

pursuant to the military order of the President of the United States, dated July 26, 1941, including among such military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander in Chief, Southwest Pacific Area, or other competent authority in the Army of the United States, and who dies, or has died, after separation from such service under conditions other than dishonorable. Payments under this Act shall be subject to the applicable provisions of Veterans Regulation Numbered 9 (a), as amended, except that in case any such person has died heretofore, the time for filing claim for reimbursement of such expenses shall be extended until two years after the date of this enactment.

Approved April 25, 1951.

54 Stat. 963.
38 U. S. C. note foll.
§ 739.

Public Law 22

CHAPTER 38

JOINT RESOLUTION

Making an emergency appropriation for the fiscal year 1951, and for other purposes.

April 25, 1951
[H. J. Res. 238]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for an additional amount for "Expenses of Defense Production", \$10,000,000: *Provided,* That expenditures from this appropriation shall be charged to the applicable appropriation whenever the Third Supplemental Appropriation Act, 1951, is enacted into law.

Approved April 25, 1951.

Public Law 23

CHAPTER 39

AN ACT

To authorize the payment by the Administrator of Veterans' Affairs of a gratuitous indemnity to survivors of members of the Armed Forces who die in active service, and for other purposes.

April 25, 1951
[H. R. 1]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PART I—SERVICEMEN'S INDEMNITY

Servicemen's Indemnity Act of 1951.

SEC. 1. This part may be cited as the "Servicemen's Indemnity Act of 1951".

SEC. 2. Except as hereinafter provided, on and after June 27, 1950, any person in the active service of the Army, Navy, Air Force, Marine Corps, Coast Guard, or the Reserve components thereof, including the National Guard when called or ordered to active duty or active training duty for fourteen days or more; cadets and midshipmen at the United States Military, Naval, and Coast Guard Academies; commissioned officers of the Public Health Service while entitled to full military benefits as provided in section 212 (a) of the Act of July 1, 1944 (58 Stat. 689), as amended (42 U. S. C. 213); and commissioned officers of the Coast and Geodetic Survey while assigned to duty during a period of war or an emergency as proclaimed by the President or the Congress on projects for the Army, Navy, or Air Force in areas outside the continental United States or in Alaska or in coastal areas of the United States determined by the Department of

Automatic insurance.

Defense to be of immediate military hazard, shall be automatically insured by the United States, without cost to such person, against death in such service in the principal amount of \$10,000: *Provided*, That any person called to extended active service for a period exceeding thirty days shall continue to be so protected for a period of one hundred and twenty days after separation or release from such active service: *Provided further*, That persons in the Reserve components, including the National Guard, while engaged in aerial flights in Government owned or leased aircraft for any period, with or without pay, as an incident to their military or naval training, shall be deemed to be in the active service for the purposes of this Act: *And provided further*, That for the purposes of this part, any person, who, on or after June 27, 1950, was or shall be provisionally accepted and directed or ordered to report to a place for final acceptance or for entry upon active duty in the military or naval service and who died or shall die as the result of disability incurred while en route to such place and within one hundred and twenty days after the incurrence of such disability, or any registrant under the Selective Service Act of 1948, as amended, who on or after June 27, 1950, in response to an order to report for induction into the Armed Forces and who, after reporting to a local draft board, died or dies as the result of disability incurred while en route from such draft board to a designated induction station and within one hundred and twenty days after the incurrence of such disability shall be deemed to have died in active service.

**62 Stat. 604,
50 U. S. C., Sup. IV,
app. § 451 and note.**

Extended active service. **Reserve personnel engaged in aerial flights.** **Death from disability incurred while en route.**

Payment of indemnity. **Designation of beneficiary, etc.** **"Parent."** **Restriction.** **Payment in installments.** **Applicability of automatic indemnity coverage.**

SEC. 3. Upon certification by the Secretary of the service department concerned of the death of any person deemed to have been automatically insured under this part, the Administrator of Veterans' Affairs shall cause the indemnity to be paid as provided in section 4 only to the surviving spouse, child or children (including a stepchild, adopted child, or an illegitimate child if the latter was designated as beneficiary by the insured), parent (including a stepparent, parent by adoption, or person who stood in loco parentis to the insured at any time prior to entry into the active service for a period of not less than one year), brother, or sister of the insured, including those of the half-blood and those through adoption. The insured shall have the right to designate the beneficiary or beneficiaries of the indemnity within the classes herein provided; to designate the proportion of the principal amount to be paid to each; and to change the beneficiary or beneficiaries without the consent thereof but only within the classes herein provided. If the designated beneficiary or beneficiaries do not survive the insured, or if none has been designated, the Administrator shall make payment of the indemnity to the first eligible class of beneficiaries according to the order set forth above, and in equal shares if the class is composed of more than one person. Unless designated otherwise by the insured, the term "parent" shall include only the mother and father who last bore that relationship to the insured.

Any installments of an indemnity not paid to a beneficiary during such beneficiary's lifetime shall be paid to the named contingent beneficiary, if any; otherwise, to the beneficiary or beneficiaries within the permitted class next entitled to priority: *Provided*, That no payment shall be made to the estate of any deceased person.

SEC. 4. The indemnity shall be payable in equal monthly installments of one hundred and twenty in number with interest at the rate of $2\frac{1}{4}$ per centum per annum.

SEC. 5. The automatic indemnity coverage authorized by section 2 shall apply to any person in the active service of the named Armed Forces who, upon death in such active service, or within one hundred and twenty days after separation or release from such active service

as prescribed in section 2, is insured against such death under a contract of national service life insurance or United States Government life insurance, but only with respect to a principal amount of indemnity equal to the difference between the amount of insurance in force at the time of death and \$10,000. Any person in active service, who is insured under a permanent plan of national service life insurance or United States Government life insurance, may elect to surrender such contract for its cash value. In any such case the person, upon application in writing made within one hundred and twenty days after separation from active service, may be granted, without medical examination, permanent plan insurance on the same plan not in excess of the amount surrendered for cash, or may reinstate such surrendered insurance upon payment of the required reserve and the premium for the current month. Any person in the active service having United States Government life insurance or national service life insurance on the five-year level premium term plan, the term of which expires while such person is in active service after the date of this enactment, shall, upon application made within one hundred and twenty days after separation from service, payment of premiums and evidence of good health satisfactory to the Administrator, be granted an equivalent amount of insurance on the five-year level premium term plan at the premium rate for his then attained age. Waiver of premiums under the National Service Life Insurance Act of 1940, as amended, shall not be denied in any case of issue or reinstatement of insurance on a permanent plan under this section in which it is shown to the satisfaction of the Administrator that total disability of the applicant commenced prior to the date of his application.

Surrender of contract, etc.

54 Stat. 1008.
38 U. S. C. § 818;
Sup. IV, § 802 et seq.

SEC. 6. The Administrator of Veterans' Affairs is authorized to promulgate such rules and regulations, not inconsistent with the provisions of this part, as are necessary or appropriate to carry out its purposes.

Rules and regulations.

SEC. 7. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this part, to be known as the servicemen's indemnity appropriation, for the payment of liabilities under this part.

Appropriation authorized.

SEC. 8. Any person guilty of mutiny, treason, spying, or desertion, or who, because of conscientious objections refuses to perform services in the land or naval forces of the United States or refuses to wear the uniform of such force, shall forfeit all rights to an indemnity under this Act: *Provided*, That restoration to active duty after commission of any such offense shall restore all rights to an indemnity under this Act. No indemnity shall be payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States.

Forfeiture of rights.

SEC. 9. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936 (49 Stat. 2031), as amended, and section 15 of Public Law Numbered 2, Seventy-third Congress, March 20, 1933, insofar as they are applicable, shall apply to the provisions of this part: *Provided*, That assignments of all or any part of the beneficiary's interest may be made by a beneficiary to any other person or persons within the permitted class of beneficiaries, as specified in section 3, if all other persons having contingent rights of equal or greater priority to those of the assignee join in the assignment: *Provided further*, That such assignment shall not affect any payments made prior to its receipt by the Veterans' Administration.

48 Stat. 11.
38 U. S. C. §§ 450,
101-104, 619 note, 131-
134, 715; Sup. IV, § 101.

Assignments of beneficiary's interest.

Ante, p. 34.

Insurance Act of 1951. PART II—PROVISIONS RELATING TO UNITED STATES GOVERNMENT LIFE INSURANCE AND NATIONAL SERVICE LIFE INSURANCE

54 Stat. 1008.
38 U. S. C. § 818;
Sup. IV, § 802 *et seq.*

Post, p. 38.
Ante, p. 34.

43 Stat. 607.
38 U. S. C. § 421 and
note; Sup. IV, § 430 *et seq.*

55 Stat. 759; 56 Stat.
310, 649, 737; 60 Stat.
1057.

34 U. S. C. §§ 841a
note, 850a note, 1020
note; Sup. IV, §§ 61,
405a, 850c-850k-2,
1020a-1020m, 1039,
1045a; 10 U. S. C.
§§ 1151, 299a-299c,
304b; Sup. IV, §§ 299b-
299d, 304b.
Applications, etc.

Service-connected
disability.

SEC. 10. The National Service Life Insurance Act of 1940, as amended, is hereby amended by adding the following new sections:

"SEC. 619. On and after the date of enactment of the Insurance Act of 1951, except as otherwise provided in section 12 thereof, section 5 of the Servicemen's Indemnity Act of 1951, and sections 620 and 621 hereof, no National Service life insurance or United States Government life insurance shall be granted to any person under the provisions of the National Service Life Insurance Act of 1940, as amended, or the World War Veterans' Act, 1924, as amended, nor shall any United States Government life insurance or National Service life insurance, on which the United States is authorized by law to pay the premium, be issued or granted to any person under any provision of law, nor shall the United States pay premiums on insurance issued prior to this enactment under the provisions of Public Law Numbered 289, Seventy-seventh Congress, November 5, 1941, Public Law Numbered 571, Seventy-seventh Congress, June 5, 1942, Public Law Numbered 658, Seventy-seventh Congress, July 8, 1942, Public Law Numbered 698, Seventy-seventh Congress, August 4, 1942, Public Law Numbered 729, Seventy-ninth Congress, August 13, 1946, or any other law for any period subsequent to the end of the second calendar month following the date of this enactment: *Provided*, That the foregoing shall not be construed to prohibit the granting or issuing of National Service life insurance or United States Government life insurance in cases in which acceptable applications accompanied by proper and valid remittances or authorizations for the payment of premiums have, on or before the date of approval of this amendatory Act, been received by the Veterans' Administration, or which have, on or before said date, been placed in the mails properly directed to the Veterans' Administration, or been delivered to an authorized representative of any of the uniformed services.

"SEC. 620. Any person who is released from active service under other than dishonorable conditions on or after the date of enactment of the Insurance Act of 1951, and is found by the Administrator to be suffering from a disability or disabilities for which compensation would be payable if 10 per centum or more in degree and except for which such person would be insurable according to the standards established by the Administrator for qualifying under the good health provisions of this Act, as amended, shall, upon application in writing made within one year from the date service connection of such disability is determined by the Veterans' Administration and payment of premiums as provided in this Act, as amended, be granted insurance by the United States against the death of such person occurring while such insurance is in force: *Provided*, That insurance granted under this section shall be issued upon the same terms and conditions as are contained in the standard policies of national service life insurance except (1) the premium rates for such insurance shall be based on the Commissioners 1941 Standard Ordinary Table of Mortality and interest at the rate of 2¼ per centum per annum; (2) all cash, loan, paid-up, and extended values shall be based upon the Commissioners 1941 Standard Ordinary Table of Mortality and interest at the rate of 2¼ per centum per annum; (3) all settlements on policies involving annuities shall be calculated on the basis of The Annuity Table for 1949, and interest at the rate of 2¼ per centum per annum; (4) insurance granted under the provisions of this section shall be on a nonparticipating basis and all premiums and other collections therefor shall be credited directly to a revolving fund in the Treasury of the United States, and any payments on such insurance shall be made

directly from such fund. Appropriations to such fund are hereby authorized. Except as herein provided, the provisions of this Act other than those contained in section 621 shall be for application to such insurance: *Provided*, That as to insurance issued under this section waiver of premiums pursuant to section 602 (n) shall not be denied on the ground that the service-connected disability became total prior to the effective date of such insurance. All persons granted indemnity protection under section 2 of the Servicemen's Indemnity Act of 1951 shall be deemed to be in the active service for the purpose of applying for insurance under this section: *Provided*, That as to persons incurring disability under the conditions stated in the last proviso of section 2 of the Servicemen's Indemnity Act of 1951, application for insurance must be filed within one year after the incurrence of such disability.

"SEC. 621. (a) Any person entitled to indemnity protection under section 2 of the Servicemen's Indemnity Act of 1951 who is ordered into active service for a period exceeding thirty days, shall, upon application in writing made within one hundred and twenty days after separation from such active service and payment of premiums as hereinafter provided, and without medical examination, be granted insurance by the United States against the death of such person occurring while such insurance is in force. Insurance granted under this section shall be issued upon the same terms and conditions as are contained in the standard policies of national service life insurance on the five-year level premium term plan except (1) all such insurance may be renewed for successive five-year term periods at the attained ages, but may not be exchanged for or converted to insurance on any other plan; (2) the premium rates for such insurance shall be based on the Commissioners 1941 Standard Ordinary Table of Mortality and interest at the rate of $2\frac{1}{4}$ per centum per annum; (3) all settlements on policies involving annuities shall be calculated on the basis of The Annuity Table for 1949, and interest at the rate of $2\frac{1}{4}$ per centum per annum; (4) insurance issued hereunder shall be on a nonparticipating basis and all premiums and other collections therefor shall be credited to a revolving fund in the Treasury of the United States and the payments on such term insurance shall be made directly from such fund. Appropriations to such fund are hereby authorized.

"(b) The Administrator is authorized to invest in, and the Secretary of the Treasury is authorized to sell and retire, special interest-bearing obligations of the United States for the account of the revolving fund with a maturity date as may be agreed upon by the Administrator and Secretary: *Provided*, That the rate of interest on such obligations shall be fixed by the Secretary of the Treasury at a rate not exceeding the average interest rate on all marketable obligations of the United States Treasury outstanding as of the end of the month preceding the date of issue of this special obligation.

"SEC. 622. After the date of enactment of this section, any person while in active service for a continuous period in excess of thirty days who is insured under national service life insurance or United States Government life insurance shall be entitled, upon written application, to a waiver of all premiums on five-year level premium term insurance and that portion of any permanent insurance premiums representing the cost of the pure insurance risk, as determined by the Administrator, becoming due after the first day of the second calendar month following the date of enactment of this section, or the first day of the second calendar month following entry into active service, whichever is the later date, and during the remainder of such continuous active service and 120 days thereafter: *Provided*, That no

Appropriations authorized.

54 Stat. 1011.
38 U. S. C. § 802 (n).

Ante, p. 33.

Time limitation.

Post-service insurance.
Ante, p. 33.

Revolving fund.

Appropriations authorized.

Investment for account of revolving fund.

Waiver of premiums.

Liability for pay-
ment of benefits.

Ante, p. 36.

Transfer of funds.

54 Stat. 1011.
38 U. S. C. § 802 (m)
(2).

Nonforfeiture.

54 Stat. 1013.
38 U. S. C. § 812.
60 Stat. 781.
38 U. S. C. § 801 note;
Sup. IV, § 802.

Nonrestriction of
rights.

Short title.

premium shall be waived under this section for any period prior to the date of application therefor: *Provided*, That if the term of any five-year level premium term insurance on which premiums have been waived under this section expires while the insured is in active service, such term shall be automatically renewed for an additional five-year period and the premiums due at the then attained age shall be waived as provided above: *Provided further*, That the election by an insured of the premium waiver benefits of this section shall thereby render his contract of insurance nonparticipating during the period such premium waiver is in effect: *Provided further*, That whenever benefits under such insurance become payable because of the maturity of such policy of insurance while the insured is in active service or within one hundred and twenty days thereafter, liability for payment of such benefits shall be borne by the United States in an amount which, when added to any reserve of the policy at the time of maturity, will equal the then value of such benefits under such policy. Where life contingencies are involved in the calculation of the value of such benefits, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 2¼ per centum per annum as to insurance issued under sections 620 and 621, at the rate of 3 per centum per annum as to other national service life insurance, and 3½ per centum per annum as to United States Government life insurance. The Administrator is authorized and directed to transfer from time to time from the national service life insurance appropriation to the National Service Life Insurance Fund and from the military and naval insurance appropriation to the United States Government Life Insurance Fund such sums as may be necessary to carry out the provisions of this section."

SEC. 11. The first sentence of section 602 (m) (2) of the National Service Life Insurance Act of 1940, as amended, is hereby amended to read as follows:

"(2) In any case in which the insured provided for the payment of premiums on his insurance by authorizing in writing the deduction of premiums from his service pay, such insurance shall be deemed not to have lapsed or not to have been forfeited because of desertion under section 612, so long as he remained in active service prior to the date of enactment of the Insurance Act of 1946, notwithstanding the fact that deduction of premiums was discontinued because—

"(A) the insured was discharged to accept a commission; or

"(B) the insured was absent without leave, if restored to active duty; or

"(C) the insured was sentenced by court martial, if he was restored to active duty, required to engage in combat, or killed in combat."

SEC. 12. Nothing contained in part I or part II of this Act shall be construed to cancel or restrict any rights under insurance contracts issued on or prior to the date of this enactment.

SEC. 13. This part may be cited as the "Insurance Act of 1951".

Approved April 25, 1951.

Public Law 24

CHAPTER 40

AN ACT

April 25, 1951
[H. R. 2612]

To authorize the Board of Commissioners of the District of Columbia to establish daylight saving time in the District.

Daylight saving
time, D. C.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board of