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SENATE

{ REPORT
No. 669

AUTHORIZING DISBURSING OFFICERS OF ARMY, NAVY, AND MARINE CORPS TO DESIGNATE DEPUTIES

APRIL 19 (calendar day, APRIL 26), 1926.—Ordered to be printed

Mr. WADSWORTH, from the Committee on Military Affairs, submitted
the following

R E P O R T

[To accompany S. 1485]

The Committee on Military Affairs, to which was referred the bill (S. 1485) to authorize disbursing officers of the Army, Navy, and Marine Corps to designate deputies, having considered the same, report thereon favorably with the recommendation that it pass with the following amendment:

On page 2, at the end of the bill strike out the period, insert a colon, and the following:

Provided, That every deputy so designated for a disbursing officer who is bonded shall, if not already under bond, give bond as required by the head of the department concerned.

This amendment is inserted for the reason that the Surety Association of America has expressed the opinion that the bill, as originally drawn, is unfair to the surety companies in that they might be held liable for the acts of several individuals, although receiving premium payment on but one bond.

The passage of this legislation is urgently requested by the War Department and the Navy Department and letters from each department are attached hereto and made a part of this report, as follows:

DECEMBER 9, 1925.

HON. JAMES W. WADSWORTH, Jr.,
Chairman Committee on Military Affairs, United States Senate.

MY DEAR SENATOR WADSWORTH: For a number of years it has been a recognized practice in the War Department for authorized disbursing officers to designate an alternate or deputy who has been authorized under certain restrictions to sign Government checks on the Treasury of the United States for and in the name of their principals.

The Comptroller General in a decision of October 5, 1923, addressed to the Secretary of the Treasury (A. D. 7903) held that the practice above cited was illegal, but stated that since the same appeared to have obtained for some

time, no objection would be made to it in so far as payments heretofore made are concerned, if such payments are otherwise correct and proper. On October 24, 1923, this department requested the Comptroller General to continue authorization of the above-mentioned practice, as the discontinuance thereof would be a serious disadvantage to all disbursing officers and would necessitate the immediate appointment of additional disbursing officers and the organization of groups of clerical assistants therefor. This he declined to do.

Experience has demonstrated that there are many practical advantages in the practice. It has been found an economical procedure, and no financial losses or abuses have resulted therefrom.

The War Department therefore recommends that the following proposed bill be introduced and requests its enactment by the Sixty-ninth Congress. It is identical with section 19 of Senate bill 1974, Sixty-eighth Congress, which passed the Senate on April 21, 1924.

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The Navy Department has been consulted about this matter and it favors the legislation and desires that the War Department renew efforts to secure its enactment.

I have designated Col. Frederick W. Coleman, Finance Department, to represent the department in case your committee should want to have a hearing on this proposed legislation.

A similar letter is being addressed to the chairman Committee on Military Affairs, House of Representatives.

Sincerely yours,

DWIGHT F. DAVIS, *Secretary of War.*

NAVY DEPARTMENT,
Washington, February 23, 1926.

CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Referring to a bill (S. 1485) to authorize disbursing officers of the Army, Navy, and Marine Corps to designate deputies, introduced in the Senate on December 14, 1925, and referred to your committee.

The purpose of the bill is to authorize regular disbursing officers of the Army, Navy, and Marine Corps to designate deputies for the transaction of business at places where it is not practicable to detail a regular disbursing officer. This system is economical in that it reduces the number of disbursing officers required and enables each one to cover a much wider field or activity. It also tends to promote the prompt discharge of the Government's business in the interests of good administration and of contentment and morale on the part of officers and enlisted men of the Army, Navy, and Marine Corps.

However, exception to this practice was taken by the Comptroller General in his decisions to the Secretary of the Treasury, dated August 1, 1923 (3 Comp. Gen. 67) and October 5, 1923 (A. D. 7903), the following being quoted from syllabus of the former decision:

"Disbursing officers of the Army may not delegate to another, by power of attorney in writing or otherwise, the right to disburse from their depository accounts.

"The Treasurer of the United States is not authorized to pay and charge to the depository accounts of a disbursing officer official checks signed for him by another person under power of attorney."

In view of the foregoing, it is necessary to obtain legislation which will authorize this practice and remove the objection of the Comptroller General.

There have been two general classes of cases in which it has been deemed necessary to designate a deputy or attorney to sign checks for and in the name of disbursing officers in the Navy and Marine Corps. One class of cases is to cover those offices where a single disbursing officer only is on duty, and it has been necessary for payments to be made from day to day and provision was necessary to take care of the periods when the disbursing officer having the disbursing account was absent on authorized leave, on official duty elsewhere, or on account of illness. The other class of cases covers certain offices where the number of disbursements to be made is so large that the disbursing officer in charge of the office either could not sign all of the checks necessary to effect the payments made through his office

or, if he did sign all of the checks, would have but little time left for the supervision of the work of the office for which he is held responsible.

The above conditions still continue, and it appears to be necessary to have authority for disbursing officers of the Navy and Marine Corps, as well as of the Army, to designate deputies or attorneys to sign official checks in their name.

The enactment of this legislation will incur no expense to the Government.

Sincerely yours,

CURTIS D. WILBUR,
Secretary of the Navy.

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