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[CHAPTER 504]

AN ACT

To amend subsection (3) of section 602 (d) of the National Service Life Insurance Act, as amended, and for other purposes.

July 11, 1942
[S. 2543]
[Public Law 667]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (3) of section 602 (d) of the National Service Life Insurance Act of 1940, as amended by section 10 of Public, Numbered 360, Seventy-seventh Congress, approved December 20, 1941, is hereby repealed and there is substituted in lieu thereof, effective as of December 20, 1941, the following to be known as subsection (3) of section 602 (d) of said Act:

National Service Life Insurance Act of 1940, amendments.
54 Stat. 1009; 55 Stat. 846.
38 U. S. C., Supp. I, § 802 (d).
Post, p. 796.

"(3) (A) Any person in the active service who on or after October 8, 1940, and prior to April 20, 1942, becomes totally disabled as a result of injury or disease incurred in line of duty and such disability continues without interruption for six months, without having in force at time of incurrence of such disability at least $5,000 insurance issued under the War Risk Insurance Act, as amended, or the World War Veterans' Act, 1924, as amended, or this Act, shall be deemed to have applied for and to have been granted, effective as of the commencement of such total disability, National Service Life Insurance in an amount which together with any such insurance then in force shall aggregate $5,000, and premiums on such insurance shall be waived until six months after the insured ceases to be totally disabled or until April 20, 1943, whichever is the earlier date: *Provided*, That such protection shall cease and terminate unless within such period such disabled person shall make application in writing for continuance of all or any part of such insurance and shall submit evidence satisfactory to the Administrator of entitlement to waiver of premiums under section 602 (n) of this Act or tender the premiums thereafter becoming due: *Provided further*, That waiver of premiums under section 602 (n) shall not be denied under this subsection on the ground that total disability commenced prior to the effective date of such insurance: *And provided further*, That anyone who applied for and was issued insurance after becoming totally disabled, and but for such application would be entitled to insurance hereunder, shall have the right, upon application within the time and in the manner as above limited, to elect to surrender insurance applied for and to be issued insurance hereunder, or if such insurance shall have lapsed without election, such person shall be considered subject in all respects to the provisions of this subsection, as hereby amended, but policies issued hereunder shall be effective from date of surrender or lapse of policy previously issued.

Total disability in line of duty.

38 Stat. 711; 43 Stat. 607.
38 U. S. C. §§ 287, 357, 502, 575, ch. 10.
Ante, p. 283.

Waiver of premiums.

Provisos.
Written application for continuance.

Evidence of entitlement to waiver.

Post, p. 658.
Disability prior to effective date.

Surrender or lapse of previous policies.

"(B) Any person in the active service who on or after December 7, 1941, and prior to April 20, 1942, has been or shall be captured, besieged, or otherwise isolated by the forces of an enemy of the United States for a period of at least thirty consecutive days and extending beyond April 19, 1942, and at the time of such capture, siege, or isolation by the enemy did not have in force insurance in the aggregate amount of at least $5,000 under the War Risk Insurance Act, as amended, the World War Veterans' Act, as amended, or this Act, shall be deemed to have applied for and to have been granted, effective as of the date of such capture, siege, or isolation, National Service Life Insurance in an amount which together with any such insurance then in force shall aggregate $5,000 of insurance, and such insurance shall remain in force and premiums on such insurance shall be waived during the period while such person remains so captured, besieged, or

Persons captured, etc., by enemy.

Waiver of premiums.

Proviso. Duration of protection.

isolated, and for six months thereafter: *Provided*, That such protection shall cease and terminate at the end of such period of six months unless within such period such person shall make application in writing for the continuance of all or any part of such insurance and shall submit evidence satisfactory to the Administrator of entitlement to waiver of premiums under section 602 (n) of this Act, or tender the premiums thereafter becoming due."

Infra.

55 Stat. 846. 38 U. S. C., Supp. I, § 802 (d). *Post*, p. 796. Death insurance benefits.

SEC. 2. Section 602 (d) is hereby further amended by adding a new subsection (5) to read as follows:

"(5) If any person deemed to have been issued insurance under subsection (3) (A) or (B) hereof die without filing application and within the time limited therefor, death insurance benefits shall be payable in the manner and to the persons as stated in subsection (2): *Provided*, That no application for insurance payments under subsections (2) or (3) as hereby amended, shall be valid unless filed in the Veterans' Administration within one year after the date of death of the insured or one year after the date of this enactment, whichever is the later date, and relationship and dependency of the applicant, where required as a basis for such claim, shall be proved as of date of death of insured by evidence satisfactory to the Administrator: *And provided further*, That persons shown by evidence satisfactory to the Administrator to have been mentally or legally incompetent at the time the right to apply for continuation of insurance or for death benefits expires, may make such application at any time within one year after removal of such disability."

Provisos. Time limit for filing application.

Incompetents.

Supra.

SEC. 3. Section 602 (d) is hereby further amended by adding a new subsection (6) to read as follows:

"(6) Policies issued hereunder upon application as provided in subsection (3) (A) or (B) shall be issued upon the same terms and conditions as are contained in the standard policies of National Service Life Insurance."

Terms and conditions of policies.

Transfer of funds.

SEC. 4. The Administrator is authorized and directed to transfer from the National Service Life Insurance appropriation to the National Service Life Insurance fund such sums as may be necessary to cover all losses incurred and premiums waived under subsections (2), (3), and (4) of section 602 (d) as amended.

54 Stat. 1011. 38 U. S. C. § 802 (n).

SEC. 5. Subsection 602 (n) of the National Service Life Insurance Act of 1940 is hereby amended, effective as of October 8, 1940, to read as follows:

Waiver of premiums during continuous total disability.

"(n) Upon application by the insured and under such regulations as the Administrator may promulgate, payment of premiums on such insurance may be waived during the continuous total disability of the insured, which continues or has continued for six or more consecutive months, if such disability commenced (1) subsequent to the date of his application for insurance; (2) while the insurance was in force under premium-paying conditions, and (3) prior to the insured's sixtieth birthday: *Provided*, That the Administrator shall not grant waiver of any premium becoming due more than one year prior to the receipt in the Veterans' Administration of application for the same, except as hereinafter provided, and any premiums paid for months during which such waiver is effective shall be refunded. The Administrator shall provide by regulations for examination or reexamination of an insured claiming benefits under this subsection, and may deny benefits for failure to cooperate. In the event that it is found that an insured is no longer totally disabled, the waiver of premiums shall cease as of the date of such finding and the policy of insurance may be continued by payment of premiums as provided in said policy: *Provided further*, That in any case in which the Administrator finds that the insured's failure to make timely application for waiver of premiums or his failure to submit satisfactory evidence of

Provisos. Denial of waiver in certain cases.

Examination or reexamination of claimant.

Discontinuance of waiver.

Circumstances beyond control of insured.

the existence or continuance of total disability was due to circumstances beyond his control, the Administrator may grant waiver or continuance of waiver of premiums. Premium rates shall be calculated without charge for the cost of the waiver of premiums herein provided and no deduction from benefits otherwise payable shall be made on account thereof."

54 Stat. 1014.
38 U. S. C. § 817.

SEC. 6. Section 617 of the National Service Life Insurance Act of 1940 is hereby amended to read as follows:

Bringing of suit.

"In the event of a disagreement as to a claim arising under this Part, suit may be brought in the same manner and subject to the same conditions and limitations as are applicable to United States Government Life (converted) Insurance under the provisions of sections 19 and 500 of the World War Veterans' Act, 1924, as amended: *Provided*, That in any such suit the decision of the Administrator as to waiver or nonwaiver of premiums under this Act as now or hereafter amended shall be conclusive and binding on the court."

43 Stat. 612, 628.
38 U. S. C. §§ 445, 551.
Proviso.
Decision of Administrator.

54 Stat. 1008.
38 U. S. C. § 801.

SEC. 7. Section 601 of the National Service Life Insurance Act of 1940, approved October 8, 1940, is hereby amended by adding at the end thereof the following subsection:

"Parent," "father," "mother."

"(f) The terms 'parent', 'father', and 'mother' include a father, mother, father through adoption, mother through adoption, and persons who have stood in loco parentis to a member of the military or naval forces at any time prior to entry into active service for a period of not less than one year."

Beneficiaries.
54 Stat. 1010.
38 U. S. C. § 802 (g).

SEC. 8. Section 602 (g) of the National Service Life Insurance Act of 1940, approved October 8, 1940, is hereby amended by striking therefrom the following: "(including person in loco parentis if designated as beneficiary by the insured)".

Payment of benefits.
54 Stat. 1010.
38 U. S. C. § 802 (h) (3) (C).

SEC. 9. Section 602 (h) (3) (C) of the National Service Life Insurance Act of 1940, approved October 8, 1940, is hereby amended to read as follows:

"(C) if no widow, widower, or child, to the parent or parents of the insured who last bore that relationship, if living, in equal shares;".

Reduction of compensation or pension, restriction.

SEC. 10. Effective the first day of the month next following the enactment of this Act, in no event shall monthly payments of yearly renewable term or automatic, or National Service Life Insurance serve to reduce amounts of compensation or pension otherwise payable under existing compensation or pension laws. Section 5, Act of July 19, 1939 (38 U. S. C. 472b), as amended by section 2, Act of August 21, 1941 (Public Law Numbered 242, Seventy-seventh Congress), is modified accordingly.

53 Stat. 1070.
55 Stat. 665.
38 U. S. C., Supp. I, § 472b.

Approved, July 11, 1942.

[CHAPTER 505]

July 15, 1942
[H. R. 7282]
[Public Law 668]

AN ACT

To amend the Act entitled "An Act to incorporate the Disabled American Veterans of the World War", approved June 17, 1932, so as to change the name to "Disabled American Veterans", and to extend membership eligibility therein to American citizens, honorably discharged from the active military or naval forces of the the United States, or of some country allied with the United States, who have been either wounded, injured, or disabled by reason of such active service during time of war.

Disabled American Veterans.
New corporate name.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 1 of the Act entitled "An Act to incorporate the Disabled American Veterans of the World War", approved June 17, 1932 (47 Stat. 320; title 36, U. S. C., 1940 edition, sec. 90a), is hereby amended to read as follows:

"The name of this corporation shall be the 'Disabled American Veterans'."