

examination to be made of the Yazoo River, Mississippi, with a view to the control of its floods, in accordance with the provisions of an Act entitled "An Act to provide for the control of the floods of the Mississippi River and the Sacramento River, California, and for other purposes," approved March 1, 1917.

Approved, July 29, 1921.

CHAP. 55.—An Act Providing for an exchange of lands between the Swan Land and Cattle Company and the United States.

August 9, 1921.
[S. 488.]
[Public, No. 44.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That upon proper execution and delivery by the Swan Land and Cattle Company, Limited, a corporation, of a deed conveying to the United States, its successors and assigns, a good merchantable title in fee, free of incumbrance, to certain lands needed by the United States for construction, operation, and maintenance purposes, in connection with the North Platte irrigation project, Nebraska-Wyoming, to wit: The southwest quarter of the northeast quarter and the southeast quarter of the northwest quarter of section twenty-five, township twenty-five north, range sixty-three west, sixth principal meridian, Wyoming; then in exchange for such lands so conveyed a patent shall be issued by the United States to said Swan Land and Cattle Company, its successors and assigns, conveying to said company the northeast quarter of the northeast quarter of section twenty-six and the northeast quarter of the southwest quarter of section twenty-three, township twenty-five north, range sixty-three west, sixth principal meridian.

Swan Land and Cattle Company.
Acceptance of lands for irrigation project from.

Lands given in exchange.

Approved, August 9, 1921.

CHAP. 56.—An Act To quiet title to certain tracts of land in the city of Walters, State of Oklahoma.

August 9, 1921.
[S. 530.]
[Public, No. 45-46.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whatsoever right, title, or interest the United States may have, by reason of escheat or otherwise, in and to any of the public reserves shown upon the plat of the town site of Walters, State of Oklahoma, prepared under the direction of Warren H. Brown, probate judge of Comanche County, Oklahoma, and any public reserves designated in the patent of said reserves issued by the Government to said town be, and the same is hereby, released and quitclaimed unto said city or town of Walters, State of Oklahoma.

Walters, Okla.
Town site tracts quitclaimed to.

Approved, August 9, 1921.

CHAP. 57.—An Act To establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the War Risk Insurance Act.

August 9, 1921.
[H. R. 6611.]
[Public, No. 47.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I.—VETERANS' BUREAU.

SECTION 1. There is hereby established an independent bureau under the President to be known as the Veterans' Bureau, the director of which shall be appointed by the President, by and with the advice and consent of the Senate. The director of the Veterans' Bureau shall receive a salary of \$10,000 per annum, payable monthly.

Veterans' Bureau.
Post, p. 202.

Established under direction of the President.

Director.
Appointment and salary.

The word "director," as hereinafter used in this Act, shall mean the Director of the Veterans' Bureau.

Director of War Risk Insurance Bureau.
Office abolished and powers transferred.

The powers and duties pertaining to the office of the Director of the Bureau of War Risk Insurance now in the Treasury Department are hereby transferred to the director, subject to the general direction of the President, and the said office of the Director of the Bureau of War Risk Insurance is hereby abolished.

Administrative staff authorized.

There shall be included on the technical and administrative staff of the director such staff officers, experts, and assistants as the director shall prescribe; and there shall be in the Veterans' Bureau such sections and subdivisions thereof as the director shall prescribe.

Power and authority of Director.

SEC. 2. The director, subject to the general direction of the President, shall administer, execute, and enforce the provisions of this Act, and for that purpose shall have full power and authority to make rules and regulations not inconsistent with the provisions of this Act, which are necessary or appropriate to carry out its purposes and shall decide all questions arising under this Act except as otherwise provided herein.

War Risk Insurance Bureau functions, etc., transferred.

SEC. 3. The functions, powers, and duties conferred by existing law upon the Bureau of War Risk Insurance are hereby transferred to and made a part of the Veterans' Bureau.

Rehabilitation duties, etc., of Vocational Education Board transferred.
Vol. 40, p. 617.

The functions, powers, and duties conferred upon the Federal Board for Vocational Education by the Act entitled "An Act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, and amendments thereto, are hereby transferred to and made a part of the Veterans' Bureau.

Personnel, facilities, etc., of War Risk Insurance and rehabilitation transferred hereto.

SEC. 4. All personnel, facilities, property, and equipment, including leases, contracts, and other obligations and instrumentalities in the District of Columbia and elsewhere of the Bureau of War Risk Insurance, of the United States Public Health Service, as described and provided in a written order of the Treasury Department issued and signed by the Secretary of the Treasury on April 19, 1921, and designated "Order relative to the transfer of certain activities of the United States Public Health Service, relating to the Bureau of War Risk Insurance, including the trainees of the Rehabilitation Division of the Federal Board for Vocational Education," and of the Rehabilitation Division of the Federal Board for Vocational Education, as a result of the administration of the Act approved June 27, 1918, and amendments thereto, are hereby transferred to and made a part of the Veterans' Bureau under the control, management, operation, and supervision of the director, and subject to such change in designation and organization as he may deem necessary in carrying out the provisions of this Act: *Provided*, That all commissioned personnel detailed or hereafter detailed from the United States Public Health Service to the Veterans' Bureau, shall hold the same rank and grade, shall receive the same pay and allowances, and shall be subject to the same rules for relative rank and promotion as now or hereafter may be provided by law for commissioned personnel of the same rank or grade or performing the same or similar duties in the United States Public Health Service.

Vol. 40, p. 617.

Director to control, etc.

Provided.
Officers detailed from Public Health Service to hold same rank, etc.

Public Health Service records, etc., of services to war risk patients, etc., to be transferred.

SEC. 5. All records, files, documents, correspondence, and other papers relating to service rendered or to be rendered by the United States Public Health Service in the medical examination, assignment to hospitals, and treatment of persons who are now or have been patients and beneficiaries of the Bureau of War Risk Insurance or of the Rehabilitation Division of the Federal Board for Vocational Education, as a result of the administration of the Act approved

Vol. 40, p. 617.

June 27, 1918, and amendments thereto, and as described and provided in a written order of the Treasury Department issued and signed by the Secretary of the Treasury on April 19, 1921, and designated "Order relative to the transfer of certain activities of the United States Public Health Service relating to the Bureau of War Risk Insurance, including the trainees of the Rehabilitation Division of the Federal Board for Vocational Education," shall be transferred to the Veterans' Bureau.

All records, files, documents, correspondence, and other papers in the possession of the Bureau of War Risk Insurance, and those which as a result of the administration of the Act approved June 27, 1918, and amendments thereto, are in the possession of the Rehabilitation Division of the Federal Board for Vocational Education shall be transferred to the Veterans' Bureau.

War Risk Insurance Bureau and Rehabilitation Division records, etc., transferred.

SEC. 6. The director shall establish a central office in the District of Columbia, and not more than fourteen regional offices and such suboffices, not exceeding one hundred and forty in number, within the territory of the United States and its outlying possessions as may be deemed necessary by him and in the best interests of the work committed to the Veterans' Bureau and to carry out the purposes of this Act. Such regional offices may, pending final action by the director in case of an appeal, under such rules and regulations as may be prescribed by the director, exercise such powers for hearing complaints and for examining, rating, and awarding compensation claims, granting medical, surgical, dental, and hospital care, convalescent care, and necessary and reasonable after care, making insurance awards, granting vocational training, and all other matters delegated to them by the director as could be performed lawfully under this Act by the central office. The suboffices shall have such powers as may be delegated to them by the director, except to make compensation and insurance awards and to grant vocational training.

Central office and regional offices and suboffices established.

Powers, etc., of regional offices.

Suboffices.

Regional and suboffices.
Termination of.

The regional offices and suboffices, with all authority to establish such offices, shall terminate on June 30, 1926, but nothing herein shall prevent the director from terminating any regional offices or suboffices when in his judgment this may be done without detriment to the administration of this Act, and upon such termination all records and supplies pertaining thereto shall be delivered to the central office.

SEC. 7. The beneficiaries of the Bureau of War Risk Insurance and the Rehabilitation Division of the Federal Board for Vocational Education shall hereafter be the beneficiaries of the Veterans' Bureau, and complete individual record of each beneficiary shall be kept by the Veterans' Bureau.

War risk and rehabilitation beneficiaries placed under Bureau.

SEC. 8. All sums heretofore appropriated for carrying out the provisions of the War Risk Insurance Act and amendments thereto, and to carry out the provisions of the Act entitled "An Act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, and amendments thereto, shall, where unexpended, be made available for the Veterans' Bureau, and may be expended in such manner as the director deems necessary in carrying out the purposes of this Act, with the restrictions heretofore imposed as to number of persons that may be employed at stated salaries.

War risk and rehabilitation appropriations made available.
Vol. 40, p. 617.

Control of Director.

SEC. 9. The director, subject to the general directions of the President, shall be responsible for the proper examination, medical care, treatment, hospitalization, dispensary, and convalescent care, necessary and reasonable after care, welfare of, nursing, vocational training, and such other services as may be necessary in the carrying out of the provisions of this Act, and for that purpose is hereby author-

General powers of Director.

Authorized to utilize facilities of available Government agencies.

Additional facilities from agencies.

Inspection service. Maintenance, authority, etc.

Use of other agencies. Report of examinations, etc.

Further hospitalization, etc., if utilized services unsatisfactory.

Improving, extending, etc., Government hospital facilities, authorized.

New property to be permanent equipment of Bureau, or other Government agency.

Contracts for other medical services, etc., if Government facilities inadequate.

Public Health hospitals may be transferred to control of Bureau.

Use for beneficiaries only.

Details for examining compensation and insurance claims.

ized to utilize the now existing or future facilities of the United States Public Health Service, the War Department, the Navy Department, the Interior Department, the National Homes for Disabled Volunteer Soldiers, and such other governmental facilities as may be made available for the purposes set forth in this Act; and such governmental agencies are hereby authorized and directed to furnish such facilities, including personnel, equipment, medical, surgical, and hospital services and supplies as the director may deem necessary and advisable in carrying out the provisions of this Act, in addition to such governmental facilities as are hereby made available.

In order to standardize the character of examination, medical care, treatment, hospitalization, dispensary, and convalescent care, nursing, vocational training, and such other services as may be necessary for beneficiaries under this Act, the director shall maintain an inspection service, with authority to examine all facilities and services utilized in carrying out the purpose of this Act, and for this purpose, with the approval of the President, may utilize such other Government or private agencies as may be deemed practicable and necessary. The head of the inspection service shall report to the director in the manner the director may prescribe the result of each examination of facilities and services, and shall recommend to him methods of standardizing such facilities and services.

When, in the opinion of the director, the facilities and services utilized for the hospitalization, medical care, and treatment for beneficiaries under this Act are unsatisfactory, the director shall make arrangements for the further hospitalization, care, and treatment of such beneficiaries by other means.

In the event that there is not sufficient Government hospital and other facilities for the proper medical care and treatment of beneficiaries under this Act, and the director deems it necessary and advisable to secure additional Government facilities, he may, within the limits of appropriations made for carrying out the provisions of this paragraph, and with the approval of the President, improve or extend existing governmental facilities, or acquire additional facilities by purchase or otherwise. Such new property and structures as may be so improved, extended, or acquired shall become part of the permanent equipment of the Veterans' Bureau or of some one of the now existing agencies of the Government, including the War Department, Navy Department, Interior Department, Treasury Department, the National Homes for Disabled Volunteer Soldiers, in such a way as will best serve the present emergency, taking into consideration the future services to be rendered the veterans of the World War, including the beneficiaries under this Act.

In the event Government hospital facilities and other facilities are not thus available or are not sufficient, the director may contract with State, municipal, or private hospitals for such medical, surgical, and hospital services and supplies as may be required, and such contracts may be made for a period of not exceeding five years and may be for the use of a ward or other hospital unit or on such other basis as may be in the best interest of the beneficiaries under this Act.

The President is hereby authorized, should he deem it necessary and advisable for the proper medical care and treatment of beneficiaries under this Act, to transfer to the director the operation, management, and control of specifically designated hospitals now under the jurisdiction of the Public Health Service. Such hospitals when transferred shall be used exclusively for beneficiaries under this Act and shall be under the operative control of the director for such period of time as the President may prescribe.

SEC. 10. For the purpose of this Act, the director is authorized to detail from time to time clerks or persons employed in the bureau, to

make examinations into the merits of compensation and insurance claims, whether pending or adjudicated, as he may deem proper, and to aid in the preparation, presentation, or examination of such claims; and any such person so detailed shall have power to administer oaths, take affidavits, and certify to the correctness of the papers and documents pertaining to the administration of this Act. Nothing in this section shall be construed to authorize a travel allowance to clerks or persons for transportation or subsistence outside of the district in which they are employed.

SEC. 11. The director is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct on the part of persons who are receiving care or treatment in hospitals, homes, or institutions as patients or beneficiaries of said bureau during their stay in such hospitals, homes, institutions, or training centers. Penalties for the breach of such rules and regulations may, with the approval of the director, extend to a forfeiture by the offender of such portion of the compensation payable to him, not exceeding three-fourths of the monthly installment per month for three months, for a breach committed while receiving treatment in such hospital, home, institution, or training center as may be prescribed by such rules and regulations: *Provided*, That the offender shall have the right to appeal the decision involving the forfeiture of a part of his compensation to a board of three persons which shall be established and appointed by the director in September of each year for each regional district. Such board shall be known as the Board on Discipline and Morale. It shall serve without compensation, and at least one of the members of such board shall be an ex-service man and a member of some war veterans' organization. No person who is in the employ of the United States shall be a member of such board. The decision of such board, after hearing all the evidence presented by the offender and those charging a breach of the rules and regulations, shall be final.

SEC. 12. The director may set forth in regulations to be prescribed by him the conditions and limitations whereby all patients or beneficiaries of the Veterans' Bureau who are receiving treatment through the bureau as inmates of a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

In case such inmate has not allotted three-fourths of his monthly compensation, regulations to be made by the director may provide that any unallotted portion of such three-fourths compensation may be deposited to his credit with the Treasurer of the United States to accumulate at such rate of interest as the Secretary of the Treasury may determine but at a rate never less than 3½ per centum per annum, payable for no period, however, of less than six months, and when payable shall be paid, principal and interest, to such patient if living; otherwise, to any beneficiary or beneficiaries he may have designated, or, if there be no such beneficiary, then to the executor or administrator of the estate of such deceased person: *Provided*, That this paragraph shall not be so construed as to prevent payment by the bureau from the amounts due to the decedent's estate of his funeral expenses, expenses of last illness, board, rent, lodging, or other household expenses for which decedent is liable, provided a claim therefor is presented by the creditors or by the person or persons who actually paid the same before settlement by the Veterans' Bureau.

The Secretary of the Treasury is hereby authorized to invest and reinvest the said allotments deposited with him, or any part thereof, in interest-bearing obligations of the United States and to sell the obligations for the purposes of said funds.

Travel restriction.

Rules for conduct of patients at hospitals, etc., authorized.

Penalties for breach thereof.

Proviso.
Appeal if decision involves money forfeiture.

Board of discipline and morale established.
Composition, etc.

Decision final.

Allotments of monthly compensation.
Regulations for, to be prescribed.

Unallotted portion may be deposited in the Treasury.

Payment, etc.

Proviso.
Allowance for funeral expenses, etc.

Investment of allotments, etc.

Free treatment to persons disabled by injury or disease incurred or aggravated in active service since April 6, 1917.

Provisos.
Injury, etc., incurred in line of duty.

Time limit for applications.

Itemized account of expenditures, etc., to be submitted to Congress.

Annual report.

Presenting false statements, affidavits, etc., in claims for compensation, etc., a misdemeanor.

Vol. 40, p. 611; Vol. 41, p. 373.

Additional punishment for.

War Risk Insurance Act Amendments.

Vol. 40, p. 609, amended.

Compensation and insurance benefits.

Discharge for specified causes a bar to payments, etc.

Post, p. 1521.

Vol. 40, pp. 409, 614.

Vol. 40, pp. 464, 611.

Provisos.
Converted insurance payment.

SEC. 13. In addition to the care, treatment, and appliances now authorized by law, said bureau also shall provide without charge therefor hospital, dental, medical, surgical, and convalescent care and treatment and prosthetic appliances for any member of the military or naval forces of the United States separated therefrom under honorable conditions disabled by reason of any wound or injury received or disease contracted, or by reason of any aggravation of a preexisting injury or disease, specifically noted at examination for entrance into or employment in the active military or naval service, while in the active military or naval service of the United States on or after April 6, 1917: *Provided*, That the wound or injury received or disease contracted, or aggravation of a preexisting injury or disease, for which such hospital, dental, medical, surgical, and convalescent care and treatment and prosthetic appliances shall be furnished, was incurred in line of duty and not caused by his own willful misconduct: *Provided further*, That application for such care and treatment and appliances provided for in this section shall be made within one year from date of separation from service or from the date this Act goes into effect, whichever is the later.

SEC. 14. The director shall file with the Clerk of the House and the Secretary of the Senate on the first day of the next regular session after this Act takes effect an itemized account of all expenditures, classified by regional offices and suboffices, made under this Act, including names, classifications, and salaries of all staff officers, experts, assistants, and employees, and the nature and terms of all contracts made under the authority of this Act, and the names and principal place of business of the parties thereto. Thereafter, on the first Monday in December of each year, the director shall make a report to Congress of his doings under this Act for the preceding fiscal year.

Any person who shall knowingly make or cause to be made, or conspire, combine, aid or assist in, agree to, arrange for, or in anywise procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper or writing purporting to be such, concerning any claim or the approval of any claim for compensation or the payment of any money, for himself or for any other person, under Article III of the War Risk Insurance Act, or any Acts amendatory of or supplemental to such Article III, shall forfeit all rights, claims, and benefits under such Article III, and in addition to any and all other penalties imposed by law shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$1,000 or imprisonment for not more than one year, or by both such fine and imprisonment, for each such offense.

TITLE II.—AMENDMENTS TO THE WAR RISK INSURANCE ACT.

SEC. 15. Section 29 of the War Risk Insurance Act is hereby amended to read as follows:

“SEC. 29. The discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien, conscientious objector, or a deserter, or is guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct, shall terminate any insurance granted on the life of such person under the provisions of Article IV, and shall bar all rights to any compensation under Article III or any insurance under Article IV: *Provided*, That, as to converted insurance, the cash surrender value thereof, if any, on the date of such discharge or dismissal shall be paid the insured, if living, and if dead to the

designated beneficiary: *Provided further*, That an enemy alien who volunteered or who was drafted into the Army, Navy, or Marine Corps of the United States during the World War, and who was not discharged from the service on his own application or solicitation, by reason of his being an enemy alien, and whose service was honest and faithful, shall be entitled to the benefit of the War Risk Insurance Act and all amendments thereto: *Provided further*, That in case any person has been dishonorably discharged from the military or naval forces as a result of a court-martial trial, and it is thereafter established to the satisfaction of the director that at the time of the commission of the offense resulting in such court-martial trial and discharge that such person was insane, such person shall be entitled to the compensation and insurance benefits of the War Risk Insurance Act."

Enemy alien in United States service during World War, entitled to war risk benefits, etc.

Insane persons dishonorably discharged by courts martial.

SEC. 16. Section 31 of the War Risk Insurance Act is hereby amended by adding thereto a subsection to be known as subsection (a) and to read as follows:

Disability compensation, etc.
Vol. 41, p. 372, amended.

"(a) Any person who between the 6th day of April, 1917, and the 11th day of November, 1918, applied for enlistment or enrollment in the military or naval forces, and who was accepted provisionally and directed or ordered to a camp, post, station, or other place for final acceptance into such service, shall be deemed to have the same status as an inducted man not yet accepted and enrolled for active service during the period while such person was complying with such order or direction, and during such compliance, and until his final acceptance or rejection for enlistment or enrollment into the military or naval forces, shall be entitled to the same benefits under Articles III and IV of the War Risk Insurance Act as an inducted man not yet accepted and enrolled for active service."

Persons provisionally accepted and ordered to camp, etc., given status as an inducted man, etc.

SEC. 17. Section 210 of the War Risk Insurance Act as amended is hereby amended to read as follows:

Benefits allowed.
Vol. 40, pp. 404, 409;
Vol. 41, pp. 611, 614.

"SEC. 210. Upon receipt of any application for family allowance, the director shall make all proper investigations and shall make an award, on the basis of which award the amount of the allotments to be made by the man shall be certified to the War Department or Navy Department, as may be proper. Whenever the director shall have reason to believe that an allowance has been improperly made or that the conditions have changed, he shall investigate or reinvestigate and may modify the award. The amount of each monthly allotment and allowance shall be determined according to the family conditions existing on the first day of the month: *Provided*, That whenever an award of allotment or allowance, or both, covering any period has been paid to, or on behalf of, a person designated by the enlisted man as beneficiary of his allotment, no recovery of the allotments paid in such cases shall hereafter be made for any reason whatsoever; and no recovery of the allowances paid in such cases shall hereafter be made for any reason whatsoever except where it is shown that the person receiving the allowance does not bear the relationship to the enlisted man which is required by the War Risk Insurance Act, and except, also, in cases of manifest fraud."

Allotments.
Vol. 40, p. 611, amended.

Investigation, etc., for making awards.

Proviso.
No recovery of paid allotments.

Cases of fraud, etc., excepted.

SEC. 18. Section 300 of the War Risk Insurance Act is hereby amended to read as follows:

Death or disability compensation.

"SEC. 300. For death or disability resulting from personal injury suffered or disease contracted in the line of duty on or after April 6, 1917, or for an aggravation of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered and contracted in the line of duty on or after April 6, 1917, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Depart-

Officers, enlisted men, etc., entitled to, for injury, etc., incurred after April 6, 1917.
Vol. 41, p. 373, amended.
Post, p. 1522.

Payment to person or dependents.

Willful misconduct exclusion.

Soundness on entrance inferred if in active service November 11, 1918.

Recorded defects accepted.

Development in two years after leaving service inferred as acquired therein.

Vol. 41, p. 373.

Claims if developed later.

Effective as of April 6, 1917.

Vol. 40, p. 407, amended.

Review of awards, etc.

Vol. 40, p. 407, amended.

Compensation not payable, unless occurring within one year after leaving service.

Post, p. 1524.
Exceptions modified.

Injuries caused by other persons.

Vol. 40, p. 614, amended.

ment or Navy Department, the United States shall pay to such commissioned officer or enlisted man, member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) or, in the discretion of the director, separately to his or her dependents, compensation as hereinafter provided; but no compensation shall be paid if the injury, disease, or aggravation has been caused by his own willful misconduct. That for the purposes of this section every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department who was discharged or who resigned prior to the date of approval of this amendatory Act, and every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department on or before November 11, 1918, who hereafter is discharged or resigns, shall be held and taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, disorders, or infirmities, made of record in any manner by proper authorities of the United States at the time of, or prior to, inception of active service, to the extent to which any such defect, disorder, or infirmity was so made of record: *Provided further*, That an ex-service man who is shown to have an active pulmonary tuberculosis or neuropsychiatric disease (of more than 10 per centum degree of disability in accordance with the provisions of subdivision (2) of section 302 of the War Risk Insurance Act, as amended) developing within two years after separation from the active military or naval service of the United States shall be considered to have acquired his disability in such service, or to have suffered an aggravation of a preexisting pulmonary tuberculosis or neuropsychiatric disease in such service, but nothing in this proviso shall be construed to prevent a claimant from receiving the benefits of compensation and medical care and treatment for a disability due to these diseases of more than 10 per centum degree (in accordance with the provisions of subdivision (2) of section 302 of the War Risk Insurance Act, as amended) at a date more than two years after separation from such service, if the facts of the case substantiate his claim. This section shall be deemed to be in effect as of April 6, 1917."

SEC. 19. Section 305 of the War Risk Insurance Act is hereby amended to read as follows:

"SEC. 305. Upon its own motion or upon application the bureau may at any time review an award, and, in accordance with the facts found upon such review, may end, diminish, or increase the compensation previously awarded, or, if compensation is increased, or, if compensation has been refused, reduced or discontinued, may award compensation in proportion to the degree of disability sustained as of the date such degree of disability began, but not earlier than the date of discharge or resignation."

SEC. 20. Section 306 of the War Risk Insurance Act is hereby amended to read as follows:

"SEC. 306. No compensation shall be payable for death or disability which does not occur prior to or within one year after discharge or resignation from the service, except that where, after a medical examination made pursuant to regulations, a certificate has been obtained from the director at the time of discharge or resignation from the service, or within one year thereafter, or within one year after the passage of this amendatory Act, whichever is the later, to the effect that the injured person at the time of his discharge or resignation was suffering from injury likely to result in death or disability, compensation shall be payable for death or disability whenever occurring, proximately resulting from such injury."

SEC. 21. Section 313 of the War Risk Insurance Act, as amended, is hereby amended by adding thereto, immediately following subsection (2) thereof, a new subsection to be known as subsection (2a) and to read as follows:

"(2a) The Veterans' Bureau is hereby authorized to pay the beneficiary or other person or persons in whose name an action may have been commenced or prosecuted, and to all witnesses in such action, fees and mileage, the same as is now paid and allowed to witnesses in the United States courts, in going to, remaining at, and returning from place of trial, and without any regard to whether the action, if any, is brought or prosecuted in a court of the United States or some other court.

Cases assigned to the Government.

Payment of witness fees, etc.

"In all cases of assignment of causes of action under this section, whether the assignment be heretofore or hereafter made, where it shall appear to the director to be to the best interests of the beneficiary so to do, the director, acting for and in the name of the United States, may assign the cause of action back to the beneficiary or to his personal representatives."

Reassignment to beneficiary authorized.

SEC. 22. A new section is hereby added to Article III of the War Risk Insurance Act to be known as section 315, and to read as follows:

Vol. 40, p. 408, amended.

"SEC. 315. That no person admitted into the military or naval forces of the United States after six months from the passage of this amendatory Act shall be entitled to the compensation or any other benefits or privileges provided under the provisions of Article III of the War Risk Insurance Act, as amended."

Compensation, etc., not applicable to persons entering service hereafter.

SEC. 23. Section 402 of the War Risk Insurance Act is hereby amended by adding thereto a subsection to be known as subsection (a) and to read as follows:

Insurance policies.

"(a) Where a beneficiary at the time of designation by the insured is within the permitted class of beneficiaries and is the designated beneficiary at the time of the maturity of the insurance because of the death of the insured, such beneficiary shall be deemed to be within the permitted class even though the status of such beneficiary shall have been changed."

Payment to beneficiary if of permitted class when designated.

SEC. 24. Section 404 of the War Risk Insurance Act is hereby amended to read as follows:

Vol. 40, p. 410, amended.

"SEC. 404. During the period of the war and thereafter until converted the insurance shall be term insurance for successive terms of one year each. Not later than five years after the date of the termination of the war as declared by proclamation of the President of the United States the term insurance shall be converted, without medical examination, into such form or forms of insurance as may be prescribed by regulations and as the insured may request. Regulations shall provide for the right to convert into ordinary life, twenty-payment life, endowment maturing at age sixty-two, and into other usual forms of insurance, and shall prescribe the time and method of payment of the premiums thereon, but payments of premiums in advance shall not be required for periods of more than one month each and may be deducted from the pay or deposit of the insured or be otherwise made at his election.

Term insurance during the war, etc.

Conversion after termination.

Conversion rights, etc.

"In case where an insured whose yearly renewable term insurance has matured by reason of total permanent disability is found and declared to be no longer permanently and totally disabled, and where the insured is required under regulations to renew payment of premiums on said term insurance, and where this contingency is extended beyond the five-year period during which said yearly renewable term insurance otherwise must be converted, there shall be given such insured an additional period of two years from the date on which he is required to renew payment of premiums in which to convert said term insurance as hereinbefore provided."

Insurance matured by total disability. Renewal authorized if no longer disabled.

SEC. 25. A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 406, and to read as follows:

New sections.

"SEC. 406. Whenever benefits under United States Government life insurance (converted insurance) become or have become payable

Benefits due on account of extra hazard, to be paid by United States.

Transfer from appropriations to insurance fund.

Reduced insurance allowed on recovery from total disability.

Transfer of funds.

Installments due on death of insured.
Vol. 41, p. 376.

Payment to estate if no surviving beneficiaries.

Proviso.
Escheat to United States, etc.

Effective as of October 6, 1917.

Reinstated insurance.

Approval without medical examination.
Post, p. 1525.

Proviso.
Disabled in active World War service.

Proof of origin.

Back premiums, etc., to be paid.

Payment to beneficiary if insurance lapsed while suffering from disability entitling compensation, etc.

because of total permanent disability of the insured or because of the death of the insured as a result of disease or injury traceable to the extra hazard of the military or naval service as such hazard may be determined by the director, the liability shall be borne by the United States, and the director is hereby authorized and directed to transfer from the military and naval insurance appropriation to the United States Government life insurance fund a sum which, together with the reserve of the policy at the time of maturity by total permanent disability or death, will equal the then value of such benefits. When a person receiving total permanent disability benefits under a United States Government life policy (converted policy) recovers from such disability and is then entitled to continue a reduced amount of insurance, the director is hereby authorized and directed to transfer to the military and naval insurance appropriation all of the loss reserve to the credit of such policy claim except a sum sufficient to set up the then required reserve on the reduced amount of insurance that may be continued, which sum shall be retained in the United States Government life insurance fund for the purpose of such reserve."

SEC. 26. A new section is hereby added to Article IV of the War Risk Insurance Act (including therein section 14 of the Act entitled "An Act to amend and modify the War Risk Insurance Act," approved December 24, 1919), to be known as section 407, and to read as follows:

"Sec. 407. If no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly installments payable and applicable under the provisions of Article IV of the War Risk Insurance Act: *Provided*, That in cases where the estate of the insured would escheat under the laws of the place of his residence the insurance shall not be paid to the estate of the insured, but shall escheat to the United States and shall be credited to the United States Government life insurance fund or the military and naval insurance appropriation, as may be proper. This section shall be deemed to be in effect as of October 6, 1917."

SEC. 27. A new section is hereby added to Article IV of the War Risk Insurance Act, to be known as section 408, and to read as follows:

"SEC. 408. In the event that all provisions of the rules and regulations other than the requirements as to the physical condition of the applicant for insurance have been complied with, an application for reinstatement of lapsed or canceled yearly renewable term insurance or application for United States Government life insurance (converted insurance) hereafter made may be approved: *Provided*, That the applicant's disability is the result of an injury or disease or of an aggravation thereof suffered or contracted in the active military or naval service during the World War: *Provided further*, That the applicant during his lifetime submits proof satisfactory to the director showing the service origin of the disability or aggravation thereof and that the applicant is not totally and permanently disabled. As a condition, however, to the acceptance of an application for the reinstatement of lapsed or canceled yearly renewable term insurance or United States Government life insurance (converted insurance) the applicant shall be required to pay all the back monthly premiums which would have become payable if such insurance had not lapsed, together with interest at the rate of 5 per centum per annum compounded annually on each premium from the date said premium is due by the terms of the policy: *Provided further*, That where any soldier has heretofore allowed his insurance to lapse, while suffering from wounds or disease suffered or contracted in line of service, and was at the time he allowed his said policy to lapse entitled to

compensation on account thereof in a sum equal to or in excess of the amount due from him in premiums on his said insurance, and has since died from said wounds or disease without collecting or making claim for said compensation, or being allowed to reinstate his said policy on account of his physical condition, then and in that event said policy shall not be considered as lapsed, and the Veterans' Bureau is hereby authorized and directed to pay to the beneficiaries of said soldier under said policy the amount of said insurance less the premiums and interest thereon at 5 per centum per annum compounded annually in installments as provided by law."

SEC. 28. A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 409, and to read as follows:

"SEC. 409. The Veterans' Bureau is authorized to make provision in accordance with regulations, whereby the payment of premiums on yearly renewable term insurance and United States Government life insurance (converted insurance) on the due date thereof may be waived and the insurance may be deemed not to lapse in the cases of the following persons, to wit: (a) Those who are confined in a hospital under said bureau for a compensable disability during the period while they are so confined; (b) those who are rated as temporarily totally disabled by reason of an injury or disease entitling them to compensation during the period of such total disability and while they are so rated: *Provided*, That such relief from payment of premiums on renewable term insurance on the due date thereof shall be for full calendar months, beginning with the month in which said confinement to hospital, or temporary total disability rating begins, and ending with that month during the half or major fraction of which the person is confined in hospital, or is rated as temporarily totally disabled: *Provided further*, That all premiums, the payment of which when due is waived as above provided, shall bear interest at the rate of 5 per centum per annum compounded annually from the due date of each premium, and if not paid by the insured shall be deducted from the insurance when the same matures either because of permanent total disability or death."

SEC. 29. A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 410, and to read as follows:

"SEC. 410. Under such rules and regulations as the Director of the Veterans' Bureau and the Postmaster General may prescribe, the Postmaster General is hereby authorized to receive the premiums on yearly renewable term insurance and United States Government life insurance (converted insurance) and to act for and turn over to the Treasurer of the United States the money so received, and if the money-order system is used as an agency for the transmission of such money, the Postmaster General may adopt a specially-designed money-order form for such purpose, and he also is authorized to receive and transmit to the Veterans' Bureau applications for reinstatement of lapsed insurance and applications for conversion of yearly renewable term insurance."

SEC. 30. A new section is hereby added to Article IV of the War Risk Insurance Act to be known as section 411, and to read as follows:

"SEC. 411. Subject to the provisions of section 29 of the War Risk Insurance Act and amendments thereto policies of insurance heretofore or hereafter issued in accordance with Article IV of the War Risk Insurance Act shall be incontestable after six months from date of issuance, or reinstatement, except for fraud or nonpayment of premiums."

Payment of premiums.

Dates for payments may be waived.
Post, p. 1526.

While confined in hospital, etc.

If temporarily totally disabled.

Provisos.
Extent of time allowed.

Interest on waived premiums.

Deduction at maturity.

Postal service.

Postmaster General may receive insurance premiums.

Special money order form.

Insurance applications.

Policies.
Post, p. 1527.

Incontestable after six months.
Vol. 40, p. 609.

Exceptions.

Approved, August 9, 1921.