

1974, 88 Stat. 169; Pub. L. 97-295, §4(31), Oct. 12, 1982, 96 Stat. 1307; Pub. L. 97-306, title IV, §401(a), Oct. 14, 1982, 96 Stat. 1442; Pub. L. 99-576, title VII, §701(40), Oct. 28, 1986, 100 Stat. 3294; Pub. L. 102-54, §14(b)(17), June 13, 1991, 105 Stat. 284; renumbered §1970 and amended Pub. L. 102-83, §§4(b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 404-406; Pub. L. 104-275, title IV, §405(b)(1)(D), Oct. 9, 1996, 110 Stat. 3339; Pub. L. 105-368, title III, §302(b), Nov. 11, 1998, 112 Stat. 3333; Pub. L. 107-14, §4(e), June 5, 2001, 115 Stat. 29; Pub. L. 109-13, div. A, title I, §1012(g), May 11, 2005, 119 Stat. 246; Pub. L. 109-80, §2, Sept. 30, 2005, 119 Stat. 2045.)

REFERENCES IN TEXT

Veterans' Insurance Act of 1974, referred to in subsec. (e), is Pub. L. 93-289, May 24, 1974, 88 Stat. 165, as amended, which enacted sections 777, 778, and 779 [now 1977, 1978, and 1979] of this title, section 707 of Title 37, Pay and Allowances of the Uniformed Services, amended sections 723, 765, 767 to 771, and 774 [now 1923, 1965, 1967 to 1971, and 1974] of this title, and enacted provisions set out as notes under sections 723, 765, 767, and 768 [now 1923, 1965, 1967, and 1968] of this title and section 707 of Title 37. For complete classification of this Act to the Code, see Tables.

Subchapter D of chapter 64 of the Internal Revenue Code of 1986, referred to in subsec. (g)(3), is classified to subchapter D (§6331 et seq.) of chapter 64 of Title 26, Internal Revenue Code.

AMENDMENTS

2005—Subsec. (j). Pub. L. 109-13, §1012(g), which directed addition of subsec. (j), was repealed by Pub. L. 109-80. See Effective and Termination Dates of 2005 Amendments note below. Subsec. (j) read as follows: "A member with a spouse may not modify the beneficiary or beneficiaries designated by the member under subsection (a) without providing written notice of such modification to the spouse."

2001—Subsec. (i). Pub. L. 107-14 added subsec. (i).

1998—Subsec. (g). Pub. L. 105-368, in first sentence, substituted "Any payments" for "Payments of benefits" and inserted "an insured or" after "or on account of."

1996—Subsecs. (a), (f), (g). Pub. L. 104-275 substituted "Servicemembers' Group" for "Servicemen's Group" wherever appearing.

1991—Pub. L. 102-83, §5(a), renumbered section 770 of this title as this section.

Subsec. (a). Pub. L. 102-83, §5(c)(1), substituted "1966(b)" for "766(b)".

Subsec. (c). Pub. L. 102-83, §5(c)(1), substituted "1966(b)" for "766(b)".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" in two places.

Subsec. (g)(1). Pub. L. 102-83, §5(c)(1), substituted "1969(a)" for "769(a)".

Subsec. (g)(2). Pub. L. 102-54 substituted "Internal Revenue Code of 1986" for "Internal Revenue Code of 1954".

1986—Subsec. (a). Pub. L. 99-576, §701(40)(A), substituted "the insured's" for "his" in two places in introductory text and in one place in par. Sixth.

Subsec. (e). Pub. L. 99-576, §701(40)(B), substituted "the member's" for "his".

1982—Subsec. (c). Pub. L. 97-306, §401(a)(1), struck out provision that if, within four years after the death of the member or former member, payment had not been made pursuant to this section and no claim for payment by any person entitled under this section was pending, the amount payable would escheat to the credit of the revolving fund referred to in section 769(d) of this title.

Subsec. (g). Pub. L. 97-295 inserted "(26 U.S.C. 6331 et seq.)" after "Code of 1954".

Subsec. (h). Pub. L. 97-306, §401(a)(2), added subsec. (h).

1974—Subsec. (a). Pub. L. 93-289, §7(1), included in par. First writings received in the administrative office established under section 766(b) of this title if separated or released from service, or if assigned to the Retired Reserve, and insured under Servicemen's Group Life Insurance, or if insured under Veterans' Group Life Insurance.

Subsec. (e). Pub. L. 93-289, §7(2), substituted "the Veterans' Insurance Act of 1974" for "this amendatory Act".

Subsecs. (f), (g). Pub. L. 93-289, §7(3), included payment of benefits under Veterans' Group Life Insurance. 1970—Subsecs. (e) to (g). Pub. L. 91-291 added subsecs. (e) to (g).

EFFECTIVE AND TERMINATION DATES OF 2005 AMENDMENTS

Amendment by Pub. L. 109-80 effective Aug. 31, 2005, and this section shall be applied as if section 1012 of Pub. L. 109-13 had not been enacted, see section 2 of Pub. L. 109-80, set out as a note under section 1967 of this title.

Amendment by Pub. L. 109-13 effective through the earlier of Dec. 31, 2005, or, with respect to certain sections of Public Law 109-13, the date of the enactment into law of legislation that supersedes the provisions of, or the amendments made by, those sections, see section 115 of Pub. L. 109-77, set out as a note under section 1967 of this title.

EFFECTIVE DATE OF 2001 AMENDMENT

Amendment by Pub. L. 107-14 effective on the first day of the first month that begins more than 120 days after June 5, 2001, see section 4(g)(1) of Pub. L. 107-14, set out as a note under section 101 of this title.

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105-368, title III, §302(c), Nov. 11, 1998, 112 Stat. 3333, provided that: "The amendments made by this section [enacting section 1980 of this title and amending this section] shall take effect 90 days after the date of the enactment of this Act [Nov. 11, 1998]."

EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97-306, title IV, §401(b), Oct. 14, 1982, 96 Stat. 1442, provided that: "The amendments made by subsection (a) [amending this section] shall take effect on October 1, 1982."

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-291 effective June 25, 1970, see section 14(a) of Pub. L. 91-291, set out as a note under section 1317 of this title.

§ 1971. Basic tables of premiums; readjustment of rates

(a) Each policy or policies purchased under section 1966 of this title shall include for the first policy year a schedule of basic premium rates by age which the Secretary shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, this schedule of basic premium rates by age to be applied, except as otherwise provided in this section, to the distribution by age of the amount of group life insurance under the policy at its date of issue to determine an average basic premium per \$1,000 of insurance. Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the

policy, such readjustment to be made by the insurance company or companies issuing the policy on a basis determined by the Secretary in advance of such year to be consistent with the general practice of life insurance companies under policies of group life insurance issued to large employers.

(b) The total premiums for Servicemembers' Group Life Insurance shall be the sum of the amounts computed according to the provisions of subsection (a) above and the estimated cost traceable to the extra hazard of active duty in the uniformed services as determined by the Secretary, subject to the provision that such estimated costs traceable to the extra hazard shall be retroactively readjusted annually in accordance with section 1969(b).

(c) Each policy so purchased shall include a provision that, in the event the Secretary determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, the Secretary may approve the determination of a tentative average group life premium, for the first or any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate shall be redetermined by the Secretary during any policy year upon request by the insurance company or companies issuing the policy, if experience indicates that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

(d) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Secretary on a basis consistent with the general level of such charges made by life insurance companies under policies of group life insurance issued to large employers. Such maximum charges shall be continued from year to year, except that the Secretary may redetermine such maximum charges for any year either by agreement with the insurance company or companies issuing the policy or upon written notice given by the Secretary to such companies at least one year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

(e) Each such policy shall provide for an accounting to the Secretary not later than ninety days after the end of each policy year, which shall set forth, in a form approved by the Secretary, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality and other claim charges incurred for that period, and (3) the amounts of the insurers' expense and risk charge for that period. Any excess of the total of item (1) over the sum of items (2) and (3) shall be held by the insurance company or companies issuing the policy as a special contingency reserve to be used by such insurance company or companies for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company or

companies issuing the policy, which rate shall be approved by the Secretary as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies. If and when the Secretary determines that such special contingency reserve has attained an amount estimated by the Secretary to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited to the credit of the revolving fund established under section 1969(d)(1) of this title. If and when such policy is discontinued, and if after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited to the credit of the revolving fund, subject to the right of the insurance company or companies issuing the policy to make such deposit in equal monthly installments over a period of not more than two years.

(Added Pub. L. 89-214, §1(a), Sept. 29, 1965, 79 Stat. 884, §771; amended Pub. L. 93-289, §8, May 24, 1974, 88 Stat. 169; renumbered §1971 and amended Pub. L. 102-83, §§4(b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 404-406; Pub. L. 104-275, title IV, §405(b)(1)(E), Oct. 9, 1996, 110 Stat. 3339.)

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-275 substituted "Servicemembers' Group" for "Servicemen's Group".

1991—Pub. L. 102-83, §5(a), renumbered section 771 of this title as this section.

Subsec. (a). Pub. L. 102-83, §5(c)(1), substituted "1966" for "766".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" in two places.

Subsec. (b). Pub. L. 102-83, §5(c)(1), substituted "1969(b)" for "769(b)".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator".

Subsecs. (c), (d). Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" wherever appearing.

Subsec. (e). Pub. L. 102-83, §5(c)(1), substituted "1969(d)(1)" for "769(d)(1)".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" wherever appearing.

1974—Subsec. (b). Pub. L. 93-289, §8(1), substituted "premiums for Servicemen's Group Life Insurance" for "premiums for the policy or policies".

Subsec. (e). Pub. L. 93-289, §8(2), substituted "section 769(d)(1) of this title" for "section 766 of this title".

§ 1972. Benefit certificates

The Secretary shall arrange to have each member insured under a policy purchased under section 1966 of this title receive a certificate setting forth the benefits to which the member is entitled thereunder, to whom such benefit shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the member. Such certificate shall be in lieu of the certificate which the insurance company or companies would otherwise be required to issue.

(Added Pub. L. 89-214, §1(a), Sept. 29, 1965, 79 Stat. 885, §772; renumbered §1972 and amended Pub. L. 102-83, §§4(b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 404-406.)

AMENDMENTS

1991—Pub. L. 102-83, §5(a), renumbered section 772 of this title as this section.