



(Original Signature of Member)

117TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

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

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IN THE HOUSE OF REPRESENTATIVES

Mr. PAPPAS introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_

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**A BILL**

To amend title 38, United States Code, to shorten the timeframe for designation of benefits under Department of Veterans Affairs life insurance programs, to improve the treatment 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 DESIGNATION OF ALTERNATE**  
2 **BENEFICIARIES AND PAYMENT OF BENEFITS**  
3 **UNDER DEPARTMENT OF VETERANS AFFAIRS**  
4 **LIFE INSURANCE 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(e)(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. BENEFICIARY DESIGNATION PROCESS UNDER DE-**  
22 **PARTMENT OF VETERANS AFFAIRS LIFE IN-**  
23 **SURANCE PROGRAMS.**

24 (a) NSLI.—Section 1917 of title 38, United States  
25 Code, is amended by striking subsection (a) and inserting  
26 the following:

1       “(a)(1) A person who enrolls in insurance maturing  
2 on or after August 1, 1946, may designate a beneficiary  
3 of the insurance policy. The insured shall, subject to regu-  
4 lations, at all times have the right to change the bene-  
5 ficiary or beneficiaries of such insurance without the con-  
6 sent of such beneficiary or beneficiaries.

7       “(2) If a person enrolled in insurance maturing on  
8 or after August 1, 1946, does not designate a beneficiary  
9 under paragraph (1) before the veteran dies, or if a des-  
10 ignated beneficiary predeceases the veteran, the Secretary  
11 shall determine the beneficiary in the following order:

12           “(A) The surviving spouse of the insured per-  
13 son.

14           “(B) The children of the insured person and de-  
15 scendants of deceased children by representation.

16           “(C) The parents of the insured person or the  
17 survivors of the parents.

18           “(D) The duly appointed executor or adminis-  
19 trator of the estate of the insured person.

20           “(E) Other next of kin of the insured person  
21 entitled under the laws of domicile of the insured  
22 person at the time of the death of the insured per-  
23 son.”; and

24       (b) USGLI.—

1           (2) IN GENERAL.—Section 1949 of such title is  
2           amended to read as follows:

3   **“§ 1949. Beneficiaries**

4           “(a) DESIGNATION.—A person who enrolls in United  
5 States Government life insurance may designate a bene-  
6 ficiary of the insurance policy. Subject to regulations, the  
7 insured person shall at all times have the right to change  
8 the beneficiary or beneficiaries of a United States Govern-  
9 ment life insurance policy without the consent of such ben-  
10 efiary or beneficiaries.

11          “(b) DETERMINATION IN CASES OF NON-DESIGNA-  
12 TION.—If a person enrolled in United States Government  
13 life insurance does not designate a beneficiary under sub-  
14 section (a) before the insured person dies, or if a des-  
15 igned beneficiary predeceases the insured person, the  
16 Secretary shall determine the beneficiary in the following  
17 order:

18           “(1) The surviving spouse of the insured per-  
19 son.

20           “(2) The children of the insured person and de-  
21 scendants of deceased children by representation.

22           “(3) The parents of the insured person or the  
23 survivors of the parents.

24           “(4) The duly appointed executor or adminis-  
25 trator of the estate of the insured person.

1           “(5) Other next of kin of the insured person en-  
2           titled under the laws of domicile of the insured per-  
3           son at the time of the death of the insured person.”.

4           (3) CLERICAL AMENDMENT.—The table of sec-  
5           tions at the beginning of chapter 19 of such title is  
6           amended by striking the item relating to section  
7           1949 and inserting the following new item:

“1949. Beneficiaries.”.

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

12   **SEC. 4. DEPARTMENT OF VETERANS AFFAIRS IMPROVE-**  
13                   **MENT OF TREATMENT OF UNDISBURSED**  
14                   **LIFE INSURANCE BENEFITS.**

15          (a) IMPROVEMENT OF PROCESSES.—The Secretary  
16          of Veterans Affairs shall improve the processes and proce-  
17          dures of the Department of Veterans Affairs with respect  
18          to identifying, locating, and paying hard-to-find bene-  
19          ficiaries of life insurance policies issued under chapter 19  
20          of title 38, United States Code, including by—

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

23               (2) conducting outreach to veterans, veterans  
24               service organizations, and the general public with re-  
25               spect to such search tools;

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

6           (4) ensuring the Department has sufficient  
7 dedicated staff whose primary responsibilities are  
8 identifying, locating, and paying hard-to-find bene-  
9 ficiaries, with the goal of disbursing by not later  
10 than two years after the date of the enactment of  
11 this Act, all funds that, as of the date of the enact-  
12 ment of this Act, are owed to a beneficiary of a life  
13 insurance policy issued under chapter 19 of title 38,  
14 United States Code.

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

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

1 (d) UNDISBURSED FUNDS DEFINED.—The term  
2 “undisbursed life insurance benefits”—

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

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

10 (A) has not been disbursed due to a con-  
11 tested claim; or

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