be responsible for determining all matters of policy relating to the administration of the Veterans' Employment Service of the USES. The chairman has direct responsibility for carrying out these policies through veterans' employment representatives in the States or through employees of the Selective Service System responsible for the enforcement of the reemployment rights of veterans. The chairman may delegate his responsibilities in this field to an executive secretary who "shall thereupon be the Chief of the Veterans' Employment Service of the U. S. Employment Service."

A veterans' employment representative is to be assigned to each of the States by the USES. The representative "shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least 2 years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended."

Each such veterans' employment

representative shall be attached to the staff of the State public employment service. He is made responsible administratively to the Veterans' Placement Service Board through its executive secretary for executing the Board's placement policies through the public employment service in the State. In cooperation with the employment service staff of the State, he is "functionally responsible for the supervision of the registration of veterans . . . and for placement of veterans in employment," and generally in promoting the employment of veterans. When deemed necessary by the Board, the administrative head of the employment service in the State is required to assign one or more employees of the staffs of local employment offices—preferably veterans—to devote their time to veterans' placement functions. The Federal agency administering the USES shall maintain that service as an operating entity and, during the period of its administration, carry out the provisions of this title.

The Veterans' Placement Service Board through its executive secretary is authorized to estimate the funds necessary for the proper and efficient administration of title IV. Such sums are to be included as a special item in the annual budget of the USES and are to be available only for the purposes for which they were appropriated, except with the approval of the Veterans' Placement Service Board. The War Manpower Commission is directed to allocate and make available from its current appropriation sufficient funds to carry out the provisions of the title for the current fiscal year.

### *Readjustment Allowances During Unemployment*

The unemployment allowance program established by title V becomes effective on September 4, 1944, and ends 5 years after the end of the war.

*Eligibility for allowances.*—To be eligible for allowances a veteran must have been in active service in World War II for at least 90 days unless discharged or released from active service because of an injury incurred in service in line of duty, and must have been discharged under conditions other than dishonorable. In

addition, with respect to each week for which the veteran claims allowances, the Administrator must find that he resides in the United States at the time of the claim for benefits; is completely unemployed, having performed no services and received no wages, or partially unemployed, having worked for less than a full workweek and earned wages of less than the allowance plus \$3; has registered with and continues to report to a public employment office; and is able to work and available for work unless prevented by an illness or disability occurring after the commencement of a period of continuous unemployment.

Eligibility conditions and other provisions for veterans who are self-employed are outlined later.

*Amount and duration of allowances.*—A uniform allowance of \$20 is provided for a week of total unemployment. For partial unemployment the allowance is \$20 minus that part of wages, if any, which is in excess of \$3 in a week. If the allowance is not a multiple of \$1, it is to be rounded to the next higher dollar amount. Allowances shall be paid at intervals prescribed by the unemployment compensation law of the State in which the claim is made.

Duration of allowances depends on the length of the claimant's military service. Eligible veterans are entitled to 4 weeks of allowances for each month, or major fraction thereof, of service, up to a maximum of 52 weeks. For the qualifying 90 days of active service, however, the ratio is 8 weeks for each month. Thus, claimants with the minimum period of service will be entitled to 24 weeks of allowances. All claimants whose service exceeds 9½ months will be entitled to the 52-week maximum.<sup>9</sup>

Duration of allowances is expressed in terms of the "weeks of unemployment" for which the individual may draw an allowance and "weeks of allowances" to which an eligible individual is entitled. There is nothing

in the act to indicate that a week for which a claimant receives an allowance for partial unemployment is not to be counted as a "week of unemployment" for the purpose of determining the duration to which he is entitled. Unless the act is interpreted otherwise, it appears that one claimant might exhaust his maximum rights by drawing the minimum of \$1 for each of 52 weeks of partial unemployment, or a total of \$52. At the other extreme, another claimant might draw the full \$20 weekly allowance for 52 weeks, or a total \$1,040.

An eligible veteran may draw the weeks of allowance to which he is entitled during any week of unemployment which begins after the effective date of the title and occurs not later than 2 years after his discharge or release or the end of the war, whichever is later.

Under this provision, the minimum period during which allowances may be drawn is 2 years, except for veterans discharged or released more than 3 years after the war's end. Veterans discharged or released before September 4, 1944, may draw allowances for unemployment occurring during the period beginning on that date and ending 2 years after the end of the war. Veterans discharged or released on or after the effective date but before the war's end may draw allowances during the period beginning with date of discharge and extending until 2 years after the end of the war. Veterans discharged or released on or after termination of the war will have a period of exactly 2 years unless they are discharged more than 3 years after the war's end. In the latter case, the period during which allowances may be drawn will be governed by the over-all limitation of allowances to the 5 years after the termination of hostilities.

No allowance is payable for any period for which a veteran receives an increased pension under part VII of Veterans' Regulation I (a)—vocational rehabilitation—or a subsistence allowance under part VIII—the educational provisions already discussed under title II.

Any allowance or benefit received under any Federal or State unemployment or disability compensation law, other than pension, compensation, or retired pay paid by the Veterans Ad-

ministration, is to be deducted from the allowance payable under this title, and the resulting allowance, if not a multiple of \$1, is to be rounded to the next higher dollar amount.

*Disqualifications from benefits.*—An individual shall be disqualified for voluntary separation from suitable work, without good cause; discharge or suspension for misconduct in the course of his employment; failure without good cause to apply for suitable work to which he is referred by a public employment office or to accept suitable work when offered to him; failure without good cause to attend an available free training course as required by regulations; or unemployment due to a stoppage of work resulting from a labor dispute.

The disqualification period for all causes except the last is the week of the disqualifying act and not more than the 4 immediately following weeks. In case of successive disqualifications, however, the Administrator may extend the period, but not to exceed an additional 8 weeks for any one disqualification.

The suitability of work and the existence of good cause for refusal or voluntary leaving are to be determined in accordance with the conditions and standards prescribed by the State law in the State in which the claim is filed. If there is no applicable State law, the Administrator is to prescribe the conditions and standards. In addition, the act specifies that no work shall be deemed suitable if the position offered is vacant as a result of a labor dispute; or the wages, hours, or other conditions of the work offered are substantially less favorable to the claimant than those prevailing for similar work in the locality.

*Special provisions for self-employed veterans.*—Any veteran who qualifies under the service provisions of this title, who resides in the United States, and who is engaged in self-employment shall be eligible for allowances if, upon application, he shows that he has been fully engaged in self-employment and that his net earnings for the previous calendar month were less than \$100. None of the other eligibility or disqualification provisions are applicable to self-employed veterans.

<sup>9</sup>There is no provision in the act which specifies the minimum duration of allowances to veterans who are discharged or released from active service because of an injury or disability incurred in line of duty before they have completed 90 days of service.

The monthly allowance is the difference, rounded to the next higher multiple of \$1, between the veteran's net earnings in a month and \$100. The total payable to an individual, and the periods within which such allowances may be paid, are governed by the general provisions of this title. Payments are made directly by the Administrator of Veterans Affairs.

**Administration.**—The title is to be administered by the Veterans Administrator, who is to utilize existing Federal and State departments or agencies, so far as possible, on the basis of mutual agreements. The agreements must provide for the filing of claims with the Administrator through established public employment offices and State unemployment compensation agencies. These agencies shall also be utilized through agreements on the processing, adjustment, and determination of claims and the payment of allowances. A representative of the Administrator, who, like the veterans' employment representative, must be a veteran separated from active service under honorable conditions and a bona fide resident of the State for at least 2 years, shall be located in each of the participating States to expedite agreements with State agencies and to assist in the discharge of the Administrator's duties.

The Administrator may delegate to his own employees or those of any cooperating State department or agency such of his powers and duties under this title as he considers necessary and proper, except that of prescribing rules and regulations.

The Administrator is to issue necessary rules and regulations and to require necessary records and reports. Cooperative rules and regulations, relating to the performance by Federal or State agencies of functions under agreements, may be made by the Administrator after consultation with representatives of such agencies.

In the case of eligible veterans who are "qualified employees" under the Railroad Unemployment Insurance Act, claims may be made through offices operated by or designated as free employment offices by the Railroad Retirement Board. In such cases, the conditions and standards as to suitability of work or the exist-

ence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures under that act shall govern, if not inconsistent with this title, subject to final appeal to the Administrator.

**Fair hearings.**—Claimants whose claims have been denied are entitled to a fair hearing before an impartial tribunal of the State agency or other agency designated by the Administrator. The representative of the Administrator in each State is the final appellate authority, subject to review by the Administrator.

**Financial arrangements.**—The allowances payable under the title are to be financed from Federal funds. The allowances paid by the cooperating State agencies are to be repaid monthly upon certification by the Administrator, without the necessity of audit and settlement by the General Accounting Office.

The appropriations for the Veterans Administration are made available for the administrative expenses of the act and appropriation of additional necessary amounts is authorized. The Administrator is to certify for payment, in advance or otherwise, such sums as he estimates to be necessary to compensate any Federal department or agency for administrative expenses under this title. Such sums shall cover periods of no longer than 6 months. He is also to certify to the Social Security Board the State departments or agencies cooperating in the administration of the title and the amount of administrative expense incurred or to be incurred under agreements with these agencies.

Upon such certification, the Social Security Board shall certify such amount to the Secretary of the Treasury in addition to the amounts payable under section 302 (a) of the Social Security Act. The additional amount so certified is to be paid to each State out of the appropriation for the Veterans Administration. Any money paid to any cooperating agency which is not used for the purpose for which it was paid shall, upon termination of the period covered by the payment or of the cooperative agreement, be returned to the Treasury.

**Penalties.**—A claimant who knowingly accepts an allowance to which he is not entitled is ineligible to receive any further allowances. In addition, fines or imprisonment or both may be imposed for fraud or willful misrepresentation in connection with a claim.

### General Administration

Title VI deals with general administrative and penal provisions. Appropriations for the Veterans Administration are made available for the necessary expenditures in administering the act, except title IV, and additional amounts are authorized. The Veterans Administrator has "authority to accept uncompensated services, and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable." As explained in the Senate report, "No one has any idea of putting the Administrator in the business of education or agriculture or housing"; what is contemplated is "one central agency for the protection and benefit of the returning veterans."

The final section of title VI stipulates that "In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit."

### Legislative History of Employment and Readjustment Allowances Titles

As mentioned earlier, the divergent Senate and House bills were submitted to a Committee of Conference. The report of this Committee was adopted in both houses without change. The conference version, therefore, represents the law as enacted. Comparison of some of the



major points of difference in the three versions of titles IV and V of the act—the Senate and House bills and the conference report—is of interest in indicating alternatives which Congress considered and rejected or accepted<sup>4</sup> in the provisions for employment service and readjustment allowances for veterans—the two provisions most closely connected with the social security program.

#### *Employment of Veterans*

The three versions of title IV all state one main objective: the provision of an efficient employment service for veterans. They are also in accord in giving the Administrator of Veterans Affairs responsibility for developing and enforcing policies to assure such a service but differ in the means of attaining the objective. The differences center around the question of veterans' preference and the organization of the Veterans' Employment Service.

*Veterans' preference.*—The primary objective of title IV, as stated in each of the three versions, is to assure "an effective job counseling and employment placement service for veterans." The House bill added "so that preference in placement shall be afforded qualified veterans." The phrase used in the Senate bill and the conference report is "so as to provide for them the maximum job opportunity in the field of gainful employment." The House bill reinforced its general statement on the use of veterans' preference by making it a specific duty of the veterans' employment representative in the employment service in each State to "see that any laws pertaining to veterans' preferences are enforced, and where possible, persuade employers to give the preference to any veteran who has qualifications equal to those of a non-veteran applicant for employment." The Senate bill did not refer to preference in its statement of objectives and of the duties of veterans' employ-

ment representatives but provided for the use of sanctions against the employment service in any State which failed "to give preference to qualified registered veterans on job assignments." The law as enacted makes no reference to veterans' preference as a means of providing job opportunities to veterans.<sup>5</sup>

*Organization of the Veterans' Employment Service.*—The House bill provided for the transfer to the Veterans Administration of the "duties, powers and functions" and the "records, property, and personnel" of the Veterans' Employment Service of the U. S. Employment Service and of that part of the Selective Service System which is concerned with the enforcement of the right of the veteran to his pre-service job. Thus, at the Federal level, the USES was split under the administration of two separate Federal agencies.

The act, on the other hand, which follows the Senate bill, maintains the Employment Service intact as an operating entity. A Veterans' Placement Service Board is created (within the USES in the Senate bill but not in the act) with the Administrator of Veterans Affairs as chairman and the Director of the Selective Service System and the Administrator of the Federal Security Agency (or whoever may be responsible for the administration of the USES) as members. This Board is responsible for determining policy relating to the administration of the Veterans' Employment Service. Under the Senate bill, the members of the Board could be represented by alternates. The act, however, does not provide specifically for delegation of their responsibilities.

The act, following the Senate draft, gives the Chairman of the Veterans' Placement Service Board direct responsibility for carrying out the policies of the Board through veterans' employment representatives in the several States. The Senate bill provided for the exercise of this responsibility through an executive secretary, who was to serve as the Chief of the Veterans' Employment Service of the USES. Under the act

as passed, the chairman "may" delegate his authority to an executive secretary "who shall be appointed by him and who shall thereupon be the Chief of the Veteran's Employment Service."

Under both bills, and in the final legislation, a veterans' employment representative has administrative responsibility in each State for the execution of veterans' placement policies through the State employment service. The House bill authorized the Administrator of Veterans Affairs to appoint and assign these representatives, who would be administratively responsible to him. The Senate bill and the act, on the other hand, provide that the USES shall assign the representatives, who are responsible to the Veterans' Placement Service Board. All three versions make the representatives "functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment" and, generally, for the promotion of the employment of veterans.

All three versions provide that the administrative heads of the State employment services shall assign one or more employees of the local employment service staffs to assist in veterans' placement. The House bill merely authorized such appointments and provided that the services of such employees should be devoted primarily to discharging locally the veterans' employment duties prescribed by the State employment service office. The act, however, adopting the Senate proposal, requires such assignments to be made by the State employment service "where deemed necessary by the Board." Moreover, the employees so assigned are to devote their services primarily "to discharging the duties prescribed for the veterans' employment representative."

The Senate bill included provision for imposing a sanction against any State employment service which failed to give preference to qualified veterans in job assignments or to cooperate in the execution of the policies of the Veterans' Placement Service Board. The sanction took the form of withholding funds under the Wagner-Peyser Act. Neither the House bill nor the act provides for the use of any sanction against a noncooperative

<sup>4</sup>See statement by Senator Wagner (*Congressional Record*, May 23, 1944, pp. 4928-4932) analyzing various provisions in titles IV and V of the Senate and House bills. See also the *Congressional Record* for June 12, 1944 (pp. 5832-5839) and June 13, 1944 (pp. 5930-5937) for statements on the conference report in the Senate and House, respectively.

<sup>5</sup>For provisions concerning reemployment rights of servicemen and women and veterans' preference in employment for which Federal funds are disbursed, see table I.

State service. They rely ultimately on the veterans' employment representatives in the States to assure the enforcement of the policies of the Veterans Administration (House version) or the Veterans' Placement Service Board (the act).

Both bills and the act require that the veterans' employment representatives shall be qualified veterans and shall be appointed under civil-service laws. The House bill added that they must have resided at least 6 months in the State to which they are appointed. The act increases this requirement to 2 years. The Senate bill had no residence requirement. The act incorporates the House definition of "veteran" to include veterans of any war of the United States. In the House bill, the veteran must have been discharged or released "under honorable conditions"; in the act, "under conditions other than dishonorable." The House bill looked definitely to the return of the employment offices and services to the States and provided that, pending that return, the USES should maintain the service as an operating entity. The Senate bill and the act make no reference to the return of the service to the States. All three versions require Federal agencies to cooperate with those responsible for the administration of the title and to furnish any necessary records, statistics, or information.

### *Unemployment Allowances*

The three versions of title V all establish a program for the payment of readjustment allowances to unemployed veterans similar to the State unemployment compensation programs. They all assign Federal administrative authority to the Administrator of Veterans Affairs. They differ, however, on important substantive points and in several administrative and financial details. The substantive differences are concerned with coverage requirements, the benefit formula, and the relation between the allowances payable and benefits under other Federal acts. The variations in the administrative provisions center chiefly around the power of the Administrator to delegate authority and to review determinations of the benefit rights of claimants, and in the provision for

certifying administrative expenses of the State agencies.

*Coverage.*—The Senate bill required that a veteran, to be covered by the act, must (1) have served in the armed forces after September 16, 1940 (the date of the passage of the Selective Training and Service Act) and prior to the termination of the present war; (2) have been discharged or released after the effective date of the act or within the 52-week period preceding that date; and (3) have been discharged or released under conditions "other than dishonorable." It excluded veterans discharged or released on their own initiative to accept employment unless they had served outside the continental United States or in Alaska.

The House bill adopted the Senate provision as to the time of service, but broadened the coverage by eliminating the requirement that the discharge must have occurred not earlier than 52 weeks preceding the effective date. At the same time, it narrowed the coverage by stipulating a minimum of 90 days' service except for veterans discharged or released by reason of injury or disability incurred in service in line of duty, and by requiring that the discharge or release of the veteran must have been under honorable conditions. The act follows the House bill except for the conditions of a discharge, for which it uses the Senate proposal, "under conditions other than dishonorable."

*Benefit formula.*—The Senate bill proposed weekly allowances varying from \$15 for a veteran without dependents to \$25 for one with three or more dependents. Allowances for dependents were eliminated in the House bill, and a flat allowance of \$20 for a week of total unemployment was substituted. The law follows the House bill.

The House bill set maximum duration for payment of allowances at 26 weeks; the Senate bill provided 52 weeks, and that provision was incorporated in the act. In relating the period for which allowances were to be payable to length of service of the veteran, the House and Senate proposals differed, and the act, as passed, represents a compromise between the two. The Senate proposed 8 weeks of

allowances for each month of service or fraction thereof. Under this provision, the minimum duration would have been 8 weeks, and any veteran with service of more than 6 months would have qualified for the 52-week maximum. The House bill was much less generous. It set 3 weeks of allowances for each month or major fraction of a month of service, or a minimum duration of 9 weeks for 90 days of service in comparison with 8 weeks for a fraction of a month under the Senate bill. Moreover, the House formula made it necessary to have more than 8½ months' service to qualify for the maximum of 26 weeks.

The act provides 8 weeks of allowances for each of the 3 qualifying months of service and 4 weeks of allowances for each month—or major fraction—of service thereafter. Thus, the minimum duration is 24 weeks for 90 days of service and the maximum is 52 weeks for all veterans with more than 9½ months. The act makes no reference to minimum duration of allowances for veterans discharged or released as a result of a service-incurred injury or disability, who are exempted from the requirement of a minimum of 90 days' service.

Allowances were to be payable to any individual during a 24-month period, under both the Senate and House bills. Under the act, however, the period will vary, depending on the date of the release or discharge of the individual veteran in relation to the effective date of the act and the date the war ends. In general, eligible veterans are entitled to allowances for any week of unemployment beginning after the effective date of the act and occurring not later than 2 years after their discharge or release or the end of the war, whichever is later. No allowances are payable after 5 years from the war's end.

*Disqualifications.*—Both bills and the act include disqualifications for voluntary separations from suitable work without good cause, for discharges or suspensions for misconduct in the course of the employment, for failure without good cause to apply for or accept suitable work or to attend a free training course, and for unemployment due to a stoppage of work resulting from a labor dispute.

The House bill, however, included much more drastic penalties than either the Senate bill or the law.

For voluntary separations and discharges, the House would have postponed payment of allowances for the week of the disqualifying act and the 3 following weeks. In addition, the total number of weeks of allowances to which the veteran would otherwise have been entitled would have been reduced by the same number of weeks. For refusals of suitable work, claimants were to be disqualified until they had substantially full employment for 2 weeks or, in subsequent disqualifications, for as much as 4 weeks. The same disqualification could be imposed in the discretion of the Administrator in cases of successive disqualifications for voluntary separations and discharges for misconduct.

The act, however, like the Senate bill, limits the disqualification for all these causes to the week of the disqualifying act and not more than the 4 weeks immediately following. In case of successive disqualifications, the Administrator may extend the disqualification for an additional period not exceeding 8 weeks for any one disqualification.

The Senate bill provided standards by which the suitability of work and the existence of good cause would be determined. Thus, the suitability of work and the existence of good cause would have been determined according to a uniform national standard. The House bill and the act, on the other hand, use the conditions and standards prescribed by the unemployment compensation act of the State in which the claim is filed. This provision substitutes uniformity in these determinations for veterans and civilian claimants within each State for uniformity of treatment of veterans throughout the country.

All State unemployment compensation laws protect claimants against disqualification for a refusal of offered work under three conditions. Work is not deemed to be suitable under these provisions, if (1) the position offered is vacant as a result of a labor dispute, (2) the hours, wages, or conditions of the work are substantially less favorable to the claimant than

those prevailing for similar work in the locality, or (3) as a condition of being employed the worker would be required to join a company union or to resign from or refrain from joining any bona fide labor organization. The Senate bill included the first two of these standards but omitted the third, while the House bill reinstated the third condition in modified form. The Senate draft was followed in the act as passed, with the third standard omitted.

*Provisions for the self-employed.*—Veterans "self-employed for profit in an independent establishment, trade, business, profession, or other vocation" who meet the coverage requirements are entitled, under the House bill and the act, to allowances under specified conditions. The Senate bill did not include allowances for this group.

*Relation to mustering-out pay and adjusted compensation.*—Under the Senate bill, the period during which readjustment allowances were payable to any veteran would not begin until 4 weeks after the final payment of mustering-out pay. The act adopted the House provision, on the other hand, and made the allowances payable to eligible veterans immediately after their discharge or release; thus they can be drawn by the veteran while he is receiving mustering-out pay. The House also introduced a provision, which was not included in the Senate bill but was adopted in the conference agreement, under which any allowances received under the act will be deducted from any adjusted compensation which Congress may hereafter authorize.

*Administrative provisions.*—All the versions of this title provide for administration by the Veterans Administrator and for the use of the State unemployment compensation agencies in the local administration of the title. The Senate bill, however, gave the Administrator authority to delegate any of his powers and duties, except the power to prescribe rules and regulations, to any officer or employee of his own or of any other

department or agency of the Federal Government or the States. The House bill and the act eliminate the specific authority to delegate powers or duties to other Federal departments or agencies.

The Senate bill provided for the payment of allowances on the certification of the Administrator. The amounts certified were to be paid by the Secretary of the Treasury to the departments, agencies, or individuals designated. In contrast, allowances under the House bill were to be paid by the cooperating State agencies and repaid by the Secretary of the Treasury upon certification by the Administrator. This latter procedure is embodied in the act.

The provision in the law for payment of administrative expenses incurred by cooperating State agencies differs from that in both the Senate and the House bills. These had required the Administrator to certify the cooperating agencies to the Social Security Board. The Board, in turn, would certify to the Secretary of the Treasury such amounts, in addition to those certified under section 302 (a) of the Social Security Act, as it determined to be necessary for administrative expenses under the title. The law as passed, however, requires the Administrator to certify both the agencies participating and the amount of administrative expenses incurred or to be incurred by the State. The Board in turn certifies these amounts to the Secretary of the Treasury for payment to the State out of the appropriations to the Veterans Administration.

All three versions entitled any claimant whose claim is denied to a fair hearing before an impartial tribunal of the State agency. The representative of the Administrator is the final appellate authority in each State. On the question of the authority of the Administrator in this field, however, the Senate and House bills differed. The Senate bill provided that all such decisions of the representative were subject to appeal to the Administrator. The House bill made the decision subject to review by the Administrator, and that is the provision in the law as enacted.