four large wooden boxes delivered to the United States High Commissioner to the Philippines by the Philippine National Bank in response to the Commissioner’s direction, in December 1941, that the bank deliver to him “all cash reserves, bullion, negotiable securities, and other negotiable papers held by your bank, or held by you in trust for others.” The purpose of the directive was to prevent such items from falling into the hands of the enemy at that moment, which was invading the islands. When the property of these claimants was discovered, it was turned over to a representative of the Philippine Government, who rejected suggestions of United States Army officers that it be sent out on an American submarine. Instead, he voluntarily placed the property in a safe at Corregidor where it was confiscated by the Japanese. From these facts it is apparent that the possibility of a valid claim against the United States is very meager.

More importantly, these claimants had ample opportunity to present their claims in a timely manner. Under the applicable statute of limitations, they had until the end of 1947—2 years after the end of the war—to file suit in the Court of Claims. They waited, however, for 4 years, until 1951, before petitioning the Court of Claims.

Noting in the record justifies special treatment for these claimants, particularly when it is remembered that many others filed suit against the United States in the Court of Claims for damages arising out of incidents in the Philippines during the war years and had their cases dismissed because of the expiration of the statute of limitations.

Dwight D. Eisenhower.


On July 7, 1960:

SAM J. BUZZANCA

H.R. 6712. I am withholding my approval from H.R. 6712, a bill “For the relief of Sam J. Buzzanca.”

Mr. Buzzanca, at a Federal tax sale in 1934, purchased certain real estate which had an estimated market value of $21,000, but which was subject to a mortgage prior in time to the Federal tax lien. It was announced at the tax sale that principal and interest in the amount of $8,200 was due under this prior mortgage. The real estate was sold to Mr. Buzzanca for $8,100—far less than the amount of the Federal tax lien which exceeded the market value of the property.

Two months later the holder of the first mortgage, who also had acquired whatever rights the heirs of the delinquent taxpayer and former owner had in the property, successfully sued Mr. Buzzanca to obtain possession of the property. Although the United States was not a party to this action, the District Court for the area denied Mr. Buzzanca’s claim for relief.

Mr. Buzzanca’s claim for relief appears to rest on the contention that the first mortgagee obtained an invalid judgment for possession of the property because the tax sale to Mr. Buzzanca was defective and did not convey to Mr. Buzzanca the former owner’s interest.

Internal Revenue Service records reveal no defect in the seizure and sale. This being so, Mr. Buzzanca has no ground for complaint against the United States. Because the existence of the first mortgage was made known at the time, the tax sale did not purport to convey rights superior to a valid first mortgage.

The United States cannot and does not attempt to warrant or defend title to property seized and sold under the internal revenue laws. No warranty is available to a purchaser at a tax sale and a deed is not a warranty of the title conveyed. The right, title, and interest conveyed is derivative, and the purchaser acquires only the interest of the delinquent taxpayer. To compel the United States to warrant and defend the title to all property sold by it for taxes would be costly and impracticable.

For these reasons I cannot, on the facts at hand, approve this bill for it would create a precedent that would encourage dissatisfied purchasers at Federal tax sales to sue to recover their losses and guarantee their titles.

Were Mr. Buzzanca, however, to adduce direct evidence establishing incontrovertibly that the tax deed in question was defective, I would be willing to sign a similar bill subsequently enacted.

Dwight D. Eisenhower.


On July 14, 1960:

MARGARET P. COPIN

H.R. 4546. I am withholding my approval from H.R. 4546, for the relief of Margaret P. Copin.

This bill directs that its beneficiary be credited with a 20-year service period for purposes of civil service retirement annuity, payable commencing October 1, 1936.

This claimant, during three periods beginning in August 1920 and ending in June 1949, was on the employment rolls of the Treasury Department for a total time of 20 years and 29 days. This included, however, 7 months and 21 days of leave without pay in calendar year 1922. Her actual service therefore, totals only 19 years, 5 months and 8 days.

Now, in computing Mrs. Copin’s length of service for retirement annuity purposes, the normal rules of the law were applied; namely, free credit of 6 months of leave without pay taken in 1922 and exclusion of the excess amount.

Despite the credit of 6 months, the claimant still lacks 22 days of the 20 years of creditable service which would have given her the right to an immediate annuity. On October 1, 1958, when disability annuity payments theretofore received were terminated pursuant to a finding that she was reemployable, it was determined that, in the event of a deferred annuitant, and retirement annuity will not be payable until March 1, 1964, after she has attained 62 years of age. The difference in the total value of the two annuities, based on life expectancy, is $4,200, which would be, in effect, a gratuity from the Federal Government.

The record on H.R. 4546 discloses no valid justification for the favored position the bill would accord this claimant. To confer such a preferential advantage on one individual participant in the retirement program would be highly discriminatory and contrary to the principles of fair play and equality of treatment on which are basic to sound personnel administration.

Dwight D. Eisenhower.


On July 14, 1960:

BERNALILLO COUNTY, N. MEX.

H.R. 11545. I am withholding my approval from H.R. 11545, to amend the act of October 31, 1949, with respect to Bernalillo County, N. Mex., for furnishing hospital care for certain Indians.

A 1949 law authorized the Government to contribute $1,500,000 toward construction of a hospital in Bernalillo County upon Government donated land. In return, the county must make available, when required, at least 100 beds for the care of eligible Indians. Further, the county must accept any Federal funds which are paid to the hospital to be paid by the United States, and, as an experiment, the Government undertook to guarantee the county a payment equal to the cost of operating 80 percent of the beds reserved for Indians irrespective of the number actually hospitalized.

The minimum guaranty provision, previously twice extended and now expired as of June 30, 1960, would be extended for still another year under H.R. 11545.

Ordinarily in such cases the United States pays for Indian care on the basis of actual hospitalization. The Department of Health, Education, and Welfare, in reporting to the Congress in 1957 pursuant to the original law, recommended that the experimental 80 percent minimum guaranty be permitted to expire. The Congress nevertheless extended the guaranty provision for another 3 years.

Funds for contract hospital care should be available for expenditures wherever the health needs of Indian patients so require, and no portion of them should be mandatorily tied to a single contract facility without regard to actual need or capacity. Moreover, because other Government service contracts for Indian care do not include a minimum payment guaranty, it would be highly inequitable to continue this provision only for the Bernalillo County Hospital.

Finally, the completion of other facilities now under construction will in all likelihood reduce the number of Indian patients at Bernalillo Hospital and the bill would thus mean unnecessary expense to the Government and without any corresponding advantage, either to the Government or to this program.

For these reasons, I am unable to approve this bill.

Dwight D. Eisenhower.