

nants, uniforms, and insignia shall be furnished by the Coast Guard at actual cost, and the proceeds received therefor shall be credited to current appropriations from which replacements are purchased. Any person who shall without proper authority, fly from any building, aircraft, motorboat, yacht, or other vessel, any flag or pennant or display any identifying insignia or wear any insignia of the auxiliary or Reserve, or wear any uniform of the auxiliary shall, upon conviction thereof, be punished by a fine not exceeding \$500."

Approved September 30, 1944.

[CHAPTER 454]

AN ACT

To liberalize certain provisions of the National Service Life Insurance Act of 1940, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (j) of section 602 of the National Service Life Insurance Act of 1940, as amended, is hereby amended to read as follows:

"(j) No installments of such insurance shall be paid to the heirs or legal representatives as such of the insured or of any beneficiary, and in the event that no person within the permitted class survives to receive the insurance or any part thereof no payment of the unpaid installments shall be made, except that if the reserve of a contract of converted national service life insurance, together with dividends accumulated thereon, less any indebtedness under such contract, exceeds the aggregate amount paid to beneficiaries, the excess shall be paid to the estate of the insured unless the estate of the insured would escheat under the laws of his place of residence, in which event no payment shall be made."

SEC. 2. That portion of subsection (3) (A) of section 602 (d) of the National Service Life Insurance Act of 1940, as amended, which precedes the first proviso is hereby amended to read as follows:

"(3) (A) Any person in the active service who on or after October 8, 1940, and prior to April 20, 1942, becomes totally disabled as a result of injury or disease incurred in line of duty and such disability continues without interruption for a period of six months or until death intervening prior to the end of such six months' period without having in force at time of incurrence of such disability at least \$5,000 insurance issued under the War Risk Insurance Act, as amended, or the World War Veterans' Act, 1924, as amended, or this Act, shall be deemed to have applied for and to have been granted, effective as of the commencement of such total disability, national service life insurance in an amount which together with any such insurance then in force shall aggregate \$5,000 and such gratuitous insurance shall continue in force without payment of premiums until six months after the insured ceases to be totally disabled or until one year after the date of enactment of this amendatory Act, whichever is the earlier date."

SEC. 3. Section 602 of the National Service Life Insurance Act of 1940 is hereby amended by adding thereto a new subsection (r) to read as follows:

"(r) In any case in which premiums are not waived under subsection (n) hereof solely because the insured died prior to the continuance of total disability for six months, and proof of such facts, satisfactory to the Administrator of Veterans' Affairs, is filed by the beneficiary with the Veterans' Administration within one year after the enactment of this amendment, or one year after the

September 30, 1944  
[S. 2015]  
[Public Law 452]

National Service  
Life Insurance Act of  
1940, amendments.  
54 Stat. 1010.  
38 U. S. C. § 802 (j).  
Restriction on pay-  
ments to heirs, etc.

Payment of excess  
reserve and dividends  
to estate of insured.

56 Stat. 657.  
38 U. S. C., Supp.  
III, § 802 (d) (3) (A).

Total disability in  
line of duty.

28 Stat. 711; 43 Stat.  
607.  
38 U. S. C. §§ 287,  
357, 502, 575, 421;  
Supp. III, ch. 10.

54 Stat. 1009.  
38 U. S. C. § 802;  
Supp. III, § 802.

Death prior to con-  
tinuance of total dis-  
ability for 6 months.  
56 Stat. 658.  
38 U. S. C., Supp.  
III, § 802 (n).  
Post, p. 763.

insured's death, whichever is the later date, his insurance shall be deemed to be in force at the date of his death, and the unpaid premiums shall become a lien against the proceeds of his insurance: *Provided*, That if the beneficiary be insane or a minor, proof of such facts may be filed within one year after removal of such legal disability."

SEC. 4. Subsection (5) of section 602 (d) of the National Service Life Insurance Act of 1940 is hereby amended to read as follows:

"(5) If any person deemed to have been issued insurance under subsection (3) (A) or (B) hereof die without filing application and within the time limited therefor, death insurance benefits shall be payable in the manner and to the persons as stated in subsection (2): *Provided*, That no application for insurance payments under subsections (2) or (3) as hereby amended, shall be valid unless filed in the Veterans' Administration within five years after the date of death of the insured and the relationship and dependency of the applicant, where required as a basis for such claim, shall be proved as of date of death of insured by evidence satisfactory to the Administrator: *And provided further*, That persons shown by evidence satisfactory to the Administrator to have been mentally or legally incompetent at the time the right to apply for continuation of insurance or for death benefits expires, may make such application at any time within one year after the removal of such disability."

SEC. 5. Section 602 (h) (1) of the National Service Life Insurance Act of 1940 is hereby amended by substituting a colon for the period at the end thereof and adding the following: "*Provided*, That the Administrator, under regulations to be promulgated by him, may include a provision in the insurance contract authorizing the insured or the beneficiary to elect in lieu of this mode of payment, a refund life income in monthly installments payable for such period certain as may be required in order that the sum of the installments certain, including a last installment of such reduced amount as may be necessary, shall equal the face value of the contract, less any indebtedness, with such payments continuing throughout the lifetime of such beneficiary: *Provided further*, That such optional settlement shall not be available in any case in which payments of insurance installments have been commenced prior to the date of this amendatory Act."

SEC. 6. Section 602 (h) (2) of the National Service Life Insurance Act of 1940 is hereby amended by substituting a colon for the period at the end thereof and adding the following: "*Provided*, That the Administrator, under regulations to be promulgated by him, may include a provision in the insurance contract authorizing the insured or the beneficiary to elect, in lieu of this mode of payment, a refund life income in monthly installments payable for such period certain as may be required in order that the sum of the installments certain, including a last installment of such reduced amount as may be necessary, shall equal the face value of the contract less any indebtedness with such payments continuing throughout the lifetime of such beneficiary: *Provided further*, That such optional settlement shall not be available in any case in which such settlement would result in payments of installments over a shorter period than one hundred and twenty months, nor in any case in which payments of insurance installments have been commenced prior to the date of this amendatory Act."

SEC. 7. Subsection (n) of section 602 of the National Service Life Insurance Act of 1940, as amended, is hereby amended as of October 8, 1940, by substituting a colon for the period at the end of the second proviso and inserting before the last sentence of said sub-

Insane or minor beneficiaries.

56 Stat. 658.  
38 U. S. C., Supp.  
III, § 802 (d) (5).

Death insurance benefits.  
*Ante*, p. 762.

Time limit for filing application.

Incompetents.

54 Stat. 1010.  
38 U. S. C. § 802 (h)  
(1).

Optional settlement, beneficiaries under 30 years of age.

54 Stat. 1010.  
38 U. S. C. § 802 (h)  
(2).

Optional settlement, beneficiaries 30 or more years of age.

56 Stat. 658.  
38 U. S. C., Supp.  
III, § 802 (n).

Application by beneficiary for waiver of premiums.

section the following as a third proviso: "*And provided further*, That in the event of death of the insured without filing application for waiver, the beneficiary, within one year after the death of the insured or the enactment of this amendment, whichever be the later, or, if the beneficiary be insane or a minor, within one year after removal of such legal disability, may file application for waiver with evidence of the insured's right to waiver under the conditions of this section."

Approved September 30, 1944.

[CHAPTER 455]

AN ACT

September 30, 1944

[S. 2058]

[Public Law 453]

To liberalize certain provisions of the National Service Life Insurance Act of 1940, as amended.

Army aviation cadets and aviation students, insurance.  
45 Stat. 239, 241.  
10 U. S. C., Supp. III, §§ 306a, 298a-1.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That any person granted national service life insurance under Public Law 97 and Public Law 99, Seventy-seventh Congress, approved June 3, 1941, shall be deemed to have continued such insurance in force by payment of premiums whether or not such premiums were or were not paid so long as he remains in active military service as a commissioned officer and not permanently relieved from duty involving participation in regular and frequent aerial flights: *Provided*, That any premiums due and unpaid at the death of such person whose insurance is deemed to have been in force under the provisions of this section shall constitute a lien against the proceeds of such insurance.

National Service Life Insurance Act of 1940, amendment.  
*Ante*, p. 762.

SEC. 2. Section 602 of the National Service Life Insurance Act of 1940 is hereby amended by adding thereto a new subsection (s) to read as follows:

Inadequacy of Service Department procedure, etc.  
Benefits not denied.

"(s) Payment of insurance benefits shall not be denied in any case in which the applicant for insurance died prior to July 1, 1942, and the Administrator of Veterans' Affairs finds that the failure to pay premiums or to effect deductions thereof as provided in section 602 (m) hereof, could in any way be attributed to the inadequacy of the Service Department's procedure for authorizing deductions of premiums from active service pay prior to that date, or to want of proper instructions as to the requirements of such procedure: *Provided*, That premiums due on such insurance shall be deducted from the proceeds of the insurance unless otherwise adjusted."

Liability.

SEC. 3. Any liability under this amendatory Act shall be chargeable to the National Service Life Insurance appropriation.

Approved September 30, 1944.

[CHAPTER 456]

AN ACT

September 30, 1944

[S. 2137]

[Public Law 454]

To provide for naming the lake formed by waters of the Red River impounded by Denison Dam.

Lake Texoma.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That from and after the enactment of this Act the lake formed by the impounding of waters of the Red River by Denison Dam, the construction of which was authorized by the Act of June 28, 1938 (52 Stat. 1219), shall be known and designated on the public records as Lake Texoma.

Approved September 30, 1944.