Public Law 87-855

AN ACT

October 23, 1962
[H. R. 8563]

To amend the Life Insurance Act of the District of Columbia to permit certain policies to be issued to members of duly organized national veterans' organizations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (a) of subsection (7) of section 10, chapter V, of the Life Insurance Act, as amended (D.C. Code, sec. 35–710), is amended by striking out "or association members," each of the two places where it appears and inserting in lieu thereof at each such place the following: "or members of the organization or the association,".

Life Insurance Act, D.C., amendment.
74 Stat. 315.

SEC. 2. Section 10 of chapter V of the Life Insurance Act, as amended (D.C. Code, sec. 35–710), is amended by adding at the end thereof the following new subsection:

Veterans' organizations.
Eligibility for group insurance.

"(9) A policy issued to a duly organized national veterans' organization which has been organized and is maintained for purposes other than that of obtaining insurance, which shall be deemed the policyholder, to insure members of such organization for the benefit of persons other than the organization, or any of its officials, representatives, or agents, subject to the following requirements:

"(a) The members eligible for insurance under the policy shall be all the members of the organization, or all of any class or classes thereof determined by conditions pertaining to their membership in the organization, or both.

Premiums.

"(b) The premium for the policy shall be paid by the policyholder either wholly from the organization's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance, or from funds wholly contributed by the insured members specifically for their insurance. A policy on which any part or all of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least 60 per centum of the then eligible members or a minimum of four hundred members, whichever is less, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

"(c) The policy must cover at least twenty-five members at date of issuance.

Amounts.

"(d) The amounts of insurance under the policy must be based on some plan precluding individual selection either by the members, or by the organization. No policy may be issued which provides term insurance on any organization member which, together with any other term insurance under any group life insurance policy or policies, exceeds $20,000, unless 150 per centum of the annual compensation of such person exceeds $20,000, in which event all such term insurance shall not exceed $40,000, or 150 per centum of such annual compensation, whichever is less."

Approved October 23, 1962.

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