son in 1947 at Schofield Barracks, Ha-

As a member of the Armed Forces, the beneficiary's son had been convicted of housebreaking by a court-martial, sentenced to 5 years' confinement, and given a suspended dishonorable disharge. While confined in a post stockade he was shot and killed during an abortive jailbreak. It was subsequently determined that the decedent was not involved in the attempted escape in any way, and his death was declared to have occurred in line of duty. On the basis of this determination the beneficiary was paid the usual 6 months' death gratuity.

Earlier in his military career the beneficiary's son had taken out a \$10,000 national service life insurance policy, designating his mother as beneficiary, and paying the premiums on his policy by allotments from his pay. However, since he had forfeited all pay and allowances while in confinement his allotment became ineffective, causing the policy to lapse for lack of premium payment. When the beneficiary made application after her son's death for regular monthly payments under the policy, the Veterans' Administration made such payments to her over a period of several years in an aggregate amount of \$4,324.50 before discovering that the policy had not actually been in effect at the time of the son's death. Under discretionary authority which it possesses, the Veterans' Administration waived recovery of the amount thus erroneously paid to the beneficiary on the grounds that she had received it in good faith and to require repayment would work an undue hardship on her. In this connection, it may be noted that the award proposed by the present measure is based on the difference between the aggregate amount of the erroneous insurance payments and \$5,000, the sum deemed by the Congress to be a reasonable total payment in the light of the circumstances of the case.

It appears that, even if she were dependent upon her son for support, which she was not, the beneficiary is ineligible for survivorship benefits under laws administered by the Veterans' Administration, because such benefits are denied in cases in which the serviceman died while in confinement, regardless of whether or not his death was incurred in line of duty.

The only question presented by this case is whether its special facts warrant the additional relief which the bill would afford the beneficiary. It might be argued that such relief is warranted not only because the beneficiary, apart from the issue of dependency, is ineligible for benefits under laws administered by the Veterans' Administration even though her son died in line of duty but also because neither she nor her son was ever specifically notified by the Veterans' Administration that this insurance had lapsed. Even if such arguments were valid, and I do not consider that they are, I still believe that there would be no justification for the award proposed here. I believe that any equities which might have existed in favor of the beneficiary were more than satisfied when the Veterans' Administration waived re-

covery of the insurance payments erroneously made to her.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, September 1, 1954.

RALEIGH HILL, H. R. 6529

H. R. 6529. I am withholding my approval from the bill, H. R. 6529, 83d Congress, an act for the relief of Raleigh Hill.

The bill would authorize and direct the Administrator of Veterans' Affairs to pay the proceeds of national service life insurance of Walter H. Nichols, Jr., to Raleigh Hill, uncle of the insured and designated principal beneficiary of such insurance.

National service life insurance in the amount of \$10,000 matured on April 8, 1945, the date of death in service of Walter H. Nichols, Jr. The Veterans' Administration denied the claim of his uncle, Raleigh Hill, the designated principal beneficiary, on the ground that he did not stand in loco parentis to the insured and was therefore not within the permitted classes of beneficiaries, a statutory requirement applicable to national service life insurance maturing prior to August 1, 1946. The correctness of the Veterans' Administration determination under the applicable law is not disputed.

Favorable action appears to have been predicated on a belief that because the restriction concerning the permitted classes of beneficiaries has been removed as to national service life insurance maturing on and after August 1, 1946, payment should be made to an ineligible beneficiary in this case involving insurance which matured prior to August 1. 1946, and further, that the Government failed to advise the insured properly concerning classes of eligible beneficiaries. I am advised that the latter view is not supported by the record. As to the former, a similar view was urged in support of H. R. 3733. 83d Congress, which likewise proposed to pay an ineligible beneficiary the proceeds of a national service life insurance policy. In my message of February 23, 1954, returning the bill without approval, I said that it seemed to me irrelevant and unwise to accept as justification for that bill the fact that the ineligible beneficiary could at the time of the message qualify as a beneficiary under existing law which was not made retroactive. My view has not changed and applies with equal force to the present case.

Furthermore, approval of H. R. 6529 would be discriminatory and precedential. I am advised that of the approximately 3,600 claims for the proceeds of national service life insurance denied by the Veterans' Administration because the claimants were not within the classes of beneficiaries permitted by law, it is estimated that a majority were cases similar to Mr. Hill's, where the claimants had been designated as beneficiaries.

As stated on previous occasions, I am opposed to setting aside the principles and rules of administration prescribed in the general law relating to veterans' benefit programs. Uniformity and equality of treatment to all who are similarly situated must be the steadfast rule if the Federal programs for veterans and their beneficiaries are to be operated

successfully. Approval of H. R. 6529 would not be in keeping with these principles.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, September 1, 1954.

CARL PIOWATY AND W. J. PIOWATY, H. R. 1665

H. R. 1665. I have withheld my approval from H. R. 1665, for the relief of Carl Piowaty and W. J. Piowaty.

This bill authorizes and directs the Secretary of the Treasury to pay to Carl Piowaty and W. J. Piowaty the sum of \$4,450 in full settlement of their claim against the United States for war-crop advances made to them by the Regional Agricultural Credit Corporation prior to April 16, 1943.

The claims of the United States against these two persons and their claims against the United States have been adjudicated in the courts where both sides were afforded an opportunity to present all pertinent evidence on the issues involved. The case was tried before a jury in the circuit court of Orange County, Fla., on May 22 and 23, 1947, and a judgment was obtained against both Carl Piowaty and W. J. Piowaty for the full amount they owed. They appealed the verdict to the Supreme Court of Florida where the lower court's judgment was sustained on February 13. 1948. Appeal for a rehearing was thereafter denied.

In 1950, W. J. Piowaty and his wife instituted an action in the circuit court of Orange County, Fla., seeking a declaratory judgment relieving their real property from the lien of the judgment. That suit was dismissed on motion of the United States. In 1951, suit was filed by the United States against Carl Piowaty, W. J. Piowaty, and the Globe Indemnity Co. on the bonds which were posted when the appeal was taken to the Supreme Court of Florida. Carl Piowaty and W. J. Piowaty filed an answer in that suit, but on motion for summary judgment, judgment was rendered against all the defendants in favor of the United States on October 29, 1952.

In the light of this history of repeated judicial review, I cannot agree that Carl Piowaty and W. J. Piowaty should be given the special consideration and relief which the bill would provide.

DWIGHT D. EISENHOWER. THE WHITE HOUSE, September 2, 1954.

TRUST ASSOCIATION OF H. KEMPNER, H. R. 951

H. R. 951. I have withheld my approval from H. R. 951, for the relief of the Trust Association of H. Kempner.

This bill would provide an indirect means for payment of approximately \$1 million by the United States for certain peacetime commercial losses of the Kempner Trust Association. To accomplish this purpose the bill would require the Court of Claims to determine the amount that the trust association lost as a result of cotton sales made to certain private business firms in Germany during 1923 and 1924. The bill would then require that the Court of Claims determine how much of the property seized during World War I by the United States from a German firm wholly unconnected