

"b. A vacancy in the office of referee may be filled without any changes in the salary or arrangements upon the recommendations of the Director, the district judge or judges, and the circuit council that the office be so continued. If a change in the salary or arrangements is recommended by the Director, the district judge or judges, or the circuit council, a vacancy shall not be filled until the Conference has acted thereon."

SEC. 2. Subdivision a of section 34 of the Bankruptcy Act (11 U.S.C. 62a) is hereby amended by striking the word "senior" and inserting in the place thereof the word "chief" and to make the last sentence thereof read as follows: "Upon the expiration of his term, a referee in bankruptcy shall continue to perform the duties of his office until his successor is appointed and qualifies provided the filling of the vacancy has been authorized as provided in subdivision b of section 43 of this Act."

Approved August 7, 1959.

62 Stat. 42,
11 USC 62(a).

Public Law 86-145

AN ACT

To amend the Act of June 21, 1950, relating to the appointment of boards of medical officers.

August 7, 1959
[H. R. 3320]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of June 21, 1950 (ch. 342, 64 Stat. 249), is amended by striking out the last proviso and inserting the following in lieu thereof: "*And provided further,* That competent medical authority shall consist of a board appointed from available medical officers or physicians under his jurisdiction by the head of whichever of the following departments or agencies is providing medical treatment for the member, or by a person designated by the head of that department or agency:

- "(1) Department of the Army
- "(2) Department of the Navy
- "(3) Department of the Air Force
- "(4) Department of Health, Education, and Welfare
- "(5) Veterans Administration

If the hospitalization or medical care of the member is not provided by the United States, the board shall be appointed by the secretary of the department having jurisdiction of the member. Each board shall consist of at least three qualified medical officers or physicians one of whom must be specially qualified in the treatment of mental disorders."

SEC. 2. Section 3 of the Act of June 21, 1950 (ch. 342, 64 Stat. 249), is amended by inserting the words "and the Administrator of Veterans' Affairs" after the words "department concerned."

Approved August 7, 1959.

Armed Forces.
Mental compe-
tency boards.
37 USC 352.

37 USC 353.

Public Law 86-146

AN ACT

To amend chapter 55 of title 38, United States Code, to establish safeguards relative to the accumulation and final disposition of certain benefits in the case of incompetent veterans.

August 7, 1959
[H. R. 6319]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3202(d) of title 38, United States Code, is amended by adding at the end thereof the following sentences: "In the event of the death of a

Veterans bene-
fits.
Payments to sur-
vivors.
72 Stat. 1233.

mentally incompetent or insane veteran, all gratuitous benefits under laws administered by the Veterans' Administration deposited before or after the date of enactment of this sentence in the personal funds of patients trust fund on account of such veteran shall not be paid to the personal representative of such veteran, but shall be paid to the following persons living at the time of settlement, and in the order named: The surviving spouse, the children (without regard to age or marital status) in equal parts, and the dependent parents of such veteran, in equal parts. If any balance remains, such balance shall be deposited to the credit of the applicable current appropriation; except that there may be paid only so much of such balance as may be necessary to reimburse a person (other than a political subdivision of the United States) who bore the expenses of last sickness or burial of the veteran for such expenses."

72 Stat. 1235.

(b) Section 3203(a)(2)(B) of title 38, United States Code, is amended by inserting "under the last two sentences of section 3202(d) of this title or" immediately before "under this paragraph" both places it appears.

72 Stat. 1235.

SEC. 2. Section 3203(b) of title 38, United States Code, is amended by redesignating paragraph (3) as paragraph (4) and by striking out paragraphs (1) and (2) thereof and inserting the following:

"(1) Where any veteran having neither wife, child, nor dependent parent is being furnished hospital treatment, institutional or domiciliary care by the Veterans' Administration, and is rated by the Veterans' Administration in accordance with regulations as being incompetent by reason of mental illness, the pension, compensation, or retirement pay of such veteran shall be subject to the provisions of subsection (a) of this section; however, no payment of a lump sum herein authorized shall be made to the veteran until after the expiration of six months following a finding of competency and in the event of the veteran's death before payment of such lump sum no part thereof shall be payable.

"(2) In any case in which such an incompetent veteran having neither wife nor child is being furnished hospital treatment, institutional or domiciliary care without charge or otherwise by the United States, or any political subdivision thereof, and his estate from any source equals or exceeds \$1,500, further payments of pension, compensation, or emergency officers' retirement pay shall not be made until the estate is reduced to \$500. The amount which would be payable but for this paragraph shall be paid to the veteran as provided for the lump sum in paragraph (1) of this subsection, but in the event of the veteran's death before payment of such lump sum no part thereof shall be payable.

"(3) Where any benefit is discontinued by reason of paragraph (2) of this subsection the Administrator may nevertheless apportion and pay to the dependent parents of the veteran on the basis of need all or any part of the benefit which would otherwise be payable to or for such incompetent veteran. Paragraph (2) of this subsection shall not prevent the payment, out of any remaining amounts discontinued under that paragraph, on account of any veteran of so much of his pension, compensation, or retirement pay as equals the amount charged to the veteran for his current care and maintenance in the institution in which treatment or care is furnished him, but not more than the amount determined by the Administrator to be the proper charge as fixed by any applicable statute or valid administrative regulation."

Effective date.

SEC. 3. The amendments made by this Act shall take effect as of the first day of the first calendar month which begins more than ninety days after the date of enactment of this Act.

Approved August 7, 1959.