

AMENDING SECTION 301, WORLD WAR VETERANS' ACT, 1924, AS AMENDED

MARCH 12 (legislative day, MARCH 9), 1943.—Ordered to be printed

Mr. CLARK of Missouri, from the Committee on Finance, submitted
the following

REPORT

[To accompany S. 815]

The Committee on Finance, to whom was referred the bill (S. 815) to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes, having considered the same, submit the following report thereon, with the recommendation that it do pass.

The purposes and intent of the bill were outlined before a subcommittee of the Finance Committee by representatives of the Veterans' Administration, and also are contained in a letter to the President of the Senate under the date of February 23, 1943, from the Administrator of Veterans' Affairs, the Veterans' Administration, reading as follows:

VETERANS' ADMINISTRATION,
Washington, February 23, 1943.

The PRESIDENT OF THE SENATE,
The Capitol, Washington, D. C.

SIR: There are forwarded herewith two copies of a draft of a proposed bill entitled "A bill to amend section 301, World War Veterans' Act, 1924, as amended, to authorize renewal of expiring 5-year level premium term policies of those in active military or naval service and certain others outside the continental limits of the United States, and for other purposes," with a request that the same be introduced and referred to the appropriate committee for consideration.

The chief purpose of the proposed legislation is to authorize renewal of the expiring 5-year level premium term insurance policies by the agent or beneficiary of an insured who is outside the continental limits of the United States and to automatically renew such policies of those who are unable to make application for renewal of insurance for another 5-year period because they are in active service as defined in section 1 (b) of Public Law 490, Seventy-seventh Congress, approved March 7, 1942, and outside the continental limits of the United States.

Section 301 of the World War Veterans' Act, 1924, as amended, authorizes the issue of United States Government life insurance on a 5-year level premium term basis. This law, as originally enacted, contemplated conversion of the 5-year level premium term insurance within a 5-year period to a permanent type of insurance. By certain amendments to section 301 of the World War Veterans' Act, 1924, however, the Congress has authorized renewal of 5-year level premium term policies for a second, third, or fourth 5-year period.

Those in active military and naval service, and certain civilians of the executive departments, independent establishments and agencies of the Government, are authorized to make or have made allotments from their pay while missing or absent from their post of duty. Many such persons have 5-year level premium term insurance policies which have heretofore, or may hereafter, expire while missing or absent and at present there is no specific provision of law authorizing any other person or agency to renew such insurance for another 5-year period.

The proposed bill would provide that while any insured having 5-year level premium term insurance is outside the continental limits of the United States, and, in the opinion of the Administrator of Veterans' Affairs, cannot be reached promptly by usual methods of communication, his insurance may be renewed at the expiration of any 5-year period by the designated beneficiary of such insurance or by an agent authorized in writing, for a second, third, or fourth 5-year period at the premium rate for his attained age. The proposed bill would further provide that unless there is evidence that the insured does not desire renewal of 5-year level premium term insurance when the 5-year level premium term period expires or has expired, on or after December 7, 1941, and while the insured is in active service (as defined in sec. 1 (b) of Public Law 490, 77th Cong., approved March 7, 1942) outside the continental limits of the United States, his insurance will be deemed to have been renewed at the expiration of the 5-year term period, and the head of the department concerned will be authorized and directed to make an allotment under Public Law 490, Seventy-seventh Congress, subject to termination by the insured to cover the premium at the rate required from the date of renewal. The provisions of the bill would be effective until termination of hostilities as proclaimed by the President or as determined by joint resolution of the Congress and for 3 months thereafter.

The need of such legislation is apparent to protect the insurance interests of those who are unable, because of war conditions, to take action on behalf of themselves, and it is urgent that such legislation be secured at the earliest possible date.

Advice has been received from the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Respectfully,

FRANK T. HINES, *Administrator.*

