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(In three volumes)

VOLUME II.

ANNUAL REPORT

DIVISION OF VETERANS AFFAIRS



State House, Augusta, Maine June 30, 1948



ANNUAL REPORT

DIVISION OF VETERANS AFFAIRS



State House, Augusta, Maine June 30, 1948 To GOVERNOR HORACE HILDRETH AND THE HONORABLE EXECUTIVE COUNCIL:

As required by subsection 4 of section 1, chapter 386, Public Laws of 1947, I have the honor to transmit herewith the First Annual Report of the Director of Veterans Affairs, covering the period from June 30th, 1947 to July 1st, 1948, together with the recommendations of the Director.

Respectfully,

FRED W. ROWELL,

Director

HISTORICAL SKETCHES

In the preparation of this, the first report to be made by the Director of Veterans Affairs for the State of Maine under chapter 386, Public Laws of 1947, it is believed that a brief history of the Division and the programs administered by it will be of interest.

The Division of Veterans Affairs had its beginnings when, on January 1, 1943, the then Governor Sumner Sewall appointed the present Director as State Service Officer in the Department of Health and Welfare. This assignment charged the State Service Officer with the responsibility of reviewing all cases on the Public Assistance rolls and making sure that where veterans or servicemen were involved, they were receiving from the federal government all benefits to which they might be entitled. It also charged the State Service Officer with the duty of rendering service to Maine veterans and their dependents in filing claims with the Veterans Administration, and to the next of kin of Maine men and women who were at that time serving in the armed forces of the United States.

Veterans Service Committee of Maine

One month later, in February 1943, Colonel Malcolm Stoddard, Manager of the Veterans Administration Center at Togus, realizing the problems which would be facing the State of Maine when demobilization of our armed forces should commence, called a conference at which the Veterans Service Committee of Maine was organized. This committee later consisted of the following persons:

Col. MALCOLM STODDARD, Chairman Manager, Veterans Administration Center, Togus

FRED W. ROWELL, Secretary Director of Veterans Affairs, State House

LT. COL. RICHARD F. SAVILLE

Selective Service Headquarters

MAJ. GEN. WALLACE C. PHILOON

Administrative Assistant to Governor Hildreth

FRED A. CLOUGH, JR.

Department Service Officer of the American Legion

ALEXANDER NETEFOR

Department Service Officer of the Veterans of Foreign Wars

RAY M. HOPPIN

Department Service Officer of the Disabled Amer-. ican Veterans

LEROY N. KOONZ, Director of Vocational Rehabilitation

State Department of Education

FRANCIS J. MCDONNELL, Veterans Employment Representative

United States Employment Service

JOHN W. GREENE, Associate Director

United States Employment Service

PAUL JONES, Director

War Manpower Commission

Brigadier J. T. Seddon

The Salvation Army

CQL. EARLE A. REED, Rehabilitation Officer Veterans Administration Center

JAMES J. WELCH, JR., Field Director American Red Cross at Veterans Administration

MAJOR WILLIAM A. VENTIMIGLIA Maine Public Health Association

COL. G. WILLIAM SMALL

Coordinator of Veterans' Education, University of Maine

It will be noted that the Director of Veterans Affairs was privileged to serve as secretary of this committee.

The committee met once a month for a period of four years. It was instrumental in forming one hundred and twenty-six local veterans service committees which functioned at the local level, making personal contacts with returning veterans, attending to their re-employment and other problems until demobilization was completed. Over 1700 persons served on these local committees, including many of the leaders in the various communities, and it was largely due to the patriotic, unpaid service of these men and women that our State was able to re-absorb its nearly 100,000 veterans into our economy with so little maladjustment to business and to the veterans themselves.

The members of these local committees, with the aid and cooperation of the Selective Service System, enabled the State to compile a complete card

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catalog of its World War II veterans. Few citizens, other than the veterans themselves, will ever realize what the untiring efforts of these men and women have meant to our State.

Maine was among the very first states to plan and organize a veterans assistance program, so that when the Retraining and Reemployment Administration was set up in Washington to establish such services in the states on a nation-wide basis, our State had been organized and functioning for over a year. The Maine plan was used as a model by several other states in setting up their programs.

During this time (in October 1944) the Commissioner of Health and Welfare, in order to meet the expanding needs for service work among veterans and their dependents, created within that Department a Division of Veterans Affairs and named the State Service Officer as its Director. Seven field representatives, all veterans of World War II, were engaged and district offices were set up in Portland, Lewiston, Rockland, Augusta, Bangor, Machias and Caribou. All except the Augusta and Caribou offices were established in Veterans Administration installations at no expense to the state except for services, office supplies and travel.

Maine Council of Veterans Affairs

On V-J Day, Governor Hildreth, realizing that the efforts of our local veterans service committees would have to be supplemented by the work of additional volunteers if the needs of rapid demobilization were to be met, called together at the State House, representatives of all the municipal officers of the state and other interested citizens. From this meeting the Maine Council of Veterans Affairs came into being and continued until February 1947 when its mission was accomplished and it disbanded. This Council functioned under the direction of an executive committee composed of the following persons:

COL. ROBINSON VERRILL, Chairman—Portland CECIL J. SIDDALL, 1st Vice-Chairman—Sanford RAYMOND W. DAVIS, 2nd Vice-Chairman—Guilford FRED W. ROWELL, Secretary PETER D. REGIS, Public Relations Representative CHESTER G. ABBOTT, Portland Chairman, Committee on Community Organization COL. G. WILLIAM SMALL, Orono Chairman, Committee on Training and Education

RAY COLLETT, Brewer Chairman, Committee on Reemployment

JUDGE ROBERT B. WILLIAMSON, Augusta Chairman, Committee on Rehabilitation

HAROLD SKELTON, Lewiston Chairman, Committee on Publicity

FREDERICK G. PAYNE, Waldoboro Chairman, Committee on Financial Aid to Veterans

Under the auspices of the Council, a booklet entitled "The Maine Veteran" was prepared and mailed out by the Governor, together with his "welcome home" letter to over 70,000 Maine veterans.

The Council of Veterans Affairs sponsored the establishment of twenty-five local Veterans Service Centers throughout the State, financed by local funds and, for the most part, under the direction of full-time paid directors. The Council also conducted an extensive advertising campaign calling to the attention of Maine employers the advantages of hiring veterans and explaining to them the possibilities of apprenticeship and on-the-job training under the G. I. Bill. It also made a study of needed legislation and made recommendations to the Legislature. It recommended, among other things, that the Division of Veterans Affairs be taken out of the Department of Health and Welfare and set up as a separate Division of state government with offices in the State House, and that the veterans' relief programs being administered by the Department of Health and Welfare be transferred to the new Division. The separation and transfer of the Division was accomplished by Council Order No. 240, dated September 6, 1945, under the war-time powers granted to the Governor and Council by the Civilian Defense Act.

With the expiration of this Act, it became necessary for the Legislature to authorize the continuance of the Division of Veterans Affairs and this was accomplished by the enactment of Chapter 386 of the Public Laws of 1947.

The within report is, therefore, the first annual report of the Division of Veterans Affairs under legislative authority.

Veterans' Assistance Programs

Two veterans' assistance programs were transferred to the Division of Veterans Affairs from the Department of Health and Welfare by Chapter 386 of the Public Laws of 1947. These are known respectively as "World War Assistance" and "General Law Pensions". It is felt that a brief background discussion of these programs will be of interest and should properly be made a part of this first annual report.

The World War Assistance program is intended to render financial assistance from state funds to the needy dependents of a deceased or disabled veteran of World War I or World War II, whose disabilities interfere with his ability to earn a living for himself and family. It was originally passed as an emergency measure by the Legislature and signed by the Governor on April 7, 1917 and was intended at that time to care for the dependents of men from Maine who were serving in the armed forces during World War I. On October 6, 1917 Congress enacted the War Risk Insurance Act which provided for family allowances from federal funds for the dependents of persons in the armed forces, but the Maine law continued to be administered to supplement these payments where they were found inadequate or delayed. As first set up, it authorized the towns and cities to assist these families and receive reimbursement from state funds. The law was later amended to provide assistance to the needy dependents of disabled veterans instead of those serving in the armed forces, but it continued to be administered by the towns and cities, on a reimbursement basis, until 1929.

The twelve years between 1917 and 1929 demonstrated the impracticability of attempting to administer a program of this nature through already established municipal relief agencies and the Legislature of 1929 set up a State Commission to handle the program. In 1931 World War Assistance was transferred from this Commission to the Department of Health and Welfare, where it remained until 1947, when the law under which this report is being made, transferred administration to the Division of Veterans Affairs. There had always been dissatisfaction with the policy of administering veterans' assistance through agencies handling other types of public relief. The vast majority of Maine veterans have felt that their program is intended to cover emergency situations, and should be administered by their own agency in such a way that aid

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would be promptly available in adequate amounts when needed, and promptly discontinued when the need was removed by recovery of the veteran from his disability. The veterans feel that those among them who require extended assistance should receive it through some program in which the federal government participates (such as Aid to Dependent Children, Old Age Assistance, etc.) in order that such state funds as may be available may be granted to those who have emergency problems and who would ordinarily not be calling upon anyone for help. Both of these requirements are met by the present law, and it is believed that the following report will reflect the soundness of the veterans' thinking.

General Law Pensions were formerly administered by the Division of General Relief, Department of Health and Welfare, and were also transferred to the Division of Veterans Affairs by Chapter 386 of the Public Laws of 1947. Under this law veterans of the Civil War, and the Spanish American War may receive from the state a pension not to exceed \$12 per month, if they are unable from their federal pension and other resources to properly provide for themselves and their dependents. The same benefit is also extended to the unremarried widow, or the son, daughter, parent or sister of such veteran under similar conditions, if the veteran is deceased and if such person was dependent upon the veteran at the time of his death. The original law granting these pensions was Chapter 179 of the Public Laws of 1871 and provided only for Civil War veterans and their dependents in an amount of \$8 per month. It was later amended to include veterans of the Aroostook War (which were later dropped) and still later to include veterans of the Spanish American War. No changes have been made in the law in recent years, except to provide for monthly instead of quarterly payments.

STATISTICAL REPORTS

(Contacts)

The field representatives of the Division have not been required to keep an accurate statistical record of all contacts, correspondence, etc. made by them and passing through their offices. It is felt that the time required in keeping such statistics could better be utilized in productive service work. However, a spot check of daily reports sent in by the field representatives indicates that they have made during the year a total of 9,820 personal contacts, either in their offices or in the field. On a percentage basis, these contacts have been divided approximately as follows:

World War Assistance and General Law Pen-1. 30.36% sions (Investigations-reinvestigations - service work - rehabilitation work - referrals-etc.) 2. Claims 14.24% (Compensation-Pension - Death Benefits-Widows, children and dependent parents' claims --- affidavits-gratuity pay) 3. Training and Education 6.57% (Schooling-on-the-job training - institution training, etc.) Hospitalization and Medical Treatment 4.38% 4. Related State Programs 5. 3.99%(ADC-OA-AB-CW-Mental Health State Hospital Aid-Clinics-etc.) 6. Insurance 3.59%(Reinstatement — conversion — c a s h values-death claims-loans-etc.) Loans 7. 3.53%(Home-farm-business-personal) Employment 8. 3.41% 9. Rehabilitation 1.87% (State and federal, in addition to assistance cases) 10. Miscellaneous 28.06% (Legal — supplemental assistance — Armed Services Information and

Armed Services Information and claims — Out-of-State bonuses — Armed Forces Leave—Notarization— War Brides—War Dead—G. I. Bill of Rights — Social Security — Delayed checks—Family problems—Civil Service — Claims against state and Federal government — Reemployment Rights—Reviews of Discharges—Readjustment Allowance—Soldiers' Homes, etc.)

(Claims)

Before the Division of Veterans Affairs was moved from Health and Welfare and set up as a separate department of state government, several millions of dollars had been recovered through claims from the Veterans Administration and other federal agencies for veterans of Maine and their dependents, by the Director and his field representatives. Since the veterans' assistance programs were made the responsibility of the Division, this service work on claims has continued. Our record of recoveries during the past year is as follows:

Type of claim	Amount recovered
Veterans' compensation	\$36,043
Veterans' pensions (non-service connected) 37,104
Widows' and Children's pensions	41,108
Parents' pensions	21,971
Insurance death claims	66,000
Others	92,026
Total	\$294,252

The above recoveries are figured on a yearly basis except for insurance death claims and a few of the miscellaneous items, and will continue to be paid, year after year, during the life of the recipient or as long as entitlement exists.

(Financial Assistance Programs—World War Assistance and General Law Pensions)

The law transferring the veterans' assistance programs to the Division from the Department of Health and Welfare became effective on August 13, 1947. Payments of grants were taken over without interruption. Our first checks for General Law pensions went out on August 31st, and for World War Assistance on September 15th.

Following is a summary of the World War Assistance case load throughout the year:

Number of act Health and W	transferred	from	310
Number of pen- Health and W	transferred	from	109

Number of active cases by months:

1947	September	279
	October	262
	November	282
	December	300

1948	January 325	
20 20	February 326	
	March 351	
	April 333	
	May 326	
	June 304	
the ye		310
_	of new applications received through- e year	657
	of new applications granted through- e year	388
	of applications denied	240
	of applications voluntarily with-	115
Total n	umber of individuals receiving aid	
	shout the year	2101
Average	amount of grants	\$59.55
Number year	of pending applications at end of	23
Case	Load Summary—General Law Pensi	ons
	of active cases transferred from a and Welfare	239
Number month	of active cases at the end of each :	
1947	August 237	
	September 236	
	October 236	
	November 238	
	December 243	
1948	January 246	
	February 245	
	March 252	
	April 251	
	April 251	
Average the ye	April251May252June249number of active cases throughout	244
the ye	April251May252June249number of active cases throughout ear	
the ye Number	April251May252June249number of active cases throughout	
the ye Number out th	April251May252June249number of active cases throughoutearof new applications received through-	244
the ye Number out th Number	April251May252June249number of active cases throughout tearof new applications received through- te year	244 45
the ye Number out th Number Number	April251May252June249number of active cases throughout earof new applications received through- te yearof applications granted	244 45 35

FINANCIAL STATEMENT Analysis of Expenses—July 1, 1947 to June 30, 1948 Administrative Expense

Salary of Director Other Salaries Other Expenses		<i>Approp.</i> \$ 4,500.00 47,684.00 25,848.00	Expenditures \$ 4,215.84 39,510.48 13,685.47*	Balance \$ 284.16 8,173.52 12,162.53
*Analysis of Other Expenses Travel Expense Telephone and Telegrams Rent (Field Offices) Postage Printing Office Supplies **General Operating Exp. Office Equipment		78,032.00	57,411.79	20,620.21
	13,685.47			
**Includes subscriptions, textbooks, statistical	services, etc.			
Grants of WWA Extraordinary Medical and Dental Expense	World War Assistance Grants	<i>Approp.</i> \$250,000.00	Expenditures \$225,011.13 4,659.94	Balance \$ 20,328.93
Total		250,000.00	229,671.07	20,328,93
	General Law Pensions		,	, -
Grants		35,000.00	32,001.00	2,999.00
GRAND TOTAL		363,032.00	319,083.86	43,948.14

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It will be noted that \$43,948.14 was turned back to the General Fund from our appropriations for the year. A part of this saving was effected by re-arrangement of field schedules which reduced the amount of estimated travel increase because of added duties connected with relief programs; a part was due to savings effected by placing field office in Veterans Administration installations at no rental expense to the State, and a part was due to the fact that whereas new salary schedules for the field representatives were budgeted for a full twelvemonth period, the new schedules did not go into effect until October 18th instead of July 1st.

RECOMMENDATIONS

Statutory ceilings on amount of aid. The greatest

value of financial assistance to dependents of disabled veterans lies in the removal of the element of financial worry on the part of the veteran while he is hospitalized or otherwise disabled, thereby contributing to his more rapid recovery and quicker return to productive employment.

Section 3 of Chapter 37, Public Laws of 1947 placed a ceiling on the amount of aid which may be granted to the family of a disabled veteran, regardless of the financial need in each individual case. These ceilings are as follows: For one dependent child (including mother), \$50 per month; for mother and two such children \$75 per month, and \$20 per month for each additional child. Even when figuring the minimum cost of maintenance by Health and Welfare standards, these ceilings are often found to be less than the budgetary requirements of the family. Under these circumstances the Division is not able to support the family while the veteran is disabled, and the element of financial worry is not removed.

It is recommended that Section 3 of Chapter 37, Public Laws of 1947 be repealed, so that basic maintenance (figured on the budgetary standards used by the Department of Health and Welfare) may be granted in all cases.

Files and records of the Division to be confidential.

During the engrossing of Chapter 386, Public Laws of 1947 (An Act Continuing the Division of Veterans Affairs) that section of the bill which made the records and files of the Division confidential was erroneously omitted. It is recommended that R. S. c. 22-A, sec. 5 as enacted by Sec. 1 of Chapter 386, Public Laws of 1947, be amended to include that section of the original bill which will make the records and files of the Division confidential. Protection of the reemployment rights of State employees entering the armed forces under the Selective Service Act of 1948 (Public Law 759, 80th Congress). Section 23 of Chapter 59 of the Revised Statutes of 1944 provides for protection of the re - employment rights of State employees entering the armed forces "in time of war, contemplated war, emergency or limited emergency". Up to the present time, State employees have been given

this protection and will continue to be protected under the peace-time draft, since no peace treaty has yet been signed with Germany, and the state of war can be interpreted to still exist. However, if a peace treaty should be signed and/or the state of war be officially terminated while the peace-time draft law is still in effect, our employees would still be entering the armed forces under legislative compulsion and would be without protection with respect to their re-employment rights. The Selective Service Act of 1948 provides such protection for employees in private employment and in the employment of the United States. It is recommended that Section 23 of Chapter 59 of the Revised Statutes of 1944 be amended to take care of this situation.

Protection of retirement fund of State employees entering the armed forces under the Selective Service Act of 1948. The same situation obtains with respect to the retirement fund of State employees as is outlined in the preceding paragraph regarding their re - employment rights. It is recommended that Paragraph VI of Sec-

tion 2, Chapter 384 of the Public Laws of 1947 be amended to protect the retirement funds of State employees entering the armed forces under the Selective Service Act of 1948.

Provision for certain World War II veterans to obtain lobster fishermen's licenses after residence of two years. We have in Maine five or six veterans of World War II who have married into the families of licensed lobster fishermen and for whom lobster fishing is the only practical means by which they can support their families.

This situation was temporarily taken care of by an opinion of the Attorney General which held that an honorably discharged veteran of World War II who is taking on-the-job training under a licensed Maine lobster fisherman, could do such things as were necessary to his training without first obtaining a license. The period required for this training is approximately two years. Training of these veterans has been interrupted by the Veterans Administration for the reason that the trainees could not reach their job objectives on completion of training because of the ten-year residence requirements for a lobster fisherman's license.

It is recommended that the third paragraph of Section 115 of Chapter 34, Revised Statutes of 1944 be amended to grant licenses to World War II veterans who have taken training under licensed Maine lobster fishermen as provided for in Public Law 346, 78th Congress (G. I. Bill) after having been a resident of Maine for two years between the dates July 25, 1947 (stop date on G. I. benefits) and July 25, 1956 (date on which training under G. I. Bill must be completed).

Housing.

Adequate housing at prices which the veteran can afford

has been, and continues to be one of his major problems. Just what, if anything, may properly be done by the State of Maine in this situation is not known to this Division. Neither is it known what form of housing legislation will be enacted by the 81st Congress. However, it is recommended that a study of the problem be undertaken by the Legislature, that close liaison be maintained between the Legislature and the Congress and that such enabling legislation be enacted as will permit Maine to take advantage of any federal housing law. In considering whether or not our State may properly enter into direct aid in solving the housing problem, the project which is being completed in Millinocket is recommended for study.

ACKNOWLEDGMENTS

In submitting this report, it is desired to express the appreciation of the Director and his field representatives for the whole-hearted cooperation of the Governor and his Executive Council.

Also, to the members of the 93rd Legislature, to the Manager of the Veterans Administration Center at Togus and those serving under him, to the officers and members of the veterans' organizations of Maine, to the former personnel of the Selective Service System, to the Veterans' Placement Service, to the American Red Cross, the Salvation Army and all other public and private agencies in our State, we extend our sincere thanks for the splendid cooperation which they have rendered to us in the cause of Maine veterans and their dependents.