The original documents are located in Box 62, folder "10/12/76 S3790 Relief of Camilla A Hester (vetoed)" of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.

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MEMOUED 10/12/76



Last Day: October 12

MEMORANDUM FOR

THE PRESIDENT

FROM:

JIM CANNON FUT QUEEN

SUBJECT:

S. 3790 - For the relief of Camilla A. Hester

Attached for your consideration is S. 3790, sponsored by Senator Allen.

The enrolled bill would deem Mrs. Hester to be a widow under civil service law and authorize the payment of benefits to her retroactively from September 28, 1972 with 6% interest. It would also award \$5,000 to her as compensation for hardships endured and expenses incurred, over a period of four years, in seeking to qualify for a survivor's annuity.

Background

Civil service retirement law at the time of Mr. Hester's death required a surviving spouse to have been married at least two years prior to the deceased employee's death or the parent of a child by that marriage. The length of marriage requirement has since been reduced by statute to one year.

Mrs. Hester married her first husband in 1956. subsequently went through a marriage ceremony with Mr. Hester on May 20, 1961, although her first marriage was not finally legally dissolved until March 23, 1972. Mr. and Mrs. Hester were lawfully married on May 24, 1972 and he died four months later. They had two children prior to their legal marriage.

S. 3790 is similar in principle to three other private relief bills you have signed during the 94th Congress except that none of those bills provided for retroactive interest or hardship payments.

A detailed discussion of the provisions of the enrolled bill is provided in OMB's enrolled bill report at Tab A.



Agency Recommendations

The Civil Service Commission strongly opposes enactment of S. 3790 and recommends that you disapprove the enrolled bill.

OMB believes the interest payment and compensation award provisions of the bill are so objectionable--from the standpoint of setting bad legislative precedents--that the bill warrants disapproval. They would not object, however, to a recommendation to the Congress that the bill would be acceptable without these two provisions and have prepared a memorandum of disapproval along these lines.

Staff Recommendations

Max Friedersdorf, Counsel's Office (Kilberg) and I recommend disapproval of the enrolled bill.

Decision

Sign S. 3790 at Tab B.

Veto S. 3790 and sign Memorandum of Disapproval at Tab C which has been cleared by Doug Smith.





EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

OCT 6 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3790 - For the relief of

Camilla A. Hester

Sponsor - Sen. Allen (D) Alabama

Last Day for Action

October 12, 1976 - Tuesday

Purpose

Entitles Mrs. Hester to a civil service survivor's annuity plus a retroactive payment and \$5,000 compensation hardship award.

Agency Recommendations

Office of Management and Budget

Disapproval (Memorandum of disapproval attached)

Civil Service Commission

Disapproval (Veto message attached)

Discussion

S. 3790 would deem Mrs. Hester to be a widow under civil service retirement law and authorize the payment of benefits to her retroactively from September 28, 1972, the day after her husband's death. Retroactive benefits would be paid in a lump sum, including interest at an annual rate of 6 percent from the time when payments were due. S. 3790 also would award the sum of \$5,000 to Mrs. Hester, as compensation for hardships endured and expenses incurred, over a period of 4 years, in seeking to qualify for a survivor's annuity.

Under the civil service retirement law at the time of John Hester's death a surviving spouse had to have been married to the deceased employee for at least 2 years immediately preceding the employee's death or have been the parent of a child by that marriage in order to qualify for a survivor's annuity. The length of marriage requirement

(which has since been reduced by statute to 1 year) is intended to preclude the acquisition of valuable survivor benefits by people who might marry employees or annuitants for that purpose.

Mrs. Hester was lawfully married to Robert Lanier in 1956 and two children were born of that marriage. She subsequently went through a marriage ceremony with Mr. Hester on May 20, 1961, although her first marriage to Robert Lanier was not finally legally dissolved until March 23, 1972. Mr. and Mrs. Hester were lawfully married on May 24, 1972, and Mr. Hester died 4 months later on September 27, 1972. Camilla and John Hester had two children born in 1961 and 1963, prior to their legal marriage.

Mrs. Hester's application to the Civil Service Commission (CSC) for a survivor's annuity for herself was denied because she did not meet the length of marriage requirement and because her two children were not the issue of her May 24, 1972, marriage to Mr. Hester. Mrs. Hester appealed the Commission's decision to the U.S. District Court for Alabama and was denied relief. According to the Civil Service Commission, Mrs. Hester has received over \$16,000 in survivor benefits on behalf of her four children since Mr. Hester's death and will continue to receive benefits as long as the children remain eligible.

In introducing S. 3790, the sponsor gave the following reasons for recommending enactment of the bill:

"...immediately upon learning that her marriage in 1961 to Mr. Hester was void, Mrs. Hester took necessary steps to secure a final decree in her divorce from her previous husband and again married Mr. Hester, thereby giving full legal validity to her status as a wife...several months later Mr. Hester died. Mrs. Hester, his wife for 11 years, with his two minor children to raise, made application to the Civil Service Commission for a widow's pension. Incredibly, she was denied survivor's benefits on the theory that she was not a widow of 2 years' standing and that her two children were not the issue of her marriage...I find that decision not only harsh but totally devoid of any proper exercise of good judgment."

According to CSC, the provision which would require the payment of interest at 6 percent on the survivor annuity from September 28, 1972, would set an undesirable precedent



for future private relief legislation and also for ordinary claims for benefits under the Civil Service Retirement System. The CSC has never had the authority to pay interest on legitimate benefits when payment has been delayed. Furthermore, the interest rate for funds (refunds of retirement deductions or lump-sum death benefits) on which interest is payable is currently 3 percent per annum.

Additionally, CSC opposes, as an unjustified benefit, the \$5,000 payment which S. 3790 would require as compensation for expenses incurred in seeking to qualify for the survivor annuity.

S. 3790 is similar in principle to three other private relief bills (P.L. 94-93, P.L. 94-94 and P.L. 94-57) which you have signed during the 94th Congress. They were designed to rectify inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, the private bills you signed did not provide for retroactive interest or hardship payments.

Recommendation

CSC strongly opposes enactment of S. 3790 and recommends that you disapprove the enrolled bill.

We concur with the CSC in recommending disapproval of S. 3790. Although we are sympathetic to Mrs. Hester's situation, we believe the interest payment and compensation award provisions are so objectionable—from the standpoint of setting bad legislative precedents—as to warrant disapproval of S. 3790. We would not object, however, to a recommendation to the Congress that the bill would be acceptable without these two provisions and have prepared a memorandum of disapproval along these lines.

Paul H. O'Neill Acting Director

Enclosures



UNITED STATES CIVIL SERVICE COMMISSION WASHINGTON, D.C. 20415

October 4, 1976

Honorable James T. Lynn
Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

Attention: Assistant Director for Legislative Reference

Dear Mr. Lynn:

This is in reply to your request for the Commission's views on enrolled bill, S. 3790, "For the relief of Camilla A. Hester."

S. 3790 would, if enacted, deem Mrs. Camilla Hester to be the "widow" of deceased Federal employee, John A. Hester, for Civil Service Retirement purposes (5 U.S.C. 8341(a)) and would authorize payment of a survivor annuity to her commencing the day after Mr. Hester's death on September 27, 1972. This payment would include interest at 6 percent per annum from September 28, 1972 through the date of payment. Additionally the bill would authorize payment to Mrs. Hester from the Treasury of an additional \$5000 as compensation for "hardships endured and expenses incurred" in seeking to qualify for a survivor annuity.

The Commission is very strongly opposed to enactment of S. 3790 for a number of reasons.

At the time of Mr. Hester's death, in order to qualify for a survivor annuity under the Civil Service Retirement law, the surviving spouse of a deceased employee must have been a "widow" or "widower" as defined by the retirement law, which means (a) be the surviving spouse who was married to the employee for at least two years immediately preceding his (her) death or (b) be the parent of issue of that marriage.

The Commission is without authority to pay Mrs. Camilla Hester a survivor annuity benefit because she failed to meet either of the above requirements.

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Mrs. Hester was lawfully married to Robert Lanier in 1956 and two children were born of that marriage. She subsequently went through a marriage ceremony with Mr. Hester on May 20, 1961 although her marriage to Mr. Lanier had not been dissolved. In fact, her marriage to Mr. Lanier was not finally dissolved until March 23, 1972. Mr. & Mrs. Hester were lawfully married on May 24, 1972 but Mr. Hester died four months later on September 27, 1972. Although 2 children were horn to Mr. & Mrs. Hester, they were born prior to the legal marriage and, therefore, were not issue of the marriage and did not qualify Mrs. Hester as "widow" for survivor annuity benefits.

The Commission has consistently viewed as undesirable in principle private relief legislation which would afford one person benefits to which others similarly situated are not entitled. Further, the requirements for granting a survivor annuity to the widow of an employee dying in service have been reaffirmed many times by the Congress.

The provision which would require the Commission to pay interest at 6 percent per annum on survivor annuity payable under this bill from September 28, 1972 to date would, in our opinion, set a very undesirable precedent, not only for future private relief legislation but also for ordinary claims for benefits under the Civil Service Retirement System. The Commission has never had the authority to pay interest on legitimate benefits when payment has been delayed. Furthermore, the interest rate for funds (refunds of retirement deductions or lump-sum death benefits) on which interest is payable is currently 3 percent per annum. The precedent set by requiring 6 percent interest payment on a benefit for which no entitlement existed under the law and which only became payable through private relief legislation could have a far reaching effect on the retirement system.

Additionally, the Commission sees no justification for the \$5000 payment which S.3790 would require the Treasury to pay as compensation for the hardships endured and expenses incurred in seeking to qualify for a survivor annuity. Under the law, Mrs. Hester cannot qualify for a survivor annuity. S. 3790, if enacted would "deem" her qualified even though she does not meet the requirements.

Since Mr. Hester's death, Mrs. Hester has received over \$16,000 in survivor benefits on behalf of her four children and will continue to receive them as long as the children remain eligible.



The Commission knows of no unusual circumstances which would justify granting Mrs. Hester the benefits proposed by the bill especially the precedent-setting payment of interest and an additional lump sum payment.

Accordingly, the Commission is strongly opposed to enactment of S. 3790 and recommends that the President veto the enrolled bill.

By direction of the Commission:

Syncerely yours,

hairman

I am returning without my approval, S. 3790, a private bill which would authorize a civil service survivor annuity to Mrs. Camilla A. Hester as the widow of the late John A. Hester, retroactive to September 28, 1972. Furthermore, the Civil Service Commission would be required to pay interest at 6 percent per annum on the retroactive benefit to date, and the Treasury would be required to pay Mrs. Hester an additional \$5000 as compensation for "hardships endured and expenses incurred" in seeking to qualify for a survivor annuity.

Private relief legislation is by its very nature generally designed to grant benefits to one individual to which others in similar situations are not entitled. Sometimes the circumstances are so unusual that the granting of benefits is justified.

While I sympathize with Mrs. Hester, she did not meet the length of marriage requirement for a widow as defined in the law.

Additionally, S. 3790 contains two precedent-setting provisions which I consider very undesirable, not only for future private relief legislation, but also for ordinary claims under the Civil Service Retirement System.

The first would require the Commission to pay interest retroactive to 1972 on a benefit for which no entitlement exists under
the law and which would only become payable through enactment of
S. 3790. The second would require the Treasury to pay "compensation"
for an individual's successful effort to be awarded a benefit for which
no legal entitlement exists.

For these reasons I am unable to approve S. 3790.



The White House

ACTION MEMORANDUM

WASHINGTON -

LOG NO .:

Date: Sepober 4

Time: 1130am

FOR ACTION:

Max Friedersdorf (for information): Jack Marsh

Bobbie Kilberg Veto

Robert Hartmann

Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date:

October 8

Time:

500pm

SUBJECT:

S.3790-Relief of Camilla Hester

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

X For Your Comments

Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR. For the President

ACTION MEMORANDUM

WASHINGTON

LOG NO .:

Date: October 7

Time: 1130am

FOR ACTION:

David Lissy

Max Friedersdorf Bobbie Kilberg Robert Hartmanncc (for information):

Jack Marsh Jim Connor Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date:

October 8

Time:

500pm

SUBJECT:

S.3790-Relief of Camilla Hester

ACTION REQUESTED:

_ For Necessary Action

__ For Your Recommendations

____ Prepare Agenda and Brief

__ Draft Reply

X For Your Comments

__ Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

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PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon For the President

E HOUSEPONE 76 MO 276 - 3.
GTON 10 9'. LOG NO.:
Time: 1130am
cc (for information): Jack Karsh Jim Connor Ed Schmults
Ohl Jal
Time: 500pm
Hester
For Your Recommendations
——For Your Recommendations ——Draft Reply

REMARKS:

please return to judy johnston, ground floor west wing



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon For the President

WASHINGTON

October 8, 1976

MEMORANDUM FOR:

JIM CAVANAUGH

FROM:

MAX L. FRIEDERSDORF

SUBJECT:

S. 3790 - Relief of Camilla Hester

The Office of Legislative Affairs concurs with the agencies that the S. 3790 should be not be signed.

Attachments



ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 7

Time: 1130am

FOR ACTION:

David Lissy

Max Friedersdorf Bobbie Kilberg Robert Hartmann

cc (for information):

Jack Marsh Jim Connor

Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date:

October 8

Time:

500pm

SUBJECT:

S.3790-Relief of Camilla Hester

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

... Draft Reply

X For Your Comments

_ Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

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James M. Cannon For the President

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 7

Time: 1130am

FOR ACTION:

David Lissy

Max Friedersdorf

Bobbie Kilberg Robert Hartmann

cc (for information):

Jack Marsh

Jim Connor Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date:

October 8

Time:

500pm

SUBJECT:

S.3790-Relief of Camilla Hester

ACTION REQUESTED:

____For Necessary Action

_ For Your Recommendations

____ Prepare Agenda and Brief

___ Draft Reply

X For Your Comments

____ Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

Committee on 5

Wrey 10/8/76

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon For the President

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from S. 3790, a private bill which would authorize a civil service survivor annuity retroactive to September 28, 1972, to Mrs. Camilla A. Hester as the widow of the late John A. Hester.

While I am sympathetic to Mrs. Hester's circumstances,
S. 3790 unfortunately contains two precedent-setting provisions which I consider very undesirable, not only for
future private relief legislation, but also for ordinary
claims under the Civil Service Retirement System.

The first would require the Civil Service Commission to pay interest at 6 percent per annum retroactive to 1972 on the survivor's benefit which would be authorized by S. 3790. The second would require the Treasury to pay Mrs. Hester \$5,000 as compensation for her successful effort to be awarded the benefit. Neither of these provisions are appropriate, in my judgment, in bringing Mrs. Hester equitable relief.

For these reasons I am unable to approve S. 3790. I have signed other private relief legislation during the 94th Congress designed to rectify the inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, these bills did not contain the objectionable provisions contained in S. 3790. I would be pleased, however, to consider legislation for Mrs. Hester that would provide appropriate relief without the objectionable features discussed above.

Ottocked P. Olave

MEMORANDUM OF DISAPPROVAL

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The first would require the Civil Service Commission to pay interest at 6 percent per annum retroactive to 1972 on the survivor's benefit which would be authorized by S. 3790. The second would require the Treasury to pay Mrs. Hester \$5,000 as compensation for her successful effort to be awarded the benefit. Neither of these provisions are appropriate, in my judgment, in bringing Mrs. Hester equitable relief.

For these reasons I am unable to approve S. 3790.

I have signed other private relief legislation during the 94th Congress designed to rectify the inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, these bills did not contain the objectionable provisions contained in S. 3790. I would be pleased, however, to consider legislation for Mrs. Hester that would provide appropriate relief without the objectionable features discussed above.

Geral R. Ful

MEMORANDUM OF DISAPPROVAL

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The first would require the Civil Service Commission to pay interest at 6 percent per annum retroactive to 1972 on the survivor's benefit which would be authorized by S. 3790. The second would require the Treasury to pay Mrs. Hester \$5,000 as compensation for her successful effort to be awarded the benefit. Neither of these provisions are appropriate, in my judgment, in bringing Mrs. Hester equitable relief.

For these reasons I am unable to approve S. 3790. I have signed other private relief legislation during the 94th Congress designed to rectify the inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, these bills did not contain the objectionable provisions contained in S. 3790. I would be pleased, however, to consider legislation for Mrs. Hester that would provide appropriate relief without the objectionable features discussed above.

THE WHITE HOUSE

October , 1976



Hinety-fourth Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the nineteenth day of January, one thousand nine hundred and seventy-six

An Act

For the relief of Camilla A. Hester.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of subchapter III of chapter 83 of title 5, United States Code (relating to civil service retirement), Camilla A. Hester, of Foley, Alabama, shall be deemed a widow within the meaning of subsection (a) (1) of section 8341 of such title, and if otherwise entitled to a survivor annuity under such section, shall be paid that annuity from September 28, 1972.

Sec. 2. Any amounts payable by reason of the first section of this Act with respect to any period prior to the date of the enactment of this Act shall be paid in a lump sum within sixty days after such date, including interest at an annual rate of 6 per centum from the time when payments were due under the first section of this Act.

SEC. 3. In addition to amounts payable by reason of the first section of this Act, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to the said Camilla A. Hester, as compensation for hardships endured and expenses incurred, over a period of four years, in seeking to qualify for a survivor appuits.

in seeking to qualify for a survivor annuity.

Sec. 4. No part of the amount authorized by this Act in excess of 15 per centum of the sums described in sections 2 and 3 of this Act shall be paid or delivered to er received by an agent or attorney on account of services rendered in connection with this claim, and the same is unlawful, any contract to the contrary notwithstanding. A violation of this section is a misdemeanor punishable by a fine in an amount not to exceed \$1,000.

Speaker of the House of Representatives.

Vice President of the United States and President of the Senate.

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from S. 3790, a private bill which would authorize a civil service survivor annuity retroactive to September 28, 1972, to Mrs. Camilla A. Hester as the widow of the late John A. Hester.

While I am sympathetic to Mrs. Hester's circumstances, S. 3790 unfortunately contains two precedent-setting provisions which I consider very undesirable, not only for future private relief legislation, but also for ordinary claims under the Civil Service Retirement System.

The first would require the Civil Service Commission to pay interest at 6 percent per annum retroactive to 1972 on the survivor's benefit which would be authorized by S. 3790. The second would require the Treasury to pay Mrs. Hester \$5,000 as compensation for her successful effort to be awarded the benefit. Neither of these provisions are appropriate, in my judgment, in bringing Mrs. Hester equitable relief.

For these reasons I am unable to approve S. 3790. I have signed other private relief legislation during the 94th Congress designed to rectify the inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, these bills did not contain the objectionable provisions contained in S. 3790. I would be pleased, however, to consider legislation for Mrs. Hester that would provide appropriate relief without the objectionable features discussed above.

GERALD R. FORD

THE WHITE HOUSE.

