

105TH CONGRESS  
2D SESSION

# H. R. 4115

To amend title 38, United States Code, to provide for a special period during which a former member of the armed forces may convert a Servicemembers' Group Life Insurance policy to a Veterans' Group Life Insurance policy, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 1998

Mr. FILNER introduced the following bill; which was referred to the  
Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to provide for a special period during which a former member of the armed forces may convert a Servicemembers' Group Life Insurance policy to a Veterans' Group Life Insurance policy, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Veterans Life Insur-  
5 ance Opportunity Act of 1998".

1 **SEC. 2. SPECIAL PERIOD FOR CERTAIN VETERANS TO CON-**  
2 **VERT LIFE INSURANCE POLICIES FROM SGLI**  
3 **TO VGLI.**

4 (a) IN GENERAL.—Section 1977(g) of title 38,  
5 United States Code, to read as follows:

6 “(g)(1)(A) Any person whose Servicemembers’ Group  
7 Life Insurance was continued in force after termination  
8 of duty or discharge from service under the law as in effect  
9 prior to the date on which the Veterans’ Group Life Insur-  
10 ance program (provided for under section 1977 of this  
11 title) became effective, and whose coverage under  
12 Servicemembers’ Group Life Insurance terminated less  
13 than four years prior to such date, shall be eligible within  
14 one year from the effective date of the Veterans’ Group  
15 Life Insurance program to apply for and be granted Veter-  
16 ans’ Group Life Insurance in an amount equal to the  
17 amount of the insured’s Servicemembers’ Group Life In-  
18 surance which was not converted to an individual policy  
19 under prior law.

20 “(B) Veterans’ Group Life Insurance issued under  
21 subparagraph (A) shall be issued for a term period equal  
22 to five years, less the time elapsing between the termi-  
23 nation of the applicant’s Servicemembers’ Group Life In-  
24 surance and the effective date on which the Veterans’  
25 Group Life Insurance program became effective.

1           “(2)(A) Any person, on or after the date of the enact-  
2 ment of this paragraph, who did not convert coverage  
3 under Servicemembers’ Group Life Insurance to coverage  
4 under this section within the period after separation pro-  
5 vided for under section 1968(a) of this title may, subject  
6 to the succeeding provisions of this subsection, apply for  
7 (within the 20-month period beginning on the last day of  
8 such period of separation) and be granted coverage under  
9 this section in an amount equal to the amount of the in-  
10 sured’s Servicemembers’ Group Life Insurance which was  
11 not converted to coverage under this section.

12           “(B) any person, on or after the date of the enact-  
13 ment of this paragraph, who did not convert coverage  
14 under Servicemembers’ Group Life Insurance to coverage  
15 under this section and whose coverage under  
16 Servicemembers’ Group Life Insurance terminated during  
17 the 5-year period beginning on the date of the expiration  
18 of the period of duty or travel under section 1967(b) or  
19 1968(a) of this title may, subject to the succeeding provi-  
20 sions of this subsection, apply for (within the 90-day pe-  
21 riod beginning on the later of such date of enactment or  
22 the end of such 5-year period to) and be granted coverage  
23 under this section in an amount equal to the amount of  
24 the insured’s Servicemembers’ Group Life Insurance

1 which was not converted to an individual policy under  
2 prior law.

3 “(C) Veterans’ Group Life Insurance issued under  
4 this paragraph shall be issued for a term period equal to  
5 five years.

6 “(3) Veterans’ Group Life Insurance under this sub-  
7 section shall only be issued upon application to the admin-  
8 istrative office established under section 1966(b) of this  
9 title, payment of the required premium, and proof of good  
10 health satisfactory to that office, which proof shall be sub-  
11 mitted at the applicant’s own expense.

12 “(4)(A) Any person who cannot meet the good health  
13 requirements for insurance under this subsection solely be-  
14 cause of a service-connected disability shall have such dis-  
15 ability waived.

16 “(B) For each month for which any eligible veteran,  
17 whose service-connected disabilities are waived, is insured  
18 under this subsection there shall be contributed to the in-  
19 surer or insurers issuing the policy or policies from the  
20 appropriation ‘Compensation and Pensions, Department  
21 of Veterans Affairs’ an amount necessary to cover the cost  
22 of the insurance in excess of the premiums established for  
23 eligible veterans, including the cost of the excess mortality  
24 attributable to such veteran’s service-connected disabil-  
25 ities.

1       “(5) The Secretary may establish, as the Secretary  
2 may determine to be necessary according to sound actuar-  
3 ial principles, a separate premium, age groupings for pre-  
4 mium purposes, accounting, and reserves, for persons  
5 granted insurance under this subsection different from  
6 those established for other persons granted insurance  
7 under this section.

8       “(6) Appropriations to carry out the purpose of this  
9 section are hereby authorized.”.

10       (b) NOTICE.—Not later than 120 days after the date  
11 of the enactment of this Act, the Secretary of Veterans  
12 Affairs shall provide for notice to any member of the uni-  
13 formed services who purchased a Servicemembers’ Group  
14 Life Insurance policy under subchapter III of chapter 19  
15 of such title, and who did not convert such policy to a  
16 Veterans’ Group Life Insurance policy under section  
17 1977(g) of such title, of the opportunities under para-  
18 graph (2) of such section, as added by subsection (a), to  
19 become insured under a Veterans’ Group Life Insurance  
20 policy during the periods described in such subsection.

21       (c) EFFECTIVE DATES.—(1) Subparagraph (A) of  
22 section 1977(g)(2) of such title, as added by subsection  
23 (a), shall apply with respect to a termination of  
24 Servicemembers’ Group Life Insurance policies under sub-

1 chapter III of title 38, United States Code, occurring on  
2 or after the date of the enactment of this Act.

3 (2) Subparagraph (B) of such section, as added by  
4 subsection (a), shall apply with respect to such a termi-  
5 nation occurring on or after the date that is four years  
6 before the date of the date of the enactment of this Act.

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