SEC. ___. REPEAL AUTOMATIC ENROLLMENT IN FAMILY SERVICEMEMBERS' GROUP LIFE INSURANCE FOR MILITARY MEMBERS WHO ARE MARRIED TO OTHER MILITARY MEMBERS.

Section 1967(a)(1) of title 38, United States Code, is amended—

(1) in subparagraph (A)(ii), by inserting "other than a dependent who is also a member of a uniformed service and, because of such membership, automatically insured under this paragraph" after "insurable dependent of the member"; and

(2) in subparagraph (C)(ii), by inserting "other than a dependent who is also a member of a uniformed service and, because of such membership, automatically insured under this paragraph" after "insurable dependent of the member".

Section-by-Section Analysis

This proposal would remove automatic enrollment in Family Servicemembers' Group Life Insurance (FSGLI) for uniformed members who are married to other uniformed members.

Just like the basic SGLI program, statutory construction of the FSGLI program provides for negative enrollment, that is, the spouse of a servicemember is covered automatically, whether or not the member is paying premiums or has actively elected the insurance. There are over 30,000 cases of military members who owe retroactive premiums for FSGLI because they did not register their spouse (often a military spouse) in the Defense Enrollment Eligibility Reporting System (DEERS) and, therefore, premiums were not collected from the member. This is especially true of military members who are aware that their spouses are registered in DEERS already, but may not be identified as their spouse.

This proposal would allow a uniformed member to continue FSGLI coverage for their uniformed spouse, if desired. However, it would remove the automatic enrollment feature.

Changes to Existing Law: This section would make the following changes to section 1967 of title 38, United States Code:

§ 1967. Persons insured; amount

(a)(1) Subject to an election under paragraph (2), any policy of insurance purchased by the Secretary under section 1966 of this title shall automatically insure the following persons against death:

(A) In the case of any member of a uniformed service on active duty (other than active duty for training)—

(i) the member; and

(ii) each insurable dependent of the member other than a dependent who is also a member of a uniformed service and, because of such membership, automatically insured under this paragraph.

(B) Any member of a uniformed service on active duty for training or inactive duty training scheduled in advance by competent authority.

(C) In the case of any member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 1965(5)(B) of this title—

(i) the member; and

(ii) each insurable dependent of the member other than a dependent who is also a member of a uniformed service and, because of such membership, automatically insured under this paragraph.

(2)(A) A member may elect in writing not to be insured under this subchapter.

(B) A member may elect in writing not to insure the member's spouse under this subchapter.

(3)(A) Subject to subparagraphs (B) and (C), the amount for which a person is insured under this subchapter is as follows:

(i) In the case of a member, $400,000.

(ii) In the case of a member's spouse, $100,000.

(iii) In the case of a member's child, $10,000.

(B) A member may elect in writing to be insured or to insure the member's spouse in an amount less than the amount provided for under subparagraph (A). The member may not elect to insure the member's child in an amount less than $10,000. The amount of insurance so elected shall, in the case of a member, be evenly divisible by $50,000 and, in the case of a member's spouse,, be evenly divisible by $10,000.

(C) In no case may the amount of insurance coverage under this subsection of a member's spouse exceed the amount of insurance coverage of the member.

(4)(A) An insurable dependent of a member is not insured under this chapter unless the member is insured under this subchapter.

(B) An insurable dependent who is a child may not be insured at any time by the insurance coverage under this chapter of more than one member. If an insurable dependent who is a child is otherwise eligible to be insured by the coverage of more than one member under this chapter, the child shall be insured by the coverage of the member whose eligibility for insurance under this subchapter occurred first, except that if that member does not have legal custody of the child, the child shall be insured by the coverage of the member who has legal custody of the child.

(5) The insurance shall be effective with respect to a member and the insurable dependents of the member on the latest of the following dates:

(A) The first day of active duty or active duty for training.

(B) The beginning of a period of inactive duty training scheduled in advance by competent authority.

(C) The first day a member of the Ready Reserve meets the qualifications set forth in subparagraph (B) or (C) of section 1965(5) of this title.

(D) The date certified by the Secretary to the Secretary concerned as the date Servicemembers' Group Life Insurance under this subchapter for the class or group concerned takes effect.

(E) In the case of an insurable dependent who is a spouse, the date of marriage of the spouse to the member.

(F) In the case of an insurable dependent who is a child, the date of birth of such child or, if the child is not the natural child of the member, the date on which the child acquires status as an insurable dependent of the member.

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