

Public Law 87-223

AN ACT

September 13, 1961
[H. R. 4539]

To amend section 723 of title 38 of the United States Code to provide for immediate payment of dividends on insurance heretofore issued under section 621 of the National Service Life Insurance Act of 1940 which has been converted or exchanged for new insurance under such section, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 723 of title 38, United States Code, is amended by adding at the end thereof the following:

National Service
Life Insurance.
Special divi-
dends.
72 Stat. 1157,
1716.

“(d) The Administrator shall determine the amount in the revolving fund referred to in subsection (a) of this section which is in excess of the actuarial liabilities of such fund including contingency reserves. Such excess shall be paid in cash as a special dividend, without interest, subject to the conditions provided in this subsection. The Administrator shall determine the administrative cost to the Veterans’ Administration of paying such dividend, which cost shall be deducted from the excess and transferred to the appropriations “General operating expenses—Veterans’ Administration”. Insurance issued under section 621 of the National Service Life Insurance Act of 1940 or converted or exchanged under subsection (b) of this section, which was in force by waiver or timely payment of premiums or as paid-up or extended term insurance during one of the premium months beginning with the month of November 1960 and ending with the month of January 1961, may be eligible for the special dividend, subject to such conditions, other than specified in this subsection, as the Administrator shall determine to be reasonable and practicable. The dividend shall be paid as soon as practicable after whichever of the following dates is the latest:

65 Stat. 37.

“(1) the date of enactment of this subsection in case of insurance heretofore converted or exchanged under subsection (b) of this section;

“(2) the date insurance issued under section 621 is converted or exchanged under subsection (b) of this section if such conversion or exchange is made within two years after the date of enactment of this subsection; or

“(3) the date of death of the policyholder where insurance issued under section 621 is not converted or exchanged and such death occurs on or after the premium due date in November 1960 and before the expiration of two years after the date of enactment of this subsection.

“(e) After March 1, 1961, the Administrator shall from time to time transfer from the revolving fund referred to in subsection (a) of this section to general fund receipts in the Treasury such amounts as he determines are in excess of the actuarial liabilities of the fund including contingency reserves.”

Approved September 13, 1961.