

insurance after claims have been paid and actuarially determined reserves have been set aside. However, if the amount of such administrative costs exceeds the amount of such surplus earnings, such reimbursement shall be made only to the extent of such surplus earnings.

(2) The Secretary shall determine the administrative costs to the Department for a fiscal year for which this subsection is in effect which, in the judgment of the Secretary, are properly allocable to the provision of National Service Life Insurance (and to the provision of any total disability income insurance added to the provision of such insurance).

(3) This subsection shall be in effect only with respect to fiscal year 1996.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1154, § 720; renumbered § 1920 and amended Pub. L. 102-83, §§ 4(b)(1), (2)(E), 5(a), Aug. 6, 1991, 105 Stat. 404-406; Pub. L. 104-99, title II, § 201(b), Jan. 26, 1996, 110 Stat. 36.)

#### Editorial Notes

##### CODIFICATION

Amendment by Pub. L. 104-99 is based on section 107(1) of H.R. 2099, One Hundred Fourth Congress, as passed by the House of Representatives on Dec. 7, 1995, which was enacted into law by Pub. L. 104-99.

##### AMENDMENTS

1996—Subsec. (a). Pub. L. 104-99 inserted “, and for the reimbursement of administrative costs under subsection (c)” after “unearned premiums”.

Subsec. (c). Pub. L. 104-99 added subsec. (c).

1991—Pub. L. 102-83 renumbered section 720 of this title as this section and substituted “Secretary” for “Administrator” in two places.

#### § 1921. Extra hazard costs

(a) The United States shall bear the excess mortality cost and the cost of waiver of premiums on account of total disability traceable to the extra hazard of military or naval service, as such hazard may be determined by the Secretary.

(b) Whenever benefits under insurance become payable because of the death of the insured as the result of disease or injury traceable to the extra hazard of military or naval service, as such hazard may be determined by the Secretary, the liability for payment of such benefits shall be borne by the United States in an amount which, when added to the reserve of the policy at the time of death of the insured 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 of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Secretary may prescribe with interest at the rate of 3 per centum per annum. The Secretary shall transfer from time to time from the National Service Life Insurance appropriation to the National Service Life Insurance Fund such sums as may be necessary to carry out the provisions of this section.

(c) Whenever the premiums under insurance are waived because of the total disability of the insured as the result of disease or injury trace-

able to the extra hazard of military or naval service, as such hazard may be determined by the Secretary, the premiums so waived shall be paid by the United States and the Secretary shall transfer from time to time an amount equal to the amount of such premiums from the National Service Life Insurance appropriation to the National Service Life Insurance Fund.

(d) Whenever benefits under the total disability income provision become, or have become, payable because of total disability of the insured as a result of disease or injury traceable to the extra hazard of the military or naval service, as such hazard may be determined by the Secretary, the liability shall be borne by the United States, and the Secretary shall transfer from the National Service Life Insurance appropriation to the National Service Life Insurance Fund from time to time any amounts which become, or have become, payable to the insured on account of such total disability, and to transfer from the National Service Life Insurance Fund to the National Service Life Insurance appropriation the amount of the reserve held on account of the total disability benefit. When a person receiving such payments on account of total disability recovers from such disability, and is then entitled to continue protection under the total disability income provision, the Secretary shall transfer to the National Service Life Insurance Fund a sum sufficient to set up the then required reserve on such total disability benefit.

(e) Any disability for which a waiver was required as a condition to tendering a person a commission under Public Law 816, Seventy-seventh Congress, shall be deemed to be a disability resulting from an injury or disease traceable to the extra hazard of military or naval service for the purpose of applying this section.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1154, § 721; renumbered § 1921 and amended Pub. L. 102-83, §§ 4(b)(1), (2)(E), 5(a), Aug. 6, 1991, 105 Stat. 404-406.)

#### Editorial Notes

##### REFERENCES IN TEXT

Public Law 816, Seventy-seventh Congress, referred to in subsec. (e), is act Dec. 18, 1942, ch. 768, §§ 1, 2, 56 Stat. 1066. Section 1 of that Act enacted section 853c-5 of former Title 34, Navy, and was repealed by act July 9, 1952, ch. 608, pt. VIII, § 803, 66 Stat. 505. Section 2 of that Act enacted section 853c-6 of former Title 34, and was omitted from the Code in the general revision and reenactment of Title 10, Armed Forces, by act Aug. 10, 1956, ch. 1041, 70A Stat. 1.

##### AMENDMENTS

1991—Pub. L. 102-83 renumbered section 721 of this title as this section and substituted “Secretary” for “Administrator” wherever appearing in subsecs. (a) to (d).

#### § 1922. Legacy service disabled veterans' insurance

(a) Any person who is released from active military, naval, air, or space service, under other than dishonorable conditions on or after April 25, 1951, and is found by the Secretary 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 of good health established by the Secretary, shall, upon application in writing made within two years from the date service-connection of such disability is determined by the Secretary and payment of premiums as provided in this subchapter, be granted insurance by the United States against the death of such person occurring while such insurance is in force. If such a person is shown by evidence satisfactory to the Secretary to have been mentally incompetent during any part of the two-year period, application for insurance under this section may be filed within two years after a guardian is appointed or within two years after the removal of such disability as determined by the Secretary, whichever is the earlier date. If the guardian was appointed or the removal of the disability occurred before January 1, 1959, application for insurance under this section may be made within two years after that date. 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  $2\frac{1}{4}$  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  $2\frac{1}{4}$  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 granted under this section shall be on a non-participating 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; and (5) administrative support financed by the appropriations for "General Operating Expenses, Department of Veterans Affairs" and "Information Technology Systems, Department of Veterans Affairs" for the program of insurance under this section shall be paid from premiums credited to the fund under paragraph (4), and payments for claims against the fund under paragraph (4) for amounts in excess of amounts credited to such fund under that paragraph (after such administrative costs have been paid) shall be paid from appropriations to the fund. Appropriations to such fund are hereby authorized. As to insurance issued under this section, waiver of premiums pursuant to section 602(n) of the National Service Life Insurance Act of 1940 and section 1912 of this title shall not be denied on the ground that the service-connected disability became total before the effective date of such insurance.

(b)(1) Any person who, on or after April 25, 1951, was otherwise qualified for insurance under the provisions of section 620 of the National Service Life Insurance Act of 1940, or under subsection (a) of this section, but who did not apply for such insurance and who is shown by evidence satisfactory to the Secretary (A) to have been mentally incompetent from a service-connected disability, (i) at the time of release from active service, or (ii) during any part of the two-year

period from the date the service connection of a disability is first determined by the Secretary, or (iii) after release from active service but is not rated service-connected disabled by the Secretary until after death; and (B) to have remained continuously so mentally incompetent until date of death; and (C) to have died before the appointment of a guardian, or within two years after the appointment of a guardian; shall be deemed to have applied for and to have been granted such insurance, as of the date of death, in an amount which, together with any other United States Government or National Service life insurance in force, shall aggregate \$10,000. The date to be used for determining whether such person was insurable according to the standards of good health established by the Secretary, except for the service-connected disability, shall be the date of release from active service or the date the person became mentally incompetent, whichever is the later.

(2) Payments of insurance granted under subsection (b)(1) of this section shall be made only to the following beneficiaries and in the order named—

(A) to the widow or widower of the insured, if living and while unremarried;

(B) if no widow or widower entitled thereto, to the child or children of the insured, if living, in equal shares;

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

(3) No application for insurance payments under this subsection shall be valid unless filed with the Secretary within two years after the date of death of the insured or before January 1, 1961, whichever is the later, and the relationship of the applicant shall be proved as of the date of death of the insured by evidence satisfactory to the Secretary. Persons shown by evidence satisfactory to the Secretary to have been mentally or legally incompetent at the time the right to apply for death benefits expires, may make such application at any time within one year after the removal of such disability.

(4) Notwithstanding section 1917 of this title, insurance under this subsection shall be payable to the beneficiary determined under paragraph (2) of this subsection in a lump sum.

(c) The premium rate of any term insurance issued under this section shall not exceed the renewal age 70 premium rate.

(d)(1) The Secretary may not accept any application by a veteran to be insured under this section after December 31, 2022.

(2)(A) During the period beginning January 1, 2023, and ending December 31, 2025, a veteran who is insured under this section may elect to instead be insured under section 1922B of this title based on the age of the veteran at the time of such election.

(B)(i) A veteran who elects under subparagraph (A) to be insured under section 1922B of this title shall be subject to the two-year waiting period specified in subsection (c) of such section.

(ii) If the veteran dies during such period, the Secretary shall pay the beneficiary under this section, and, if applicable, under section 1922A,

plus the amount of premiums paid by the veteran under such section 1922B, plus interest.

(3) Except as provided by paragraph (2)(B), a veteran may not be insured under this section and section 1922B simultaneously.

(Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1155, §722; renumbered §1922 and amended Pub. L. 102–83, §4(a)(2)(A)(iii)(IV), (D)(i), (b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 403–406; Pub. L. 102–86, title II, §§201(a), 202(a), Aug. 14, 1991, 105 Stat. 415, 416; Pub. L. 103–446, title XII, §1201(i)(2), Nov. 2, 1994, 108 Stat. 4688; Pub. L. 106–419, title III, §311(a), Nov. 1, 2000, 114 Stat. 1854; Pub. L. 110–389, title IV, §404, Oct. 10, 2008, 122 Stat. 4175; Pub. L. 111–117, div. E, title II, §226, Dec. 16, 2009, 123 Stat. 3307; Pub. L. 116–283, div. A, title IX, §926(a)(32), Jan. 1, 2021, 134 Stat. 3830; Pub. L. 116–315, title II, §2004(b)(1), (c)(1), Jan. 5, 2021, 134 Stat. 4974.)

### Editorial Notes

#### REFERENCES IN TEXT

Section 602(n) of the National Service Life Insurance Act of 1940, referred to in subsec. (a), is section 602(n) of act Oct. 8, 1940, ch. 757, title VI, pt. I, 54 Stat. 1009, which enacted section 802(n) of former Title 38, Pensions, Bonuses, and Veterans' Relief, and which was repealed and the provisions thereof reenacted as section 712 [now 1912] of this title by Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1105.

Section 620 of the National Service Life Insurance Act of 1940, referred to in subsec. (b)(1), is section 620 of act Oct. 8, 1940, ch. 757, title VI, pt. I, as added Apr. 25, 1951, ch. 39, pt. II, §10, 65 Stat. 36, which enacted section 821 of former Title 38, Pensions, Bonuses, and Veterans' Relief, and which was repealed and the provisions thereof reenacted as this section by Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1105.

#### AMENDMENTS

2021—Pub. L. 116–315, §2004(c)(1), substituted “Legacy service” for “Service” in section catchline.

Subsec. (a). Pub. L. 116–283 substituted “air, or space service” for “or air service”.

Subsec. (d). Pub. L. 116–315, §2004(b)(1), added subsec. (d).

2009—Subsec. (a)(5). Pub. L. 111–117 substituted “administrative support financed by the appropriations for ‘General Operating Expenses, Department of Veterans Affairs’ and ‘Information Technology Systems, Department of Veterans Affairs’ for” for “administrative costs to the Government for the costs of”.

2008—Subsec. (a). Pub. L. 110–389 substituted “directly from such fund; and (5) administrative costs to the Government for the costs of the program of insurance under this section shall be paid from premiums credited to the fund under paragraph (4), and payments for claims against the fund under paragraph (4) for amounts in excess of amounts credited to such fund under that paragraph (after such administrative costs have been paid) shall be paid from appropriations to the fund” for “directly from such fund”.

2000—Subsec. (c). Pub. L. 106–419 added subsec. (c).

1994—Subsec. (b)(4). Pub. L. 103–446 substituted “Notwithstanding section 1917 of this title,” for “Notwithstanding the provisions of section 1917 of this title.”.

1991—Pub. L. 102–83, §5(a), renumbered section 722 of this title as this section.

Subsec. (a). Pub. L. 102–86, §201(a), amended subsec. (a) of this section as in effect before the redesignations made by Pub. L. 102–83, §5, by substituting “two years” for “one year” wherever appearing and “two-year” for “one-year”.

Pub. L. 102–83, §5(c)(1), substituted “1912” for “712”.

Pub. L. 102–83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator” in four places.

Pub. L. 102–83, §4(a)(2)(A)(iii)(IV), substituted “Secretary” for “Veterans’ Administration” after first reference to “determined by the”.

Subsec. (b)(1). Pub. L. 102–86, §201(a), amended subsec. (b)(1) of this section as in effect before the redesignations made by Pub. L. 102–83, §5, by substituting “two-year” for “one-year” and “two years” for “one year”.

Pub. L. 102–83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator” in two places.

Pub. L. 102–83, §4(a)(2)(A)(iii)(IV), substituted “Secretary” for “Veterans’ Administration” in two places.

Subsec. (b)(3). Pub. L. 102–83, §4(b)(1), (2)(E), substituted “Secretary” for “Administrator” in two places.

Pub. L. 102–83, §4(a)(2)(D)(i), substituted “with the Secretary” for “in the Veterans’ Administration”.

Subsec. (b)(4). Pub. L. 102–86, §202(a)(1), amended subsec. (b) of this section as in effect before the redesignations made by Pub. L. 102–83, §5, by amending par. (4) generally. Prior to amendment, par. (4) read as follows: “Notwithstanding the provisions of section 717 of this title, insurance under this subsection shall be payable at the election of the first beneficiary in 240 equal monthly installments or under the options specified in section 717(b)(3) or (4) of this title. Any installments certain of insurance remaining unpaid at the death of any beneficiary shall be paid in equal monthly installments in an amount equal to the monthly installments paid to the first beneficiary, to the person or persons then in being within the classes specified in subsection (b)(2) of this section and in the order named.”

Pub. L. 102–83, §5(c)(1), amended par. (4) as amended by Pub. L. 102–86, §202(a)(1), by substituting “1917” for “717”. See above.

Subsec. (b)(5). Pub. L. 102–86, §202(a)(2), amended subsec. (b) of this section as in effect before the redesignations by Pub. L. 102–83, §5, by striking out par. (5) which read as follows: “The right of any beneficiary to payment of any installments shall be conditioned upon his or her being alive to receive such payments. No person shall have a vested right to any installment or installments of any such insurance and any installments not paid to a beneficiary during such beneficiary’s lifetime shall be paid to the beneficiary or beneficiaries within the permitted class next entitled to priority, as provided in subsection (b)(2) of this section. No installments of such insurance shall be paid to the heirs or legal representatives as such of the insured or of any beneficiary, and if no person within the permitted class survives to receive the insurance or any part thereof no payment of the unpaid installments shall be made.”

### Statutory Notes and Related Subsidiaries

#### EFFECTIVE DATE OF 1991 AMENDMENT

Pub. L. 102–86, title II, §201(b), Aug. 14, 1991, 105 Stat. 415, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to any person who, on or after September 1, 1991, is found by the Secretary of Veterans Affairs to be eligible for insurance under section 722 [now 1922] of title 38, United States Code.”

Pub. L. 102–86, title II, §202(b), Aug. 14, 1991, 105 Stat. 416, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to deaths occurring before, on, or after the date of the enactment of this Act [Aug. 14, 1991]. In the case of insurance under section 722(b) [now 1922(b)] of title 38, United States Code, payable by reason of a death before the date of the enactment of this Act, the Secretary shall pay the remaining balance of such insurance in a lump sum as soon as practicable after the date of the enactment of this Act.”

### § 1922A. Legacy supplemental service disabled veterans’ insurance for totally disabled veterans

(a) Any person insured under section 1922(a) of this title who qualifies for a waiver of premiums