

(2) the one-year period beginning on the date that the Department”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111-275, title IV, §401(b), Oct. 13, 2010, 124 Stat. 2879, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on October 1, 2011.”

EFFECTIVE DATE

Pub. L. 102-568, title II, §205, Oct. 29, 1992, 106 Stat. 4325, provided that: “The amendments made by this title [enacting this section and amending sections 1967, 1977, and 2106 of this title] shall take effect on December 1, 1992.”

§ 1922B. Service-disabled veterans insurance

(a) INSURANCE.—(1) Beginning January 1, 2023, the Secretary shall carry out a service-disabled veterans insurance program under which a veteran is granted insurance by the United States against the death of such individual occurring while such insurance is in force.

(2) The Secretary may only issue whole-life policies under the insurance program under paragraph (1).

(3) The Secretary may not grant insurance to a veteran under paragraph (1) unless—

(A) the veteran submits the application for such insurance before the veteran attains 81 years of age; or

(B) with respect to a veteran who has attained 81 years of age—

(i) the veteran filed a claim for compensation under chapter 11 of this title before attaining such age;

(ii) based on such claim, and after the veteran attained such age, the Secretary first determines that the veteran has a service-connected disability; and

(iii) the veteran submits the application for such insurance during the two-year period following the date of such determination.

(4)(A) A veteran enrolled in the insurance program under paragraph (1) may elect to be insured in any of the following amounts:

(i) \$10,000.

(ii) \$20,000.

(iii) \$30,000.

(iv) \$40,000.

(v) In accordance with subparagraph (B), a maximum amount greater than \$40,000.

(B) The Secretary may establish a maximum amount to be insured under paragraph (1) that is greater than \$40,000 if the Secretary—

(i) determines that such maximum amount and the premiums for such amount—

(I) are administratively and actuarially sound for the insurance program under paragraph (1); and

(II) will not result in such program operating at a loss; and

(ii) publishes in the Federal Register, and submits to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives, such maximum amount and determination.

(5)(A)(i) Insurance granted under this section shall be on a nonparticipating basis and all pre-

miums and other collections therefor shall be credited directly to a revolving fund in the Treasury of the United States.

(ii) Any payments on such insurance shall be made directly from such fund.

(B)(i) The Secretary of the Treasury may invest in and sell and retire special interest-bearing obligations of the United States for the account of the revolving fund under subparagraph (A).

(ii) Such obligations issued for that purpose shall—

(I) have maturities fixed with due regard for the needs of the fund; and

(II) bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month preceding the date of issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of one per centum, the rate of interest of such obligation shall be the multiple of one-eighth of one per centum nearest such market yield.

(6)(A) Administrative support financed by the appropriations for “General Operating Expenses, Department of Veterans Affairs” and “Information Technology Systems, Department of Veterans Affairs” for the insurance program under paragraph (1) shall be paid from premiums credited to the fund under paragraph (5).

(B) Such payment for administrative support shall be reimbursed for that fiscal year from funds that are available on such insurance after claims have been paid.

(b) ELIGIBILITY.—A veteran is eligible to enroll in the insurance program under subsection (a)(1) if the veteran has a service-connected disability, without regard to—

(1) whether such disability is compensable under chapter 11 of this title; or

(2) whether the veteran meets standards of good health required for other life insurance policies.

(c) ENROLLMENT AND WAITING PERIOD.—(1) An eligible veteran may enroll in the insurance program under subsection (a)(1) at any time.

(2) The life insurance policy of a veteran who enrolls in the insurance program under subsection (a)(1) does not go into force unless—

(A) a period of two years elapses following the date of such enrollment; and

(B) the veteran pays the premiums required during such two-year period.

(3)(A) If a veteran dies during the two-year period described in paragraph (2), the Secretary shall pay to the beneficiary of the veteran the amount of premiums paid by the veteran under this section, plus interest.

(B) The Secretary—

(i) for the initial year of the insurance program under subsection (a)(1)—

(I) shall set such interest at a rate of one percent; and

(II) may adjust such rate during such year based on program experience, except that

the interest rate may not be less than zero percent;

(ii) for the second and each subsequent year of the program, shall calculate such interest at an annual rate equal to the rate of return on the revolving fund under subsection (a)(5) for the calendar year preceding the year of the veteran's death, except that the interest rate may not be less than zero percent; and

(iii) on an annual basis, shall publish on the internet website of the Department the average interest rate calculated under clause (ii) for the preceding calendar year.

(d) PREMIUMS.—(1) The Secretary shall establish a schedule of basic premium rates by age per \$10,000 of insurance under subsection (a)(1) consistent with basic premium rates generally charged for guaranteed acceptance life insurance policies by private life insurance companies.

(2) The Secretary may adjust such schedule after the first policy year in a manner consistent with the general practice of guaranteed acceptance life insurance policies issued by private life insurance companies.

(3) Section 1912 of this title shall not apply to life insurance policies under subsection (a)(1), and the Secretary may not otherwise waive premiums for such insurance policies.

(e) BENEFICIARIES.—(1) A veteran who enrolls in the insurance program under subsection (a)(1) may designate a beneficiary of the life insurance policy.

(2) If a veteran enrolled in the insurance program under subsection (a)(1) does not designate a beneficiary under paragraph (1) before the veteran dies, or if a designated beneficiary predeceases the veteran, the Secretary shall determine the beneficiary in the following order:

(A) The surviving spouse of the veteran.

(B) The children of the veteran and descendants of deceased children by representation.

(C) The parents of the veteran or the survivors of the parents.

(D) The duly appointed executor or administrator of the estate of the veteran.

(E) Other next of kin of the veteran entitled under the laws of domicile of the veteran at the time of the death of the veteran.

(f) CLAIMS.—(1) If the deceased veteran designated a beneficiary under subsection (e)(1)—

(A) the designated beneficiary is the only person who may file a claim for payment under subsection (g) during the one-year period beginning on the date of the death of the veteran; and

(B) if the designated beneficiary does not file a claim for the payment during the period described in paragraph (1), or if payment to the designated beneficiary within that period is prohibited by Federal statute or regulation, a beneficiary described in subsection (e)(2) may file a claim for such payment during the one-year period following the period described in subparagraph (A) as if the designated beneficiary had predeceased the veteran.

(2) If the deceased veteran did not designate a beneficiary under subsection (e)(1), or if the designated beneficiary predeceased the veteran, a

beneficiary described in subsection (e)(2) may file a claim for payment under subsection (g) during the two-year period beginning on the date of the death of the veteran.

(3) If, on the date that is two years after the date of the death of the veteran, no claim for payment has been filed by any beneficiary pursuant to paragraph (1) or (2), and the Secretary has not received notice that any such claim will be so filed during the subsequent one-year period, the Secretary may make the payment to a claimant whom the Secretary determines to be equitably entitled to such payment.

(g) PAYMENTS.—(1) In a case described in subsection (f)—

(A) in paragraph (1)(A), the Secretary shall pay the designated beneficiary not later than 90 days after the designated beneficiary files a complete and valid claim for payment;

(B) in paragraph (1)(B) or (2), the Secretary shall make any payment not later than one year after the end of the period described in the applicable such paragraph, if the Secretary receives a complete and valid claim for payment in accordance with the applicable such paragraph; or

(C) in paragraph (3), the Secretary shall make any payment not later than one year after the end of the period described in such paragraph, if the Secretary receives a complete and valid claim for payment.

(2) In a case where the Secretary has not made an insurance payment under this section during the applicable period specified in paragraph (1) by reason of a beneficiary not yet having filed a claim, or the Secretary not yet making a determination under subsection (f)(3), the Secretary may make the payment after such applicable period.

(3) Notwithstanding section 1917 of this title, the Secretary shall make an insurance payment under this section in a lump sum.

(4) The Secretary may not make an insurance payment under this section if such payment will escheat to a State.

(5) Any payment under this subsection shall be a bar to recovery by any other person.

(Added Pub. L. 116-315, title II, §2004(a)(1), Jan. 5, 2021, 134 Stat. 4970.)

§ 1923. Veterans' Special Life Insurance

(a) Insurance heretofore granted under the provisions of section 621 of the National Service Life Insurance Act of 1940, against the death of the policyholder occurring while such insurance is in force, is subject to the same terms and conditions as are contained in standard policies of National Service Life Insurance on the five-year level premium term plan except (1) such insurance 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 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) all premiums and other collections on such insurance and any total disability provisions added