

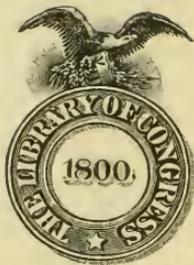
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Estimates of cost —
Providing for the creation of
a volunteer retired list.



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COMMITTEE ON MILITARY AFFAIRS
HOUSE OF REPRESENTATIVES

ESTIMATES OF COST FROM THE DEPARTMENT OF THE
INTERIOR, AND FROM THE WAR DEPARTMENT

ON

H. R. 6288

ALSO

H. R. 16645

PROVIDING FOR THE CREATION
OF A VOLUNTEER RETIRED LIST

WASHINGTON
GOVERNMENT PRINTING OFFICE

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CREATION OF A VOLUNTEER RETIRED LIST.

DEPARTMENT OF THE INTERIOR,
Washington, February 26, 1908.

HON. JOHN A. T. HULL,
*Chairman Committee on Military Affairs,
House of Representatives.*

DEAR SIR: In reply to your communication of February 20, 1908, in which you request a statement of the estimated cost of H. R. 6288, also H. R. 16645, provided they are enacted into law, you are advised that the attached copy of a letter from the Commissioner of Pensions gives the data on which such estimates are made, together with the estimated cost of such bills. You will notice in making the report use was made of the data contained in Senate Document No. 216, particularly as regards the number of surviving officers who might be affected by the bills, as such data is not a matter of record in the Bureau of Pensions.

Very respectfully,

JAMES RUDOLPH GARFIELD,
Secretary.

DEPARTMENT OF THE INTERIOR,
BUREAU OF PENSIONS,
Washington, February 25, 1908.

The SECRETARY OF THE INTERIOR.

SIR: Having reference to the communication of the Hon. John A. T. Hull, chairman Committee on Military Affairs, House of Representatives, dated February 20, 1908, referred to the Bureau for report, I have the honor to state that in making this report use has been made of data contained in Senate Document No. 216, particularly as regards the number of surviving officers who might be affected by the bills presented for consideration, as such data is not a matter of record in this Bureau.

The estimate of the number of officers affected by H. R. No. 6288 is shown as 6,867, and the first year's cost of the bill is placed at \$6,436,350. A careful estimate of the amount of pension now paid to the officers affected is placed at \$1,349,835, which, being deducted as provided in the bill, would leave the first year's cost \$5,086,515. Making use of the same data as to those eligible, an estimate of the cost of retiring with pay certain officers and enlisted men of the civil war, under the provisions of H. R. 16645 as amended by the Committee on Military Affairs, is herewith made, as follows:

Number of civil-war pensioners February 1, 1908.....	633, 386
Number of these pensioners who served 18 months and over (estimated).....	348, 362
Number of officers pensioned, to be deducted.....	6, 867
Total number of enlisted men eligible to provisions of the bill.....	341, 495

Act under which pensioned.	Number of pensioners.	Present average rate per month.	Increased rate under bill.	Total increase of pensions under bill.
General law	78,543	\$20 00	\$10.00	\$9,425,160
Act June 27, 1890	102,449	12.00	18.00	22,128,984
Act Feb. 6, 1907	160,503	14.17	15.83	36,489,150
Total				62,043,294
6,867 officers at \$600 per annum				4,120,200
Deduct estimated pensions				1,349,835
Total				2,770,365

The communication from the Hon. John A. T. Hull and the papers submitted to the Bureau for consideration are herewith respectfully returned.

Very respectfully,

V. WARNER,
Commissioner.

COMMITTEE ON MILITARY AFFAIRS,
HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., February 20, 1908.

MY DEAR SIR: Inclosed herewith please find H. R. 6288, also H. R. 16645, providing for creating a volunteer retired list. The Committee on Military Affairs have adopted certain amendments to these bills which are noted on the copies herein inclosed and desire such information as you can give relating to the proposed legislation, together with the most accurate estimate obtainable as to the cost of each of these bills providing they are enacted into law.

Please have the kindness to make your report on this matter at the earliest date which the business of your office will allow.

Very respectfully,

J. A. T. HULL,
*Chairman Committee on Military Affairs,
House of Representatives.*

HON. SECRETARY OF WAR,
Washington, D. C.

[First indorsement.]

WAR DEPARTMENT,
THE ADJUTANT-GENERAL'S OFFICE,
Washington, February 28, 1908.

Respectfully returned to the honorable the Secretary of War, with estimates of the probable numbers of beneficiaries under, and the probable cost of, the bills H. R. 6288 and 16645, as amended by the Committee on Military Affairs, to establish a volunteer retired list, if enacted into law. The copies of those bills received with this communication are returned herewith.

F. C. AINSWORTH,
The Adjutant-General.

[Second indorsement.]

WAR DEPARTMENT, *February 29, 1908.*

Respectfully returned to the chairman Committee on Military Affairs, House of Representatives, inviting attention to the preceding indorsement hereon and to the accompanying estimates referred to.

ROBERT SHAW OLIVER,
Acting Secretary of War.

[Memorandum relative to the probable number of beneficiaries under, and the probable cost of, a bill (H. R. 6288), as amended by the Committee on Military Affairs, to create in the War Department a roll to be known as the volunteer retired list, to authorize placing thereon with retired pay certain surviving officers of the United States Volunteer Army, Navy, and marines of the civil war, and for other purposes.]

The volunteer retired list proposed to be created by the accompanying bill, (H. R. 6288, 60th Cong., 1st sess.), as amended by the Committee on Military Affairs, is to include each surviving officer of the Volunteer Army in the civil war who served with credit as an officer or an enlisted man not less than eighteen months in the field with troops between April 15, 1861, and July 15, 1865, who was honorably discharged and who does not belong to the Regular Army or has not heretofore been retired, provided that an officer who resigned or was discharged because of wounds received in battle, if otherwise qualified, shall be entitled to retirement without reference to the length of his service in the Volunteer Army. The bill proposes that the names shall be entered upon the list as of the highest rank held in the Volunteer Army, and that the rates of payment shall be "one-half pay at the age of 64 years, and three-fourths pay at the age of 70 years," provided that the retired pay of any officer shall not exceed one-half the full pay of a captain of cavalry of the Regular Army. The provisions and limitations of the bill under consideration are also extended so as to include volunteer officers of the Navy and marines.

To obtain a basis for an estimate of the probable number of beneficiaries under, and the probable cost of, the proposed legislation in so far as it relates to former officers of the Volunteer Army, it will be necessary to ascertain not only the whole number of volunteer commissioned officers in service during the civil war, but also the number of those officers who served with credit not less than eighteen months, or who were discharged before serving eighteen months because of wounds received in battle, and the ages of those officers; also the number who subsequently served in and were retired from the Regular Army. No compilation from which such data can be obtained has ever been made by the War Department, and to make such a compilation now would require an extended examination of the record of each one of the thousands of volunteer officers in service during that war, for the purpose of determining his age, whether he served with credit for eighteen months or more and was honorably discharged, or resigned or was discharged before serving eighteen months because of wounds received in battle, and whether he subsequently served in and was retired from the Regular Army. Such an extended compilation would require years for its completion, and would necessitate a considerable increase in the clerical force to prevent interference with the current work of the office.

Even a reasonably accurate estimate of the whole number of volunteer officers in service during the civil war can not be made without

an examination of the rolls and other records of more than 2,000 regimental, and a considerable number of smaller independent, organizations that were in the service during the civil war.

As was indicated in an indorsement, dated January 22, 1907, by this office on a request of the Committee on Military Affairs of the House of Representatives for an estimate on a somewhat similar bill (H. R. 24544) creating a volunteer retired list, the data available, without the extended examination of the records before referred to, are insufficient to serve as a basis for a reasonably accurate estimate of the probable cost of the proposed legislation. It is believed, however, that sufficient information is at hand to enable a calculation to be made that will be much more reliable than a loose estimate or a wild guess, and that will establish at least a minimum probable cost during the first year of operation of the bill under consideration if enacted into law.

It has been estimated by this office that there were approximately 125,000 commissioned officers in service in the Volunteer Army during the civil war. This office has no data with regard to the number of volunteer officers of the Navy and marines in service during that war; and as the number of those officers must have been comparatively small, they are not included in this estimate.

Because no data concerning the ages of officers are available, the probable number of survivors can not be estimated satisfactorily. From an estimate made by this office in 1905, a printed copy of which accompanies this memorandum, it appears that a little more than 31 per cent of the whole number of individual officers and enlisted men in service in the Army, Navy, and Marine Corps during the civil war will be surviving on June 30, 1908. The commissioned officers in service were, undoubtedly, as a rule, somewhat older than the enlisted men, and consequently the number of surviving officers is undoubtedly relatively less than the number of surviving enlisted men. Taking that fact into consideration, it does not seem unreasonable to assume that about 25 per cent of the volunteer commissioned officers of the Army, or about 31,250, will be surviving on June 30, 1908.

A printed letter, addressed to the Secretary of the Interior by the Commissioner of Pensions under date of January 26, 1893, contains (p. 13) a table showing the number of months of service of a considerable number of pensioners. It appears from that table that of 473,867 invalid pensioners 199,824, or 42 per cent, had less than eighteen months' service, and that the remaining 58 per cent had from eighteen to sixty-five months' service. By reference to the credits allowed by the War Department for men furnished by the several States during the civil war it is found, after making due allowance for those who were enlisted for a longer period than eighteen months at a date so near the close of the war that the total term of their service could not have exceeded that period, that 36 per cent of them were enlisted for, or could have served prior to July 15, 1865, for a period less than eighteen months, while the remainder (64 per cent) enlisted for and had an opportunity to serve for a period of eighteen months or longer.

It is true that some of the men who enlisted for short terms may have enlisted, and probably did enlist, subsequently in other organizations so as to bring their total service beyond the eighteen-months limit. But, on the other hand, it is certain that some of the men

who enlisted for two and three years were separated from the service otherwise than because of wounds received in battle before having served eighteen months; and, consequently, for the sake of comparison with the Pension Office figures before quoted, it seems reasonable to disregard these two factors. Taking into consideration the 58 per cent shown by the Pension Office statistics and the 64 per cent shown by the credit statistics, it seems reasonable to assume that at least 61 per cent of the whole number of individuals in service during the civil war had at least eighteen months' service, or were discharged for wounds received in battle before having served that length of time. Some few of these men must have served subsequently in the Regular Army and have been retired therefrom, but the number of such men must have been comparatively small, and it is believed that a decrease of 1 in the percentage shown above will be sufficient to cover all such cases. If 60 per cent of the officers and enlisted men in service during the civil war had the amount of service required of commissioned officers to entitle them to the benefits of the proposed legislation, it does not seem unreasonable to assume that 60 per cent of the whole number of surviving officers (31,250), or (18,750), will be entitled, sooner or later, to those benefits.

From the data used in compiling the estimate of the number of survivors of the civil war, before referred to, it is found that, on June 30, 1908, about 7 per cent of those survivors will be under 64 years of age, about 62 per cent between 64 and 69, and about 31 per cent 70 years of age and over. In view of the relatively more advanced ages of the officers, as compared with the enlisted men, it is believed that some modification of those percentages must be made in order to apply them to the number of officers who are likely to be beneficiaries under the proposed legislation; and it may be assumed, therefore, for the purpose of this estimate, that 4 per cent (or 750) of the surviving officers who had the requisite amount of service are under 64 years of age, and are, consequently, too young to be entitled to those benefits at the present time; that 63 per cent of them (or 11,813) are old enough to be entitled to half pay, and that 33 per cent of them (or 6,187) are old enough to be entitled to three-fourths pay. The bill, however, limits the maximum amount of the retired pay of any officer on the volunteer retired list to an amount not exceeding "one-half the full pay of a captain of cavalry of the Regular Army," or \$1,000 a year. One-half the pay of a second lieutenant of infantry is \$700 a year, and three-fourths of the pay of an officer of that grade is \$1,050 a year. As the bill under consideration provides that the name of each officer entered on the volunteer list "shall be entered as of the highest rank held by him while serving in said Volunteer Army," it is not unlikely that most of the beneficiaries will be entitled to the maximum amount of pay, because the number of surviving volunteer officers who served for eighteen months and who did not reach the grade of captain at some time during their service must be relatively small. For the purposes of this estimate, however, it is assumed that 50 per cent of the surviving officers who are under 70 years of age and who served eighteen months did not reach the grade of captain, and that, consequently, they will not be entitled to the maximum rate of pay allowed under the pending bill.

On the basis of the foregoing data, it is estimated that the volunteer retired list proposed to be created by the bill under consideration

will require the expenditure of at least \$16,000,000 during the first year of its establishment, if established during the current year. During subsequent years the total amount of the expenditure on that account will be reduced from time to time by deaths of men whose names are on the list, but, at the same time, it will also be increased by advancing age bringing others within the limitations of the list who are now under 64 years of age and increasing the rate of pay of those on the list when they reach the age of 70 years.

Section 3 of the bill under consideration requires that each person who shall receive pay thereunder shall relinquish all his right and claim to pension from the United States, and, consequently, some reduction should be made in the foregoing estimate in order to make it show the probable expense to the Government of the pending bill if enacted into a law. It appears from the report of the Commissioner of Pensions for 1907 that the invalid pensioners on the rolls because of civil-war service receive an average pension of \$158.52 a year. The officers are not separately shown in that report, but, even if the average rate for officers is somewhat larger than that for all invalid pensioners, the excess in the case of officers is likely to be corrected by the fact that some of the officers who will be entitled to the benefits of the pending legislation are not on the pension roll at all, and it appears reasonable, therefore, to accept, for the purpose of this estimate, the average rate of all pensioners as the average rate in the cases of officers. Under that assumption, it appears that, because of the provisions of this bill before referred to, the pension roll is likely to be reduced about \$2,850,000.

It appears, therefore, that the minimum total cost to the United States of the volunteer retired list proposed to be created by the accompanying bill during the first year of its operation will exceed \$13,000,000.

Respectfully submitted.

F. C. AINSWORTH,
The Adjutant-General.

WAR DEPARTMENT,
THE ADJUTANT-GENERAL'S OFFICE,
February 28, 1908.

[Memorandum relative to the probable number of beneficiaries under, and the probable cost of, a bill (H. R. 16645), as amended by the Committee on Military Affairs, to create in the War Department a roll to be known as the volunteer retired list, to authorize placing thereon, with retired pay, certain surviving officers and enlisted men of the United States Volunteer Army, Navy, and marines of the civil war, and for other purposes.]

The volunteer retired list proposed to be created by the accompanying bill (H. R. 16645, 60th Cong., 1st sess.), as amended by the Committee on Military Affairs, is to include each surviving officer and enlisted man of the Volunteer Army in the civil war who served with credit as an officer or enlisted man not less than eighteen months in the field with troops between April 15, 1861, and July 15, 1865, who was honorably discharged and who does not now belong to the Regular Army or has not heretofore been retired, provided that an officer or enlisted man who resigned or was discharged because of wounds received in battle, if otherwise qualified, shall be entitled to retirement without reference to the length of his service in the Volunteer Army.

The bill proposes that the names shall be entered upon the list as of the highest rank held in the Volunteer Army, either as an officer or

an enlisted man, and that the rates of payment shall be one-third pay for the commissioned officers and \$30 a month for the enlisted men, provided that the retired pay of any officer shall not exceed one-third the initial pay of a captain of infantry in the Regular Army. The provisions and limitations of the bill under consideration are also extended so as to include volunteer officers of the Navy and Marine Corps.

To obtain a basis for an estimate of the probable number of beneficiaries under, and the probable cost of, the proposed legislation it will be necessary to ascertain separately the number of individual officers and enlisted men who served with credit not less than eighteen months, or who were discharged before serving eighteen months because of wounds received in battle, and the number who subsequently served in and were retired from the Regular Army. No compilation from which such data can be obtained has ever been made by the War Department, and to make such a compilation now would require an extended examination of the record of each one of the many thousands of volunteers in service during that war for the purpose of determining whether he served with credit for eighteen months or more and was honorably discharged, or resigned, or was discharged before serving eighteen months because of wounds received in battle, and whether he subsequently served in and was retired from the Regular Army. Such an extended compilation would require years for its completion and would necessitate a considerable increase in the clerical force to prevent interference with the current work of the office.

It is believed, however, that sufficient information is at hand to enable a calculation to be made that will be much more reliable than a loose estimate or a wild guess and that will establish at least a minimum probable cost during the first year of operation of the bill under consideration, if enacted into law.

An estimate of the number of survivors of the civil war in 1890 and at various periods thereafter was prepared by the Record and Pension Office in March, 1890, at the request of the chairman of the Committee on Invalid Pensions, House of Representatives, for use in the consideration of the various proposed measures which culminated in the pension act approved June 27, 1890. That estimate was reviewed in April, 1896, and again in 1905. From the printed copy of that estimate accompanying this memorandum, it will be seen that the probable total number of survivors of the civil war (excluding deserters), on June 30, 1908, will be 705,197, or a little more than 31 per cent of the whole number of individual officers and enlisted men in service in the Army, Navy, and Marine Corps during that war.

Having in mind the fact that the commissioned officers in service were no doubt, as a rule, somewhat older than the enlisted men, and that, consequently, the number of surviving officers is undoubtedly relatively less than the number of surviving enlisted men, it is estimated that of the 705,197 surviving officers and enlisted men of the Army, Navy, and Marine Corps, 31,250 were commissioned officers in the Army and 673,947 were enlisted men in the Army, Navy, and Marine Corps. As this office has no data with regard to the number of volunteer officers of the Navy and Marine Corps and as that number must have been comparatively small, they are not considered as officers in this estimate.

A printed letter, addressed to the Secretary of the Interior by the Commissioner of Pensions under date of January 26, 1893, contains (p. 13) a table showing the number of months of service of a considerable number of pensioners. It appears from that table that of 473,867 invalid pensioners 199,824, or 42 per cent, had less than eighteen months' service and that the remaining 58 per cent had from eighteen to sixty-five months' service. By reference to the credits allowed by the War Department for men furnished by the several States during the civil war, it is found, after making due allowance for those who were enlisted for a longer period than eighteen months at a date so near the close of the war that the total term of their service could not have exceeded that period, that 36 per cent of them were enlisted for, or could have served prior to July 15, 1865, for a period less than eighteen months, while the remainder (64 per cent) enlisted for and had an opportunity to serve for a period of eighteen months or longer. It is true that some of the men who enlisted for short terms may have enlisted, and probably did enlist, subsequently in other organizations so as to bring their total service beyond the eighteen months' limit. But, on the other hand, it is certain that some of the men who enlisted for two and three years were separated from the service otherwise than because of wounds received in battle before having served eighteen months; and, consequently, for the sake of comparison with the Pension Office figures before quoted, it seems reasonable to disregard these two factors. Taking into consideration the 58 per cent shown by the Pension Office statistics and the 64 per cent shown by the credit statistics, it seems reasonable to assume that at least 61 per cent of the whole number of individuals in service during the civil war had at least eighteen months' service, or were discharged for wounds received in battle before having served that length of time.

Some few of these men must have served subsequently in the Regular Army and have been retired therefrom, but the number of such men must have been comparatively small, and it is believed that a decrease of 1 in the percentage shown above will be sufficient to cover all such cases. Assuming, therefore, that 60 per cent of the survivors had a sufficient length of service to entitle them to the benefits of the proposed legislation, it is found that the beneficiaries under that legislation will probably number 18,750 officers and 404,368 enlisted men during the first year of operation of the bill under consideration if enacted into law.

The pending bill limits the maximum amount of the retired pay of any officers on the volunteer retired list to an amount not exceeding "one-third the initial pay of a captain of infantry in the Regular Army" or \$600 a year. The pay on the proposed volunteer retired list of officers who will not be entitled to receive the maximum pay before referred to ranges from \$466.67 a year for a second lieutenant, not mounted, to \$533.33 a year for a first lieutenant, mounted, all officers of higher grade being entitled to the maximum pay allowed under the bill. It is not unlikely that most of the commissioned officers who will be beneficiaries will be entitled to the maximum amount of pay, because the number of surviving volunteer officers who served eighteen months and who did not reach the grade of captain at some time during their service must be relatively small. For the purpose of this estimate, however, it is assumed that 50 per

cent of the surviving officers who served eighteen months did not reach the grade of captain and that, consequently, they will not be entitled to the maximum amount of pay allowed under the pending bill.

On the basis of the foregoing data it is estimated that the volunteer retired list proposed to be created by the bill under consideration will require the expenditure of at least \$10,000,000 for commissioned officers and at least \$145,000,000 for enlisted men during the first year of its establishment, if established during the current year. During subsequent years, of course, the amount of the expenditure on that account will be reduced from time to time by reason of deaths of men whose names are on that list. That reduction will probably be at about the same rate from year to year as the reduction in the number of survivors shown in the table on page 6 of the accompanying estimate with regard to the probable number of civil war survivors.

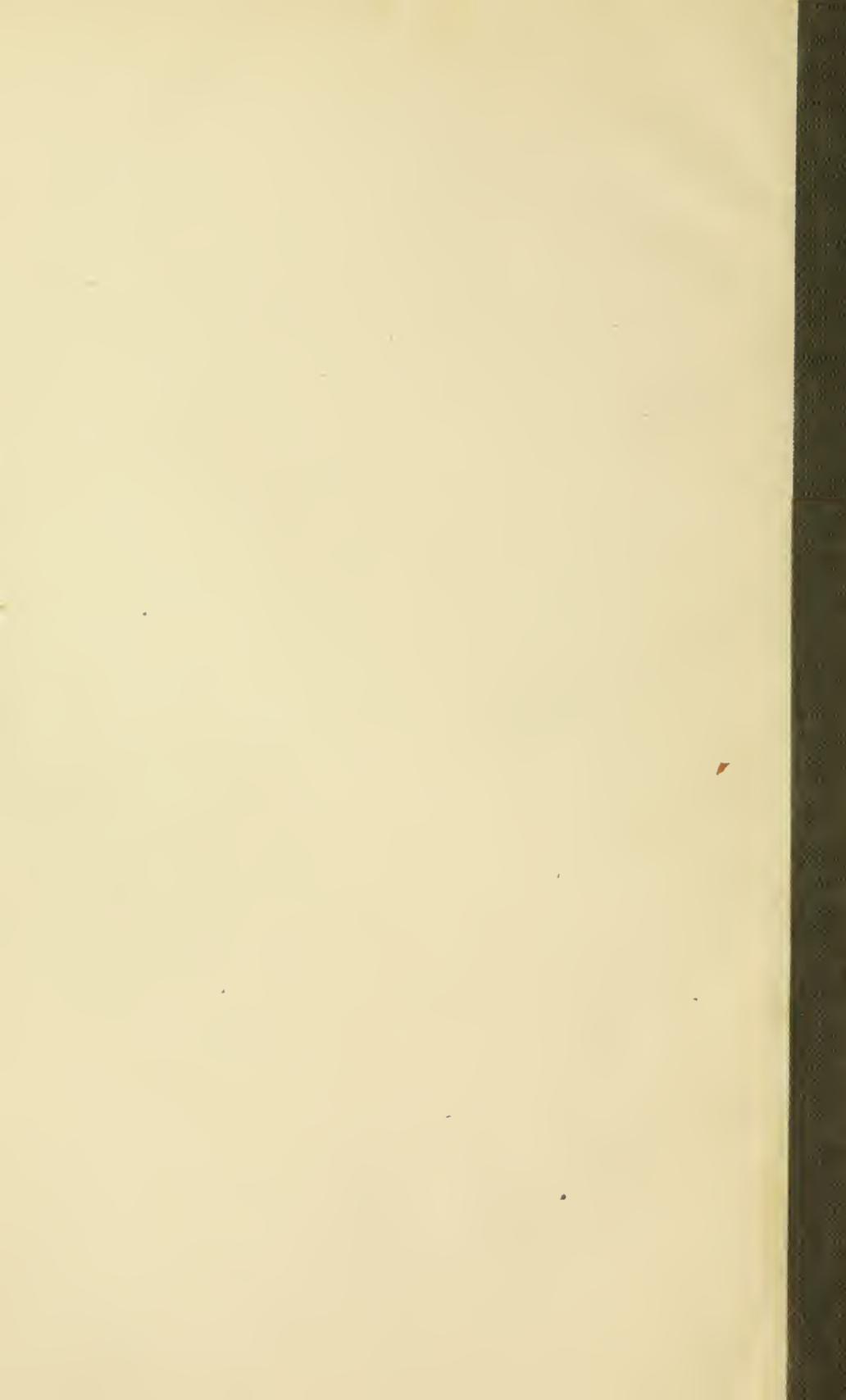
Section 3 of the bill under consideration provides that each person who shall receive pay thereunder shall relinquish all his right and claim to pension from the United States, and, consequently, some reduction should be made in the foregoing estimate in order to make it show the probable expense to the Government of the pending bill, if enacted into a law. It appears from the report of the Commissioner of Pensions for 1907 that the invalid pensioners on the rolls because of civil war service receive an average pension of \$158.52 a year. Assuming that all of the 423,118 probable beneficiaries under the pending legislation are on the pension roll, which is not likely to be a fact, and that the average rate of their pensions is the same as the average rate of all invalid pensioners, it is found that the total amount of their pensions is a little over \$67,000,000 a year.

Deducting from the estimated cost of the volunteer retired list before shown the total amount of pensions of the men who are entitled to its provisions, it is found that the minimum total cost to the United States of the volunteer retired list proposed to be created by the accompanying bill, during the first year of its operation, will exceed \$88,000,000.

Respectfully submitted.

F. C. AINSWORTH,
The Adjutant-General.

WAR DEPARTMENT,
THE ADJUTANT-GENERAL'S OFFICE,
February 28, 1908.



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