MAJOR FEDERAL LEGISLATIVE AND EXECUTIVE ACTIONS AFFECTING SENIOR CITIZENS
1963-1964

A STAFF REPORT
PREPARED FOR THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE

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MAJOR FEDERAL LEGISLATIVE AND EXECUTIVE ACTIONS
AFFECTING SENIOR CITIZENS
1963–1964

I. INTRODUCTION

This report summarizes actions on aging taken between January 1, 1963, and October 3, 1964 (the date on which the 88th Congress adjourned). It does not list bills on aging which were not reported from committees. Such bills are listed in "Listing of Bills Relating to Programs Under the Social Security Administration," published by the Division of Program Evaluation and Planning of the Social Security Administration; "Highlights of Legislation on Aging," published by the Office of Aging, Department of Health, Education, and Welfare; and "Digest of Public General Bills," published by the Legislative Reference Service of the Library of Congress. (See index headings "Aged and Aging," "Old Age," "Pensions," "Retirement," "Senior Citizens," and "Social Security.")

Copies of hearings, reports, and other publications of the Special Committee on Aging to which reference is made in this report can be obtained free of charge, while the supply lasts, by requests addressed to:

Senate Special Committee on Aging,
Room G–233, New Senate Office Building,
Washington, D.C., 20510.
II. EMPLOYMENT

A. AGE DISCRIMINATION

1. Section 715 of Public Law 88-352 (approved July 2, 1964), the Civil Rights Act of 1964, directs the Secretary of Labor to “make a full and complete study of the factors which might tend to result in discrimination in employment because of age and the consequences of such discrimination on the economy and individuals affected,” and to file with Congress not later than June 30, 1965, a report of the results of such study, including “recommendations for legislation to prevent arbitrary discrimination in employment because of age.”

2. An amendment to the civil rights bill to prevent discrimination in employment due to age was offered on the Senate floor by Senator George A. Smathers, chairman of the Senate Special Committee on Aging. If adopted, it would have added “age” to the bases for employment discrimination to be prohibited by the bill (“race, color, religion, sex, or national origin”). On June 11, 1964, it was defeated by a rollcall vote of 63 to 28.

3. A similar effort by Congressman John Dowdy on the House floor was defeated on February 8, 1964, by a vote of 123 to 94.

4. On February 12, 1964, President Johnson signed Executive Order 11141, which declares a public policy against employment discrimination on the basis of age. The order declares that it is the policy of the executive branch that contractors and subcontractors performing Federal contracts shall not practice employment discrimination against persons because of their age except upon the basis of a bona fide occupational qualification, retirement plan, or statutory requirement. The head of each department and agency is directed to take appropriate action to enunciate this policy, and appropriate amendments are directed to be made to Federal Procurement Regulations and the Armed Services Procurement Regulation.

B. INCREASING EMPLOYMENT OPPORTUNITIES FOR THE ELDERLY

1. Hearings were held by the Subcommittee on Employment and Retirement Incomes, the Senate Special Committee on Aging, as follows:

As a result, a report including recommendations for increasing employment opportunities for the elderly was subsequently approved by both the subcommittee and the Special Committee on Aging.

2. The President’s Council on Aging in February 1964 published a report with recommendations on employment of the older worker.

3. The President’s budget for fiscal year 1965 included two items to assist in placing older workers in employment: a $342,000 appropriation increase for additional older worker specialists in local employment offices and a $1,288,000 item for the first year’s operations of a part-time employment service. H.R. 10809, the 1965 Labor and Health, Education, and Welfare appropriation bill, as
passed by the House, failed to provide the funds for these items. The Senate restored the necessary funds, but they were again deleted in conference.

4. Hearings were held by the Subcommittee on Employment and Manpower of the Senate Committee on Labor and Public Welfare on the overall subject of employment and manpower. As a result, the subcommittee during April 1964 issued a report with recommendations for a comprehensive employment and manpower policy in the United States, including recommendations regarding older workers.

5. Title V of the Economic Opportunity Act of 1964 (Public Law 88-452, Aug. 20, 1964) authorized funds for experimental pilot or demonstration projects providing work and training for low-income families, including present and potential old-age assistance recipients.

6. Two demonstration projects on placing older workers in employment were begun during 1964 by the National Council on Aging with funds from the Office of Manpower, Automation, and Training of the Department of Labor. These projects are being conducted in South Bend, Ind., and Milwaukee, Wis. Five other projects of this type in Boston, Mass.; Cleveland, Ohio; Lansing, Mich.; Asheville, N.C.; and Baltimore, Md.; are expected to be initiated before the end of 1964.

7. Public Law 88-448 (August 19, 1964) permits a retired officer of any Regular component of the uniformed services whose retirement is based upon length of service to be employed in a Federal civilian position. It also permits all retired Regular officers to receive the full pay of Federal civilian positions they hold, but requires that their retirement pay be reduced to an annual rate equal to the first $2,000 of retirement pay plus one-half of the remainder. This increases the total which can be received from both sources.

C. LIBERALIZING EARNINGS LIMITATIONS

1. An amendment to H.R. 11865 (Social Security Amendments of 1964) was adopted on the Senate floor on September 2, 1964, which would have liberalized the amount of earnings which could be received by a social security recipient under the age of 72 without loss of benefits, as follows:

<table>
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<tr>
<th>PRESENT LAW</th>
<th>SENATE AMENDMENT</th>
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<tr>
<td>a. Benefits withheld from a beneficiary under 72 (and from any beneficiary drawing on his record) at the rate of $1 in benefits for each $2 of annual earnings between $1,200 and $1,700 and $1 in benefits for each $1 of annual earnings above $1,700.</td>
<td>a. $1 in benefits would have been withheld for each $2 of annual earnings between $1,500 and $3,000 and $1 in benefits withheld for each $1 of annual earnings above $3,000.</td>
</tr>
<tr>
<td>b. Benefits not withheld for any month during which the individual neither rendered services for wages in excess of $100 nor rendered substantial services in a trade or business.</td>
<td>b. Limit raised from $100 per month to $125.</td>
</tr>
</tbody>
</table>
2. An amendment to H.R. 11865 was adopted on the Senate floor on September 3, 1964, which would have liberalized the amount of earnings which a State may disregard in determining the need of a recipient of old-age assistance, as follows:

**PRESENT LAW**
Of the first $50 per month, a State may disregard up to the first $10 completely, plus half of the remainder ($30 of the first $50).

**SENATE AMENDMENT**
Of the first $80 per month of earnings, a State would have been allowed to disregard up to the first $20 completely, plus half of the remainder ($50 of the first $80).
III. FRAUDS AND MISREPRESENTATIONS

A. HEALTH FRAUDS AND QUACKERY


2. A hearing on eye care frauds was held by the Subcommittee in Washington, D.C., on April 6, 1964.

B. INTERSTATE MAIL ORDER LAND SALES

Three hearings were held by the Subcommittee in Washington, D.C., on May 18, 19, and 20, 1964, respectively.

C. DECEPTIVE OR MISLEADING METHODS IN HEALTH INSURANCE SALES

The Subcommittee held a hearing in Washington, D.C., on May 4, 1964.

D. PRENEED BURIAL SERVICE

The Subcommittee held a hearing in Washington, D.C., on May 19, 1964.

Note.—On October 3, 1964, a report was being drafted based upon the hearings during 1964 of the Subcommittee on Frauds and Misrepresentations Affecting the Elderly and other information reaching the Subcommittee's attention.
IV. HEALTH

A. SOCIAL SECURITY-FINANCED HOSPITAL INSURANCE

1. The House Ways and Means Committee held hearings in November 1963 and January 1964 on various proposals (including the King bill—H.R. 3920) designed to finance hospital insurance through the social security system. No action was taken by the committee on any of these proposals.

2. The Senate Finance Committee, subsequent to the completion of hearings in August 1964 on H.R. 11865 (Social Security Amendments of 1964) by majority vote decided against acceptance of any amendments designed to add social-security-financed hospital insurance to the bill.

3. On September 2, 1964, the Senate, by a vote of 49 to 44 approved the Gore amendment to H.R. 11865, which would have added a hospital insurance plan to the social security program. Benefits to be provided were essentially those included in the King-Anderson bill (S. 880 and H.R. 3920).

4. The conference committee appointed to reconcile the difference between the Senate and House versions of H.R. 11865 did not reach agreement and no further action was taken on the bill prior to adjournment.

B. OLD-AGE ASSISTANCE AND MEDICAL ASSISTANCE FOR THE AGED

The Senate adopted amendments to H.R. 11865 which would have made the following changes regarding medical benefits under the old-age assistance and medical assistance for the aged (Kerr-Mills) programs:

1. Remove the prohibition against payments to persons in mental or tuberculosis institutions, with safeguards to insure that the additional Federal funds provided would have provided better care for the afflicted individuals, rather than serve as a replacement for State funds now being expended for this purpose.

2. Modify the definition of medical assistance for the aged to allow Federal sharing as to old-age assistance recipients for the month they are admitted to or discharged from a medical institution.

C. MEDICAL FACILITIES

1. Public Law 88–164 (October 31, 1963), the Mental Illness and Retardation Act, authorized Federal grants to the States for the construction of community mental health centers.

2. Public Law 88–443 (August 18, 1964), amendments to the Hill-Burton Act, increased the authorization of funds for the construction of nursing home and other long-term care facilities from $40 million to $70 million annually.

3. Public Law 88–450 (August 19, 1964), authorized the Administrator of Veterans' Affairs to establish and operate not less than
4,000 nursing home care beds in Veterans' Administration facilities. Additionally, the act authorized the Administrator under certain conditions to transfer veterans to other public or private nursing facilities.

D. SUBCOMMITTEE ON HEALTH OF THE ELDERLY

1. In October 1963, the Subcommittee on Health of the Elderly, Senate Special Committee on Aging, issued a report on medical assistance for the aged (Kerr-Mills program), 1960-63.

2. The Subcommittee held hearings in Washington, D.C., on Blue Cross and other private health insurance on April 27, 28, and 29, 1964. As a result, the Subcommittee during July 1964 issued a report entitled "Blue Cross and Private Health Insurance Coverage of Older Americans."

E. SUBCOMMITTEE ON FRAUDS AND MISREPRESENTATIONS AFFECTING THE ELDERLY

(See III-A.)

F. TAX DEDUCTION FOR DRUGS

(See X-A-2.)
Provisions in Public Law 88–560, the Housing Act of 1964 (approved September 2, 1964), which assist in meeting housing needs of the elderly:

1. Low-rent public housing: Section 403 authorized approximately 37,500 additional units of low-rent public housing. During the past 2 years, about half of all new low-rent housing units placed under contract have been designated for senior citizens. It is anticipated that a large portion of the new authorization also will be used to benefit the elderly.

2. Urban renewal land for public housing: Section 306 permits greater use of urban renewal project land for low-rent public housing.

3. Direct loans: Section 201 increased the authorization of funds for direct loans at below-the-market interest rates for terms up to 50 years to nonprofit sponsors of rental housing for the elderly. Fund reservations under this program have risen from less than $3 million on December 31, 1960, to nearly $200 million on June 30, 1964. The increased authorization in the new law will permit the growth of this program to continue.

4. Single elderly persons: Section 202 permits occupancy by single persons 62 years of age and older of moderate income sales and rental housing authorized by section 221 of the National Housing Act. Since almost one-half of those in the elderly population are unmarried, widowed, divorced, or separated, this amendment greatly increases the usefulness of section 221 programs in meeting housing needs of the elderly.

5. Relocation assistance: Section 405 requires local public agencies to assume responsibility for relocating individuals as well as families from urban renewal areas. This is a significant added protection to senior citizens, since such a large proportion of them are single and since they tend to be concentrated in urban areas subject to renewal or redevelopment.

6. Relocation rent assistance: Section 310 established a new program of relocation rent assistance for families and individuals 62 years of age or older who are displaced from urban renewal areas. The program calls for payments to those unable to relocate in public housing, of the difference between 20 percent of the displacee's annual income and the rental for 12 months of a suitable, modest dwelling unit up to a maximum payment of $500 to any one individual or family for any one move. None of the payment can be made longer than 5 months after displacement. Section 406 establishes the same program for such individuals and families displaced from low rent public housing projects.
7. Rehabilitation loans: Section 312 establishes a new program of rehabilitation loans. It authorized a revolving fund of $50 million for loans to rehabilitate homes and business properties in urban renewal areas. Home rehabilitation loans are limited to $10,000 and to a term of 20 years or three-fourths of the remaining economic life of the property, whichever is less. The maximum interest rate is 3 percent. Many elderly homeowners living on small incomes have been faced with displacement because they could not afford to make necessary improvements in their homes or have been unable to obtain the necessary financing. This program of loan assistance should enable many to improve their housing and remain in their own homes and familiar surroundings.

8. Nursing home construction: Section 117 made nonprofit nursing home sponsors eligible for mortgage insurance for nursing home construction on the same terms as proprietary sponsors.

9. Physically handicapped: Section 203 amended each of the HHFA senior citizens housing programs and the low and moderate income section 221 programs to include financial assistance for specially designed housing for physically handicapped families and persons. It also expanded eligibility for the handicapped in low-rent public housing. Previously, there was no specific Federal program to meet this need, except for a limited program for veterans who are paraplegics. In addition, the new law provides that demonstration grants may be used in conjunction with other programs in the HHFA, including housing for the elderly, public housing, and FHA low and moderate income housing for people of all ages to assist physically handicapped families and persons to live in adequate housing.

10. Rural elderly: Section 501 extended through September 30, 1965, the mortgage insurance program of rental housing for the rural elderly administered by the Farmers Home Administration, and increased from $100,000 to $300,000 the maximum mortgage insurance available for any one project under this program.

B. SUBCOMMITTEE ON HOUSING FOR THE ELDERLY

Hearings on the direct loan and mortgage insurance programs for rental housing were held by the Subcommittee on Housing for the Elderly, Senate Special Committee on Aging, as follows:


On October 3, 1964, a report was being drafted, based upon these hearings and other information reaching the subcommittee’s attention.

C. JOINT SUBCOMMITTEE ON LONG-TERM CARE

Five days of hearings were held by the Joint Subcommittee on Long-Term Care, Senate Special Committee on Aging, in Washington, D.C., on December 17 and 18, 1963, and May 5, 6, and 7, 1964.
On October 3, 1964, a preliminary report was being drafted, and further hearings are planned during the coming year.

D. HILL-BURTON AMENDMENTS
(See IV-C-2.)

E. VETERANS' NURSING HOME CARE
(See IV-C-3.)
VI. OLD-AGE ASSISTANCE

In considering H.R. 11865 (Social Security Amendments of 1964), the Senate added amendments which would have made the following changes in the old-age assistance program:

**PRESENT LAW**

1. Federal matching share is $29 of the first $35, with variable matching on the amount above $35 up to a maximum of $70 per recipient per month.
2. No provision in existing law to insure that public assistance recipients receive higher payments because of liberalization of Federal matching formula.
3. No provision in existing law to exempt OASDI benefit increases from public assistance income considerations.
4. Medical payments (see IV-B).
5. Earnings limitation (see II-C-2).
6. Payments in behalf of a recipient who is unable because of disability to manage his own funds can be made only to his legal guardian or to another person who is judicially appointed to receive and manage his assistance payments. (Vendor payments can be made directly to the suppliers of medical services.)

**SENATE AMENDMENTS**

1. Federal matching share would have been increased to $31 of the first $37, with variable matching up to a maximum of $75 per recipient per month.
2. "Pass along provision" to insure receipt of higher payments.
3. A State could have disregarded $7 or 7 percent (whichever is greater) of monthly OASDI benefits. After June 1966, such amounts would have been required to be disregarded.
4. Tuberculosis and mental exclusion would have been deleted (see IV-B).
5. Earnings limitation would have been liberalized (see II-C-2).
6. Would have authorized protective payments to a person who is interested in or concerned with the welfare of the recipient, with certain safeguards.
## VII. OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

### A. PROPOSED SOCIAL SECURITY AMENDMENTS OF 1964

H.R. 11865, the proposed "Social Security Amendments of 1964," passed the House on July 29, 1964, and passed the Senate, amended, on September 3, 1964. The conference committee did not reach agreement, and no further action was taken on the bill before adjournment. The bill's major provisions:

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<th><strong>HOUSE VERSION</strong></th>
<th><strong>SENATE VERSION</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Maximum earnings credited for benefit purposes is $4,800 a year.</td>
<td>1. Would have raised maximum to $5,400 a year.</td>
<td>1. Would have raised maximum to $5,600 a year.</td>
</tr>
<tr>
<td>3. $127 a month maximum primary insurance amount (based upon $400 average monthly wage).</td>
<td>2. Would have increased all primary insurance amounts by 5 percent.</td>
<td>2. Would have increased all primary insurance amounts by $7 a month.</td>
</tr>
<tr>
<td>4. Minimum primary insurance amount is $40 a month.</td>
<td>3. Would have increased to $133.40 (based upon $400 average monthly wage) and eventually to $143.40 ($450 average monthly wage).</td>
<td>3. Would have increased to $134 ($400 average monthly wage) and eventually to $148 ($465 average monthly wage).</td>
</tr>
<tr>
<td>5. Family maximum monthly benefits range from $60 to $254.</td>
<td>4. Would have increased to $42 per month.</td>
<td>4. Would have increased to $47 per month.</td>
</tr>
<tr>
<td>6. No hospital insurance benefits.</td>
<td>5. Would have been increased to range from $63 to $300.</td>
<td>5. Would have been increased to range from $70.50 to $312.</td>
</tr>
<tr>
<td>7. Cash tips paid directly to employees, and not accounted for by the employee to the employer not counted as wages.</td>
<td>6. No hospital insurance benefits.</td>
<td>6. Gore amendment (see IV-A-3).</td>
</tr>
<tr>
<td></td>
<td>7. Would have covered tips as wages whether received directly from a customer or through the employer.</td>
<td>7. House provision deleted.</td>
</tr>
</tbody>
</table>
8. Physicians not covered.
9. No coverage for policemen and firemen who are covered under State or local retirement systems, except in certain States specified in act.
10. Earnings limitation (see II-C-1).
11. Eligibility for and amount of veterans' non-service-connected disability pensions are determined, after meeting other requirements, by the amount of an individual's annual income, including social security income.
12. Minimum of six quarters of coverage required for insured status.
13. Widow must be 62 (unless minor child is in her care) to receive benefits based on earnings of her husband.
14. Tax rate for employees and employers will increase from 3.625 percent in 1965 to 4.625 percent in 1971 and thereafter.
15. Self-employed tax rate will increase from 5.4 percent in 1965 to 6.9 percent in 1971 and thereafter.

B. RAILROAD RETIREMENT SPOUSES' DUAL BENEFITS

(See VIII-B.)
VIII. RAILROAD RETIREMENT

A. FINANCING

Public Law 88–133 (October 5, 1963) corrected a substantial actuarial deficiency in the railroad retirement system, resulting from a shrinking payroll tax base and recently-enacted benefit increases.

B. SPOUSES' DUAL BENEFITS

H.R. 12362 proposed the elimination of provisions which reduce the railroad retirement annuities of spouses of retired railroad employees by the amount of certain social security benefits. It passed the House on September 3, 1964.
IX. SERVICES

A. SUBCOMMITTEE ON FEDERAL, STATE, AND COMMUNITY SERVICES

Hearings were held by the Subcommittee on Federal, State, and Community Services, Senate Special Committee on Aging, as follows:

- Providence, R.I., January 21, 1964.

As a result, a report including recommendations for improved services for the elderly, with minority and individual views, was subsequently approved by both the subcommittee and the Special Committee on Aging (S. Rept. 1542).

B. ECONOMIC OPPORTUNITY ACT

Provisions in Public Law 88-452, Economic Opportunity Act of 1964 (approved August 20, 1964), of particular benefit to the elderly:

1. Community action programs: Part A of title II authorizes a program of Federal funds for locally designed and operated programs to combat poverty. Programs of particular benefit to the elderly which might be carried out are programs in health, housing, home management, and welfare services to promote independent living or relieve children of the burden of supporting their aging parents.

2. Adult basic education: Part B of title II established a program designed to stimulate and to aid the development of adult basic education programs for all over the age of 18. This is of particular importance to senior citizens because the basic education of many of them was neglected in their younger years.

3. Work experience programs: Title V authorizes funds for experimental, pilot, or demonstration projects providing work and training for low-income families, including present and potential old-age assistance recipients.

4. Volunteers in Service to America: Title VI authorizes establishment of a corps of volunteers (VISTA) to work in programs combating poverty, in return for stipends not to exceed $50 per month and living, travel, and leave allowances, and such housing, transportation, supplies, equipment, subsistence, clothing, and health care as may be deemed necessary or appropriate to their need. To the extent that older volunteers are used, this will, at least partially, meet the need for a means of utilizing senior citizens who want to devote their time and energies to worthwhile activities to improve their communities and help others.
C. FOOD STAMPS

Public Law 88–525 (August 31, 1964) authorizes a program of providing food stamps to those, including senior citizens, whose economic status limits the attainment of a nutritionally adequate diet. This entitles such individuals to share in the Nation's production of foods, thus helping to distribute surplus foods.

D. UTILIZING RETIRED EXECUTIVES AS CONSULTANTS

1. During 1964, the Small Business Administration inaugurated a program of providing retired businessmen as free consultants to small businesses. While these consultants serve without compensation, the program benefits them by making it possible for them to remain active and useful in satisfying activity in which their experience and abilities can continue to be utilized for the economic well-being of the Nation. More than 1,100 retired executives signed up as volunteer consultants.

2. During June 1964, the International Executive Service Corps was launched as a private, nonprofit organization to provide skilled executives, including retired executives, to assist the growth of industrial enterprises in the developing countries. The Agency for International Development was active in promoting its organization and has agreed to finance a major part of the program until it is firmly established.

E. "ON GROWING OLDER"

During October 1964, the President's Council on Aging was publishing a booklet, "On Growing Older," designed as a handbook of information helpful to senior citizens and those who work in the field of aging. It is expected to be available in late October or early November 1964.

F. H.R. 10088

H.R. 10088 was reported by the House Committee on Education and Labor on June 11, 1964. It would have:

1. Established an Administration for Aging in the Department of Health, Education, and Welfare, under the direction of a Commissioner on Aging, who would be appointed by the President subject to Senate confirmation.

2. Authorized Federal-State grant-in-aid aging programs for (a) community planning and coordination, (b) demonstration, research, and development projects, and (c) specialized training of individuals to carry out such projects.

3. Established a 16-member Advisory Committee on Older Americans, with the Commissioner on Aging serving as Chairman.
X. TAXATION

A. REVENUE ACT OF 1964

Provisions in Public Law 88-272, Revenue Act of 1964 (approved February 26, 1964), which benefit the elderly:

1. Sale of residence. Section 206 permits a taxpayer 65 years of age or over who sells his residence occupied by him for more than 5 of the 8 years preceding the sale to exclude from his taxable income any gain attributable to up to $20,000 of the sale price.

2. Medicine and drug expenses. Section 211 permits deduction of all medicine and drug expenses of a person over 65, whether paid by such person himself or by a relative upon whom he is dependent, instead of requiring that the first 1 percent of such expenses be disregarded, as must be done when the expenses are those of a person under 65.

3. Minimum standard deduction. Section 112 permits a “minimum standard deduction” for taxpayers who elect not to itemize non-business deductions. Being based upon the number of personal exemptions to which the taxpayer is entitled, this section particularly favors taxpayers over 65. The minimum standard deduction for a couple both of whom are over 65 will be $600, and such a couple will have no Federal income tax on the first $3,000 of income.

4. Retirement income credit. Section 202 provides a more liberal retirement income credit under certain circumstances where a husband and wife, both of whom are over 65, file a joint return. It provides a credit half that of the husband for a wife who has not had prior earnings experience.

5. Dividends exclusion. Section 201 increases from $50 to $100 the amount of dividends which are permitted to be excluded from gross income. (Exclusion will be $200 for a couple if they file a joint return and each has at least $100 of dividend income.) This will be of particular benefit to senior citizens who depend upon dividend income during retirement. While the 4 percent dividends received credit was repealed, the net effect should benefit those who receive dividends, with the exception of those with large total annual dividends.

Summary: As a result of enactment of this act, it is estimated that older American taxpayers will enjoy a tax saving of $675 million a year, as their total tax liability dropped from over $4 billion to less than $3.4 billion a year.

B. LABOR RETIREMENT HOMES

Public Law 88-380 (July 17, 1964) permits exclusion from taxable income of certain income earned by a labor organization which is used to establish, maintain, or operate a retirement home, hospital, or other facility for the exclusive use and benefit of the aged and infirm members of such labor organization, which income might otherwise be taxed as “unrelated business taxable income.”
XI. VETERANS

A. COMPENSATION, PENSIONS, RETIRED PAY, AND ANNUITIES

1. Public Law 88–21 (May 15, 1963) provided a cost-of-living increase in rates of dependency and indemnity compensation payable to parents (and other dependents) of veterans dying of service-connected causes.

2. H.R. 1927, which revises the pension program for veterans of World Wars I and II and the Korean conflict, passed the House and the Senate in final form on October 3, 1964, and was sent to the President.

3. Public Law 88–132 (October 2, 1963) provided increases in armed services retired pay and directed that there be an automatic increase in each future year when the rise in the Consumer Price Index amounted to 3 percent or more during the immediately preceding year.

4. H.R. 9718 gives credit for Reserve retired pay purposes for active commissioned service in the Public Health Service and the Coast and Geodetic Survey during times when such organizations have the status of military services. It passed the House and the Senate and was awaiting action by the President on October 3, 1964.

5. S. 2021 proposed that the Contingency Option Act be amended to protect the right to annuities of survivors of a retired serviceman who dies after meeting all statutory requirements for receiving retirement pay and making an election for a reduced annuity but before receiving his first retired pay. It was passed by the Senate on September 24, 1964.

6. Public Law 88–445 (August 19, 1964) prohibits downgrading a disability rating of any degree for compensation purposes after such rating has been in effect for 20 or more years, unless the rating was based upon fraud.

B. NATIONAL SERVICE LIFE INSURANCE

1. Public Law 88–355 (July 7, 1964) authorizes the inclusion of a total disability income provision in national service life insurance policies, providing for the payment of total disability income benefits if the insured becomes totally disabled prior to age 65, instead of prior to age 60, as previously required.

2. Public Law 88–364 (July 7, 1964) raised from 60 to 65 the age limit on waiver of insurance premiums for national service life insurance policies.

3. H.R. 220 proposed that veterans be permitted to convert term policies of national service life insurance to a new modified level premium plan. This facilitates conversion by World War II veterans of their term insurance to avoid the periodic increase in term premiums which would otherwise culminate in a crushing burden when they reach advanced ages. This bill passed the House on April 1, 1963, and the Senate, amended, on June 20, 1963. No further action was
taken on this bill, but its substance was added as an amendment to H.R. 1927 (see XI-A-2) and passed as a provision in that bill.

4. In passing H.R. 1927 (see XI-A-2) the Senate added an amendment which would have reopened the national service life insurance program for 1 year to veterans who were eligible after October 7, 1940, and before January 1, 1957. This was compromised in conference to limit this privilege to veterans with service-connected disabilities and those who are ineligible for life insurance coverage by commercial insurance companies, even at substandard rates. The conference report was adopted in the Senate and the House on October 3, 1964.

C. HOSPITALS AND NURSING HOMES

1. Nursing homes (see IV-C-3).
2. Report of Special Subcommittee on Construction of Military Hospital Facilities (see IV-C-4).

D. FEDERAL CIVILIAN EMPLOYMENT

1. Employment of retired Regular officers (see II-B-7).
XII. FEDERAL CIVILIAN PERSONNEL

A. RETIREMENT

1. H.R. 8427 proposed an improved retirement and disability system for a limited number of employees of the Central Intelligence Agency whose work is of a demanding or specialized nature. It passed both Houses and on October 3, 1964, was awaiting action by the President.

2. S. 745 would have permitted certain Foreign Service officers to make an election which would provide or increase survivor annuities for their widows. After passing the Senate and House, it was sent to conference. The House agreed to the conference report on September 30, 1964, but no further action was taken by the Senate.

3. H.R. 2155 proposed an increase in civil service retirement annuities. It was reported from the House Post Office and Civil Service Committee on September 22, 1964, but no further action was taken before adjournment.

B. EMPLOYMENT OF RETIRED REGULAR OFFICERS

Public Law 88–448 (see II–B–7).
XIII. GENERAL AND MISCELLANEOUS

A. PRESIDENT'S MESSAGE

President John F. Kennedy on February 21, 1963, transmitted to Congress his message entitled "Elderly Citizens of Our Nation." This message contained 28 major recommendations on the needs and interests of the elderly.

B. SPECIAL COMMITTEE ON AGING

Resolutions extending the life of the Senate Special Committee on Aging for 1 year each were passed by the Senate on March 14, 1963, and January 30, 1964, respectively. The latter resolution continues the committee through January 31, 1965.

C. SENIOR CITIZENS' MONTH

By proclamation signed April 18, 1963, President Kennedy designated May 1963 as "Senior Citizens' Month." A similar proclamation was signed by President Johnson on March 26, 1964, so designating the month of May 1964.