

Old section	New section
6.65	6.9
6.68	6.10
6.95	6.11
6.96	6.12
6.100	6.13
6.115	6.14
6.117	6.15
6.117a	6.16
6.119	6.17
6.122	6.18
6.127	6.19
6.191	6.20
6.211	6.21

§ 6.2 [Amended]

5. In newly redesignated § 6.2, the first sentence is removed.

§ 6.3 [Amended]

6. In newly redesignated § 6.3, paragraph (a) is removed and the paragraph designation (b) is removed.

§ 6.4 [Amended]

7. Newly redesignated § 6.4 is amended by removing “§§ 3.1(j), 3.204, 3.205 (a) and (b) and 3.209 of “ and adding, in its place, “38 U.S.C. 103(c) and Part 3”.

§ 6.7 [Amended]

8. In newly redesignated § 6.7, paragraphs (a), (b) and (c) are removed; and paragraph (d) is redesignated as paragraph (a); newly redesignated § 6.7 is further amended by revising the section heading and by adding a new paragraph (b) to read as follows:

§ 6.7 Claims of creditors, taxation.

* * * * *

(b) The provisions of 38 U.S.C. 5301(b) which entitle the United States to collect by setoff out of benefits payable to any beneficiary under a United States Government life insurance policy do not apply to dividends being held to the credit of the insured for the payment of premiums under the provisions of section 1946 of title 38 U.S.C.

* * * * *

9. Newly redesignated § 6.8 is revised to read as follows:

§ 6.8 Selection, revocation and election.

The insured under a United States Government Life Insurance policy may, upon written notice, select an optional settlement. Such optional settlement may be revoked by written notice. If the insured does not select one of the optional settlements, as set out under the provisions of the policy, the insurance shall be payable in 240 monthly installments unless the beneficiary elects in writing a different option.

§ 6.9 [Amended]

10. In newly redesignated § 6.9, the first sentence of the introductory text is removed.

11. Newly redesignated § 6.10 is revised to read as follows:

§ 6.10 Options.

Insurance will be payable in one sum only when selected by the insured during his or her lifetime or by his or her last will and testament.

12. In newly redesignated § 6.11, paragraph (d) and the first sentence of paragraph (a) are removed; paragraphs (e) and (f) are redesignated as paragraphs (d) and (e), respectively. Newly redesignated paragraph (d) is amended by removing “as provided in paragraph (f) of this section”, and by removing “in § 6.62” and adding, in its place, “in § 6.7”. Newly redesignated § 6.11 is further amended by revising the section heading, paragraph (b) and newly redesignated paragraph (e) to read as follows:

§ 6.11 How dividends are paid.

* * * * *

(b) If the insured has a National Service Life Insurance policy or policies in force, dividends used to pay premiums in advance will be held to the credit of the insured, unless otherwise directed by the insured.

* * * * *

(e) Dividend credit of the insured held for payment of premiums or dividends left to accumulate on deposit may be applied to the payment of premiums in advance on any National Service Life Insurance policy upon written request of the insured made before default in payment of premium. Upon maturity of the policy, any unpaid dividend will be paid to the person(s) currently entitled to receive payments under the policy.

13. In newly redesignated § 6.13, the section heading is revised to read as follows:

§ 6.13 Policy loans.

* * * * *

§ 614 [Amended]

14. In newly redesignated § 6.14, the seventh and eight sentences are removed; the section heading is amended by removing “5-year level premium term policy and”; the first sentence is amended by removing “the 5-year level premium term or”; the second sentence is amended by removing “at the end of the first policy year and at the end of any policy year thereafter”, and the fourth sentence is amended by removing “provided the policy has been in force for at least 1 year”.

15. Newly redesignated § 6.16 is revised to read as follows:

§ 6.16 Payment of cash value in monthly installments.

Effective January 1, 1971, in lieu of payment of cash value in one sum, the insured may elect to receive payment in monthly installments under option 2 as set forth in the insurance contract or as a refund life income option. If the insured dies before the agreed number of monthly installments have been paid, the remaining unpaid monthly installments will be payable to the designated beneficiary in one sum, unless the insured or such beneficiary has elected to continue the installments under the option selected by the insured. If no designated beneficiary survives, the present value of any remaining unpaid installments shall be paid to the estate of the insured, provided such payment would not escheat.

16. Newly redesignated § 6.18 is revised to read as follows:

§ 6.18 Other disabilities deemed to be total and permanent.

(a) In addition to the conditions specified in 38 U.S.C. 1958, the following also will be deemed to be total and permanent disabilities: Organic loss of speech; permanently helpless or permanently bedridden.

(b) Organic loss of speech will mean the loss of the ability to express oneself, both by voice and whisper, through the normal organs of speech if such loss is caused by organic changes in such organs. Where such loss exists, the fact that some speech can be produced through the use of an artificial appliance or other organs of the body will be disregarded.

§ 6.19 [Amended]

17. Newly redesignated § 6.19 is amended by removing “§§ 3.204, 3.211 and 3.212” and adding, in its place, “Part 3”.

[FR Doc. 96-14368 Filed 6-6-96; 8:45 am]

BILLING CODE 8320-01-P

38 CFR Part 7

RIN 2900-AH53

Soldiers' and Sailors' Civil Relief

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Department of Veterans Affairs (VA) regulations captioned “Soldiers' and Sailors' Civil Relief” which were established under the Soldiers' and

Sailors' Civil Relief Act of 1940, as amended (50 U.S.C. app. 511 *et seq.*). It deletes provisions that became obsolete because they were superseded by subsequent amendments to that Act. It also eliminates regulations that merely restate provisions of the Act and amendments thereto. Other provisions are rewritten for purpose of clarification.

EFFECTIVE DATE: June 7, 1996.

FOR FURTHER INFORMATION CONTACT: George Poole, Chief, Insurance Program Administration, Department of Veterans Affairs Regional Office and Insurance Center, P.O. Box 8079, Philadelphia, Pennsylvania 19101, (215) 951-5718.

SUPPLEMENTARY INFORMATION: This final rule consists of nonsubstantive changes and, therefore, is not subject to the notice-and-comment and effective-date provisions of 5 U.S.C. 553.

The Secretary of Veterans Affairs hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612. This final rule will not affect any entity since it does not contain any substantive provisions. Therefore, pursuant to 5 U.S.C. 605(b), this amendment is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

The Catalog of Federal Domestic Assistance Program number for these regulations is 64.103.

List of Subjects in 38 CFR Part 7

Life insurance, Military personnel.

Approved: May 31, 1996.

Jesse Brown,
Secretary of Veterans Affairs.

For the reasons set out in the preamble, 38 CFR part 7 is amended as set forth below:

PART 7—SOLDIERS' AND SAILORS' CIVIL RELIEF

1. The authority citation for part 7 is revised to read as follows:

Authority: 50 U.S.C. app. 511, 540-547, unless otherwise noted.

§§ 7.2 through 7.16, 7.23 through 7.25, 7.28, 7.30 through 7.32 and 7.34 [Removed]

2. Sections 7.2 through 7.16, 7.23 through 7.25, 7.28, 7.30 through 7.32, and 7.34 are removed.

§§ 7.20 through 7.22, 7.26, 7.27, 7.29 and 7.33 [Redesignated as 7.2-7.8]

3. Sections 7.20 through 7.22, 7.26, 7.27, 7.29, and 7.33 are redesignated as §§ 7.2 through 7.8, respectively.

4. Newly redesignated § 7.2 is revised to read as follows:

§ 7.2 Certification of military service.

(a) A statement over the signature of the Commanding Officer or a commissioned officer of equal or higher rank than the insured, on the insured's application, may be accepted as a certification that the insured is a person in the military service.

(b) If the insured is unavailable because of service, the application may be certified by the person who has custody of the insured's service record.

(c) If an application is submitted by a person designated by the insured or by the insured's beneficiary, the Department of Veterans Affairs will obtain from the service department evidence that the insured is a person in the military service.

(Authority 50 U.S.C. app. 547)

§ 7.3 [Amended]

5. In newly redesignated § 7.3, the introductory text and paragraph (b) are removed; paragraphs (c) and (d) are redesignated as paragraphs (b) and (c), respectively; and newly redesignated paragraph (c) is amended by removing "and if a policy provides for installment payments as a death benefit they will be calculated in accordance with the terms of the policy on the hypothesis of the death of the insured on the due date of the first premium to be guaranteed by the Government;" and adding, in its place, ";" immediately after the word "benefit."

6. In newly redesignated § 7.4, paragraph (a) is amended by removing "percentum" and adding, in its place, "percent"; paragraph (c) is removed; this section is further amended by revising the introductory text and paragraph (b) to read as follows:

§ 7.4 The premium.

The term premium as defined under 50 U.S.C. app. 540(b) shall include membership dues and assessments in an association.

* * * * *

(b) Premiums will not be guaranteed for benefits additional to the primary death benefit if, when combined with the amount of the primary death benefit, the total benefit would result in a payment in excess of \$10,000 or if liability for such benefits is excluded or restricted by military service or any activity which the insured may be called upon to perform in connection with military service. In the event that premiums for the primary and additional benefits are not separable under the terms of the policy the entire policy will be guaranteed, if the policy is otherwise eligible for protection under the law.

7. In newly redesigned § 7.5 paragraphs (b) and (d) are removed; paragraph (c) is redesignated as paragraph (b); newly redesignated paragraph (b) is amended by removing "at Washington DC, on the form prescribed for that purpose, VA-Form 9-381 (as revised)" and adding, in its place, "Regional Office and Insurance Center at Philadelphia, Pennsylvania"; and paragraph (a) is revised to read as follows:

§ 7.5 Application.

(a) The benefits of the Act are not available except upon application. The insured may designate any person, firm, or corporation to submit an application on his or her behalf. The designation must be in writing, signed by the insured and attached to the application.

* * * * *

§ 7.6 [Amended]

8. In newly redesignated § 7.6, the first sentence of the introductory text is amended by removing "but this guarantee will not extend for more than two years after the date when the act ceases to be in force".

9. In newly redesignated § 7.7, paragraphs (a), (c) and (e) are removed; paragraphs (b) and (d) are redesignated as paragraphs (a) and (b), respectively; newly redesignated paragraph (a) is amended by removing "(section 405, Soldiers' and Sailors' Civil Relief Act Amendments of 1942)," and adding, in its place, "(SSCRA, as amended)"; and newly redesignated paragraph (b) is revised to read as follows:

§ 7.7 Maturity.

* * * * *

(b) Upon the expiration of the period of protection, the insurer will submit to the Department of Veterans Affairs a complete statement of the account on each policy, which will show the amount of indebtedness by reason of the premiums with interest and the credits, if any, then available and will be subject to audit and approval by the Department of Veterans Affairs. The statement of account will include the rate of interest charged on all indebtedness, the date of debit and credit entries, and such other information as may be deemed necessary in making an audit of the account.

10. Newly redesignated § 7.8 is revised to read as follows:

§ 7.8 Beneficiary or assignee.

The consent of a beneficiary, assignee, or any other person who may have a right or interest in the proceeds of the

policy is not a prerequisite for placing a policy under the protection of the Act.

[FR Doc. 96-14367 Filed 6-6-96; 8:45 am]

BILLING CODE 8320-01-P

38 CFR Part 8a

RIN 2900-AH54

Veterans Mortgage Life Insurance

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Department of Veterans Affairs (VA) regulations relating to Veterans Mortgage Life Insurance (VMLI) by eliminating regulations that merely restate statutory provisions; and by deleting provisions that have no legal effect.

EFFECTIVE DATE: June 7, 1996.

FOR FURTHER INFORMATION CONTACT:

George Poole, Chief, Insurance Program Administration, Department of Veterans Affairs Regional Office and Insurance Center, PO Box 8079, Philadelphia, PA 19101, (215) 951-5718.

SUPPLEMENTARY INFORMATION: The Insurance Service of the Veterans Benefits Administration has determined that various regulations relating to VMLI are merely restatements of statutory provisions. Since they are redundant, they are unnecessary and may be eliminated.

This final rule consists of nonsubstantive changes and, therefore, is not subject to the notice-and-comment and effective-date provisions of 5 U.S.C. 553. The Secretary of Veterans Affairs hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612. This final rule will not affect any entity since it does not contain any substantive provisions. Therefore, pursuant to 5 U.S.C. 605(b), this amendment is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

The Catalog of Federal Domestic Assistance Program number for these regulations is 64.103.

List of Subject in 38 CFR Part 8a

Mortgage insurance, Veterans.

Approved: May 31, 1996.

Jesse Brown,

Secretary of Veterans Affairs.

For the reasons set out in the preamble, 38 CFR part 8a is amended as set forth below:

PART 8a—VETERANS MORTGAGE LIFE INSURANCE

1. The authority citation for part 8a is revised to read as follows:

Authority: 38 U.S.C. 501, and 2101 through 2106, unless otherwise noted.

§§ 8a.5 through 8a.7 [Removed]

2. Sections 8a.5 through 8a.7 are removed.

§ 8a.1 [Amended]

3. In § 8a.1, paragraphs (a) and (b) are removed; paragraphs (c), (d), (e), (f) and (g) are redesignated as paragraphs (a), (b), (c), (d) and (e) respectively; newly redesignated paragraph (b) is amended by adding “(VMLI)” after “Veterans Mortgage Life Insurance”; and newly redesignated paragraph (e)(3) is amended by removing “Chief Benefits Director” and adding, in its place, “Under Secretary for Benefits”.

§ 8a.2 [Amended]

4. In § 8a.2, paragraph (a), is amended by removing “Veterans Mortgage Life Insurance (VMLI)” and adding, in its place, “VMLI”; paragraph (a) is further amended by removing “8a.4(b) of this title, the amount of Veterans Mortgage Life Insurance” and adding, in its place, “8a.4(a) the amount of VMLI”; paragraph (b)(4) is amended by removing, “purchased or adapted in part with a grant, or subsequently acquired housing unit”; in paragraph (b)(6) the first sentence is removed; and paragraphs (b)(4), (b)(6), (b)(8) and (c) are amended by removing “Veterans Mortgage Life Insurance” each time and adding, in its place, “VMLI”.

§ 8a.3 [Amended]

5. In § 8a.3, paragraphs (a), (b), (c), and (e) are amended by removing “Veterans Mortgage Life Insurance” each time and adding, in its place, “VMLI”.

§ 8a.4 [Amended]

6. In § 8a.4, paragraph (a) is removed; paragraphs (b), (c) and (d) are redesignated as paragraph (a), (b) and (c) respectively; and newly redesignated paragraphs (a) and (c) are amended by removing “Veterans Mortgage Life Insurance” each time and adding, in its place, “VMLI”.

[FR Doc. 96-14366 Filed 6-6-96; 8:45 am]

BILLING CODE 8320-01-P

38 CFR Part 20

RIN 2900-A115

Rules of Practice: Elimination of Unnecessary Provisions Relating to Representation, Witnesses, and Access to Board Records

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Rules of Practice for the Board of Veterans' Appeals (Board) to eliminate unnecessary provisions concerning individuals who may assist an attorney in presenting evidence and argument at the Board, concerning testimony from members of Congress and Congressional staffs, and concerning Board records. The Board adjudicates appeals of denials of claims for veterans' benefits.

EFFECTIVE DATE: June 7, 1996.

FOR FURTHER INFORMATION CONTACT:

Steven L. Keller, Chief Counsel, Board of Veterans' Appeals, Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420 (202-565-5978).

SUPPLEMENTARY INFORMATION: This document eliminates from the Board's Rules of Practice provisions which are no longer necessary.

In § 20.606, relating to legal interns, law students and paralegals, former paragraph (a) is deleted. Previously, that paragraph limited to two the number of such individuals who may assist an attorney in presenting evidence and argument at the Board. Particularly with the limitation in former paragraph (d) of § 20.606—which limits to two the number of such individuals who may make a presentation at a hearing and permits the presiding Member to limit participation at a hearing—we do not believe the limitation in paragraph (a) is needed. New paragraph (d) (former paragraph (e)) is amended to provide that a presiding Member of a hearing—as well as the Chairman—may withdraw permission for a legal intern, law student or paralegal to prepare and present cases before the Board if the individual demonstrates incompetence, unprofessional conduct, or interference with the appellate process.

Section 20.710, relating to witnesses at hearings, is rewritten to delete specific instructions that Members of Congress and Congressional staff may testify at a hearing, and to delete the extensive discussion of the nature of an affirmation (as opposed to an oath). We do not believe either provision is necessary.

Section 20.1300, relating to access to Board records, is rewritten to limit its