

***In the Senate of the United States,***

*September 27, 2005.*

*Resolved*, That the bill from the House of Representatives (H.R. 3200) entitled “An Act to amend title 38, United States Code, to enhance the Servicemembers’ Group Life Insurance program, and for other purposes.”, do pass with the following

**AMENDMENT:**

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Servicemembers’ Group*

3 *Life Insurance Enhancement Act of 2005”.*

1 **SEC. 2. REPEALER.**

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 6 *amendments made by that section, are repealed, and sec-*  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

10 **SEC. 3. INCREASE FROM \$250,000 TO \$400,000 IN AUTOMATIC**

11 **MAXIMUM COVERAGE UNDER**  
 12 **SERVICEMEMBERS' GROUP LIFE INSURANCE**  
 13 **AND VETERANS' GROUP LIFE INSURANCE.**

14 (a) *MAXIMUM UNDER SGLI.—Section 1967 of title 38,*  
 15 *United States Code, is amended—*

16 (1) *in subsection (a)(3)(A)(i), by striking*  
 17 *“\$250,000” and inserting “\$400,000”; and*

18 (2) *in subsection (d), by striking “of \$250,000”*  
 19 *and inserting “in effect under paragraph (3)(A)(i) of*  
 20 *that subsection”.*

21 (b) *MAXIMUM UNDER VGLI.—Section 1977(a) of such*  
 22 *title is amended—*

23 (1) *in paragraph (1), by striking “in excess of*  
 24 *\$250,000 at any one time” and inserting “at any one*  
 25 *time in excess of the maximum amount for*

1        *Servicemembers' Group Life Insurance in effect under*  
2        *section 1967(a)(3)(A)(i) of this title"; and*

3                *(2) in paragraph (2)—*

4                        *(A) by striking "for less than \$250,000*  
5                        *under Servicemembers' Group Life Insurance"*  
6                        *and inserting "under Servicemembers' Group*  
7                        *Life Insurance for less than the maximum*  
8                        *amount for such insurance in effect under section*  
9                        *1967(a)(3)(A)(i) of this title"; and*

10                      *(B) by striking "does not exceed \$250,000"*  
11                      *and inserting "does not exceed such maximum*  
12                      *amount in effect under such section".*

13        *(c) EFFECTIVE DATE.—The amendments made by this*  
14        *section shall take effect as of September 1, 2005, and shall*  
15        *apply with respect to deaths occurring on or after that date.*

16        **SEC. 4. SPOUSAL NOTIFICATIONS RELATING TO**  
17                        **SERVICEMEMBERS' GROUP LIFE INSURANCE**  
18                        **PROGRAM.**

19        *Effective as of September 1, 2005, section 1967 of title*  
20        *38, United States Code, is amended by adding at the end*  
21        *the following new subsection:*

22                *"(f)(1) If a member who is married and who is eligible*  
23        *for insurance under this section makes an election under*  
24        *subsection (a)(2)(A) not to be insured under this sub-*

1 *chapter, the Secretary concerned shall notify the member's*  
2 *spouse, in writing, of that election.*

3       “(2) *In the case of a member who is married and who*  
4 *is insured under this section and whose spouse is designated*  
5 *as a beneficiary of the member under this subchapter, when-*  
6 *ever the member makes an election under subsection*  
7 *(a)(3)(B) for insurance of the member in an amount that*  
8 *is less than the maximum amount provided under sub-*  
9 *section (a)(3)(A)(i), the Secretary concerned shall notify the*  
10 *member's spouse, in writing, of that election—*

11               “(A) *in the case of the first such election; and*

12               “(B) *in the case of any subsequent such election*  
13 *if the effect of such election is to reduce the amount*  
14 *of insurance coverage of the member from that in ef-*  
15 *fect immediately before such election.*

16       “(3) *In the case of a member who is married and who*  
17 *is insured under this section, if the member makes a des-*  
18 *ignation under section 1970(a) of this title of any person*  
19 *other than the spouse or a child of the member as the bene-*  
20 *ficiary of the member for any amount of insurance under*  
21 *this subchapter, the Secretary concerned shall notify the*  
22 *member's spouse, in writing, that such a beneficiary des-*  
23 *ignation has been made by the member, except that such*  
24 *a notification is not required if the spouse has previously*  
25 *received such a notification under this paragraph and if*

1 *immediately before the new designation by the member*  
2 *under section 1970(a) of this title the spouse is not a des-*  
3 *ignated beneficiary of the member for any amount of insur-*  
4 *ance under this subchapter.*

5       “(4) A notification required by this subsection is satis-  
6 *fied by a good faith effort to provide the required informa-*  
7 *tion to the spouse at the last address of the spouse in the*  
8 *records of the Secretary concerned. Failure to provide a no-*  
9 *tification required under this subsection in a timely man-*  
10 *ner does not affect the validity of any election specified in*  
11 *paragraph (1) or (2) or beneficiary designation specified*  
12 *in paragraph (3).”.*

13 **SEC. 5. INCREMENTS OF INSURANCE THAT MAY BE ELECT-**  
14 **ED.**

15       (a) *INCREASE IN INCREMENT AMOUNT.*—Subsection  
16 (a)(3)(B) of section 1967 of title 38, United States Code,  
17 is amended by striking “member or spouse” in the last sen-  
18 tence and inserting “member, be evenly divisible by \$50,000  
19 and, in the case of a member’s spouse,”.

20       (b) *EFFECTIVE DATE.*—The amendment made by sub-  
21 section (a) shall take effect as of September 1, 2005.

Attest:

*Secretary.*

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

**H. R. 3200**

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**AMENDMENT**