

“(a) IMPROVEMENT OF PROCESSES.—The Secretary of Veterans Affairs shall improve the processes and procedures of the Department of Veterans Affairs with respect to identifying, locating, and paying hard-to-find beneficiaries of life insurance policies issued under chapter 19 of title 38, United States Code, including by—

“(1) improving the search tools available on the website of the Department;

“(2) conducting outreach to veterans, veterans service organizations, and the general public with respect to such search tools;

“(3) improving the processes for searching for information relating to potential recipients through internal Department sources and sources available through other Federal agencies, State government agencies, and non-government entities; and

“(4) ensuring the Department has sufficient dedicated staff whose primary responsibilities are identifying, locating, and paying hard-to-find beneficiaries, with the goal of disbursing by not later than two years after the date of the enactment of this Act [Dec. 27, 2022], all funds that, as of the date of the enactment of this Act, are owed to a beneficiary of a life insurance policy issued under chapter 19 of title 38, United States Code.

“(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Veterans Affairs should work with interagency partners to determine the types of records, reports, and other materials that may be required to identify, locate, and disburse undisbursed life insurance benefits to hard-to-find beneficiaries.

“(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the progress of the Secretary in carrying out this section.

“(d) UNDISBURSED LIFE INSURANCE BENEFITS DEFINED.—The term ‘undisbursed life insurance benefits’—

“(1) means any amount of money that is owed to a beneficiary of a life insurance policy issued under chapter 19 of title 38, United States Code, and that has not been disbursed for a period of two years or longer; and

“(2) does not include any amount of money that—

“(A) has not been disbursed due to a contested claim; or

“(B) is in dispute by two or more parties over who is the entitled beneficiary.”

§ 1981. Replacement of surrendered and expired insurance

(a) Any person who surrendered a policy of National Service Life Insurance or United States Government life insurance on a permanent plan for its cash value while in the active service after April 24, 1951, and before January 1, 1957, who was entitled on December 31, 1958, to reinstate or replace such insurance under section 623 of the National Service Life Insurance Act of 1940, may, upon application in writing made while on continuous active duty which began before January 1, 1959, or within one hundred and twenty days after separation therefrom, 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. Waiver of premiums and total disability income benefits otherwise authorized under this chapter shall not be denied in any case of issue or reinstatement of insurance on a permanent plan under this section or the prior corresponding provision of law in which it is shown to the satisfaction of the Sec-

retary that total disability of the applicant began before the date of application. The cost of the premiums waived and total disability income benefits paid by virtue of the preceding sentence and the excess mortality cost in any case where the insurance matures by death from such total disability shall be borne by the United States and the Secretary shall 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 reimburse the funds for such costs.

(b) Any person who had United States Government life insurance or National Service Life Insurance on the five-year level premium term plan, the term of which expired while such person was in the active service after April 25, 1951, or within one hundred and twenty days after separation from such active service, and in either case before January 1, 1957, who was entitled on December 31, 1958, to replace such insurance under section 623 of the National Service Life Insurance Act of 1940, shall, upon application made while on continuous active duty which began before January 1, 1959, or within one hundred and twenty days after separation therefrom, payment of premiums and evidence of good health satisfactory to the Secretary, be granted an equivalent amount of insurance on the five-year level premium term plan at the premium rate for such person's then attained age.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1164, §781; Pub. L. 99-576, title VII, §701(44), Oct. 28, 1986, 100 Stat. 3294; renumbered §1981 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

Section 623 of the National Service Life Insurance Act of 1940, referred to in subsecs. (a) and (b), is section 623 of act Oct. 8, 1940, ch. 757, title VI, pt. I, as added Aug. 1, 1956, ch. 837, title V, §501(a)(4), 70 Stat. 880, which enacted section 824 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

1991—Pub. L. 102-83 renumbered section 781 of this title as this section and substituted “Secretary” for “Administrator” wherever appearing.

1986—Subsec. (b). Pub. L. 99-576 substituted “such person” for “he” and “such person's” for “his”.

§ 1982. Administrative cost

Except as provided in sections 1920(c), 1923(d), and 1955(c) of this title, the United States shall bear the cost of administration in connection with this chapter, including expenses for medical examinations, inspections when necessary, printing and binding, and for such other expenditures as are necessary in the discretion of the Secretary.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1165, §782; renumbered §1982 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(4) 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—Pub. L. 104-99 substituted “Except as provided in sections 1920(c), 1923(d), and 1955(c) of this title, the United States” for “The United States”.

1991—Pub. L. 102-83 renumbered section 782 of this title as this section and substituted “Secretary” for “Administrator”.

§ 1983. Settlements for minors or incompetents

When an optional mode of settlement of National Service Life Insurance or United States Government life insurance heretofore or hereafter matured is available to a beneficiary who is a minor or incompetent, such option may be exercised by such beneficiary's fiduciary, person qualified under the Act of February 25, 1933 (25 U.S.C. 14), or person recognized by the Secretary as having custody of the person or the estate of such beneficiary, and the obligation of the United States under the insurance contract shall be fully satisfied by payment of benefits in accordance with the mode of settlement so selected.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1165, §783; Pub. L. 99-576, title VII, §701(45), Oct. 28, 1986, 100 Stat. 3294; Pub. L. 102-54, §14(b)(19), June 13, 1991, 105 Stat. 284; renumbered §1983 and amended Pub. L. 102-83, §§4(b)(1), (2)(E), 5(a), Aug. 6, 1991, 105 Stat. 404-406.)

Editorial Notes

AMENDMENTS

1991—Pub. L. 102-83 renumbered section 783 of this title as this section and substituted “Secretary” for “Administrator”.

Pub. L. 102-54 substituted “the Act of February 25, 1933 (25 U.S.C. 14)” for “section 14 of title 25”.

1986—Pub. L. 99-576 substituted “such beneficiary's” for “his”.

§ 1984. Suits on insurance

(a) In the event of disagreement as to claim, including claim for refund of premiums, under contract of National Service Life Insurance, United States Government life insurance, or yearly renewable term insurance between the Secretary and any person or persons claiming thereunder an action on the claim may be brought against the United States either in the United States District Court for the District of Columbia or in the district court of the United States in and for the district in which such person or any one of them resides, and jurisdiction is conferred upon such courts to hear and determine all such controversies. All persons having or claiming to have an interest in such insurance may be made parties to such suit, and such as are not inhabitants of or found within the district in which suit is brought may be brought in

by order of the court to be served personally or by publication or in such other reasonable manner as the court may direct. In all cases where the Secretary acknowledges the indebtedness of the United States upon any such contract of insurance and there is a dispute as to the person or persons entitled to payment, a suit in the nature of a bill of interpleader may be brought at the request of the Secretary in the name of the United States against all persons having or claiming to have any interest in such insurance in the United States District Court for the District of Columbia or in the district court in and for the district in which any such claimant resides; however, no less than thirty days before instituting such suit the Secretary shall mail a notice of such intention to each of the persons to be made parties to the suit. The courts of appeals for the several circuits, including the District of Columbia, shall respectively exercise appellate jurisdiction and, except as provided in section 1254 of title 28, the decrees of such courts of appeals shall be final.

(b) No suit on yearly renewable term insurance, United States Government life insurance, or National Service Life Insurance shall be allowed under this section unless the same shall have been brought within six years after the right accrued for which the claim is made. For the purposes of this section it shall be deemed that the right accrued on the happening of the contingency on which the claim is founded. The limitation of six years is suspended for the period elapsing between the filing with the Secretary of the claim sued upon and the denial of the claim. However, if a claim is timely filed the claimant shall have not less than ninety days from the date of mailing of notice of denial within which to file suit. After June 28, 1936, notice of denial of the claim under a contract of insurance shall be by registered mail or by certified mail directed to the claimant's last address of record. Infants, insane persons, or persons under other legal disability, or persons rated as incompetent or insane by the Secretary shall have three years in which to bring suit after the removal of their disabilities. If suit is seasonably begun and fails for defect in process, or for other reasons not affecting the merits, a new action, if one lies, may be brought within a year though the period of limitation has elapsed. No State or other statute of limitations shall be applicable to suits filed under this section.

(c) In any suit, action, or proceeding brought under the provisions of this section subpoenas for witnesses who are required to attend a court of the United States in any district may run into any other district. However, no writ of subpoena shall issue for witnesses living out of the district in which the court is held at a greater distance than one hundred miles from the place of holding the same without the permission of the court being first had upon proper application and cause shown. The word “district” and the words “district court” as used in this section shall be construed to include the District of Columbia and the United States District Court for the District of Columbia.

(d) Attorneys of the Department, when assigned to assist in the trial of cases, and em-