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REDUCTION IN ESTIMATE FOR VETERANS' AFFAIRS

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COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

REQUEST THAT THE ESTIMATE OF APPROPRIATION OF \$396,048,200 FOR MILITARY AND NAVAL COMPENSATION, VETERANS' ADMINISTRATION, AS CONTAINED IN THE BUDGET FOR THE FISCAL YEAR 1934, BE REDUCED TO \$372,800,000

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JANUARY 4, 1933.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,  
Washington, January 4, 1933.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: The Budget for the fiscal year 1934, transmitted to Congress last December, carries an estimate of appropriation for military and naval compensation, Veterans' Administration, of \$396,048,200, which includes \$124,890,210 for disability allowance benefits.

Information just recently developed indicates that the requirements for 1934 for disability allowances will not reach the amount originally estimated, so that a reduction of \$23,248,200 can be made in the estimate of \$396,048,200.

I therefor have the honor to request that the estimate of appropriation of \$396,048,200 for military and naval compensation, Veterans' Administration, as contained in the Budget for the fiscal year 1934, be reduced to \$372,800,000.

Further details regarding this reduction are set forth in the letters of the Director of the Bureau of the Budget and the Administrator of Veterans' Affairs, transmitted herewith.

Respectfully,

HERBERT HOOVER.

BUREAU OF THE BUDGET,  
Washington, January 4, 1933.

SIR: The Budget for the fiscal year 1934 carries an estimate of appropriation of \$396,048,200 for military and naval compensation under the Veterans' Administration, which includes \$124,890,210 for the disability allowance benefits. This estimate was based on the best information obtainable at the time when the Budget was prepared, which indicated that there would be a substantial increase in 1934 over 1933 in the number of awards for disability allowance benefits payable from this appropriation.

There is inclosed herewith a letter from the Administrator of Veterans' Affairs dated January 4, 1933, in which he states that since September 1, 1932, there has been a decline in awards for disability allowance and that a revision of the requirements for 1934, based upon this newly established trend, indicates that a decrease of \$23,248,200 can be made in the estimate for 1934.

It therefore appears that the estimate of \$396,048,200 for military and naval compensation, Veterans' Administration, as contained in the Budget for the fiscal year 1934, can be reduced to \$372,800,000.

Very respectfully,

J. CLAWSON ROOP,  
*Director of the Bureau of the Budget.*

The PRESIDENT.

VETERANS' ADMINISTRATION,  
Washington, January 4, 1933.

Col. J. CLAWSON ROOP,  
*Director Bureau of the Budget, Washington, D. C.*

MY DEAR COLONEL ROOP: The appropriation estimate for military and naval compensation contained in the Budget for 1934 is \$396,048,200, which includes an amount of \$124,890,210 for disability allowance benefits.

This original estimate was based upon a trend established prior to May 1, 1932, and indicated an average monthly increase in the number of active disability allowance awards of approximately 9,327 during the fiscal year 1934, as compared with an estimated increase of 11,755 per month during the fiscal year 1933. During the months of July and August of the fiscal year 1933 the actual increase approximated the average estimated for those months. However, as of September 1, 1932, due to a number of causes, the increase in actual awards declined from 14,261 during May, 1932, to 3,739 for the month of November, 1932. Revision of the estimate based upon this newly established trend indicates an expenditure for disability allowance during the fiscal year 1934 in the amount of \$101,652,326, which is a reduction of \$23,237,884 in the original estimate.

It is accordingly recommended that a decrease in the amount of \$23,248,200 be made in the estimate for military and naval compensation contained in the Budget for 1934, in order that the appropriation estimate may be presented in the round numbers of \$372,800,000.

Very truly yours,

FRANK T. HINES,  
*Administrator.*