

*"B. G. Bill
of Rights"*

November 29, 1944

Honorable Earl Snell
Governor of Oregon
Capitol Building

Dear Sir:

I am enclosing herewith an analysis in comparison of recent federal and state legislation concerning veterans of the present war.

Yours very truly,

GEORGE NEUNER,
Attorney General,

By

Assistant.

GLB:TS
Enclosure

200-1000000

COMPARISON OF BENEFITS UNDER "G.I.BILL" (78th
CONGRESS, PUBLIC LAW 346) AND UNDER STATE LAWS. (SEE
LAWS 1943, CHAPTER 394, AND LAWS 1943, PAGE 736,
HOUSE JOINT RESOLUTION NO. 7.)

EDUCATION

ELIGIBILITY

Federal: To be eligible under the federal act a person must have served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war. He must have been discharged honorably or released from service under conditions other than dishonorable. He must have served at least 90 days, exclusive of any period during which he was assigned for a course of education or training under the army or navy training programs, which course was a continuation of his civilian course and was pursued to completion, and also exclusive of any time served as a cadet or midshipman at a service academy.

As an alternative to the 90 day service requirement he may show that he was discharged or released because of disability sustained in the service. It must also appear that his education has been interrupted or delayed by reason of his entry into the service, but any person not over 25 years of age is deemed to have had his education so interrupted.

State: The applicant for benefits under the state act must have been a resident of the State of Oregon for one year prior to entrance into the service. Further qualifications are set forth by section 7, of chapter 394, Laws of 1943, as follows:

"No person who has avoided combat service by claiming to be a conscientious objector, no alien or alien enemy, or who served less than ninety days in the armed forces, and no person inducted

or enlisted into the military or naval service, who received civilian pay for civilian work, shall be given aid under this act. No benefits shall be paid under this act to any person who makes application for and obtains educational benefits pursuant to any federal law hereafter enacted."

TIME AND MANNER OF MAKING APPLICATIONS

Federal: The course must be begun not later than two years after the termination of the present war or after the discharge of the applicant, whichever is the later. However, no benefits shall be afforded beyond seven years after the termination of the present war.

State: I find no such time limitation in the state act.

As to procedure, the state act provides that the beneficiary shall file his application with the executive head of the institution in which he desires to pursue his course. The application must set forth date of enlistment or induction, date and certified copy of discharge or furlough, nature of course to be pursued and length of time he intends to pursue it.

AMOUNTS AVAILABLE

Federal: The administrator of the federal act shall pay to the institution in which the veteran is enrolled the customary cost of tuition and customary fees. He may also pay for books, supplies, equipment and other necessary expenses, exclusive of board, lodging, other living expenses and travel "as are generally required for the successful pursuit and completion of the course by other students in the institution." Such payment shall not exceed \$500 for an ordinary school year.

The veteran may also apply for and receive a subsistence allowance of \$50 per month if without dependents, or \$75 per month if he has dependents. Adjustment is made in case of part-time attendance.

State: State financial aid is payable as follows: \$75 the first month of school or college attendance, \$50 each month thereafter for the following eight months, and \$35 each month for nine months during each of the subsequent three school or college years. Adjustment is made for part-time attendance.

DURATION OF COURSES

Federal: An eligible person shall be entitled to education or training or a refresher course for a period of one year or the equivalent in continuous part-time study. Upon the satisfactory completion of this course (excepting the refresher or retraining course) the veteran shall be entitled to an additional period not to exceed the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period during which he was assigned for a course in the army or navy training programs, which course was a continuation of his civilian course and pursued to completion, or as a cadet or midshipman at one of the service academies. In no event shall the total period of education exceed four years.

State: Such aid shall not be granted to any one person for a period of more than a total of four years.

NATURE OF COURSE AND SCHOOLS TO BE ATTENDED

Federal: Under the federal act the veteran may choose his course of study and attend any approved educational or training institution in which he chooses to enroll, whether or not located in the state in which he resides. He may change his course of study on approval of the administrator.

Educational institutions are defined by the federal act as follows:

"As used in this part, the term 'educational or training institutions' shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public, Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training."

State: Under chapter 394, Laws 1943, he may choose his course of study, but it must be a "public or accredited private school or college in the state of Oregon."

ADMINISTRATION

Federal: The Administrator of Veterans' Affairs is charged with the duty of administering the federal act.

State: The Superintendent of Public Instruction is charged with the administration of a large part of the duties under the state act.

VETERANS' LOANS

Note: The state law is not parallel with the federal law in this respect because one is a part of the organic law and one is a portion of the Constitution. The federal law contains details of administration and conditions precedent to the receipt of benefits under it, while the amendment to the state constitution sets forth its purpose and contemplates further legislation on the subject. It is therefore difficult to make a comparison which would show any advantages in bringing a particular veteran within the provisions of one or the other.

ELIGIBILITY

Federal: To be eligible under the federal act a person must have served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war. He must have been discharged honorably or released from service under conditions other than dishonorable. He must have served at least 90 days, or he must show that he was discharged or released by reason of an injury or disability incurred in service in the line of duty.

State: Section 3 of Article 11A of the Constitution sets forth the following qualifications:

The applicant must have been in the service on September 1, 1940, and served honorably in active duty for not less than 90 days "after mobilization for and before the end of actual hostilities with any of the Axis powers." He or she must have been a resident of the state of Oregon at the time of entrance into the service and must have been discharged or furloughed to a reserve.

TIME FOR APPLICATION

Federal: The veteran must apply within two years after separation from service or two years after termination of the war, whichever is the later date, but in no event more than five years after the termination of the war.

PURPOSE OF FUND

Federal: Under the federal act there are three classifications of property which may be purchased from the proceeds of the loan:

1. It may be used in purchasing residential property or in constructing a dwelling on unimproved property owned by him to be occupied as a home.
2. It may be used for purchasing any land, buildings, livestock, equipment, machinery or implements, or in repairing or improving any building or equipment to be used in farming operations conducted by the applicant.
3. It may be used to purchase any business, land, buildings, supplies, equipment, machinery or tools to be used by the applicant in pursuing a gainful occupation (other than farming, which is covered by item 2 above.)

Many conditions are set forth under the sections relating to the different types of properties, such as terms of payment, nature and condition of property, value of property, ability of the veteran to conduct farming operations or other occupation. The act contemplates that the Administrator of Veterans' Affairs, upon an application made to him for a loan, will investigate the circumstances of the property and the veteran before his approval of the loan.

State: The purpose of the amendment is to create a fund for the acquisition of homes and farms for eligible veterans. Business property is apparently not included.

AMOUNT OF LOAN

Federal: Under the federal act the aggregate amount guaranteed shall not exceed \$2,000. The loan is granted in two parts. The act first provides that "such veteran may apply * * * for the guaranty by the Administrator of not to exceed 50 per centum of a loan or loans for any of the purposes specified * * *." After the principal loan has been approved and the veteran is in need of the second loan to cover the remainder of the purchase price or cost, the Administrator, "subject otherwise to the provisions of this title, including the limitation of \$2,000 on the total amount which may be guaranteed, may guarantee the full amount of the second loan." It is provided that the second

loan shall not exceed 20 per centum of the purchase price or cost and that the rate of interest shall not exceed that on the principal loan by more than 1 per centum. The principal loan shall bear interest at a rate not exceeding 4 per centum per annum and shall be payable in not more than 20 years, otherwise the loans are payable under terms and conditions to be approved by the Administrator.

State: As to the amount of loan, interest, time of repayment and other terms and conditions, further legislation by the state pursuant to the amendment is required.

ELIGIBILITY UNDER FARM TENURE ACT

Federal: A veteran who is eligible under this "G.I. Bill", who is found by the Secretary of Agriculture to have sufficient ability and experience, is also eligible for benefits under the Bankhead-Jones Farm Tenant Act to the same extent as if he were a farm tenant.

Note: The "G.I. Bill" enters certain spheres which are not touched on or only lightly touched by state law.

HOSPITALIZATION

Federal: The federal act provides for the construction of additional hospital facilities. This portion of the act operates as a continuation of former acts and regulations already established.

State: Oregon has no law providing for the hospitalization of veterans of the present war merely on the basis of their status as such.

Chapter 288, Laws 1943, authorizes the creation of a fund for the relief of indigent war veterans who have resided in Oregon for three years and in the county for one year, and for the relief of widows and minor children of such veterans. The purpose of the fund is to defray funeral expenses and expenses of last illness of such war veterans, their wives, widows and minor children. The amount payable for funeral expenses is limited to \$100.

EMPLOYMENT

Federal: The federal act creates a Veterans' Placement Service Board to cooperate with the United States Employment Service. The board consists of the Administrator of Veterans' Affairs, the Director of the National Selective Service System and the Administrator of the Federal Security Agency.

A veterans' representative is attached to the staff of the United States Employment Service in the state to which he has been assigned. His duties are, in part, to register

veterans in local employment offices for placement, to secure information as to employment available, to promote the interest of employers in employing veterans, and to improve working conditions and the advancement of the employment of veterans.

State: The State of Oregon has no statute providing for assistance to veterans in gaining employment. Some minor benefits are given, such as preference credits in county civil service examinations, leave of absence for public officials or employes, suspension of professional license fees during service and automatic reinstatement of veterans.

REESTABLISHMENT ALLOWANCES

Federal: Veterans serving after September 16, 1940, and prior to the termination of the present war, honorably discharged, etc., after active service of 90 days or more, or discharged by reason of injuries etc., are eligible to receive a readjustment allowance for each week of unemployment not to exceed a total of 52 weeks. Further qualifications for eligibility are set forth as follows:

Residence in the United States at the time of claim.

Complete lack of employment or partial employment, as defined by the act.

Registration with and continuance of reporting to a public employment office.

Ability and availability for suitable work.

The veteran may be disqualified if he leaves suitable work voluntarily, without cause, or for misconduct, if he fails to accept suitable work when offered him or fails to attend an available free training course under certain conditions. He is also disqualified if his employment is due to a labor dispute.

The weekly allowance is "\$20 less that part of the wages payable to him for such week which is in excess of \$3." Self-employed veterans are eligible to receive an allowance if their earnings have been less than \$100 in the previous calendar month. The allowance is the difference between \$100 and his net earnings.

State: Oregon has no law touching upon such unemployment benefits merely on the basis of ones status as a veteran.

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The outstanding difference between the federal and state education measures involves the length of time in school. Under federal, the pay is greater, but time is limited to 1 year for 1st 90 days of service and day for day of service thereafter. Under state, the student is entitled to a full four year course. ~~(As state student may not have received federal educational aid)~~

For loans, the federal includes homes, farms, business, equipment, supplies, stock, etc. The state only farms and homes. Little other comparison can be made except with the World I act. This provided \$3000 for 30 years at ~~4%~~ with payments at 6% to liquidate) There was no "ability to succeed" provision, only appraisal of property. Present federal law of guarantee will make possible larger loans but subject to approval which may mean lots of loans or maybe no loans at all. -Federal loans have a limit of 20 years. The World I act required the veteran to have 1/3 equity whereas the present federal law requires nothing if those in charge find reasonable prospects of veteran to succeed.

EDUCATION

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Eligibility-----

Federal: 90 days service or less if injury or disability.
Discharge must be other than dishonorable.

State: 90 days service, resident of state 1 year prior to service. Must not be conscientious objector, alien or alien enemy. Must not have received federal educational aid.

Time of Application--

Federal: Must apply within 2 years from end of war or from discharge, whichever is greater.

State: No time limit.

Amount-----

Federal: Tuition and books to \$500 a year and \$50 a month; if with dependents, \$75 a month.

State: \$75 first month, \$50 remainder first year, \$35 for 3 subsequent years.

Duration of Aid---

Federal: 1 year for first 90 days of service, plus additional period not to exceed time of active service since September 16, 1940, but not more than 4 years in all.

State: Not more than 4 years.

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LOANS

Eligibility-----

Federal: 90 days or less if injury or disability, and a finding of "likely to succeed"

State: 90 days "honorably" and residence in Oregon at *time* of entry into service.

Purpose-----

Federal: For residence property or construction.

Buy land, buildings, stock, equipment

Buy Business, supplies, equipment, machinery, tools

State: For purchase of homes or farms.

Amount-----

Federal: No federal money but guarantee up to \$2000.
1st loan guarantee must not exceed 50%; second loan may be guaranteed up to total amount, provided guarantee is not more than \$2000 overall.

State: Subject to legislation.
(World War I, \$3000 for 30 years at 4% with payments at 6% quarterly to liquidate, and loan limited to 2/3 of property appraisal)

Interest-----

Federal: 4%.

Duration-----

Federal: 20 years on farms; 5 years on business; 2 years on machinery and tools; only 1 year if less than \$500.

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