Text as published on gao.gov, https://www.gao.gov/products/b-108528, archived 2026-08-31. GAO published no original file for this decision. Rendered by Comptroller Desk.

B-108528, October 6, 1952

Number: B-108528

Date: 1952-10-06

B-108528, October 6, 1952

Mr. Halvins L. Thompson 2155 Christian Street Baton Rouge, Louisiana

Dear Mr. Thompson:

Reference is made to your letter dated February 7, 1952, requesting review of the action taken by this Office in letters dated December 18, 1951, and January 28, 1952, in demanding payment of $1,754.09 plus interest which sum represents your indebtedness to the United States on account of your default on loan No. LHG-1073-LA-S held by the Reconstruction Finance Corporation, New Orleans, Louisiana. The loan in question was made to you and guaranteed by the Government pursuant to the provisions of Title III of the Serviceman's Readjustment Act of 1944, as amended, 38 U.S.C. 694.

The record discloses that a loan of $4,000 was made to you on property located at No. 4 Royal Drive, Woodside Park Subdivision, Alexandria, Louisiana, as a Government guaranteed loan under the provisions of the Serviceman's Readjustment Act of 1944, above. The record further discloses that you sold the home to a Chester Price who was to assume the obligation of the loan but that he defaulted on the payments thereon. The Veterans Administration pursuant to its guaranty made settlement with the lending agency, the Reconstruction Finance Corporation, and thereafter demand was made by the Veterans Administration from you in the amount of $1,754.09 which represented the amount paid the Reconstruction Finance Corporation by the Veterans Administration. Since that agency was unable to collect the amount from you, the matter was submitted to the General Accounting Office for collection.

In your letter of February 7, 1952, you state to the effect that you never lived in the home purchased in Alexandria because of securing employment in Baton rouge and that you were advised by an attorney to obtain another veteran to purchase the property and that having so done no responsibility would attach to you with respect to the loan agreement. You point out that you were misinformed as to your responsibility in the loan but that you were not contacted when the property was foreclosed, and for this reason you feel that the Veterans Administration did not secure your interest at the time of the foreclosure suit. You further state that you wish to appeal to the General Accounting Office for relief and that you are still awaiting a reply from the Veterans Administration Office in New Orleans on you request for relief from that agency.

In connection with the matter of granting relief with respect to your indebtedness, please be advised that under applicable law the authority to waive or release the claim against you is vested in the Administrator of Veterans

Affairs and those persons in the Veterans Administration to whom such authority has been delegated, and that any determinations made with respect to requests for relief by the Veterans Administration are final and conclusive upon all offices of the Government and are not reviewable by this Office. See section 509 of kith Servicemen's Readjustment Act of 1944, as amended, 38 U.S.C. 694j. Therefore a report of the allegations made by you in the letter of February 7, 1952, was transmitted to the Veterans Administration Regional Office, New Orleans, Louisiana, requesting advice as to disposition of your request for relief filed in that office.

This Office has now been advised that the Loan Guaranty Committee on Waives, Veterans Administration Regional Office in Louisiana, has considered your case and has rendered a decision that no part of the indebtedness could be waived. Accordingly, this Office has no alternative but to hold you responsible for the repayment of the indebtedness in the principal sum of $1,754.09 plus interest, and you are requested to remit this amount or make arrangement for its payment with this Office within 30 days from the receipt of this letter in order to obviate the necessity of taking more formal collection proceedings against you.

Very truly yours,

Lindsay C. Warren Comptroller General of the United States