

109TH CONGRESS
1ST SESSION

H. R. 2986

To amend title 10, United States Code, to allow a participant in the military Survivor Benefit Plan who has designated an insurable interest beneficiary under that plan to designate a new beneficiary upon the death of the previously designated beneficiary.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 2005

Mr. ANDREWS introduced the following bill; which was referred to the
Committee on Armed Services

A BILL

To amend title 10, United States Code, to allow a participant in the military Survivor Benefit Plan who has designated an insurable interest beneficiary under that plan to designate a new beneficiary upon the death of the previously designated beneficiary.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Survivor Benefit Plan
5 Insurable Interest Fairness Act”.

1 **SEC. 2. MILITARY SURVIVOR BENEFIT PLAN BENE-**
2 **FICIARIES UNDER INSURABLE INTEREST**
3 **COVERAGE.**

4 (a) **AUTHORITY TO DESIGNATE NEW BENE-**
5 **FICIARY.**—Section 1448(b)(1) of title 10, United States
6 Code, is amended—

7 (1) by inserting “under subparagraph (F)” in
8 the second sentence of subparagraph (E) after “elec-
9 tion”; and

10 (2) by adding at the end the following new sub-
11 paragraph:

12 “(F) **ELECTION OF NEW BENEFICIARY**
13 **UPON DEATH OF PREVIOUS BENEFICIARY.**—If
14 the reason for discontinuation in the Plan is the
15 death of the beneficiary, the participant in the
16 Plan may designate a new beneficiary. Any
17 such beneficiary must be a natural person with
18 an insurable interest in the participant. Such
19 an election may be made only during the 180-
20 day period beginning on the date of the death
21 of the previous beneficiary. Such an election
22 shall be in writing, signed by the participant,
23 and made in such form and manner as the Sec-
24 retary concerned may prescribe. Such an elec-
25 tion shall be effective the first day of the first

1 month following the month in which the election
2 is received by the Secretary.”.

3 (b) TRANSITION.—

4 (1) TRANSITION PERIOD.—In the case of a per-
5 son who made a covered insurable-interest election
6 under the Survivor Benefit Plan and whose des-
7 ignated beneficiary under that election dies before
8 the date of the enactment of this Act or during the
9 18-month period beginning on such date, the time
10 period applicable for purposes of the limitation in
11 the third sentence of subparagraph (F) of section
12 1448(b)(1) of title 10, United States Code, as added
13 by subsection (a), shall be the two-year period begin-
14 ning on the date of the enactment of this Act (rath-
15 er than the 180-day period specified in that sen-
16 tence).

17 (2) COVERED INSURABLE-INTEREST ELEC-
18 TIONS.—For purposes of paragraph (1), a covered
19 insurable-interest election is an election under sec-
20 tion 1448(b)(1) of title 10, United States Code,
21 made before the date of the enactment of this Act,
22 or during the 18-month period beginning on such
23 date, by a participant in the military Survivor Ben-
24 efit Plan to provide an annuity under that plan to

1 a natural person with an insurable interest in that
2 person.

3 (3) SURVIVOR BENEFIT PLAN.—For purposes
4 of this subsection, the term “Survivor Benefit Plan”
5 means the program under subchapter II of chapter
6 73 of title 10, United States Code.

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