

111TH CONGRESS
2^D SESSION

H. R. 6175

To amend title 5, United States Code, to provide that payments under the Federal Employees' Group Life Insurance program shall be made in a lump sum, unless the insured or the beneficiary elects otherwise.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 22, 2010

Mr. CONNOLLY of Virginia introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend title 5, United States Code, to provide that payments under the Federal Employees' Group Life Insurance program shall be made in a lump sum, unless the insured or the beneficiary elects otherwise.

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 "Federal Life Insurance
5 Transparency Act".

1 **SEC. 2. PAYMENT OF CLAIMS.**

2 (a) IN GENERAL.—Section 8705 of title 5, United
3 States Code, is amended by adding at the end the fol-
4 lowing:

5 “(f)(1) The employee may elect settlement of insur-
6 ance under this chapter either in a lump sum or by such
7 alternative form of payment as the Office may (in addition
8 to a lump-sum payment) provide for.

9 “(2)(A) If the employee does not make such an elec-
10 tion, the beneficiary or beneficiaries may elect settlement
11 by any form of payment that was available to the employee
12 under paragraph (1).

13 “(B) If the employee does make such an election, the
14 beneficiary or beneficiaries may elect settlement by any
15 other form of payment that was available to the employee
16 under paragraph (1).

17 “(3) An election under paragraph (1) or (2) shall not
18 be effective unless it is submitted to the Office, in writing,
19 in such form and manner as the Office prescribes.

20 “(4) If no election is made under this subsection, the
21 settlement shall be made in the form of a lump-sum pay-
22 ment.”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 subsection (a) shall apply in the case of any employee who
25 first becomes insured under chapter 87 of title 5, United
26 States Code, in any calendar year beginning at least 3

1 months after the date of the enactment of this Act. For
2 purposes of the preceding sentence, the term “employee”
3 has the meaning given such term under section 8701 of
4 such title.

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