

117TH CONGRESS
2D SESSION

S. 4646

To amend title 38, United States Code, to shorten the timeframe for claims by beneficiaries and the payment of benefits under Department of Veterans Affairs life insurance programs, to improve the management of undisbursed life insurance benefits by the Department of Veterans Affairs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 27, 2022

Mr. BROWN (for himself and Mr. BOOZMAN) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to shorten the timeframe for claims by beneficiaries and the payment of benefits under Department of Veterans Affairs life insurance programs, to improve the management of undisbursed life insurance benefits by the Department of Veterans Affairs, 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 “Faster Payments to
5 Veterans’ Survivors Act of 2022”.

1 **SEC. 2. TIMEFRAME FOR CLAIMS BY BENEFICIARIES AND**
2 **PAYMENT OF BENEFITS UNDER DEPART-**
3 **MENT OF VETERANS AFFAIRS LIFE INSUR-**
4 **ANCE PROGRAMS.**

5 (a) NATIONAL SERVICE LIFE INSURANCE.—Section
6 1917(f)(1) of title 38, United States Code, is amended—

7 (1) in subparagraph (A), by striking “two
8 years” and inserting “one year”; and

9 (2) in subparagraph (B), by striking “four”
10 and inserting “two”.

11 (b) UNITED STATES GOVERNMENT LIFE INSUR-
12 ANCE.—Section 1952(c)(1) of such title is amended—

13 (1) in subparagraph (A), by striking “two
14 years” and inserting “one year”; and

15 (2) in subparagraph (B), by striking “four”
16 and inserting “two”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply with respect to the death of an
19 insured person occurring on or after the date that is two
20 years before the date of the enactment of this Act.

21 **SEC. 3. PROCESS FOR DESIGNATION OF BENEFICIARIES**
22 **UNDER DEPARTMENT OF VETERANS AFFAIRS**
23 **LIFE INSURANCE PROGRAMS.**

24 (a) NATIONAL SERVICE LIFE INSURANCE.—Section
25 1917 of title 38, United States Code, is amended by strik-
26 ing subsection (a) and inserting the following:

1 “(a)(1) The insured may designate a beneficiary or
 2 beneficiaries of insurance maturing on or after August 1,
 3 1946. The insured shall, subject to regulations, at all
 4 times have the right to change the beneficiary or bene-
 5 ficiaries of such insurance without the consent of such
 6 beneficiary or beneficiaries.

7 “(2) If the insured does not designate a beneficiary
 8 under paragraph (1) before the insured dies, or if a des-
 9 ignated beneficiary predeceases the insured, the Secretary
 10 shall determine the beneficiary in the following order:

11 “(A) The surviving spouse of the insured.

12 “(B) The children of the insured and descend-
 13 ants of deceased children by representation.

14 “(C) The parents of the insured or the sur-
 15 vivors of the parents.

16 “(D) The duly appointed executor or adminis-
 17 trator of the estate of the insured.

18 “(E) Other next of kin of the insured entitled
 19 under the laws of domicile of the insured at the time
 20 of the death of the insured.”.

21 (b) UNITED STATES GOVERNMENT LIFE INSUR-
 22 ANCE.—

23 (1) CHANGE OF BENEFICIARY.—Section 1949
 24 of such title is amended by striking “Subject to reg-
 25 ulations” and all that follows through the period and

1 inserting the following: “The insured may designate
 2 a beneficiary or beneficiaries of a United States Gov-
 3 ernment life insurance policy. Subject to regulations,
 4 the insured shall at all times have the right to
 5 change the beneficiary or beneficiaries of a United
 6 States Government life insurance policy without the
 7 consent of such beneficiary or beneficiaries.”.

8 (2) PAYMENT TO ESTATES.—Section 1950 of
 9 such title is amended to read as follows:

10 **“§ 1950. Payment to estates**

11 “If the insured does not designate a beneficiary under
 12 section 1949 of this title before the insured dies, or if a
 13 designated beneficiary predeceases the insured, the Sec-
 14 retary shall determine the beneficiary in the following
 15 order:

16 “(1) The surviving spouse of the insured.

17 “(2) The children of the insured and descend-
 18 ants of deceased children by representation.

19 “(3) The parents of the insured or the survivors
 20 of the parents.

21 “(4) The duly appointed executor or adminis-
 22 trator of the estate of the insured.

23 “(5) Other next of kin of the insured entitled
 24 under the laws of domicile of the insured at the time
 25 of the death of the insured.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to the death of an
3 insured person occurring on or after the date that is two
4 years before the date of the enactment of this Act.

5 **SEC. 4. DEPARTMENT OF VETERANS AFFAIRS IMPROVE-**
6 **MENT OF MANAGEMENT OF UNDISBURSED**
7 **LIFE INSURANCE BENEFITS.**

8 (a) IMPROVEMENT OF PROCESSES.—The Secretary
9 of Veterans Affairs shall improve the processes and proce-
10 dures of the Department of Veterans Affairs with respect
11 to identifying, locating, and disbursing undisbursed life in-
12 surance benefits to hard-to-find beneficiaries of life insur-
13 ance policies issued under chapter 19 of title 38, United
14 States Code, including by—

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

17 (2) conducting outreach to veterans, veterans
18 service organizations, and the general public with re-
19 spect to such search tools;

20 (3) improving the processes for searching for
21 information relating to potential recipients of
22 undisbursed life insurance benefits through internal
23 Department sources and sources available through
24 other Federal agencies, State government agencies,
25 and non-government entities; and

1 (4) ensuring the Department has sufficient
2 dedicated staff whose primary responsibilities are
3 identifying, locating, and disbursing undisbursed life
4 insurance benefits to hard-to-find beneficiaries, with
5 the goal of disbursing, by not later than two years
6 after the date of the enactment of this Act, all funds
7 that, as of the date of the enactment of this Act, are
8 owed to a beneficiary of a life insurance policy
9 issued under chapter 19 of title 38, United States
10 Code.

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

17 (c) REPORT.—Not later than 180 days after the date
18 of the enactment of this Act, the Secretary of Veterans
19 Affairs shall submit to the Committee on Veterans’ Affairs
20 of the Senate and the Committee on Veterans’ Affairs of
21 the House of Representatives a report on the progress of
22 the Secretary in carrying out this section.

23 (d) UNDISBURSED LIFE INSURANCE BENEFITS DE-
24 FINED.—In this section, the term “undisbursed life insur-
25 ance benefits”—

1 (1) means any amount of money that—

2 (A) is owed to a beneficiary of a life insur-
3 ance policy issued under chapter 19 of title 38,
4 United States Code; and

5 (B) has not been disbursed for a period of
6 two years or longer; and

7 (2) does not include any amount of money—

8 (A) that has not been disbursed due to a
9 contested claim; or

10 (B) the entitled beneficiary of which is in
11 dispute by two or more parties.

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