

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3200

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IN THE SENATE OF THE UNITED STATES

JULY 27, 2005

Received; read twice and referred to the Committee on Veterans' Affairs

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## AN ACT

To amend title 38, United States Code, to enhance the Servicemembers' Group Life Insurance program, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Servicemembers’  
3 Group Life Insurance Enhancement Act of 2005”.

4 **SEC. 2. REPEALER.**

5 Effective as of August 31, 2005, section 1012 of divi-  
6 sion A of the Emergency Supplemental Appropriations Act  
7 for Defense, the Global War on Terror, and Tsunami Re-  
8 lief, 2005 (Public Law 109–13; 119 Stat. 244), including  
9 the amendments made by that section, are repealed, and  
10 sections 1967, 1969, 1970, and 1977 of title 38, United  
11 States Code, shall be applied as if that section had not  
12 been enacted.

13 **SEC. 3. INCREASE FROM \$250,000 TO \$400,000 IN AUTOMATIC**  
14 **MAXIMUM COVERAGE UNDER**  
15 **SERVICEMEMBERS’ GROUP LIFE INSURANCE**  
16 **AND VETERANS’ GROUP LIFE INSURANCE.**

17 (a) MAXIMUM UNDER SGLI.—Section 1967 of title  
18 38, United States Code, is amended—

19 (1) in subsection (a)(3)(A)(i), by striking  
20 “\$250,000” and inserting “\$400,000”; and

21 (2) in subsection (d), by striking “of \$250,000”  
22 and inserting “in effect under paragraph (3)(A)(i) of  
23 that subsection”.

24 (b) MAXIMUM UNDER VGLI.—Section 1977(a) of  
25 such title is amended by striking “\$250,000” each place  
26 it appears and inserting “\$400,000”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on September 1, 2005, and  
3 shall apply with respect to deaths occurring on or after  
4 that date.

5 **SEC. 4. NOTIFICATION TO MEMBER'S SPOUSE OR NEXT OF**  
6 **KIN OF CERTAIN ELECTIONS UNDER**  
7 **SERVICEMEMBER'S GROUP LIFE INSURANCE**  
8 **PROGRAM.**

9 Effective September 1, 2005, section 1967 of title 38,  
10 United States Code, is amended by adding at the end the  
11 following new subsection:

12 “(f)(1)(A) Whenever a member who is eligible for in-  
13 surance under this section executes a life insurance option  
14 specified in subparagraph (B), the Secretary concerned  
15 shall notify the member’s spouse or, if the member is un-  
16 married, the member’s next of kin, in writing, of the exe-  
17 cution of that option.

18 “(B) A life insurance option referred to in subpara-  
19 graph (A) is any of the following:

20 “(i) An election under subsection (a)(2)(A) not  
21 to be insured under this subchapter.

22 “(ii) An election under subsection (a)(3)(B) for  
23 insurance of the member in an amount that is less  
24 than the maximum amount provided under sub-  
25 section (a)(3)(A)(i).

1           “(iii) An application under subsection (c) for in-  
2           surance coverage under this subchapter or for a  
3           change in the amount of such insurance coverage.

4           “(iv) In the case of a married member, a des-  
5           ignation under section 1970(a) of this title of any  
6           person other than the spouse or a child of the mem-  
7           ber as the beneficiary of the member for any amount  
8           of insurance under this subchapter.

9           “(2) Whenever an unmarried member who is eligible  
10          for insurance under this section marries, the Secretary  
11          concerned shall notify the member’s spouse in writing as  
12          to whether the member is insured under this subchapter.  
13          In the case of a member who is so insured, the Secretary  
14          shall include with such notification—

15                 “(A) if the member has made an election de-  
16                 scribed in paragraph (1)(B)(ii), notice that the  
17                 amount of such insurance is less than the maximum  
18                 amount provided under subsection (a)(3)(A)(i); and

19                 “(B) if the member has designated a bene-  
20                 ficiary other than the spouse or a child of the mem-  
21                 ber for any amount of such insurance, notice that  
22                 such a designation has been made.

23          “(3)(A) Notification of a spouse under paragraph (1)  
24          or (2), or of any other person under paragraph (1), for  
25          purposes of this subsection shall consist of a good faith

1 effort to provide information to the spouse or other person  
2 at the last address of the spouse or other person in the  
3 records of the Secretary concerned.

4 “(B) Failure to provide such notification, or to pro-  
5 vide such notification in a timely manner, does not affect  
6 the validity of any life insurance option referred to in  
7 paragraph (1)(B).”.

8 **SEC. 5. INCREMENTS OF INSURANCE THAT MAY BE ELECT-**  
9 **ED.**

10 (a) INCREASE IN INCREMENT AMOUNT.—Subsection  
11 (a)(3)(B) of section 1967 of title 38, United States Code,  
12 is amended by striking “member or spouse” in the last  
13 sentence and inserting “member, be evenly divisible by  
14 \$50,000 and, in the case of a member’s spouse,”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 subsection (a) shall take effect on September 1, 2005.

17 **SEC. 6. AUTHORITY TO ELECT NEW TRAUMATIC INJURY**  
18 **PROTECTION.**

19 (a) OPT-OUT AUTHORITY.—Section 1980A of title  
20 38, United States Code, is amended by adding at the end  
21 of subsection (b) the following new paragraph:

22 “(4)(A) A member may elect in writing not to be in-  
23 sured under this section.

24 “(B) If a member eligible for insurance under this  
25 section is not so insured by reason of an election made

1 under subparagraph (A), the member may thereafter elect  
2 to be insured under this section upon written application  
3 by the member, proof of good health, and compliance with  
4 such other terms and conditions as may be prescribed by  
5 the Secretary. Insurance under this section upon such an  
6 election is effective upon the date of the receipt by the  
7 Secretary of such application and shall apply only with  
8 respect to injuries incurred after that date.

9 “(C) The Secretary shall prescribe by regulation con-  
10 ditions as to how and when elections under subparagraph  
11 (B) shall be made. Such regulations may include limiting  
12 the time for such elections to an annual open season, for  
13 a duration each year prescribed by the Secretary.”.

14 (b) EFFECTIVE DATE.—The amendment made by  
15 subsection (a) shall take effect immediately after section  
16 1980A of title 38, United States Code, takes effect pursu-  
17 ant to section 1032(d)(1) of division A of the Emergency  
18 Supplemental Appropriations Act for Defense, the Global  
19 War on Terror, and Tsunami Relief, 2005 (Public Law  
20 109–13; 119 Stat. 260).

Passed the House of Representatives July 26, 2005.

Attest:

JEFF TRANDAHL,

*Clerk.*