

[DISCUSSION DRAFT]117TH CONGRESS
2^D 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 funds by the Department of Veterans Affairs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

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 funds 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. DEPARTMENT OF VETERANS AFFAIRS IMPROVE-**
22 **MENT OF TREATMENT OF UNDISBURSED**
23 **FUNDS.**

24 (a) RETENTION OF RECORDS.—The Secretary of
25 Veterans Affairs shall retain each record of the Depart-

1 ment of Veterans Affairs relating to any of the following
2 categories of undisbursed funds for not less than 25 years:

3 (1) Undisbursed funds owed by reason of an in-
4 surance benefit under chapter 19 of title 38, United
5 States Code.

6 (2) Undisbursed funds payable under section
7 5121 of such title that are owed by reason of an ac-
8 crued benefit that is due and unpaid upon the death
9 of a veteran or beneficiary.

10 (b) IMPROVEMENT OF PROCESSES.—The Secretary
11 shall improve the processes and procedures of the Depart-
12 ment with respect to identifying, locating, and paying
13 hard-to-find survivors and beneficiaries, including by—

14 (1) improving the Unclaimed Funds search tool
15 available on the website of the Department, includ-
16 ing, as the Secretary determines necessary, by add-
17 ing fields to the search tool;

18 (2) conducting outreach to veterans, veterans
19 service organizations, and the general public with re-
20 spect to the Unclaimed Funds search tool;

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

1 (4) ensuring the Department has sufficient
2 dedicated staff whose primary responsibilities are
3 identifying, locating, and paying hard-to-find sur-
4 vivors and beneficiaries, with the goal of disbursing
5 all funds owed to survivors of deceased veterans and
6 beneficiaries in a timely manner.

7 (c) REPORT.—Not later than 180 days after the date
8 of the enactment of this Act, the Secretary shall submit
9 to the Committees on Veterans' Affairs of the Senate and
10 House of Representatives a report on the progress of the
11 Secretary in carrying out this section. Such report shall
12 include goals with respect to timeliness for purposes of
13 subsection (b)(4).

14 (d) UNDISBURSED FUNDS DEFINED.—The term
15 “undisbursed funds”—

16 (1) means any amount of money that is owed
17 to a survivor or beneficiary and that has not been
18 disbursed for a period of one year or longer; and

19 (2) does not include any amount of money
20 that—

21 (A) has not been disbursed due to a con-
22 tested claim for benefits under the laws admin-
23 istered by the Secretary; or

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