

[CHAPTER 709]

AN ACT

July 31, 1946
[H. R. 1362]
[Public Law 572]

To amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code; and for other purposes.

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

DIVISION I

Railroad retirement
and unemployment
insurance.

50 Stat. 308; 52 Stat.
1095; 53 Stat. 182.
45 U. S. C. §§ 228a
(c), 351 (e); Supp. V,
§§ 228a (c), 351 (e).
26 U. S. C. § 1532 (d);
Supp. V, § 1532 (d).

Post, p. 728.

50 Stat. 309; 52 Stat.
1095.
45 U. S. C. §§ 228a
(h), 351 (i).

Compensation for
service rendered.

Payment for time
lost.

Compensation
earned prior to 1947.

SECTION 1. Section 1 (c) of the Railroad Retirement Act of 1937, section 1 (e) of the Railroad Unemployment Insurance Act, and section 1532 (d) of the Internal Revenue Code are each amended as follows: After the word "if" where it first appears therein insert "(i)" and for the phrase "which services he renders for compensation" substitute the following: "or he is rendering professional or technical services and is integrated into the staff of the employer, or he is rendering, on the property used in the employer's operations, other personal services the rendition of which is integrated into the employer's operations, and (ii) he renders such service for compensation", and for the purpose of continuing the amendment of the Railroad Retirement Act of 1937, only, add after the word "compensation" the following: "; or a method of computing the monthly compensation for such service is provided in section 3 (c)". Said subsections are further amended by inserting at the end of the first proviso the following: "; and if the application of such mileage formula, or such other formula as the Board may prescribe, would result in the compensation of the individual being less than 10 per centum of his remuneration for such service no part of such remuneration shall be regarded as compensation".

SEC. 2. Section 1 (h) of the Railroad Retirement Act of 1937 is amended by substituting for the words "earned by" the words "paid to", and section 1 (i) of the Railroad Unemployment Insurance Act is amended by substituting for the word "payable" the word "paid"; and by inserting at the end of said section 1 (h) of the Railroad Retirement Act of 1937 and at the end of said section 1 (i) of the Railroad Unemployment Insurance Act, the following: "A payment made by an employer to an individual through the employer's pay roll shall be presumed, in the absence of evidence to the contrary, to be compensation for service rendered by such individual as an employee of the employer in the period with respect to which the payment is made. An employee shall be deemed to be paid, 'for time lost' the amount he is paid by an employer with respect to an identifiable period of absence from the active service of the employer, including absence on account of personal injury, and the amount he is paid by the employer for loss of earnings resulting from his displacement to a less remunerative position or occupation. If a payment is made by an employer with respect to a personal injury and includes pay for time lost, the total payment shall be deemed to be paid for time lost unless, at the time of payment, a part of such payment is specifically apportioned to factors other than time lost, in which event only such part of the payment as is not so apportioned shall be deemed to be paid for time lost. Compensation earned in any calendar month before 1947 shall be deemed paid in such month regardless of whether or when payment will have been in fact made, and compensation earned in any calendar year after 1946 but paid after the end of such calendar year shall be deemed to be compensation paid in the calendar year in which it will have been earned if it is so reported by the employer before February 1 of the next succeeding calendar year or, if the employee

establishes, subject to the provisions of section 8, the period during which such compensation will have been earned.”; and in said section 1 (h), immediately after the word “earned” at the end of this insertion, insert the following additional language: “In determining the monthly compensation, the average monthly remuneration, and quarters of coverage of any employee, there shall be attributable as compensation paid to him in each calendar month in which he is in military service creditable under section 4 the amount of \$160 in addition to the compensation, if any, paid to him with respect to such month.”

SEC. 3. (a) Section 1500 of the Internal Revenue Code is amended to read as follows:

“SEC. 1500. RATE OF TAX.

“In addition to other taxes, there shall be levied, collected, and paid upon the income of every employee a tax equal to the following percentages of so much of the compensation, paid to such employee after December 31, 1946, for services rendered by him after such date, as is not in excess of \$300 for any calendar month:

“1. With respect to compensation paid during the calendar years 1947 and 1948, the rate shall be $5\frac{3}{4}$ per centum;

“2. With respect to compensation paid during the calendar years 1949, 1950, and 1951, the rate shall be 6 per centum;

“3. With respect to compensation paid after December 31, 1951, the rate shall be $6\frac{1}{4}$ per centum.”

(b) The second sentence of section 1501 (a) of the Internal Revenue Code is amended to read as follows: “If an employee is paid compensation after December 31, 1946, by more than one employer for services rendered during any calendar month after 1946 and the aggregate of such compensation is in excess of \$300, the tax to be deducted by each employer other than a subordinate unit of a national railway-labor-organization employer from the compensation paid by him to the employee with respect to such month shall be that proportion of the tax with respect to such compensation paid by all such employers which the compensation paid by him after December 31, 1946, to the employee for services rendered during such month bears to the total compensation paid by all such employers after December 31, 1946, to such employee for services rendered during such month; and in the event that the compensation so paid by such employers to the employee for services rendered during such month is less than \$300, each subordinate unit of a national railway-labor-organization employer shall deduct such proportion of any additional tax as the compensation paid by such employer after December 31, 1946, to such employee for services rendered during such month bears to the total compensation paid by all such employers after December 31, 1946, to such employee for services rendered during such month.”

(c) Section 1510 of the Internal Revenue Code is amended to read as follows:

“SEC. 1510. RATE OF TAX.

“In addition to other taxes, there shall be levied, collected, and paid upon the income of each employee representative a tax equal to the following percentages of so much of the compensation, paid to such employee representative after December 31, 1946, for services rendered by him after such date, as is not in excess of \$300 for any calendar month:

“1. With respect to compensation paid during the calendar years 1947 and 1948, the rate shall be $11\frac{1}{2}$ per centum;

“2. With respect to compensation paid during the calendar years 1949, 1950, and 1951, the rate shall be 12 per centum;

52 Stat. 1102.
45 U. S. C. § 358.
Post, p. 739.

Military service.

52 Stat. 1097.
45 U. S. C. § 354.
Post, pp. 737, 738.
53 Stat. 179.
26 U. S. C. § 1500.

Income not in excess
of \$300 a month.

53 Stat. 179.
26 U. S. C. § 1501 (a)
Employee paid by
more than one em-
ployer.

53 Stat. 180.
26 U. S. C. § 1510.

Employee repre-
sentative.

"3. With respect to compensation paid after December 31, 1951, the rate shall be 12½ per centum."

53 Stat. 180.
26 U. S. C. § 1520.

(d) Section 1520 of the Internal Revenue Code is amended to read as follows:

"SEC. 1520. RATE OF TAX.

Excise tax paid by employer.

Employee paid by more than one employer.

"In addition to other taxes, every employer shall pay an excise tax, with respect to having individuals in his employ, equal to the following percentages of so much of the compensation, paid by such employer after December 31, 1946, for services rendered to him after December 31, 1936, as is, with respect to any employee for any calendar month, not in excess of \$300: *Provided, however,* That if an employee is paid compensation after December 31, 1946, by more than one employer for services rendered during any calendar month after 1936, the tax imposed by this section shall apply to not more than \$300 of the aggregate compensation paid to such employee by all such employers after December 31, 1946, for services rendered during such month, and each employer other than a subordinate unit of a national railway-labor-organization employer shall be liable for that proportion of the tax with respect to such compensation paid by all such employers which the compensation paid by him after December 31, 1946, to the employee for services rendered during such month bears to the total compensation paid by all such employers after December 31, 1946, to such employee for services rendered during such month; and in the event that the compensation so paid by such employers to the employee for services rendered during such month is less than \$300, each subordinate unit of a national railway-labor-organization employer shall be liable for such proportion of any additional tax as the compensation paid by such employer after December 31, 1946, to such employee for services rendered during such month bears to the total compensation paid by all such employers after December 31, 1946, to such employee for services rendered during such month:

"1. With respect to compensation paid during the calendar years 1947 and 1948, the rate shall be 5¾ per centum;

"2. With respect to compensation paid during the calendar years 1949, 1950, and 1951, the rate shall be 6 per centum;

"3. With respect to compensation paid after December 31, 1951, the rate shall be 6¼ per centum."

53 Stat. 182.
26 U. S. C. § 1532 (b).

(e) Section 1532 (b) of the Internal Revenue Code is amended to read as follows:

"Employee."

Individual in employment relation.

"(b) **EMPLOYEE.**—The term 'employee' means any individual in the service of one or more employers for compensation: *Provided, however,* That the term 'employee' shall include an employee of a local lodge or division defined as an employer in subsection (a) only if he was in the service of or in the employment relation to a carrier on or after August 29, 1935. An individual shall be deemed to have been in the employment relation to a carrier on August 29, 1935, if (i) he was on that date on leave of absence from his employment, expressly granted to him by the carrier by whom he was employed, or by a duly authorized representative of such carrier, and the grant of such leave of absence will have been established to the satisfaction of the Railroad Retirement Board before July 1947; or (ii) he was in the service of a carrier after August 29, 1935, and before January 1946 in each of six calendar months, whether or not consecutive; or (iii) before August 29, 1935, he did not retire and was not retired or discharged from the service of the last carrier by whom he was employed or its corporate or operating successor, but (A) solely by reason of his physical or mental disability he ceased before August 29, 1935, to be in the service of such carrier and thereafter remained continuously disabled until he attained age sixty-five or until August 1945, or (B) solely for such

last stated reason a carrier by whom he was employed before August 29, 1935, or a carrier who is its successor did not on or after August 29, 1935, and before August 1945 call him to return to service, or (C) if he was so called he was solely for such reason unable to render service in six calendar months as provided in clause (ii); or (iv) he was on August 29, 1935, absent from the service of a carrier by reason of a discharge which, within one year after the effective date thereof, was protested, to an appropriate labor representative or to the carrier, as wrongful, and which was followed within ten years of the effective date thereof by his reinstatement in good faith to his former service with all his seniority rights: *Provided*, That an individual shall not be deemed to have been on August 29, 1935, in the employment relation to a carrier if before that date he was granted a pension or gratuity on the basis of which a pension was awarded to him pursuant to section 6 of the Railroad Retirement Act of 1937, or if during the last pay-roll period before August 29, 1935, in which he rendered service to a carrier he was not in the service of an employer, in accordance with subsection (d), with respect to any service in such pay-roll period, or if he could have been in the employment relation to an employer only by reason of his having been, either before or after August 29, 1935, in the service of a local lodge or division defined as an employer in subsection (a).

"The term 'employee' includes an officer of an employer.

"The term 'employee' shall not include any individual while such individual is engaged in the physical operations consisting of the mining of coal, the preparation of coal, the handling (other than movement by rail with standard railroad locomotives) of coal not beyond the mine tippie, or the loading of coal at the tippie."

(f) Section 1532 (e) of the Internal Revenue Code is amended by adding at the end thereof the following new paragraph:

"A payment made by an employer to an individual through the employer's pay roll shall be presumed, in the absence of evidence to the contrary, to be compensation for service rendered by such individual as an employee of the employer in the period with respect to which the payment is made. An employee shall be deemed to be paid, 'for time lost' the amount he is paid by an employer with respect to an identifiable period of absence from the active service of the employer, including absence on account of personal injury, and the amount he is paid by the employer for loss of earnings resulting from his displacement to a less remunerative position or occupation. If a payment is made by an employer with respect to a personal injury and includes pay for time lost, the total payment shall be deemed to be paid for time lost unless, at the time of payment, a part of such payment is specifically apportioned to factors other than time lost, in which event only such part of the payment as is not so apportioned shall be deemed to be paid for time lost."

(g) Subchapter B of Chapter 9 of the Internal Revenue Code is amended by adding at the end thereof the following new section:

"SEC. 1538. TITLE OF SUBCHAPTER.

"This subchapter may be cited as the 'Railroad Retirement Tax Act'."

DIVISION II

SEC. 201. Section 1 (d) of the Railroad Retirement Act of 1937 is amended to read as follows:

"(d) An individual shall be deemed to have been in the employment relation to an employer on the enactment date if (i) he was on that date on leave of absence from his employment, expressly granted to him by the employer by whom he was employed, or by a

Restrictions.

50 Stat. 312.
45 U. S. C. § 228f.

Ante, p. 722.

Individual engaged
in mining, etc., of coal.

53 Stat. 182.
26 U. S. C. § 1532 (e).

Compensation for
service rendered.

Payment for time
lost.

53 Stat. 179.
26 U. S. C. §§ 1500-
1537; Supp. V, s 1532
et seq.
Ante, p. 722 *et seq.*

50 Stat. 308.
45 U. S. C. § 228a (d).

Individual in em-
ployment relation.

duly authorized representative of such employer, and the grant of such leave of absence will have been established to the satisfaction of the Board before July 1947; or (ii) he was in the service of an employer after the enactment date and before January 1946 in each of six calendar months, whether or not consecutive; or (iii) before the enactment date he did not retire and was not retired or discharged from the service of the last employer by whom he was employed or its corporate or operating successor, but (A) solely by reason of his physical or mental disability he ceased before the enactment date to be in the service of such employer and thereafter remained continuously disabled until he attained age sixty-five or until August 1945 or (B) solely for such last stated reason an employer by whom he was employed before the enactment date or an employer who is its successor did not on or after the enactment date and before August 1945 call him to return to service, or (C) if he was so called he was solely for such reason unable to render service in six calendar months as provided in clause (ii); or (iv) he was on the enactment date absent from the service of an employer by reason of a discharge which, within one year after the effective date thereof, was protested, to an appropriate labor representative or to the employer, as wrongful, and which was followed within ten years of the effective date thereof by his reinstatement in good faith to his former service with all his seniority rights: *Provided*, That an individual shall not be deemed to have been on the enactment date in the employment relation to an employer if before that date he was granted a pension or gratuity on the basis of which a pension was awarded to him pursuant to section 6, or if during the last pay-roll period before the enactment date in which he rendered service to an employer he was not in the service of an employer, in accordance with subsection (c), with respect to any service in such pay-roll period, or if he could have been in the employment relation to an employer only by reason of his having been, either before or after the enactment date in the service of a local lodge or division defined as an employer in section 1 (a).

Restrictions.

50 Stat. 312.
45 U. S. C. § 228f.

Ante, p. 722.

50 Stat. 307.
45 U. S. C. § 228a (a).
50 Stat. 308.
45 U. S. C. § 228a (f).
Service included.

SEC. 202. Section 1 (f) is amended by changing the period at the end of the proviso to a semicolon and adding "it may also be included as to service rendered to a person not an employer in the performance of operations involving the use of standard railroad equipment if such operations were performed by an employer on the enactment date." Section 1 (f) is further amended by substituting for the word "An" in the next to the last sentence the following: "Ultimate fractions shall be taken at their actual value, except that if the individual will have had not less than fifty-four months of service, an" and by striking out the last sentence.

SEC. 203. A new subsection is added to section 1 as follows:

"Current connection with the railroad industry."

50 Stat. 309.
45 U. S. C. § 228b.
Post, pp. 727, 728.

"(o) An individual shall be deemed to have 'a current connection with the railroad industry' at the time an annuity begins to accrue to him and at death if, in any thirty consecutive calendar months before the month in which an annuity under section 2 begins to accrue to him (or the month in which he dies if that first occurs), he will have been in service as an employee in not less than twelve calendar months and, if such thirty calendar months do not immediately precede such month, he will not have been engaged in any regular employment other than employment for an employer in the period before such month and after the end of such thirty months. For the purposes of section 5 only, an individual shall be deemed also to have a 'current connection with the railroad industry' if he is in all other respects completely insured but would not be fully insured under the

50 Stat. 312.
45 U. S. C. § 228e;
Supp. V, § 228e.
Post, p. 729.

Social Security Act, or if he is in all other respects partially insured but would be neither fully nor currently insured under the Social Security Act, or if he has no wage quarters of coverage."

SEC. 204. A new subsection is added to section 1 as follows:

"(p) The terms 'quarter' and 'calendar quarter' shall mean a period of three calendar months ending on March 31, June 30, September 30, or December 31."

SEC. 205. Section 2 (a) is amended by substituting for all that portion of the subsection after the first numbered paragraph the following:

"2. Women who will have attained the age of sixty and will have completed thirty years of service.

"3. Individuals who will have attained the age of sixty and will have completed thirty years of service, but the annuity of such an individual shall be reduced by one one-hundred-and-eightieth for each calendar month that he is under age sixty-five when his annuity begins to accrue.

"4. Individuals having a current connection with the railroad industry, and whose permanent physical or mental condition is such as to be disabling for work in their regular occupation, and who (i) will have completed twenty years of service or (ii) will have attained the age of sixty. The Board, with the cooperation of employers and employees, shall secure the establishment of standards determining the physical and mental conditions which permanently disqualify employees for work in the several occupations in the railroad industry, and the Board, employers, and employees shall cooperate in the promotion of the greatest practicable degree of uniformity in the standards applied by the several employers. An individual's condition shall be deemed to be disabling for work in his regular occupation if he will have been disqualified by his employer because of disability for service in his regular occupation in accordance with the applicable standards so established; if the employee will not have been so disqualified by his employer, the Board shall determine whether his condition is disabling for work in his regular occupation in accordance with the standards generally established; and, if the employee's regular occupation is not one with respect to which standards will have been established, the standards relating to a reasonably comparable occupation shall be used. If there is no such comparable occupation, the Board shall determine whether the employee's condition is disabling for work in his regular occupation by determining whether under the practices generally prevailing in industries in which such occupation exists such condition is a permanent disqualification for work in such occupation. For the purposes of this section, an employee's 'regular occupation' shall be deemed to be the occupation in which he will have been engaged in more calendar months than the calendar months in which he will have been engaged in any other occupation during the last preceding five calendar years, whether or not consecutive, in each of which years he will have earned wages or salary, except that, if an employee establishes that during the last fifteen consecutive calendar years he will have been engaged in another occupation in one-half or more of all the months in which he will have earned wages or salary, he may claim such other occupation as his regular occupation; or

"5. Individuals whose permanent physical or mental condition is such that they are unable to engage in any regular employment and who (i) have completed ten years of service, or (ii) have attained the age of sixty.

"Such satisfactory proof shall be made from time to time as prescribed by the Board, of the disability provided for in paragraph 4

49 Stat. 620.
42 U. S. C. § 1305;
Supp. V, § 401 *et seq.*
Post, pp. 732, 979
et seq.
Ante, pp. 722, 725,
726.
"Quarter" and
"calendar quarter."

Eligibility for an-
nuities.
60 Stat. 309.
45 U. S. C. § 228b (a).

Women, etc., attain-
ing age 60.

Disabled individuals.

Establishment of
standards.

"Regular occupa-
tion."

Proof of disability.

Employee found no longer disabled.

Crediting of additional service.

50 Stat. 310.
45 U. S. C. § 228b (b).

50 Stat. 311.
45 U. S. C. § 228c (4).

50 Stat. 311.
45 U. S. C. § 228c (c).
Infra.

Certain station employees.

Monthly compensation.

50 Stat. 311.
45 U. S. C. § 228c (e).
Minimum annuity.

Ante, p. 727.

or 5 and of the continuance of such disability (according to the standards applied in the establishment of such disability) until the employee attains the age of sixty-five. If the individual fails to comply with the requirements prescribed by the Board as to proof of the continuance of the disability until he attains the age of sixty-five years, his right to an annuity by reason of such disability shall, except for good cause shown to the Board, cease, but without prejudice to his rights to any subsequent annuity to which he may be entitled. If before attaining the age of sixty-five an employee in receipt of an annuity under paragraph 4 or 5 is found by the Board to be no longer disabled as provided in said paragraphs his annuity shall cease upon the last day of the month in which he ceases to be so disabled. An employee, in receipt of such annuity, who earns more than \$75 in service for hire, or in self-employment, in each of any six consecutive calendar months, shall be deemed to cease to be so disabled in the last of such six months; and such employee shall report to the Board immediately all such service for hire, or such self-employment. If after cessation of his disability annuity the employee will have acquired additional years of service, such additional years of service may be credited to him with the same effect as if no annuity had previously been awarded to him."

SEC. 206. Section 2 (b) is amended by substituting for "2 (b)" and "3" the numbers "4" and "5", respectively.

SEC. 207. Section 3 (b) (4) is amended by substituting for the portion of the sentence following "June 30, 1937" the following: "and after the end of the calendar year in which the individual attains the age of sixty-five".

SEC. 208. Section 3 (c) is amended by substituting the phrase "paid to an employee with respect to" for the phrase "earned by an employee in".

SEC. 209. Section 3 (c) is further amended by substituting for that portion of the subsection following the phrase "and (2)" the following: "the amount of compensation paid or attributable as paid to him with respect to each month of service before September 1941 as a station employee whose duties consisted of or included the carrying of passengers' hand baggage and otherwise assisting passengers at passenger stations and whose remuneration for service to the employer was, in whole or in substantial part, in the forms of tips, shall be the monthly average of the compensation paid to him as a station employee in his months of service in the period September 1940–August 1941: *Provided, however,* That where service in the period 1924–1931 in the one case, or in the period September 1940–August 1941 in the other case, is, in the judgment of the Board, insufficient to constitute a fair and equitable basis for determining the amount of compensation paid or attributable as paid to him in each month of service before 1937, or September 1941, respectively, the Board shall determine the amount of such compensation for each such month in such manner as in its judgment shall be fair and equitable. In computing the monthly compensation, no part of any month's compensation in excess of \$300 shall be recognized."

SEC. 210. Section 3 (e) is amended to read as follows:

"(e) In the case of an individual having a current connection with the railroad industry and not less than five years of service, the minimum annuity payable shall, before any reduction pursuant to subsection 2 (a) (3), be whichever of the following is the least: (1) \$3 multiplied by the number of his years of service; or (2) \$50; or (3) his monthly compensation."

SEC. 211. Section 3 (f) is amended to read as follows:

"Annuity payments which will have become due an individual but will not yet have been paid at death shall be paid to the same individual or individuals who, in the event that a lump sum will have become payable pursuant to section 5 hereof upon such death, would be entitled to receive such lump sum, in the same manner as, and subject to the same limitations under which, such lump sum would be paid, except that, as determined by the Board, first, brothers and sisters of the deceased, and if there are none such, then grandchildren of the deceased, if living on the date of the determination, shall be entitled to receive payment prior to any payment being made for reimbursement of burial expenses. If there be no individual to whom payment can thus be made, such annuity payments shall escheat to the credit of the Railroad Retirement Account."

SEC. 212. Section 4 is repealed, section 3A is renumbered as section 4, subsections (h) and (m) of said section are repealed, and all references to section "3A" are changed to "4".

SEC. 213. The heading preceding section 5, and section 5 are amended to read as follows:

"ANNUITIES AND LUMP SUMS FOR SURVIVORS

"SEC. 5. (a) **WIDOW'S INSURANCE ANNUITY.**—A widow of a completely insured employee, who will have attained the age of sixty-five, shall be entitled during the remainder of her life or, if she remarries, then until remarriage to an annuity for each month equal to three-fourths of such employee's basic amount.

"(b) **WIDOW'S CURRENT INSURANCE ANNUITY.**—A widow of a completely or partially insured employee, who is not entitled to an annuity under subsection (a) and who at the time of filing an application for an annuity under this subsection will have in her care a child of such employee entitled to receive an annuity under subsection (c) shall be entitled to an annuity for each month equal to three-fourths of the employee's basic amount. Such annuity shall cease upon her death, upon her remarriage, when she becomes entitled to an annuity under subsection (a), or when no child of the deceased employee is entitled to receive an annuity under subsection (c), whichever occurs first.

"(c) **CHILD'S INSURANCE ANNUITY.**—Every child of an employee who will have died completely or partially insured shall be entitled, for so long as such child lives and meets the qualifications set forth in paragraph (1) of subsection (1), to an annuity for each month equal to one-half of the employee's basic amount.

"(d) **PARENT'S INSURANCE ANNUITY.**—Each parent, sixty-five years of age or over, of a completely insured employee, who will have died leaving no widow and no child, shall be entitled, for life, or, if such parent remarries after the employee's death, then until such remarriage, to an annuity for each month equal to one-half of the employee's basic amount.

"(e) When there is more than one employee with respect to whose death a parent or child is entitled to an annuity for a month, such annuity shall be one-half of whichever employee's basic amount is greatest.

"(f) **LUMP-SUM PAYMENT.**—Upon the death, on or after January 1, 1947, of a completely or partially insured employee who will have died leaving no widow, child, or parent who would on proper application therefor be entitled to receive an annuity under this section for the month in which such death occurred, there shall be paid a lump sum of eight times the employee's basic amount to the following person (or if more than one there shall be distributed among them) whose relationship to the deceased employee will have

50 Stat. 311.
45 U. S. C. § 228c (f).
Payment to survivors.

50 Stat. 312.
45 U. S. C. § 228e;
Supp. V, § 228 (e).
Infra.

50 Stat. 311; 54 Stat.
1014.
45 U. S. C. §§ 228d,
228c-1; Supp. V,
§ 228c-1.
50 Stat. 312.
45 U. S. C. § 228e;
Supp. V, § 228e.

Post, p. 733.

When more than
one employee.

Person entitled to share as distributee.

Post, p. 731.

Filing of application.

50 U. S. C., Supp. V, app. § 1002.

49 Stat. 620.
42 U. S. C. § 1305;
Supp. V, § 401 *et seq.*
Post, pp. 732, 979 *et seq.*

Widow or child.

Supra.

been determined by the Board, and who will have been living on the date of such determination: to the widow or widower of the deceased; or, if no such widow or widower be then living, to any child or children of the deceased and to any other person or persons who, under the intestacy law of the State where the deceased will have been domiciled, will have been entitled to share as distributees with such children of the deceased, in such proportions as is provided by such law; or, if no widow or widower and no such child and no such other person be then living, to the parent or parents of the deceased, in equal shares. A person who is entitled to share as distributee with an above-named relative of the deceased shall not be precluded from receiving a payment under this subsection by reason of the fact that no such named relative will have survived the deceased or of the fact that no such named relative of the deceased will have been living on the date of such determination. If none of the persons described in this subsection be living on the date of such determination, such amount shall be paid to any person or persons, equitably entitled thereto, to the extent and in the proportions that he or they shall have paid the expenses of burial of the deceased. If a lump sum would be payable to a widow, child, or parent under this subsection except for the fact that a survivor will have been entitled to receive an annuity for the month in which the employee will have died, but within one year after the employee's death there will not have accrued to survivors of the employee, by reason of his death annuities which, after all deductions pursuant to paragraph (1) of subsection (i) will have been made, are equal to such lump sum, a payment to any then surviving widow, children, or parents shall nevertheless be made under this subsection equal to the amount by which such lump sum exceeds such annuities so accrued after such deductions. No payment shall be made to any person under this subsection, unless application therefor shall have been filed, by or on behalf of any such person (whether or not legally competent), prior to the expiration of two years after the date of death of the deceased employee, except that if the deceased employee is a person to whom section 2 of the Act of March 7, 1942 (56 Stat. 143, 144), is applicable such two years shall run from the date on which the deceased employee, pursuant to said Act, is determined to be dead, and for all other purposes of this section such employee, so long as it does not appear that he is in fact alive, shall be deemed to have died on the date determined pursuant to said Act to be the date or presumptive date of death.

“(g) CORRELATION OF PAYMENTS.—(1) An individual, entitled on applying therefor to receive for a month before January 1, 1947, an insurance benefit under the Social Security Act on the basis of an employee's wages, which benefit is greater in amount than would be an annuity for such individual under this section with respect to the death of such employee, shall not be entitled to such annuity. An individual, entitled on applying therefor to any annuity or lump sum under this section with respect to the death of an employee, shall not be entitled to a lump-sum death payment or, for a month beginning on or after January 1, 1947, to any insurance benefits under the Social Security Act on the basis of the wages of the same employee.

“(2) A widow or child, otherwise entitled to an annuity under this section, shall be entitled only to that part of such annuity for a month which exceeds the total of any retirement annuity, and insurance benefit under the Social Security Act to which such widow or child would be entitled for such month on proper application

therefor. A parent, otherwise entitled to an annuity under this section, shall be entitled only to that part of such annuity for a month which exceeds the total of any other annuity under this section, retirement annuity, and insurance benefit under the Social Security Act to which such parent would be entitled for such month on proper application therefor.

Parent.

"(h) MAXIMUM AND MINIMUM ANNUITY TOTALS.—Whenever according to the provisions of this section as to annuities, payable for a month with respect to the death of an employee, the total of annuities is more than \$20 and exceeds either (a) \$120, or (b) an amount equal to twice such employee's basic amount, or with respect to employees other than those who will have been completely insured solely by virtue of subsection (1) (7) (iii), such total exceeds (c) an amount equal to 80 per centum of his average monthly remuneration, whichever of such amounts is least, such total of annuities shall, prior to any deductions under subsection (i), be reduced to such least amount or to \$20, whichever is greater. Whenever such total of annuities is less than \$10, such total shall, prior to any deductions under subsection (i), be increased to \$10.

Post, p. 734.

"(i) DEDUCTIONS FROM ANNUITIES.—(1) Deductions shall be made from any payments under this section to which an individual is entitled, until the total of such deductions equals such individual's annuity or annuities under this section for any month in which such individual—

"(i) will have rendered compensated service within or without the United States to an employer;

"(ii) will have rendered service for wages of not less than \$25;

"(iii) if a child under eighteen and over sixteen years of age, will have failed to attend school regularly and the Board finds that attendance will have been feasible; or

"(iv) if a widow otherwise entitled to an annuity under subsection (b) will not have had in her care a child of the deceased employee entitled to receive an annuity under subsection (c);

"(2) The total of deductions for all events described in paragraph (1) occurring in the same month shall be limited to the amount of such individual's annuity or annuities for that month. Such individual (or anyone in receipt of an annuity in his behalf) shall report to the Board the occurrence of any event described in paragraph (1).

"(3) Deductions shall also be made from any payments under this section with respect to the death of an employee until such deductions total—

Payments with respect to death of employee.

"(i) any death benefit, paid with respect to the death of such employee, under sections 5 of the Retirement Acts (other than a survivor annuity pursuant to an election);

Ante, p. 729.

"(ii) any lump sum paid, with respect to the death of such employee, under title II of the Social Security Act, or under section 203 of the Social Security Act in force prior to the date of the Social Security Act Amendments of 1939;

49 Stat. 622, 623.
42 U. S. C. §§ 401-410a, 403; Supp. V, § 401 et seq.

Post, pp. 732, 979 et seq.

"(iii) any lump sum paid to such employee under section 204 of the Social Security Act in force prior to the date of the enactment of the Social Security Act Amendments of 1939, provided such lump sum will not previously have been deducted from any insurance benefit paid under the Social Security Act; and

53 Stat. 1360.
42 U. S. C. § 302 et seq.; Supp. V, § 401 et seq.

Post, pp. 732, 979 et seq.

"(iv) an amount equal to 1 per centum of any wages paid to such employee for services performed in 1939, and subsequent to his attaining age sixty-five, with respect to which the taxes imposed by section 1400 of the Internal Revenue Code will not have been deducted by his employer from his wages or paid by such employer, provided such amount will not previously have

49 Stat. 624.
42 U. S. C. § 404.

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49 Stat. 620.

42 U. S. C. § 1305; Supp. V, § 401 et seq.

Post, pp. 732, 979 et seq.

53 Stat. 175.

26 U. S. C. § 1400; Supp. V, § 1400.

Post, p. 978.

49 Stat. 620.
42 U. S. C. § 1305;
Supp. V, § 401 *et seq.*
Infra; *post*, p. 979
et seq.

been deducted from any insurance benefit paid under the Social Security Act.

"(4) The deductions provided in this subsection shall be made in such amounts and at such time or times as the Board shall determine. Decreases or increases in the total of annuities payable for a month with respect to the death of an employee shall be equally apportioned among all annuities in such total. An annuity under this section which is not in excess of \$5 may, in the discretion of the Board, be paid in a lump sum equal to its commuted value as the Board shall determine.

Filing, etc., of ap-
plication.

"(j) WHEN ANNUITIES BEGIN AND END.—No individual shall be entitled to receive an annuity under this section for any month before January 1, 1947. An application for any payment under this section shall be made and filed in such manner and form as the Board prescribes. An annuity under this section for an individual otherwise entitled thereto shall begin with the month in which such individual filed an application for such annuity: *Provided*, That such individual's annuity shall begin with the first month for which he will otherwise have been entitled to receive such annuity if he files such application prior to the end of the third month immediately succeeding such month. No application for an annuity under this section filed prior to three months before the first month for which the applicant becomes otherwise entitled to receive such annuity shall be accepted. No annuity shall be payable for the month in which the recipient thereof ceases to be qualified therefor.

49 Stat. 622.
42 U. S. C. §§ 401-
410a; Supp. V, § 401
et seq.
Post, p. 979 *et seq.*

"(k) PROVISIONS FOR CREDITING RAILROAD INDUSTRY SERVICE UNDER THE SOCIAL SECURITY ACT IN CERTAIN CASES.—(1) For the purpose of determining insurance benefits under title II of the Social Security Act which would begin to accrue on or after January 1, 1947, to a widow, parent, or surviving child, and with respect to lump-sum death payments under such title payable in relation to a death occurring on or after such date, section 15 of the Railroad Retirement Act of 1935, section 209 (b) (9) of the Social Security Act, and section 17 of this Act shall not operate to exclude from 'employment', under title II of the Social Security Act, service which would otherwise be included in such 'employment' but for such sections. For such purpose, compensation paid in a calendar year shall, in the absence of evidence to the contrary, be presumed to have been paid in equal proportions with respect to all months in the year in which the employee will have been in services as an employee.

49 Stat. 974; 53 Stat.
1374; 50 Stat. 317.
45 U. S. C. §§ 215-228
note, 228q; 42 U. S. C.
§ 409 (b) (9).

Joint report.

"(2) Not later than January 1, 1950, the Board and the Federal Security Administrator shall make a special joint report to the President to be submitted to Congress setting forth the experience of the Board in crediting wages toward awards, and the experience of the Social Security Board in crediting compensation toward awards, and their recommendations for such legislative changes as are deemed advisable for equitable distribution of the financial burden of such awards between the retirement account and the Federal Old Age and Survivors Insurance Trust Fund.

Certified reports of
records.

"(3) The Board and the Federal Security Administrator shall, upon request, supply each other with certified reports of records of compensation or wages and periods of service and of other records in their possession or which they may secure, pertinent to the administration of this section or title II of the Social Security Act as affected by paragraph (1). Such certified reports shall be conclusive in adjudication as to the matters covered therein: *Provided*, That if the Board or the Federal Security Administrator receives

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Recertification of re-
port.

evidence inconsistent with a certified report and the application involved is still in course of adjudication or otherwise open for such evidence, such recertification of such report shall be made as, in the judgment of the Board or the Federal Security Administrator, whichever made the original certification, the evidence warrants. Such recertification and any subsequent recertification shall be treated in the same manner and be subject to the same conditions as an original certification.

"(1) DEFINITIONS.—For the purposes of this section the term 'employee' includes an individual who will have been an 'employee', and—

"(1) The qualifications for 'widow', 'child', and 'parent' shall be, except for the purposes of subsection (f), those set forth in section 209 (j) and (k), and section 202 (f) (3) of the Social Security Act, respectively; and in addition—

"(i) a 'widow' shall have been living with her husband employee at the time of his death;

"(ii) a 'child' shall have been dependent upon its parent employee at the time of his death; shall not be adopted after such death; shall be unmarried; and less than eighteen years of age; and

"(iii) a 'parent' shall have been wholly dependent upon and supported at the time of his death by the employee to whom the relationship of 'parent' is claimed; and shall have filed proof of such dependency and support within two years after such date of death, or within six months after January 1, 1947.

A 'widow' or a 'child' shall be deemed to have been so living with a husband or so dependent upon a parent if the conditions set forth in section 209 (n) or section 202 (c) (3) or (4) of the Social Security Act, respectively, are fulfilled. In determining whether an applicant is the wife, widow, child, or parent of an employee as claimed, the rules set forth in section 209 (m) of the Social Security Act shall be applied;

"(2) The term 'retirement annuity' shall mean an annuity under section 2 awarded before or after its amendment but not including an annuity to a survivor pursuant to an election of a joint and survivor annuity; and the term 'pension' shall mean a pension under section 6;

"(3) The term 'quarter of coverage' shall mean a compensation quarter of coverage or a wage quarter of coverage, and the term 'quarters of coverage' shall mean compensation quarters of coverage, or wage quarters of coverage, or both: *Provided*, That there shall be for a single employee no more than four quarters of coverage for a single calendar year;

"(4) The term 'compensation quarter of coverage' shall mean any quarter of coverage computed with respect to compensation paid to an employee after 1936 in accordance with the following table:

Months of service in a calendar year	Total compensation paid in the calendar year				
	Less than \$50	\$50 but less than \$100	\$100 but less than \$150	\$150 but less than \$200	\$200 or more
1-3.....	0	1	1	1	1
4-6.....	0	1	2	2	2
7-9.....	0	1	2	3	3
10-12.....	0	1	2	3	4

"Employee."

"Widow," "child," "parent."
Ante, p. 729; 53 Stat. 1377, 1366.
42 U. S. C. §§ 409 (j), (k), 402 (f) (3).
Post, p. 988.

53 Stat. 1378, 1364, 1365.
42 U. S. C. §§ 409 (n), 402 (c) (3), (4).

53 Stat. 1378.
42 U. S. C. § 409 (m).

"Retirement annuity"; "pension."
Ante, pp. 727, 728.

50 Stat. 312.
45 U. S. C. § 228f.
"Quarter of coverage."

"Compensation quarter of coverage."

"Wage quarter of coverage."
49 Stat. 622.
42 U. S. C. §§ 401-410a; Supp. V, § 401 *et seq.*
Ante, p. 732; *post*, p. 979 *et seq.*
53 Stat. 1373.
42 U. S. C. § 409 (a).
Post, p. 990.
"Completely insured."

"(5) The term 'wage quarter of coverage' shall mean any quarter of coverage determined in accordance with the provisions of title II of the Social Security Act;

"(6) The term 'wages' shall mean wages as defined in section 209 (a) of the Social Security Act;

"(7) An employee will have been 'completely insured' if it appears to the satisfaction of the Board that at the time of his death, whether before or after the enactment of this section, he will have had the qualifications set forth in any one of the following paragraphs:

"(i) a current connection with the railroad industry; and a number of quarters of coverage, not less than six, and at least equal to one-half of the number of quarters, elapsing in the period after 1936, or after the quarter in which he will have attained the age of twenty-one, whichever is later, and up to but excluding the quarter in which he will have attained the age of sixty-five years or died, whichever will first have occurred (excluding from the elapsed quarters any quarter during any part of which a retirement annuity will have been payable to him); and if the number of such elapsed quarters is an odd number such number shall be reduced by one; or

"(ii) a current connection with the railroad industry; and forty or more quarters of coverage; or

"(iii) a pension will have been payable to him; or a retirement annuity based on service of not less than ten years (as computed in awarding the annuity) will have begun to accrue to him before 1948;

"Partially insured."

"(8) An employee will have been 'partially insured' if it appears to the satisfaction of the Board that at the time of his death, whether before or after the enactment of this section, he will have had (i) a current connection with the railroad industry; and (ii) six or more quarters of coverage in the period beginning with the third calendar year next preceding the year in which he will have died and ending with the quarter next preceding the quarter in which he will have died;

"Average monthly remuneration."

"(9) An employee's 'average monthly remuneration' shall mean the quotient obtained by dividing (A) the sum of the compensation and wages paid to him after 1936 and before the quarter in which he will have died, eliminating for any single calendar year, from compensation, any excess over \$300 for any calendar month in such year, and from the sum of wages and compensation any excess over \$3,000, by (B) three times the number of quarters elapsing after 1936 and before the quarter in which he will have died: *Provided*, That for the period prior to and including the calendar year in which he will have attained the age of twenty-two there shall be included in the divisor not more than three times the number of quarters of coverage in such period: *Provided further*, That there shall be excluded from the divisor any calendar quarter during any part of which a retirement annuity will have been payable to him.

"Compensation."

"With respect to an employee who will have been awarded a retirement annuity, the term 'compensation' shall, for the purposes of this paragraph, mean the compensation on which such annuity will have been based;

"Basic amount."

"(10) The term 'basic amount' shall mean—

"(i) for an employee who will have been partially insured, or completely insured solely by virtue of paragraph (7) (i) or (7) (ii) or both: the sum of (A) 40 per centum of his average monthly remuneration, up to and including \$75; plus (B) 10 per centum of such average monthly remuneration exceeding \$75

and up to and including \$250, plus (C) 1 per centum of the sum of (A) plus (B) multiplied by the number of years after 1936 in each of which the compensation, wages, or both, paid to him will have been equal to \$200 or more; if the basic amount, thus computed, is less than \$10 it shall be increased to \$10;

"(ii) for an employee who will have been completely insured solely by virtue of paragraph (7) (iii): the sum of 40 per centum of his monthly compensation if an annuity will have been payable to him, or, if a pension will have been payable to him, 40 per centum of the average monthly earnings on which such pension was computed, up to and including \$75, plus 10 per centum of such compensation or earnings exceeding \$75 and up to and including \$250. If the average monthly earnings on which a pension payable to him was computed are not ascertainable from the records in the possession of the Board, the amount computed under this subdivision shall be \$33.33, except that if the pension payable to him was less than \$25, such amount shall be four-thirds of the amount of the pension or \$13.33, whichever is greater. The term 'monthly compensation' shall, for the purposes of this subdivision, mean the monthly compensation used in computing the annuity;

"(iii) for an employee who will have been completely insured under paragraph (7) (iii) and either (7) (i) or (7) (ii): the higher of the two amounts computed in accordance with subdivisions (i) and (ii)."

SEC. 214. Section 8 is amended by striking out the word "monthly" each time it appears; by substituting for the phrase "Any such return" the phrase "The Board's record of the compensation so returned"; by substituting for the phrases "earned by" and "be earned by" the phrases "paid to" and "will have been paid to", respectively; by inserting after the phrase "the fact that" the phrase "the Board's records show that"; and by substituting for the terms "month" and "calendar month" the word "period".

SEC. 215. Section 11 is amended to read as follows:

"Decisions of the Board determining the rights or liabilities of any person under this Act shall be subject to judicial review in the same manner, subject to the same limitations, and all provisions of law shall apply in the same manner as though the decision were a determination of corresponding rights or liabilities under the Railroad Unemployment Insurance Act except that the time within which proceedings for the review of a decision with respect to an annuity, pension, or lump-sum benefit may be commenced shall be one year after the decision will have been entered upon the records of the Board and communicated to the claimant."

DIVISION III

The Railroad Unemployment Insurance Act is amended as follows:

SEC. 301. (a) Subsection 1 (h) is amended by inserting after the phrase "last preceding registration period" the phrase "which began with a day for which he registered at an employment office".

(b) Subsection 1 (h) is further amended by adding the following sentence:

"The term 'registration period' means also, with respect to any employee, the period which begins with the first day with respect to which a statement of sickness is filed in his behalf in accordance with such regulations as the Board may prescribe, or the first such day after the end of a registration period which will have begun with a day with respect to which a statement of sickness was filed in his behalf, and ends with the thirteenth day thereafter."

"Monthly compensation."

50 Stat. 313.
45 U. S. C. § 228h;
Supp. V, § 228h note.

50 Stat. 315.
45 U. S. C. § 228k.
Decisions subject to
judicial review.

52 Stat. 1094.
45 U. S. C. §§ 351-
367; Supp. V, § 351
et seq.
Ante, p. 722; *infra*.

54 Stat. 1094.
45 U. S. C. § 351 (h).
Infra.

"Registration period."

52 Stat. 1095.
45 U. S. C. § 351
(j).

SEC. 302. Subsection 1 (j) is amended by substituting for the period at the end thereof a comma and adding "maternity insurance, or sickness insurance".

52 Stat. 1095.
45 U. S. C. § 351
(k).

SEC. 303. The first paragraph of subsection 1 (k) is amended by inserting "(1)" after the phrase "section 4 of this Act," and by substituting for the colon before the phrase "Provided, however," the following: "; and (2) a 'day of sickness', with respect to any employee, means a calendar day on which because of any physical, mental, psychological, or nervous injury, illness, sickness, or disease he is not able to work or which is included in a maternity period, and with respect to which (i) no remuneration is payable or accrues to him, and (ii) in accordance with such regulations as the Board may prescribe, a statement of sickness is filed within such reasonable period, not in excess of ten days, as the Board may prescribe.".

"Day of sickness."

52 Stat. 1096.
45 U. S. C. § 351
(l).

SEC. 304. Subsection 1 (l) is amended by substituting therefor the following:

"Benefits."

"(1) The term 'benefits' (except in phrases clearly designating other payments) means the money payments payable to an employee as provided in this Act, with respect to his unemployment or sickness.

"Statement of sickness."
"Statement of maternity sickness."

"(1) (1) The term 'statement of sickness' means a statement with respect to days of sickness of an employee, and the term 'statement of maternity sickness' means a statement with respect to a maternity period of a female employee, in each case executed in such manner and form by an individual duly authorized pursuant to section 12 (i) to execute such statements, and filed as the Board may prescribe by regulations.

52 Stat. 1109.
45 U. S. C. § 362 (l).
Post, p. 739.

"Maternity period."

"(1) (2) The term 'maternity period' means the period beginning fifty-seven days prior to the date stated by the doctor of a female employee to be the expected date of the birth of the employee's child and ending with the one hundred and fifteenth day after it begins or with the thirty-first day after the day of the birth of the child, whichever is later."

52 Stat. 1096.
45 U. S. C. § 352 (a).
Days for which benefits payable.

SEC. 305 (a) The first sentence of subsection 2 (a) is amended to read as follows: "Benefits shall be payable to any qualified employee (i) for each day of unemployment in excess of seven during the first registration period, within a benefit year, in which he will have had seven or more days of unemployment, and for each day of unemployment in excess of four during any subsequent registration period in the same benefit year, and (ii) for each day of sickness (other than a day of sickness in a maternity period) in excess of seven during the first registration period, within a benefit year, in which he will have had seven or more such days of sickness, and for each such day of sickness in excess of four during any subsequent registration period in the same benefit year, and (iii) for each day of sickness in a maternity period."

(b) Subsection 2 (a) is further amended by inserting after the word "unemployment" in the second sentence the words "or sickness", by changing the phrase "the total amount of compensation payable to him with respect to employment" to "his total compensation with respect to employment", by substituting the following lines for the last line of the table:

"\$1,600 to \$1,999.99-----	\$4.00
\$2,000 to \$2,499.99-----	4.50
\$2,500 and over-----	5.00"

and by adding to the subsection, after the table, the following paragraphs:

Maternity period.

"The amount of benefits payable for the first fourteen days in each maternity period, and for the first fourteen days in a maternity period after the birth of the child, shall be one and one-half times the amount

otherwise payable under this subsection. Benefits shall not be paid for more than eighty-four days of sickness in a maternity period prior to the birth of the child. Qualification for and rate of benefits for days of sickness in a maternity period shall not be affected by the expiration of the benefit year in which the maternity period will have begun unless in such benefit year the employee will not have been a qualified employee.

"In computing benefits to be paid, days of unemployment shall not be combined with days of sickness in the same registration period."

SEC. 306. Subsection 2 (c) is amended by substituting for "one hundred" at the end thereof the following: "one hundred and thirty, and the maximum number of days of sickness, other than days of sickness in a maternity period, within a benefit year for which benefits may be paid to an employee shall be one hundred and thirty".

SEC. 307. Subsection 2 (f) is amended by inserting after the word "unemployment" each time it appears the words "or sickness".

SEC. 308. Section 3 is amended by changing the phrase "there was payable to him compensation of" to "his compensation will have been".

SEC. 309. (a) Section 4 (a) is amended by redesignating it section 4 (a-1), by including therein only paragraphs (iv) to (vii), inclusive, by redesignating said paragraphs as (i) through (iv), by inserting after the phrase "day of unemployment," in the first clause thereof the phrase "or as a day of sickness," and by changing the semicolon at the end thereof to a period.

(b) Section 4 (a-1) is further amended by changing paragraph (ii) thereof to read as follows:

"(ii) any day in any period with respect to which the Board finds that he is receiving or will have received annuity payments or pensions under the Railroad Retirement Act of 1935 or the Railroad Retirement Act of 1937, or insurance benefits under title II of the Social Security Act, or unemployment, maternity, or sickness benefits under an unemployment, maternity, or sickness compensation law of any State or of the United States other than this Act, or any other social-insurance payments under a law of any State or of the United States: *Provided*, That if an employee receives or is held entitled to receive any such payments, other than unemployment, maternity, or sickness payments, with respect to any period which include days of unemployment or sickness in a registration period, after benefits under this Act for such registration period will have been paid, the amount by which such benefits under this Act will have been increased by including such days as days of unemployment or as days of sickness shall be recoverable by the Board: *Provided further*, That, if that part of any such payment or payments, other than unemployment, maternity, or sickness payments, which is apportionable to such days of unemployment or days of sickness is less in amount than the benefits under this Act which, but for this paragraph, would be payable and not recoverable with respect to such days of unemployment or days of sickness, the preceding provisions of this paragraph shall not apply but such benefits under this Act for such days of unemployment or days of sickness shall be diminished or recoverable in the amount of such part of such other payment or payments;"

(c) Section 4 is further amended by inserting after subsection (a-1) a subsection to be designated (a-2), in the following language: "There shall not be considered as a day of unemployment, with respect to any employee—", by including in subsection (a-2) paragraphs (i), (ii), (iii), and (viii) of subsection 4 (a) as it existed prior to its amendment by this Act, and by redesignating said paragraph (viii) as paragraph (iv).

54 Stat. 1096.
45 U. S. C. § 352 (c).

54 Stat. 1096.
45 U. S. C. § 352 (f).

52 Stat. 1097.
45 U. S. C. § 353.

52 Stat. 1097.
45 U. S. C. § 354 (a).
Infra.

Receiving annuity payments.

49 Stat. 967; 50 Stat. 307; 49 Stat. 622.
45 U. S. C. §§ 215-228r; Supp. V, § 215 *et seq.*; 42 U. S. C. §§ 401-410a; Supp. V, § 401 *et seq.*
Ante, p. 722 *et seq.*; *post*, p. 979 *et seq.*

Supra.

52 Stat. 1098, 1099.
45 U. S. C. § 354 (b),
(c), (d), (e).

SEC. 310. Subsections 4 (b) through 4 (e) are amended by substituting for the references to "4 (a) (i)", "4 (a) (ii)", and "4 (a) (iii)", references to "4 (a-2) (i)", "4 (a-2) (ii)", and "4 (a-2) (iii)", respectively.

52 Stat. 1100.
45 U. S. C. § 355 (c).

SEC. 311. (a) The first paragraph of subsection 5 (c) is amended by striking out the phrase "district board" at the end of the first sentence thereof and substituting "referee or such other reviewing body as the Board may establish or assign thereto", and by striking out the balance thereof.

54 Stat. 1099.
45 U. S. C. § 355 (c).

(b) The third paragraph of subsection 5 (c) is amended by deleting the phrase "does not comply with the provisions of this Act and", and by inserting between the second and third sentences thereof the following:

Contributions.

"The Board may also designate one of its officers or employees to receive evidence and report to the Board whether or not any person or company is entitled to a refund of contributions or should be required to pay contributions under this Act, regardless of whether or not any claims for benefits will have been filed upon the basis of service in the employ of such person or company, and shall follow such procedure if contributions are assessed and payment is refused or payment is made and a refund claimed upon the basis that such person or company is or will not have been liable for such contributions."

Supra.

Subsection 5 (c) is further amended by adding the following paragraph:

Infra.

52 Stat. 1100.
45 U. S. C. § 355 (d).

"Any issue determinable pursuant to this subsection and subsection (f) of this section shall not be determined in any manner other than pursuant to this subsection and subsection (f)."

45 U. S. C. § 355 (e).

SEC. 312. Subsection 5 (d) is amended by substituting for the phrase "district boards" the words "reviewing bodies", and by striking out the phrase "a district board or of" each time it appears.

52 Stat. 1100.
45 U. S. C. § 355 (f).

SEC. 313. Subsection 5 (e) is amended by deleting the phrases "upon a claim for benefits," and "allowing or denying benefits", and by changing the word "claimant" to "parties".

Petition for review.

45 U. S. C. §§ 151-
163, 181-188; Supp. V,
§ 151 *et seq.*

Supra.

SEC. 314. The first sentence of subsection 5 (f) is amended to read as follows:

"Any claimant, or any railway labor organization organized in accordance with the provisions of the Railway Labor Act, of which claimant is a member, or any other party aggrieved by a final decision under subsection (c) of this section, may, only after all administrative remedies within the Board will have been availed of and exhausted, obtain a review of any final decision of the Board by filing a petition for review within ninety days after the mailing of notice of such decision to the claimant or other party, or within such further time as the Board may allow, in the United States circuit court of appeals for the circuit in which the claimant or other party resides or will have had his principal place of business or principal executive office, or in the United States Circuit Court of Appeals for the Seventh Circuit or in the Court of Appeals for the District of Columbia."

52 Stat. 1101.
45 U. S. C. § 355 (g).

Supra.

SEC. 315. Subsection 5 (g) is amended by substituting for the phrase "benefits or refund and" the words "benefits or refund, the determination of any other matter pursuant to subsection (c) of this section, and".

45 U. S. C. § 355 (h).

SEC. 316. Subsection 5 (i) is amended by inserting after the word "claimant" each time it appears the words "or other properly interested person", and by inserting after the phrase "counsel or agent" the words "for a claimant".

SEC. 317. Section 6 is amended by substituting for the phrase "earned by", each time it appears, and for the phrase "be earned by", the phrases "paid to" and "have been paid to", respectively.

SEC. 318. (a) Section 8 (a) is amended by changing the word "payable" to "paid" wherever it appears; and by substituting for the portion of the subsection beginning with the words "and each such employer" and continuing to the end of the subsection, the following: "and each employer other than a subordinate unit of a national railway-labor-organization employer shall be liable for that proportion of the contribution with respect to such compensation paid by all such employers which the compensation paid by him after December 31, 1946, to the employee for services during any calendar month after 1946 bears to the total compensation paid by all such employers after December 31, 1946, to such employee for services rendered during such month; and in the event that the compensation so paid by such employers to the employee for services rendered during such month is less than \$300, each subordinate unit of a national railway-labor-organization employer shall be liable for such proportion of any additional contribution as the compensation paid by such employer after December 31, 1946, to such employee for services rendered during such month bears to the total compensation paid by all such employers after December 31, 1946, to such employee for services rendered during such month."

(b) Subsection (h) of section 8 of the Railroad Unemployment Insurance Act, as amended, is amended to read as follows:

"(h) All provisions of law, including penalties, applicable with respect to any tax imposed by section 1800 or 2700 of the Internal Revenue Code, and the provisions of section 3661 of such code, insofar as applicable and not inconsistent with the provisions of this Act, shall be applicable with respect to the contributions required by this Act: *Provided*, That all authority and functions conferred by or pursuant to such provisions upon any officer or employee of the United States, except the authority to institute and prosecute, and the function of instituting and prosecuting, criminal proceedings, shall, with respect to such contributions, be vested in and exercised by the Board or such officers and employees of the Board as it may designate therefor."

SEC. 319. Subsection 12 (b) is amended by inserting after the phrase "being carried on in the District of Columbia," the phrase "or the District Court of the United States for the Northern District of Illinois, if the investigation or proceeding is being carried on in the Northern District of Illinois,"; and by inserting before the phrase "in such proceedings may run" the phrase "or of the District Court of the United States for the Northern District of Illinois".

SEC. 320. Subsection 12 (f) is amended by changing the phrases "unemployment-compensation laws", "unemployment benefits", and "unemployment-compensation law" to "unemployment-compensation, sickness, or maternity laws", "unemployment, sickness, or maternity benefits", and "unemployment-compensation, sickness, or maternity law", respectively.

SEC. 321. Subsection 12 (g) is amended by inserting after the word "unemployment", each time it appears, the phrase ", sickness, or maternity", and by striking out the phrase ", with respect to unemployment after June 30, 1939,".

SEC. 322. Subsection 12 (i) is amended by inserting the following paragraph between the second and third paragraphs thereof:

"The Board shall provide a form or forms for statements of sickness and a procedure for the execution and filing thereof. Such forms and procedure shall be designed with a view to having such statements provide substantial evidence of the days of sickness of

52 Stat. 1101.
45 U. S. C. § 356.

52 Stat. 1102.
45 U. S. C. § 358 (a).

Employer's liability, etc.

52 Stat. 1103.
45 U. S. C. § 358 (h).

Application of other laws.
53 Stat. 195, 288, 448.
26 U. S. C. §§ 1800, 2700, 3661; Supp. V, § 2700.

Authority, etc., of Board.

52 Stat. 1107.
45 U. S. C. § 362 (b).

52 Stat. 1108.
45 U. S. C. § 362 (f).

53 Stat. 848.
45 U. S. C. § 362 (g).

52 Stat. 1109.
45 U. S. C. § 362 (i).

Forms, etc., for statements of sickness.

Regulations.

the employee and, in the case of maternity sickness, the expected date of birth and the actual date of birth of the child. Such statements may be executed by any doctor (authorized to practice in the State or foreign jurisdiction in which he practices his profession) or any officer or supervisory employee of a hospital, clinic, group health association, or other similar organization, who is qualified under such regulations as the Board may prescribe to execute such statements. The Board shall issue regulations for the qualification of such persons to execute such statements. When so executed by any such person, or, in the discretion of the Board, by others designated by the Board individually or by groups, they may be accepted as initial proof of days of sickness sufficient to certify for payment a claim for benefits."

Ante, p. 739.

SEC. 323. Section 12 is further amended by adding thereto the following subsections:

Physical, etc., examinations.

"(n) Any employee claiming, entitled to, or receiving sickness benefits under this Act may be required to take such examination, physical, medical, mental, or otherwise, in such manner and at such times and by such qualified individuals, including medical officers or employees of the United States or a State, as the Board may prescribe. The place or places of examination shall be reasonably convenient for the employee. No sickness or maternity benefits shall be payable under this Act with respect to any period during which the employee unreasonably refuses to take or willfully obstructs an examination as prescribed by the Board.

Report by doctor to Board.

"Any doctor who renders any attendance, treatment, attention, or care, or performs any examination with respect to a sickness of an employee or as to the expected date of birth of a female employee's child, or the birth of such a child, upon which a claim or right to benefits under this Act is based, shall furnish the Board, in such manner and form and at such times as the Board by regulations may prescribe, information and reports relative thereto and to the condition of the employee. An application for sickness or maternity benefits under this Act shall contain a waiver of any doctor-patient privilege that the employee may have with respect to any sickness or maternity period upon which such application is based: *Provided*, That such information shall not be disclosed by the Board except in a court proceeding relating to any claim for benefits by the employee under this Act.

Waiver of doctor-patient privilege.

Disclosure of information.

Agreements with hospitals, etc.

"The Board may enter into agreements or arrangements with doctors, hospitals, clinics, or other persons for securing the examination, physical, medical, mental, or otherwise, of employees claiming, entitled to, or receiving sickness or maternity benefits under this Act and the performance of services or the use of facilities in connection with the execution of statements of sickness. The Board may compensate any such doctors, hospitals, clinics, or other persons upon such reasonable basis as the Board shall prescribe. Such doctors, hospitals, clinics, or other persons and persons employed by any of them shall not be subject to the Act of Congress approved March 3, 1917 (39 Stat. 1106, ch. 163, sec. 1). In the event that the Board pays for the physical or mental examination of an employee or for the execution of a statement of sickness and such employee's claim for benefits is based upon such examination or statement, the Board shall deduct from any sickness or maternity benefits payable to the employee pursuant to such claim such amount as, in the judgment of the Board, is a fair and reasonable charge for such examination or execution of such statement.

Compensation.

5 U. S. C. § 66.

Deductions from benefits.

"(o) Benefits payable to an employee with respect to days of sickness shall be payable regardless of the liability of any person to pay damages for such infirmity. The Board shall be entitled to reimbursement from any sum or damages paid or payable to such employee or other person through suit, compromise, settlement, judgment, or otherwise on account of any liability (other than a liability under a health, sickness, accident, or similar insurance policy) based upon such infirmity, to the extent that it will have paid or will pay benefits for days of sickness resulting from such infirmity. Upon notice to the person against whom such right or claim exists or is asserted, the Board shall have a lien upon such right or claim, any judgment obtained thereunder, and any sum or damages paid under such right or claim, to the extent of the amount to which the Board is entitled by way of reimbursement.

Payment of benefits for days of sickness.

Reimbursement from damages paid, etc.

"(p) The Board may, after hearing, disqualify any person from executing statements of sickness who, the Board finds, (i) will have solicited, or will have employed another to solicit, for himself or for another the execution of any such statement, or (ii) will have made false or misleading statements to the Board, to any employer, or to any employee, in connection with the awarding of any benefits under this Act, or (iii) will have failed to submit medical reports and records required by the Board under this Act, or will have failed to submit any other reports, records, or information required by the Board in connection with the administration of this Act or any other Act heretofore or hereafter administered by the Board, or (iv) will have engaged in any malpractice or other professional misconduct. No fees or charges of any kind shall accrue to any such person from the Board after his disqualification.

Disqualification from executing statements of sickness.

"(q) The Board shall engage in and conduct research projects, investigations, and studies with respect to the cause, care, and prevention of, and benefits for, accidents and disabilities and other subjects deemed by the Board to be related thereto, and shall recommend legislation deemed advisable in the light of such research projects, investigations, and studies."

Research, etc., by Board.

SEC. 324. Subsection 13 (b) is amended by inserting after "1939," in the first, second, and third sentences thereof, "and for the payment of sickness and maternity benefits for sickness or for maternity periods after June 30, 1947," "or to sickness or maternity benefits under a sickness or maternity law of any State with respect to sickness or to maternity periods occurring after June 30, 1947," and "or of State sickness or maternity laws after June 30, 1947," respectively.

52 Stat. 1110.
45 U. S. C. § 363 (a).

DIVISION IV

SEC. 401. Except as otherwise provided in this Act, the provisions thereof shall become effective upon approval.

Effective dates.

SEC. 402. Section 306 shall become effective on July 1, 1946, and sections 203, 205, 206, 207, 210, 211, 213, and 318 shall become effective on January 1, 1947.

Ante, pp. 737, 726-729, 739.

The amendments to section 1532 of the Internal Revenue Code made by sections 1 and 3 (e) and (f) shall be effective only with respect to services rendered after December 31, 1946. The amendments made by section 3 (a), (b), (c), and (d) shall take effect January 1, 1947. Sections 1500, 1510, and 1520 of the Internal Revenue Code as in effect on December 31, 1946, shall remain in full force and effect on and after January 1, 1947, with respect to any remuneration which constitutes compensation under the law as in effect on December 31, 1946, to which such sections as amended by this Act are not applicable.

Ante, pp. 722, 724, 725.

Ante, pp. 735-738.

Prior rights, etc.

Crediting of service prior to 1937.

Ante, p. 725.

Prior election of joint and survivor annuity.

49 Stat. 970; 50 Stat. 312.
45 U. S. C. §§ 215-228 note, 228e; Supp. V, § 228e.
Ante, p. 729.

Increased annuity under applicable amendment.

Ante, p. 725 *et seq.*

Service prior to 1937.

Joint and survivor annuity.

Annuity terminated by recovery from disability.
Ante, p. 727.

SEC. 403. Sections 301, 302, 303, 304, 305 (except for the revision of the table which shall be effective on the date of enactment of this Act), 307, 308, 309, and 310 shall become effective on July 1, 1947.

SEC. 404. Except as hereinafter provided, the rights of persons to whom pensions or annuities were awarded before the date of approval of this Act shall continue to be governed by the provisions of law applicable thereto prior to the approval of this Act. In the award of annuities or increases in annuities after the date of approval of this Act on applications on which no award or a partial award has been made prior to said date, service prior to 1937 (and the compensation therefor) shall be credited only if such service is creditable under the amendments made by section 201. No annuity or increase in annuity so awarded crediting such service shall begin to accrue prior to the date of approval of this Act.

SEC. 405. The election of a joint and survivor annuity made before the date of approval of this Act by an individual to whom an annuity accrues before January 1, 1947, shall be given effect as though the provisions of law under which the election was made had continued to be operative unless no annuity was awarded to such individual prior to the date of approval of this Act and, within one year after the approval of this Act, he revokes the election in such form and manner as the Board may prescribe. Such election by an individual to whom no annuity accrues before January 1, 1947, shall also be given such effect if the individual, before January 1, 1948, reaffirms the election in such form and manner as the Board may prescribe.

SEC. 406. Payments upon death as provided in sections 5 of the Railroad Retirement Acts of 1935 and 1937, other than survivor annuities pursuant to an election, shall be made only with respect to deaths occurring before January 1, 1947.

SEC. 407. An individual to whom an annuity accrued prior to January 1, 1947, and who would as of the date of initial accrual have been entitled to an annuity in a greater amount by reason of the amendments made by section 201, 202, 205, or 210 had such amendments been in effect at the date of initial accrual (or, in the case of a survivor annuity, at the date of initial accrual of the annuity from which it derives), shall, without further application therefor other than a statement of any service claimed under section 202, be awarded an annuity in such greater amount beginning as of the date the applicable amendment shall have become operative: *Provided, however*, That, in such award service before 1937 (and the compensation therefor) shall not be credited if such service would not be creditable upon application of all the amendments made by this Act. In determinations made pursuant to this section any individual to whom an annuity based on not less than five years of service accrues before January 1, 1947, shall be deemed to have a "current connection with the railroad industry". If an annuity increased pursuant to this section is a joint and survivor annuity, the increase shall be in the same form, the actuarial value being computed as of the date the increase begins, unless on that date there is no spouse living for whom the election was made, in which case the increase shall be awarded on a single life basis. If the increase herein provided effects a survivor annuity only, the increase shall be so determined as to bear the same ratio to the survivor annuity, as the increase in the basic annuity would bear to such basic annuity, if the employee annuitant were living and had made no joint and survivor election.

SEC. 408. No annuities accruing after the month in which this Act is approved shall be reduced under section 2 (a) 3 of the Railroad Retirement Act of 1937 to compensate for an annuity terminated by recovery from disability.

SEC. 409. In the application of section 6 of the Railroad Retirement Act of 1937 with respect to persons who were not employers before the enactment of section 1 of this Act, the dates January 1, 1946, and January 1, 1947, shall be substituted for March 1, 1937, and July 1, 1937, respectively.

Approved July 31, 1946.

50 Stat. 312.
45 U. S. C. § 228f.

Ante, p. 722.

[CHAPTER 710]

AN ACT

To authorize the return of the Grand River Dam project to the Grand River Dam Authority and the adjustment and settlement of accounts between the authority and the United States, and for other purposes.

July 31, 1946
[H. R. 5508]
[Public Law 573]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed, notwithstanding the provisions of any other law, to adjust and settle, upon such basis as he may deem just and equitable, the accounts between the United States and the Grand River Dam Authority arising out of (a) the loan and grant agreement between the United States and the Grand River Dam Authority of October 16, 1937, as modified and extended; and (b) the taking of possession and control, and the occupation and use of the Grand River Dam project in Oklahoma under Executive Order Numbered 8944, dated November 19, 1941, and Executive Order Numbered 9373, dated August 30, 1943, and upon completion of or in connection with such adjustment and settlement to return to the Grand River Dam Authority possession and control of the properties and assets which were taken over by the United States under Executive Order Numbered 8944, so far as such properties and assets may still be held by the United States; and to convey and deliver to the Grand River Dam Authority, for cash, credit, bonds, or property, and upon such other terms as the Secretary of the Interior may deem proper, all right, title, and interest of the United States in and to all or any part of the improvements, additions, and facilities made or added to the Grand River Dam project by the United States during the period of Federal control thereof and such maps, drawings, and other records pertaining thereto as may be agreed upon by him and the Authority.

Grand River Dam
project.
Return, etc., to
Authority.

3 CFR, Cum.Supp.,
p. 1026; 3 CFR, 1943
Supp., p. 39.

SEC. 2. In carrying out the authority conferred upon him under section 1 of this Act, the Secretary, in accordance with such agreement as is made between him and the Authority, may—

Authority of Secretary.

(a) surrender for cancellation the 4 per centum revenue bonds of the Authority, dated April 1, 1938, together with the unpaid interest coupons appertaining thereto, now held by the United States, and accept in lieu thereof new revenue bonds of the Authority of such description and cash in such amounts as the Secretary may determine: *Provided*, That such new bonds shall bear interest at a rate of not less than 2½ per centum per annum, payable semiannually;

Surrender of bonds,
etc.

(b) cancel, modify, or treat as having been fulfilled the loan and grant agreement of October 16, 1937, as modified, and extended, and allow the Authority credit for all or such part of the grant provided for under such loan and grant agreement as he may determine, in his discretion, to be just and equitable;

Modification, etc.,
of agreement.

(c) waive and relinquish on behalf of the United States all or such part of the matured interest installments and coupons or accrued interest on the Authority's bonds held by the United States that has matured or accrued during the period of Federal control of the Grand River Dam project as the Secretary may, in his discretion, determine to be just and equitable; and

Waiver, etc., of interest installments.