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Home Tuesday

Dear old Boy Beautiful

This clipping from Sunday  
N. Y. Times sets me right  
on the New G. I. Insurance  
policy and your N. S. L. I.

Also remember how  
you milled over the best  
way to handle yours.

And one reminder that  
this is the way you  
arrive at conclusions.

Hurry arrived not  
tell nor high water can  
direct you. The reason  
you find it difficult to  
settle questions quickly  
like New York or Boston



is that you are holding  
down a job, earning a  
living and living.

Every time we get this  
Sunday Times, we are impressed  
you are hampered now  
by the time limit! and find  
it hard to see positively  
any progress for E. K.

Pa. says the figures he  
has assembled so far  
on Income Tax seem  
not too bad. Will let  
you know how we come  
out.

If you want to write  
the Nalands about  
Gusta's message to come  
drive her little car I  
think you will find  
a softening of the Lucko  
Queen Vic attitude. L. K. S.



# FREE INSURANCE FOR G. I.'S

## Government Will Save Money Because of Cost of Administering Old System

Special to THE NEW YORK TIMES.

WASHINGTON, Jan. 27—World War II experience with National Service Life Insurance (commonly called N. S. L. I.) has apparently convinced President Truman and the House of Representatives that it would be less expensive and more effective to give all G.I.'s a free \$10,000 policy than to include them in N. S. L. I. and deduct the costs from their monthly pay.

The President recommended in his budget message a shift to the gratuitous system, and the House promptly responded this week by unanimously passing a bill to that end.

A compelling consideration was the estimate of Controller General Lindsay C. Warren that the government would have saved \$587,000,000 from 1940 through 1949 if free G. I. insurance had been in effect instead of the optional N. S. L. I., under which service men were able to obtain insurance at bargain rates.

### Why the Saving

The reason is primarily that N. S. L. I. is a permanent system of insurance; after discharge from service policy-holders can convert to regular policies and hold them until death. The new plan is for insurance, not convertible, would end shortly after a discharge.

The paper-work of an insurance program where premiums must be paid periodically, records maintained and voluminous correspondence conducted is tremendous. And, under N. S. L. I., administrative costs are paid by Congressional appropriation. The burden of those costs is not reflected in insurance rates.

Another consideration was the President's observation that N. S. L. I. protection is not carried by some service men and is held in less-than-adequate amounts by others.

### The Provisions

Under the House bill, which the Senate Finance Committee is now studying, service men on active duty would automatically be covered to the extent of \$10,000 from the time of their induction into the service until ninety days after their discharge.

Provisions would be retroactive to June 27, making \$10,000 indemnities immediately available to beneficiaries of men who were killed in Korea.

N. S. L. I. policies now in force would not be affected, but no new ones would be issued after enactment of the bill except to future veterans whose insurability at standard rates was impaired by military duty.