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## The Office of Dependency Benefits

## The Office of Dependency Benefits\*

CAPTAIN JOSEPH E. HENRY†

Congress has passed laws providing for the security of the dependents of those in the service through payment of monthly benefits. I will outline some of the provisions of these Acts as they are administered for the families of Army men and women.

The major soldiers' benefits are the family allowance and the Class E allotment-of-pay. They are administered for the Army by the War Department Office of Dependency Benefits, an activity of the Army Service Forces in Newark, N. J.

The family allowance, a purely war-time benefit, is provided under the Servicemen's Dependents Allowance Act of 1942 as amended. It consists of a deduction from the soldier's pay and an added contribution by the Government. Only those in the enlisted grades, and aviation cadets are eligible—men and women in these grades, however, constitute over 92 per cent of the entire Army.

The voluntary Class E allotment-of-pay is authorized under laws which have been in existence since 1899. All Army men—from privates to generals—may authorize this allotment-of-pay for their dependents, or to an insurance company for payment of premiums on their commercial life insurance policies, or to a bank for their own or a dependent's bank account. It is an assignment entirely from the Army men's own pay. No Government contribution is added.

Many soldiers who apply for family allowances also authorize Class E allotment-of-pay to provide additional income for their families. Both benefits are disbursed by the ODB in the form of regular monthly payments.

The ODB now administers more than seven million active accounts—including over four and a half million family allowances and two and three-quarter million allotments-of-pay—on behalf of some twelve million dependents of Army men and women. These people live in all forty-eight states and in fifty-four foreign countries as well. Disbursements are being made currently at the rate of nearly four billion dollars a year. So you can get some idea of the tremendous Army-wide job the ODB is doing.

In addition to the millions of monthly checks disbursed, our huge war agency handles a volume of daily mail which equals that of a medium-sized city. To date, the ODB has received and dispatched a total of 69,756,026 pieces of mail—exclusive of the 88,042,000 checks dis-

\*An address before the Law Club, June 26, 1944.

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bursed. This mail includes applications, documents submitted in evidence, notice of changes in address, and notice of other changes of status, such as the birth of a child whose name must be added to a family allowance; the marriage of a soldier, adding a wife; the addition of a dependent parent, brother, or sister, or the death of a payee. The ODB has processed more than 4,500,000 such changes of status since it began operations.

When you realize that this agency has been in operation for only about two years; that it was organized from scratch on a scale providing ample machinery for the phenomenally rapid expansion of its war-time operations, you begin to grasp the nature and scope of the tremendous task which has faced the Director and his forces of 9,000 officers and civilian employees. It is a task which required unusual foresight and judgment, as well as exceptional qualities of executive leadership. General Gilbert has these qualities. An outstanding organizer and administrator, he is geared for high-powered jobs. He visualizes them coming a long way ahead, and plans in advance an orderly precision which creates smooth functioning machinery.

That is why the ODB has been capable of administering a steadily increasing volume of family allowances and allotments-of-pay with the many changes involved and with the many problems that arise day by day.

The domestic problems which present themselves in connection with the administration of family benefits are a story in themselves. Because of them, the Director has been likened, very aptly, to a judge of an international court of domestic relations. Mr. Anthony has nothing on General Gilbert when it comes to untangling knotty domestic tangles—and deciding who is eligible for what—and how much!

If each soldier's family understood the complexity of the ODB's task; if they knew also that their family allowance application—or allotment-of-pay authorization was one of millions, they would have a better understanding of the time required to set up accounts and to "Get 'Em Paid!" "Get 'Em Paid!" by the way, is the working slogan of the ODB. That agency is working six days a week on two shifts and on all holidays, except Christmas, to live up to it.

The family allowance is the benefit in which new inductees are primarily interested. So we will discuss that in some detail.

The members of a soldier's family who are eligible for the family allowance include first of all, his wife and children—these are known as his class A dependents. A divorced or separated wife, to whom alimony is payable, also may receive this benefit, but payments to a divorced wife are limited by the amount of alimony decreed. In no case is the amount payable to a divorced wife more than \$42—and if alimony is less, the monthly payment is less.

Class A dependents need prove only relationship to the soldier in order to establish claims to a family allowance.

Dependent parents, brothers and sisters who rely upon the soldier for *chief* support are considered class B-1 dependents and are paid on a scale somewhat comparable to that of his wife and children.

In a third class—known as Class B—are those dependent parents, brothers, and sisters who rely upon soldier for only a *substantial* part of their support. They will receive as a group only one amount, \$37 monthly, regardless of the number of such dependents. This means that if the soldier has *one* such dependent, that one may receive \$37 a month; if he has two, three or four—the entire group may receive only \$37 a month.

All class B-1 and class B dependents must *prove* their dependency upon the soldier. They may not receive a family allowance simply because they are the parents, or brothers and sisters of the Army man or woman. Dependency certificates must be filled out and witnessed, stating the facts of their dependency.

Soldiers' dependents should keep in mind the fact that they must be dependent as claimed in these dependency certificates. Any acceptance of a family allowance by a person not entitled to it, with intent to defraud the Government, is unlawful and renders such a person liable to heavy fines and imprisonment.

Children, brothers and sisters, by the way, are eligible only if unmarried and under eighteen years of age. The exception would be such a dependent who is mentally or physically incapable of self-support. Documentary evidence must accompany the application. This consists primarily of certified copies of marriage and birth records. And I *do not* mean marriage licenses. These are not acceptable proof of marriage. There might be many a slip twixt the license and the ceremony.

While I am on the subject of documentary proof to substantiate claims for a family allowance, I might say a word about the work of my particular branch of the ODB—the Field Investigations Branch. It is our job to check on family allowance claims; to study documents which may bear evidence of irregularities: To see that those claiming dependency in a dependency certificate are, in fact, dependent as claimed, and to investigate those cases which bear evidence of intent to defraud.

In order to maintain the constant vigilance necessary to guide dependents who may not understand the law and to protect the Government at the same time, from those who would commit willful acts of fraud, the Field Investigations Branch has a network of regional offices like the one here in Denver to which I am assigned. They are located in key cities throughout the country.

Of the thousand of cases of illegal acceptance of family allowances investigated so far I am glad to say that the great majority involved

misunderstanding of the law rather than intent to defraud. Many parents, brothers or sisters, for example, believe that they are entitled to a family allowance simply because they have a son in the service—even though not actually dependent upon a soldier for support. In such cases, where dependency cannot be established, the family allowance payments are discontinued, and restitution requested, but there is no prosecution.

There have been a number of cases where intent to defraud was clearly shown, however. Such cases were turned over promptly to Federal Law enforcement agencies for prosecution and convictions have been obtained. Heavy sentences of fines and imprisonment have been imposed.

The primary offenders are women who have claimed more than one soldier as their husbands in order to receive family allowances. These have learned to their sorrow that you can't play crooked games with Uncle Sam's chips—and expect to win!

Soldiers who have claimed women as their wives, or other dependents, when the women were not in fact related to them as claimed, also have paid the price of their folly.

In the past year, the ODB's FIB has effected a net saving of about two million dollars in Government funds in the prevention of family allowance payments to those not entitled to them.

To avoid the confusion and misunderstanding which might lead to illegal acceptance of a family allowance by entirely innocent persons, the ODB urges all prospective inductees to get a copy of the Family Allowance Information Sheet and the information booklet known as FA-3. Both are available at any post or camp, or at any recruiting office or induction station. The booklet will explain in detail the requirements for eligibility and the rates paid. The information sheet gives the prospective soldier an idea of just exactly what information he will be asked to supply on the official application form. It has been prepared to guide those about to enter the service, in gathering facts about family dates, relationships, dependency, and in collecting required proof.

If prospective inductees fill out this information sheet ahead of time, and follow the instructions as to the evidence required in their particular cases, it will be a simple matter for them to apply for family allowances once they enter the Army. They must remember, of course, that this information sheet is not an official application—and cannot be sent in as such. It is for their guidance alone, in making preparations to file the official form.

Between the date of a soldier's induction and the time he reports for active duty, the inductee is given some time in which to settle his personal affairs at home. This would be a good time to gather his

family allowance data. Upon arrival at the Reception Center, he will be given ample opportunity to apply.

There is one important thing for every new soldier to remember—his Army serial number. That is his one positive-identifying symbol in the Army. Both the soldier and his dependents should learn that number by heart. If his wife or mother finds it hard to remember figures, she should write down this all-important number and keep it always at hand. For purpose of applying for a family allowance or authorizing a Class E allotment-of-pay, that Army serial number is indispensable. For the ODB identifies cases by this number.

It is particularly important in connection with your family allowance. This Army serial number should be written on ALL documents a soldier or his family send in to the ODB. It is one thing which does not change and cannot be duplicated, although the soldier's name may be duplicated many times. There are 25,000 Smiths among the GIs who have ODB accounts, for example: 15,000 Browns and over 500 Robert Taylors—not to mention the Murphys and the Cohens!

But for every GI, there is only one Army serial number which is as distinctively his as his own personality.

So, when soldiers file their applications with their commanding officers, they should attach all documentary proof—and see that the Army serial number is clearly written on each document.

One more point. If a soldier applies *within fifteen days after he enters on active duty* in a pay status, his dependents may receive an "Initial" family allowance. Eligible for this are his wife and children, or other dependents who rely upon him for *chief* support.

This is a gift from Uncle Sam. None of it will come out of the soldier's Army pay. It couldn't, in fact, for he will not have earned a full month's pay by that time.

This "Initial" family allowance is sent to his family to help tide them over the weeks which must elapse between the time he applies for the family allowance and the date on which his account is authorized and the first check becomes due. The law provides that the regular monthly payments shall begin after the end of the month following the one in which application is filed and the "Initial" family allowance is payable—in other words, after the soldier has been in a pay status for a full calendar month. For example, if you should enter the Army this month, your primary dependents would receive an "Initial" family allowance immediately after your application had been filed with your commanding officer, provided you applied within 15 days after reporting for active duty in a pay status. The check would be mailed to your dependents directly from your camp. Your application would then be forwarded to the ODB and under normal procedure, the regular monthly

payments would be due after the end of next month—or in a period from four to seven weeks later.

Soldiers would be wise to pass on these facts to their dependents so that they may budget their initial family allowance accordingly.

If everybody understood the procedure for setting up and paying family allowance accounts, I am sure the ODB would receive fewer letters like the one from the Army wife out west who wrote testily:

“My husband was inducted last week and I haven’t received any checks yet. Ship money or husband at once!”

The ODB cannot ship husbands back to their wives. But it can—and does “Get ’Em Paid!”

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## State Revenue Department Should Publish Rulings

BY WILLIAM R. NEWCOMB\*

At a time when both the spirit of administrative reform is in the air and problems of taxation are increasingly critical it seems pertinent to call attention to a situation relating to both of these matters which should be of vital interest to all Colorado lawyers.

I write of the lack of publication of the findings of the Revenue Department for the State. As Colorado lawyers know, when either a protest of an assessment or a claim for refund is made, the taxpayer is granted a hearing before the Law Board of the Revenue Department. As a result of this hearing a Final Determination is put in written form and a copy thereof is sent to the taxpayer, either denying or granting his claim. This Determination is kept in the files of the taxpayer and in the files of the Revenue Department. No one else can be aware of it except by rumor passed about by word of mouth. This situation contains the seeds of two possible evils. First, there may be dozens or even hundreds of taxpayers in exactly the same position as a taxpayer who is fortunate enough to secure a refund, who are never informed of their rights. It is too much to expect, of course, that the Revenue Department will, of its own initiative, search the files in order to grant refunds. The burden is, as it always has been, upon the person claiming a right and a remedy. Yet, it must also be assumed that the Revenue Department is not interested in retaining funds to which, by its own determination in many cases, it is not entitled. The remedy for such a disturbing situation is to enable the taxpayer to be vigilant in the enforcement of his rights, by giving to him information concerning the Revenue Department’s findings through publication and distribution of its Final Determinations.

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