

## CHAP. 16.—An Act To amend and modify the War Risk Insurance Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the office of the Commissioner of Military and Naval Insurance and the office of the Commissioner of Marine and Seamen's Insurance created by the War Risk Insurance Act are hereby abolished and the powers and duties pertaining to such offices are hereby transferred to the Director of the Bureau of War Risk Insurance, who shall hereafter receive a salary at the rate of \$7,500 per annum. Until such time as the Secretary of the Treasury may direct otherwise, and subject to the provisions of section 9 of the War Risk Insurance Act, there shall be in the Bureau of War Risk Insurance a Division of Marine and Seamen's Insurance and a Division of Military and Naval Insurance. All laws inconsistent with this section are hereby so modified as to conform to the provisions hereof.

SEC. 2. That paragraph (b) of the second subdivision (1) of section 22 of the War Risk Insurance Act is hereby amended to read as follows:

"(b) A child legally adopted."

SEC. 3. That paragraph (d) of the second subdivision (1) of section 22 of the War Risk Insurance Act is hereby amended to read as follows:

"(d) An illegitimate child, but, as to the father only, if acknowledged in writing signed by him, or if he has been judicially ordered or decreed to contribute to such child's support, or has been judicially decreed to be the putative father of such child."

SEC. 4. That section 22 of the War Risk Insurance Act is hereby amended by inserting therein immediately following subdivisions (4) and (5), respectively, two new subdivisions to be known as subdivision (4a) and subdivision (5a) and to read as follows:

"(4a) The terms 'father' and 'mother' include stepfathers and stepmothers, fathers and mothers through adoption, and persons who have stood in loco parentis to a member of the military or naval forces at any time prior to his enlistment or induction for a period of not less than one year: *Provided*, That this subdivision shall be deemed to be in effect as of October 6, 1917."

"(5a) The terms 'brother' and 'sister' include the children of a person who, for a period of not less than one year, stood in loco parentis to a member of the military or naval forces of the United States at any time prior to his enlistment or induction, or another member of the same household as to whom such person during such period likewise stood in loco parentis: *Provided*, That this subdivision shall be deemed to be in effect as of October 6, 1917."

SEC. 5. That section 23 of the War Risk Insurance Act is hereby amended by the addition thereto of a new paragraph to read as follows:

"If any person entitled to receive payments under this Act shall be an inmate of any asylum or hospital for the insane maintained by the United States, or by any of the several States or Territories of the United States, or any political subdivision thereof, and no guardian or curator of the property of such person shall have been appointed by competent legal authority, the director, if satisfied after due investigation that any such person is mentally incompetent, may order that all moneys payable to him or her under this Act shall be held in the Treasury of the United States to the credit of such person. All funds so held shall be disbursed under the order of the director and subject to his discretion, either to the chief executive officer of the asylum or hospital in which such person is an inmate, to be used by such officer for the maintenance and comfort of such inmate, subject to the duty to account to the Bureau of War Risk Insurance and to

December 24, 1919.

[H. R. 8778.]

[Public, No. 104.]

War Risk Insurance Act Amendments.

Offices in Bureau abolished and powers transferred to Director. Vol. 40, p. 398, amended.

Discretionary continuance of divisions.

Beneficiaries. Vol. 40, p. 401, amended.

"Legally adopted child."

"Illegitimate child." Qualification modified.

"Parents." New subdivisions.

Addition of step-parents, adopted parents, etc. Vol. 40, p. 609, amended.

Proviso. Effective October 6, 1917.

"Brother" and "sister." Child of person in loco parentis included.

Proviso. Effective October 6, 1917.

Payments to insane persons. Vol. 40, p. 402, amended.

To be held in Treasury if no guardian, etc.

Disbursements. To asylum, etc.

- To dependent family, etc. repay any surplus at any time remaining in his hands in accordance with regulations to be prescribed by the director; or to the wife (or dependent husband if the inmate is a woman), minor children, and dependent parents of such inmate, in such amounts as the director shall find necessary for their support and maintenance, in the order named; or, if at any time such inmate shall be found to be mentally competent, or shall die, or a guardian or curator of his or her estate be appointed, any balance remaining to the credit of such inmate shall be paid to such inmate, if mentally competent, and otherwise to his or her guardian, curator, or personal representatives."
- If found mentally competent, etc. SEC. 6. That the provisions of section 28 of the War Risk Insurance Act shall not be construed to prohibit the assignment by any person to whom converted insurance shall be payable under Article IV of such Act of his interest in such insurance to any other member of the permitted class of beneficiaries.
- Assignments of converted insurance permitted. Vol. 40, p. 609. SEC. 7. That a new section is hereby added to the War Risk Insurance Act, to be known as section 31, and to read as follows:
- New section. Vol. 40, p. 610, amended. "SEC. 31. That if after induction by the local draft board, but before being accepted and enrolled for active service, the person died or became disabled as a result of disease contracted or injury suffered in the line of duty and not due to his own willful misconduct involving moral turpitude, or as a result of the aggravation, in the line of duty and not because of his own willful misconduct involving moral turpitude, of an existing disease or injury, he or those entitled thereto shall receive the benefits of compensation payable under Article III:
- Disability, etc., compensation. Allowed to persons inducted but not enrolled for active service. *Provided*, That any insurance application made by a person after induction by the local draft board but before being accepted and enrolled for active service shall be deemed valid."
- Proviso. Insurance allowed. SEC. 8. That the second paragraph of section 204 of the War Risk Insurance Act is hereby amended to read as follows:
- Family allowances. Vol. 40, p. 403, amended. "The family allowance shall be paid from the time of enlistment to death in or one month after discharge from the service, but not for more than four months after the termination of the present war emergency. No family allowance shall be made for any period preceding November 1, 1917. The payment shall be subject to such regulations as may be prescribed relative to cases of desertion and imprisonment and of missing men."
- Period payments extended, etc. SEC. 9. That a new section is hereby added to Article II of the War Risk Insurance Act, to be known as section 211, and to read as follows:
- New section. Vol. 40, p. 405, amended. "SEC. 211. That all family allowances and allotments payable by the Bureau of War Risk Insurance under the authority of this article shall be discontinued at the end of the fourth calendar month after the termination of the present war emergency, as declared by proclamation of the President of the United States, and thereafter all allotments of pay shall be voluntary and shall be made under such regulations as may be prescribed by the Secretary of War and the Secretary of the Navy, respectively."
- Final discontinuance of family allowances, etc. SEC. 10. That the second paragraph of subdivision (g) of section 301 of the War Risk Insurance Act is hereby amended to read as follows:
- Voluntary pay allotments permitted. "If death occur or shall have occurred subsequent to April 6, 1917, and before discharge or resignation from service, the United States shall pay for burial expenses and the return of body to his home a sum not to exceed \$100, as may be fixed by regulations."
- Death or disability compensation. That section 301 of the War Risk Insurance Act, as amended, shall be deemed to be in effect as of April 6, 1917: *Provided, however*, That before compensation thereunder shall be paid there shall first be deducted from said sum so to be paid the amount of any payments such person may have received by way of gratuities or
- Burial expenses if death subsequent to April 6, 1917. Vol. 40, p. 612, amended.
- Allowances effective from April 6, 1917. Proviso. Deductions.

payments under pension laws in force and existence between April 6, 1917, and October 6, 1917.

SEC. 10a. That section 300 of the War Risk Insurance Act is hereby amended to read as follows:

Vol. 40, p. 611, amended.

"SEC. 300. That for death or disability resulting from personal injury suffered or disease contracted in the line of duty, 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 Department or Navy Department, the United States shall pay compensation as hereinafter provided; but no compensation shall be paid if the injury or disease has been caused by his own willful misconduct: *Provided*, That for the purposes of this section said officer, enlisted man, or other member shall be held and taken to have been in sound condition when examined, accepted, and enrolled for service: *Provided further*, That this section, as amended, shall be deemed to become effective as of April 6, 1917."

Classes of officers, enlisted men, etc., entitled.

Excluded for personal misconduct. *Providos*. Soundness on entrance inferred.

Effective from April 6, 1917.

SEC. 11. That section 302 of the War Risk Insurance Act is hereby amended to read as follows:

Disability compensation.

"SEC. 302. That if disability results from the injury—

"(1) If and while the disability is rated as total and temporary, the monthly compensation shall be the following amounts:

Total and temporary. Amounts increased. Vol. 40, pp. 406, 612, amended.

"(a) If the disabled person has neither wife nor child living, \$80.

"(b) If he has a wife but no child living, \$90.

"(c) If he has a wife and one child living, \$95.

"(d) If he has a wife and two or more children living, \$100.

"(e) If he has no wife but one child living, \$90, with \$5 for each additional child.

"(f) If he has a mother or father, either or both dependent on him for support, then, in addition to the above amounts, \$10 for each parent so dependent.

Partial and temporary. Basis of rate.

"(2) If and while the disability is rated as partial and temporary, the monthly compensation shall be a percentage of the compensation that would be payable for his total and temporary disability, equal to the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per centum.

"(3) If and while the disability is rated as total and permanent, the rate of compensation shall be \$100 per month: *Provided, however*, That the loss of both feet, or both hands, or the sight of both eyes, or the loss of one foot and one hand, or one foot and the sight of one eye, or one hand and the sight of one eye, or becoming helpless and permanently bedridden, shall be deemed to be total, permanent disability: *Provided further*, That for double, total, permanent disability the rate of compensation shall be \$200 per month.

Total and permanent. *Providos*. Loss of sight, limbs, etc.

"(4) If and while the disability is rated as partial and permanent, the monthly compensation shall be a percentage of the compensation that would be payable for his total and permanent disability equal to the degree of the reduction in earning capacity resulting from the disability, but no compensation shall be payable for a reduction in earning capacity rated at less than 10 per centum.

Double disability rate.

Partial and permanent disability. Computation of degree.

"A schedule of ratings of reductions in earning capacity from specific injuries or combinations of injuries of a permanent nature shall be adopted and applied by the bureau. Ratings may be as high as 100 per centum. The ratings shall be based, as far as practicable, upon the average impairments of earning capacity resulting from such injuries in civil occupations and not upon the impairment in earning capacity in each individual case, so that there shall be no reduction in the rate of compensation for individual success in overcoming the handicap of a permanent injury. The bureau in adopting the schedule of ratings of reduction in earning capacity shall con-

Schedules of ratings for injuries.

Basis of.

sider the impairment in ability to secure employment which results from such injuries. The bureau shall from time to time readjust this schedule of ratings in accordance with actual experience.

Allowance for nurse or attendant. " (5) If the disabled person is so helpless as to be in constant need of a nurse or attendant, such additional sum shall be paid, but not exceeding \$20 per month, as the director may deem reasonable.

Medical services, surgical appliances, etc., to be furnished. " (6) In addition to the compensation above provided, the injured person shall be furnished by the United States such reasonable governmental medical, surgical, and hospital services and with such supplies, including wheeled chairs, artificial limbs, trusses, and similar appliances, as the director may determine to be useful and reasonably necessary, which wheeled chairs, artificial limbs, trusses, and similar appliances may be procured by the Bureau of War Risk Insurance in such manner, either by purchase or manufacture, as the director may determine to be advantageous and reasonably necessary: *Provided*, That nothing in this Act shall be construed to affect the necessary military control over any member of the military or naval establishments before he shall have been discharged from the military or naval service.

*Proviso.*  
Status before discharge from service. " (7) Where the disabled person and his wife are not living together, or where the children are not in the custody of the disabled person the amount of the compensation shall be apportioned as may be prescribed by regulations.

Apportionment if not living together. " (8) The term 'wife' as used in this section shall include 'husband' if the husband is dependent upon the wife for support.

Dependent husband. " (9) That the Bureau of War Risk Insurance is hereby authorized to furnish transportation, also the medical, surgical, and hospital services and the supplies and appliances provided by subdivision (6) hereof, to discharged members of the military or naval forces of those Governments which have been associated in war with the United States since April 6, 1917, and come within the provisions of laws of such Governments similar to the War Risk Insurance Act, at such rates and under such regulations as the Director of the Bureau of War Risk Insurance may prescribe; and the Bureau of War Risk Insurance is hereby authorized to utilize the similar services, supplies, and appliances provided for the discharged members of the military and naval forces of those Governments which have been associated in war with the United States since April 6, 1917, by the laws of such Governments similar to the War Risk Insurance Act, in furnishing the discharged members of the military and naval forces of the United States who live within the territorial limits of such Governments and come within the provisions of subdivision (6) hereof, with the services, supplies, and appliances provided for in such subdivision; and any appropriations that have been or may hereafter be made for the purpose of furnishing the services, supplies, and appliances provided for by subdivision (6) hereof are hereby made available for the payment to such Governments or their agencies for the services, supplies, and appliances so furnished at such rates and under such regulations as the Director of the Bureau of War Risk Insurance may prescribe.

Transportation, services, etc., to discharged members of allied forces. " (10) That section 302 of the War Risk Insurance Act as amended shall be deemed to be in effect as of April 6, 1917: *Provided*, That any person who is now receiving a gratuity or pension under existing law shall not receive compensation under this Act unless he shall first surrender all claim to such gratuity or pension."

Similar services, etc., by allied Governments to members of American forces, authorized. SEC. 12. That section 401 of the War Risk Insurance Act is hereby amended to read as follows:

Funds available. "SEC. 401. That such insurance must be applied for within one hundred and twenty days after enlistment or after entrance into or employment in the active service and before discharge or resignation,

In effect as of April 6, 1917. *Proviso.*  
Other pensions, etc., to be surrendered.

Insurance.

Time for making applications.  
Vol. 40, p. 614, amended.

except that those persons who are in the active war service at the time of the publication of the terms and conditions of such contract of insurance may apply at any time within one hundred and twenty days thereafter and while in such service: *Provided*, That any person in the active service on or after the 6th day of April, 1917, and before the 11th day of November, 1918, who while in such active service made application for insurance after the expiration of more than one hundred and twenty days after October 15, 1917, or more than one hundred and twenty days after entrance into or employment in the active service, and whose application was accepted and a policy issued thereon, and from whom premiums were collected, and who becomes or had become totally and permanently disabled, or dies or has died, shall be deemed to have made legal application for such insurance and the policy issued on such application shall be valid. Any person in the active service on or after the 6th day of April, 1917, and before the 11th day of November, 1918, who, while in such service, and before the expiration of one hundred and twenty days after October 15, 1917, or one hundred and twenty days after entrance into or employment in the active service, becomes or has become totally and permanently disabled, or dies or has died, without having applied for insurance, shall be deemed to have applied for and to have been granted insurance, payable to such person during his life in monthly installments of \$25 each; and any person inducted into the service by a local draft board after the 6th day of April, 1917, and before the 11th day of November, 1918, who, while in such service, and before being accepted and enrolled for active military or naval service, becomes or has become totally and permanently disabled, or dies or has died, without having applied for insurance, shall be deemed to have applied for and to have been granted insurance, payable to such person during his life in monthly installments of \$25 each. If he shall die either before he shall have received any of such monthly installments or before he shall have received two hundred and forty of such monthly installments, then \$25 per month shall be paid to his widow from the time of his death and during her widowhood; or if there is no widow surviving him, then to his child or children; or if there is no child surviving him, then to his mother; or if there be no mother surviving him, then to his father, if and while they survive him: *Provided, however*, That no more than two hundred and forty of such monthly installments, including those received by such person during his total and permanent disability, shall be so paid. The amount of the monthly installments shall be apportioned between children as may be provided by regulations: *Provided further*, That each officer and enlisted man attached to the United States ship Cyclops on the 4th day of March, 1918, and every officer and enlisted man who on said date was a passenger on said vessel shall be deemed to have been granted insurance in the sum of \$5,000 permitted under the War Risk Insurance Act."

SEC. 13. That the permitted class of beneficiaries for insurance as specified in section 402 of the War Risk Insurance Act is hereby enlarged so as to include, in addition to the persons therein enumerated, uncles, aunts, nephews, nieces, brothers-in-law and sisters-in-law of the insured. This section shall be deemed to be in effect as of October 6, 1917: *Provided*, That nothing herein shall be construed to interfere with the payment of the monthly installments authorized to be made under the provisions of said War Risk Insurance Act, as originally enacted and subsequently amended, up to and including the second calendar month after the passage of this Act; *Provided further*, That all awards of insurance under the provisions of the said War Risk Insurance Act, as originally enacted and subsequently

*Provisos.*  
Persons in service during the war applying after period had expired.

Application construed if persons in service during the war and disabled or dying therein.

If inducted by draft board and disabled or dying before enrolled.

Death allowances.

Payments limited.

Insurance to those lost on U. S. S. "Cyclops."

Class of beneficiaries extended.  
Vol. 40, p. 615, amended.

*Provisos.*  
Payments under former Act continued for two months.

Revision of all awards.

amended, shall be revised as of the first day of the third calendar month after the passage of this Act, in accordance with the provisions of the said War Risk Insurance Act as modified by this amendatory Act.

Payment to estate if no beneficiaries survive.

SEC. 14. That 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.

Term insurance. Payment of unpaid installments, on death, etc., of beneficiary.

SEC. 15. That if any person to whom such yearly renewable term insurance has been awarded dies, or his rights are otherwise terminated after the death of the insured, but before all of the two hundred and forty monthly installments have been paid, then the monthly installments payable and applicable shall be payable to such person or persons within the permitted class of beneficiaries as would, under the laws of the State of residence of the insured, be entitled to his personal property in case of intestacy; and if the permitted class of beneficiaries be exhausted before all of the two hundred and forty monthly installments have been paid, then there shall be paid to the estate of the last surviving person within the permitted class the remaining unpaid monthly installments.

Converted insurance. Disposition if no beneficiary designated, etc.

SEC. 16. That if no beneficiary within the permitted class be designated by the insured as beneficiary for converted insurance, granted under the provisions of Article IV of the War Risk Insurance Act, either in his lifetime or by his last will and testament, or if the designated beneficiary does not survive the insured, then there shall be paid to the estate of the insured the remaining unpaid monthly installments; or if the designated beneficiary survives the insured and dies before receiving all of the installments of converted insurance payable and applicable, then there shall be paid to the estate of such beneficiary the remaining unpaid monthly installments.

On death of designated beneficiary.

Optional lump sum, etc., payments.

SEC. 17. That the Bureau of War Risk Insurance may make provision in the contract for converted insurance for optional settlements, to be selected by the insured, whereby such insurance may be made payable either in one sum or in installments for thirty-six months or more. The bureau may also include in said contract a provision authorizing the beneficiary to elect to receive payment of the insurance in installments for thirty-six months or more, but only if the insured has not exercised the right of election as hereinbefore provided; and even though the insured may have exercised his right of election, the said contract may authorize the beneficiary to elect to receive such insurance in installments spread over a greater period of time than that selected by the insured.

Other installment periods.

Premium payments to be credited to Government life insurance fund.

SEC. 18. That all premiums paid on account of insurance converted under the provisions of Article IV of the War Risk Insurance Act shall be deposited and covered into the Treasury to the credit of the United States Government life insurance fund and shall be available for the payment of losses, dividends, refunds, and other benefits provided for under such insurance. Payments from this fund shall be made upon and in accordance with awards by the director.

Payments from.

Reserve fund to be kept.

The Bureau of War Risk Insurance is hereby authorized to set aside out of the fund so collected such reserve funds as may be required, under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is hereby authorized to invest and reinvest the said United States Government life insurance fund, or any part thereof, in interest-bearing obligations of the United States and to sell the obligations for the purposes of the said fund.

Investment, etc.

Unpaid installments, etc., payable to personal representative of deceased beneficiary.

SEC. 19. That the amount of the monthly installments of allotment and family allowance, compensation, or yearly renewable term insurance which has become payable under the provisions of the

War Risk Insurance Act but which has not been paid prior to the death of the person entitled to receive the same may be payable to the personal representatives of the deceased person.

Approved, December 24, 1919.

**CHAP. 17.**—An Act Making appropriations to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920.

December 24, 1919.  
[H. R. 11223.]  
[Public, No. 105.]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent deficiencies in appropriations for the Employees' Compensation Commission, the Bureau of War Risk Insurance, and the Public Health Service for the fiscal year ending June 30, 1920, namely:

Urgent deficiencies appropriations for Employees' Compensation Commission, War Risk Insurance, and Public Health Service.

**EMPLOYEES' COMPENSATION COMMISSION.**

Employees Compensation Commission.

**CONTINGENT EXPENSES:** For furniture and other equipment and repairs thereto, \$750; law books, books of reference, periodicals, stationery, and supplies, \$850; experts and temporary assistants in the District of Columbia and elsewhere to be paid at a rate not exceeding \$8 per day, and temporary clerks, stenographers, or typewriters in the District of Columbia to be paid at a rate not exceeding \$100 per month, \$7,650; medical examinations, traveling and other expenses, and loss of wages payable to employees under section 21 of the Act of September 7, 1916, and for miscellaneous items, \$750; in all, \$10,000.

Contingent expenses.

Vol. 39, p. 747.

**EMPLOYEES' COMPENSATION FUND:** For the payment of compensation provided by "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, including medical, surgical, and hospital services, and supplies provided by section 9, and the transportation and burial expenses provided by sections 9 and 11, \$1,100,000, to remain available until expended: *Provided,* That the compensation heretofore or hereafter paid by the United States Shipping Board Emergency Fleet Corporation to or on account of employees for disability or death resulting from personal injuries sustained while in the performance of their duties shall be in full satisfaction of the claims of such employees or their legal representatives against the United States.

Compensation fund. Allowances under. Vol. 39, pp. 743, 745.

*Proviso.* Payments to employees, Emergency Fleet Corporation.

**TREASURY DEPARTMENT.**

Treasury Department.

**PUBLIC HEALTH SERVICE.**

Public Health Service.

For medical, surgical, and hospital services and supplies for war-risk insurance patients and other beneficiaries of the Public Health Service, including necessary personnel, regular and reserved commissioned officers of the Public Health Service, clerical help in the District of Columbia and elsewhere, maintenance, equipment, leases, fuel, lights, water, printing, freight, transportation and travel, maintenance and operation of passenger motor vehicles, and reasonable burial expenses (not exceeding \$100 for any patient dying in hospital), \$2,000,000.

Services, supplies, etc., war risk insurance patients and others.