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February 21, 1952

Dear Mr. Eline:

This is in further reply to your letter of December 31 addressed to Mr. Trowbridge.

As we understand your letter, there are two matters that you would like to discuss with representatives of the Commission. The first relates to the terms of the Employees Benefit Fund under which a $5,000 gratuity has been awarded to you. The second relates to more general questions of the Commission's statutory authority and of the possibility of additional relief by way of legislation.

As you know, the Employees Benefit Fund is a matter of contractual agreement between the Commission and the University of California. Matters which concern the administration of the plan or which otherwise affect the University of California should therefore be taken up directly with the Santa Fe Operations Office. Therefore, we suggest that you direct a letter to the Manager, Santa Fe Operations Office, outlining any questions you may have which have not already been covered in previous correspondence.

With regard to your more general questions as to the Commission's statutory authority and the possibility of supporting legislation for additional relief, these are questions which could be appropriately discussed with this headquarters. I doubt, however, that we can add very much on the legal side to what Mr. Brinck, Assistant General Counsel, Santa Fe Operations Office, has already told you, namely, that there appear to be no provisions in the existing University of California contract (outside of the Employees Benefit Fund) which would permit any further payment under that contract and that the Commission would not have authority under the Atomic Energy Act to make any payments directly to you. Mr. Trowbridge would be glad, however, to discuss these legal questions further with you. With respect to questions of policy, including the desirability of additional legislation, these fall primarily outside the Legal Division and would involve other members of the Commission's staff.

The general policy problems incident to Employee Benefit Plans and radiation hazards have received considerable thought within the Commission. In general, it is the Commission's view that sufficient experience is now at hand concerning radiation injuries to warrant treating these injuries in substantially the same manner as injuries resulting from other types of industrial hazards. In fact, it seems desirable, in line with the Commission's general efforts to give to the public a proper perspective on hazards connected with atomic energy, to avoid establishing insofar as possible a special category of benefit payments for radiation injury. This means in substance that radiation injuries occurring to employees of contractors engaged in the atomic energy program would receive essentially the same financial benefits as employees injured in other ways. Such employees would, of course, be entitled to any workmen's compensation payments provided by applicable State law.

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MEDICINE, HEALTH & SAFETY

In addition, many industrial and other concerns doing work for the Commission have established employee welfare plans which supplement workmen's compensation benefits in a variety of ways, e.g., through disability payments, medical care, group life insurance, etc. It has been the Commission's policy to permit these companies to extend these welfare plans to their atomic energy work.

Accordingly, the Commission has recently decided that Special Benefit plans for radiation injury providing for special compensation over and above workmen's compensation and the contractor's established welfare plans (such as the plan now contained in the University of California contract) should not be extended to new contracts. At the same time, the Commission has recognized that there are some State workmen's compensation laws which may not cover radiation injury or which have such short statute of limitations as to prevent recovery for delayed disabilities. Where these deficiencies exist in State laws and are not offset by insurance coverage or other welfare plans, the Commission is prepared to consider special benefit plans which would provide the equivalent of workmen's compensation payments for radiation injuries. The Commission is also prepared to consider special benefit plans where these are needed to cover adequately the cost of medical treatment for radiation injuries.

The Commission's decision does not affect any Special Benefit Plans now in existence.

If you desire to discuss further the Commission's policy as to special benefit plans and radiation injuries, I have asked that appropriate members of the Commission's staff be available for discussion. However, since several people would be involved, it would not appear possible to arrange for discussions in Chicago.

Sincerely yours,

Walter J. Williams
Deputy General Manager

Mr. S. Allen Kline
1033 Ontario Street
Oak Park, Illinois

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