

Source." This publication is incorporated by reference and may be inspected at any Coal Mine Health and Safety District and Subdistrict Office, or at MSHA's Office of Standards, 4015 Wilson Boulevard, Arlington, VA, and at the Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, DC. In addition, copies of the document can be purchased from the American Society for Testing (ASTM), 1916 Race Street, Philadelphia, Pennsylvania 19103. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51.

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9. On page 9835, in the first column, in § 75.333, paragraph (f) is corrected to read as follows:

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(f) When sealants are applied to ventilation controls, the sealant shall have a flame-spread index of 25 or less under ASTM E162-87, "Standard Test Method for Surface Flammability of Materials Using A Radiant Heat Energy Source." This publication is incorporated by reference and may be inspected at any Coal Mine Health and Safety District and Subdistrict Office, or at MSHA's Office of Standards, 4015 Wilson Boulevard, Arlington, VA, and at the Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, DC. In addition, copies of the document can be purchased from the American Society for Testing (ASTM), 1916 Race Street, Philadelphia, Pennsylvania 19103. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51.

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10. In the rule, on page 9835, in the third column, § 75.335, paragraph (a)(1)(iv) is corrected to read as follows:

§ 75.335 Construction of seals.

(a)(1) * * *

(iv) Coated on all accessible surfaces with flame-retardant material that will minimize leakage and that has a flame-spread index of 25 or less, as tested under ASTM E162-87, "Standard Test Method for Surface Flammability of Materials Using A Radiant Heat Energy Source." This publication is incorporated by reference and may be inspected at any Coal Mine Health and Safety District and Subdistrict Office, or at MSHA's Office of Standards, 4015 Wilson Boulevard, Arlington, VA, and at the Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, DC. In addition,

copies of the document can be purchased from the American Society for Testing (ASTM), 1916 Race Street, Philadelphia, Pennsylvania 19103. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51.

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11. On page 9835, in the third column, in § 75.335, paragraph (a)(2) is corrected to read as follows:

(a)(1) * * *

(2) Alternative methods or materials may be used to create a seal if they can withstand a static horizontal pressure of 20 pounds per square inch provided the method of installation and the material used are approved in the ventilation plan. If the alternative methods or materials include the use of timbers, the timbers also shall be coated on all accessible surfaces with flame-retardant material having a flame-spread index of 25 or less, as tested under ASTM E162-87, "Standard Test Method for Surface Flammability of Materials Using A Radiant Heat Energy Source." This publication is incorporated by reference and may be inspected at any Coal Mine Health and Safety District and Subdistrict Office, or at MSHA's Office of Standards, 4015 Wilson Boulevard, Arlington, VA, and at the Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, DC. In addition, copies of the document can be purchased from the American Society for Testing (ASTM), 1916 Race Street, Philadelphia, Pennsylvania 19103. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51.

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Dated: May 28, 1996.

J. Davitt McAteer,

Assistant Secretary for Mine Safety and Health.

[FR Doc. 96-14109 Filed 6-7-96; 8:45 am]

BILLING CODE 4510-43-P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 8

RIN 2900 AH55

National Service Life Insurance

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Department of Veterans Affairs (VA) regulations captioned "National Service Life Insurance" which were established

under the National Service Life Insurance Act of 1940, as amended (38 U.S.C. 1901-1929, 1981-1988). It deletes provisions that have become obsolete. It also deletes provisions contained in insurance policies that consist of restatements of statutes and other material not required to be published in the Federal Register. Additionally, it deletes other restatements of statute and makes changes for purposes of clarity.

EFFECTIVE DATE: June 10, 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: Under the umbrella of 38 CFR part 8, four distinct life insurance programs exist, namely, National Service Life Insurance (NSLI), Veterans' Special Life Insurance (VSLI), Veterans' Reopened Life Insurance (VRI) and Service Disabled Veterans Insurance (SDVI). Most of the policyholders insured under NSLI served during World War II, and their average age is now 72 years. The NSLI program opened in October 1940, and over 22 million policies were issued, of which about 2 million remain. The NSLI program remained open until April 1951, when two new programs were established for Korean War veterans. VSLI, opened in April 1951, was closed to new issues in December 1956. SDVI, also opened in April 1951, is the only program still available for new issues to veterans with service-connected disabilities. The VRI program was a limited one-year reopening, from May 1965 to May 1966, of the NSLI and VSLI programs to certain disabled veterans. As a result of the closure of the NSLI, VSLI, and VRI programs, provisions concerning issuance are deleted because they are obsolete. Furthermore, while these three programs provide for certain disability provisions, there are no insureds remaining who are age eligible for issuance of such riders and, hence, these provisions are further deleted as obsolete. Other provisions, such as those implementing the Servicemen's Indemnity Act of 1940, and other "sunset" provisions, are also obsolete and deleted accordingly.

Also, provisions which list guaranteed payments are deleted since such guaranteed payments reflect only a minimum payment and subsequent legislation allows for higher payment schedules. Thus, publication of minimum payments has no practical value. Provisions that are contained in insurance policies are likewise deleted

as unnecessary. These policy provisions contain restatements of statute and other material not required to be published in the Federal Register. Additionally, other provisions that merely restate statutory provisions are likewise deleted.

Lastly, some provisions are changed for purposes of clarity.

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 provision. 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 8

Life insurance, Mortgage insurance, Veterans.

Approved: May 31, 1996.

Jesse Brown,

Secretary of Veterans Affairs.

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

PART 8—NATIONAL SERVICE LIFE INSURANCE

1. The authority citation for part 8 continues to read as follows:

Authority: 38 U.S.C. 501, 1901–1929, 1981–1988, unless otherwise noted.

2. The undesignated center heading preceding §§ 8.16, 8.44, 8.49, 8.55, 8.59, 8.60, 8.61, 8.62, 8.70, 8.71, 8.80a, 8.100, 8.102, 8.103, 8.110, 8.113, 8.114, and 8.116 are removed.

§§ 8.0, 8.3 through 8.5, 8.7, 8.10, 8.11, 8.15, 8.16 through 8.19, 8.26a, 8.32, 8.34 through 8.36, 8.40, 8.41, 8.44, 8.47 through 8.51, 8.54, 8.55, 8.59, 8.60, 8.61, 8.62, 8.63, 8.70, 8.71, 8.75 through 8.78, 8.80, 8.80a through 8.83, 8.88 through 8.93, 8.95 through 8.95b, 8.96a through 8.99c, 8.100, 8.102, 8.103 and 8.110 through 8.112b, 8.113, 8.114 and 8.116 [Removed]

3. Sections 8.0, 8.3 through 8.5, 8.7, 8.10, 8.11, 8.15 through 8.19, 8.26a, 8.32, 8.34 through 8.36, 8.40, 8.41, 8.44, 8.47 through 8.51, 8.54, 8.55, 8.59 through 8.63, 8.70, 8.71, 8.75 through 8.78, 8.80 through 8.83, 8.88 through

8.93, 8.95 through 8.95b, 8.96a through 8.103, and 8.110 through 8.116 are removed.

§ 8.1 [Redesignated as § 8.0]

4. Section 8.1 is redesignated as § 8.0.

§ 8.2 [Redesignated as § 8.1]

5. Section 8.2 is redesignated as § 8.1 following the undesignated center heading **EFFECTIVE DATE**.

§§ 8.7a, 8.7b, 8.7c, 8.8, 8.9 [Redesignated as §§ 8.3 through 8.7, respectively]

6. Sections 8.7a through 8.7c, 8.8 and 8.9 are redesignated as §§ 8.3 through 8.7, respectively, following the undesignated center heading **“PREMIUMS”**.

§ 8.12 [Redesignated as § 8.8]

7. Section 8.12 is redesignated as § 8.8 following the undesignated center heading **“CALCULATION OF TIME PERIOD”**.

§ 8.14 [Redesignated as § 8.9]

8. Section 8.14 is redesignated as § 8.9 following the undesignated center heading **“GRACE PERIOD”**.

§§ 8.22, 8.23, 8.24 [Redesignated as §§ 8.10 through 8.12, respectively]

9. Sections 8.22 through 8.24 are redesignated as §§ 8.10 through 8.12, respectively, following the undesignated center heading **“REINSTATEMENT”**.

§ 8.26 [Redesignated as § 8.13]

10. Section 8.26 is redesignated as § 8.13 following the undesignated center heading **“DIVIDENDS”**.

§§ 8.27, 8.27a, 8.28 [Redesignated as §§ 8.14 through 8.16, respectively]

11. Sections 8.27 and 8.28 are redesignated as §§ 8.14 through 8.16, respectively, following the undesignated center heading **“CASH VALUE AND POLICY LOAN”**.

§§ 8.29, 8.30 [Redesignated as §§ 8.17 and 8.18, respectively]

12. Sections 8.29 and 8.30 are redesignated as §§ 8.17 and 8.18, respectively, following the undesignated center heading **“EXTENDED TERM AND PAID-UP INSURANCE”**.

§ 8.33 [Redesignated as § 8.19]

13. Section 8.33 is redesignated § 8.19 following the undesignated center heading **“CHANGE IN PLAN”**.

§§ 8.42, 8.43 [Redesignated as §§ 8.20 and 8.21, respectively]

14. Sections 8.42 and 8.43 are redesignated as §§ 8.20 and 8.21, respectively, following the undesignated center heading **“PREMIUM WAIVERS AND TOTAL DISABILITY”**.

§ 8.46 [Redesignated as § 8.22]

15. Section 8.46 is redesignated as § 8.22 following the undesignated center heading **“BENEFICIARIES”**.

§ 8.52 [Redesignated as § 8.23]

16. Section 8.52 is redesignated as § 8.23 following the undesignated center heading **“PROOF OF DEATH, AGE, OR RELATIONSHIP”**.

§ 8.56 [Redesignated as § 8.24]

17. Section 8.56 is redesignated as § 8.24 following the undesignated center heading **“AGE”**.

§§ 8.64, 8.65, 8.66 [Redesignated as §§ 8.25 through 8.27, respectively]

18. Sections 8.64 through 8.66 are redesignated as 8.25 through 8.27, respectively, following the undesignated center heading **“EXAMINATIONS”**.

§ 8.69 [Redesignated as § 8.28]

19. Section 8.69 is redesignated as § 8.28 following the undesignated center heading **“EXTRA HAZARDS”**.

§ 8.79 [Redesignated as § 8.29]

20. Section 8.79 is redesignated as § 8.29 following the undesignated center heading **“OPTIONAL SETTLEMENTS”**.

§ 8.85 [Redesignated as § 8.30]

21. Section 8.85 is redesignated as § 8.30 following the undesignated center heading **“RENEWAL OF TERM INSURANCE”**.

§§ 8.94, 8.96 [Redesignated as § 8.31 and 8.32, respectively]

22. Sections 8.94 and 8.96 are redesignated as §§ 8.31 and 8.32, respectively, following the undesignated center heading **“SETTLEMENT OF INSURANCE MATURING ON OR AFTER AUGUST 1, 1946”**.

§ 8.108 [Redesignated as § 8.33]

23. Section 8.108 is redesignated as § 8.33 following the undesignated center heading **“NATIONAL SERVICE LIFE INSURANCE POLICY”**.

§§ 8.117, 8.118, 8.119 [Redesignated as §§ 8.34 through 8.36]

24. Sections 8.117 through 8.119 are redesignated as §§ 8.34 through 8.36, respectively, following the undesignated center heading **“APPEALS”**.

25. In newly redesignated § 8.0, paragraph (b) is amended by removing “by the Chief Benefits Director. The Chief Benefits Director is responsible for readjusting such standards to reflect medical advances and current experience affecting mortality and disability”.

26. The newly redesignated § 8.1 is revised to read as follows:

§ 8.1 Effective date for insurance issued under section 1922(a) of title 38 U.S.C.

The effective date may be established upon written request of the applicant as follows:

(a) As of the date on which valid application and tender of premium are made.

(b) As of the first day of the month in which valid application and tender of premium are made.

(c) As of the first day of the month following the month in which valid application and tender of premium are made.

(d) As of the first day of any month, but not more than 6 months prior to the month in which valid application and tender of premium are made: *Provided*, That there be paid an amount equal to the full reserve on the insurance at the end of the month prior to the month in which application is made, and the full premium on the amount of insurance for the month in which application is made.

27. The newly redesignated § 8.2 is revised to read as follows:

§ 8.2 Payment of premiums.

Premiums on National Service Life Insurance may be paid by direct remittance to the Department of Veterans Affairs, or by allotment of service pay or retirement pay.

(Authority: 38 U.S.C. 1908)

28. The newly redesignated § 8.3 is revised to read as follows:

§ 8.3 Correction of errors.

Where timely tender of the required premium is made by check or draft which is not paid on presentation for payment, but it is shown by satisfactory evidence that such nonpayment was due to an error on the part of the bank on which such check or draft was drawn, or was the result of an error in the instrument or in the execution thereof, and not for the lack of funds, the insured will be given an additional 31 days from the date of the letter that gives notice of such nonpayment in which to tender an amount sufficient to pay all premiums through the current month.

§ 8.5 [Amended]

29. In newly redesignated § 8.5, paragraph (a)(5) is amended by removing, “(§§ 8.14 and 8.15)” and adding, in its place, “(§ 8.9)”; and paragraphs (a)(7) and (b)(3), are amended by removing “(§ 8.29)” and adding, in its place “(§ 8.17)”.

§ 8.6 [Amended]

30. In newly redesignated § 8.6, paragraph (a) is amended by removing

“section 5502(f) of title 38 U.S.C., and § 13.57” and adding, in its place, “Part 13”.

31. The newly redesignated § 8.7 is revised to read as follows:

§ 8.7 Authorization for deduction of premiums from compensation, retirement pay, or pension.

Deductions from benefits for the payment of premiums shall be effective on the month the authorization for such deduction is received by the Department of Veterans Affairs or on any successive month specified by the insured. Such deduction shall be applied to the premium due in the succeeding calendar month and shall continue monthly so long as the benefit payments are due and payable to the insured and the amount is sufficient to pay the premium or until such authorization is revoked by the veteran or otherwise terminated. When premium deductions are authorized by the insured, the premium will be treated as paid for purposes of preventing lapse of the insurance, so long as there is due and payable to the insured a benefit amount sufficient to provide the premium payment. If authorization was executed by the Director of a VA hospital or domiciliary or chief officer of a State hospital or other institution to make deductions from an institutional award, the authorization will cease and terminate at the termination of the institutional award and the insurance shall lapse unless another authorization for deduction from monthly benefit payments is executed by the insured. The insured will be notified by letter directed to the last address of record of the termination of the authorization to deduct premiums, but failure to give such notice shall not prevent lapse.

§ 8.8 [Amended]

32. Newly redesignated § 8.8 is amended by removing “§§ 8.7a, 8.7b, or 8.7c” and adding, in its place, “§§ 8.3, 8.4 or 8.5”.

33. The newly redesignated § 8.9 is revised to read as follows:

§ 8.9 Establishment of grace period.

For the payment of any premium under a National Service Life Insurance policy, a grace period of 31 days from and after the date on which the premium was due will be allowed without interest during which time the policy will remain in force. When a payment of premium is mailed, the postmark date will be accepted as the date on which the payment was tendered. If a premium is not paid before the expiration of the grace period, the effective date of lapse shall be the

due date of the unpaid premium. If the policy matures within the grace period, the unpaid premium or premiums shall be deducted from the amount of insurance payable.

34. The newly redesignated § 8.10 is revised to read as follows:

§ 8.10 Reinstatement of National Service Life Insurance except insurance issued pursuant to section 1925 of title 38 U.S.C.

(a) Any policy which lapses and which is not surrendered for a cash value or for paid-up insurance, may be reinstated upon written application signed by the applicant, payment of all premiums in arrears, and evidence of good health as required under § 8.11 (a) or (b), whichever is applicable. If a policy is not reinstated within 6 months from the due date of the premium in default, interest must be paid in addition to premiums for all months in arrears from their respective due dates at the rate of 5 percent per annum, compounded annually. The payment or reinstatement of any indebtedness against a policy must be made upon application for reinstatement, and any excess of indebtedness and interest over the reserve of the policy must be paid at that time. A lapsed National Service Life Insurance policy which is in force under extended term insurance may be reinstated within 5 years from the date extended insurance would expire upon application and payment of all premiums in arrears with the required interest. In any case in which the extended insurance under an endowment policy provides protection to the end of the endowment period, the policy may be reinstated at any time before maturity upon application and payment of the premiums with the required interest. A policy on the level term premium plan may be reinstated within 5 years of the date of lapse upon written application signed by the insured, evidence of insurability and payment of two monthly premiums, one for the month of the lapse, the other for the month of reinstatement.

(b) *Reinstatement of insurance issued under section 1925, title 38 U.S.C.* Any policy of insurance issued under 38 U.S.C. 1925 which has been lapsed for not more than 5 years shall be reinstated under the same provisions of paragraph (a) of this section.

(c) *Effective date of reinstatements.* Reinstatement is effected on the date an acceptable application and the required monetary payments are delivered to the Department of Veterans Affairs. If application for reinstatement is submitted by mail, properly addressed to the Department of Veterans Affairs, the postmark date shall be the date of

delivery. The effective date of reinstatement of the insurance shall be the last monthly premium due date prior to the delivery or postmark date of the application for reinstatement, except where reinstatement is effected on the due date of a premium, then in such case that date shall be the reinstatement date.

(d) *Inquiry during the grace period.* When the insured makes inquiry prior to the expiration of the grace period disclosing a clear intent to continue insurance protection, such as a request for information concerning premium rates or conversion privileges, etc., an additional reasonable period not exceeding 60 days may be granted for payment of premiums due; but the premiums in any such case must be paid during the lifetime of the insured.

§ 8.11 [Amended]

35. In newly redesignated § 8.11, paragraph (b) is amended by removing “§ 8.1” and adding, in its place, “§ 8.0”; it is further amended by removing “§ 8.0 (b), (d)(2)(i), or (d)(2)(ii)” and adding, in its place, “38 U.S.C. 1922(a), 1925(b), or 1925(c)”; and by removing “§ 8.0(d)(2)(iii)” and adding, in its place, “38 U.S.C. 1925(a)”.

§ 8.12 [Amended]

36. Newly redesignated § 8.12 is amended by removing “§ 8.23” and adding, in its place, “§ 8.11”; and by removing “§ 8.23(a)” and adding, in its place, “§ 8.11(a)”.

§ 8.13 [Amended]

37. In newly redesignated § 8.13, paragraph (f) is amended by removing “in § 8.60” and adding, in its place, “§ 5301 of title 38 U.S.C.”; and paragraph (g) is amended by removing “§§ 8.29 and 8.30,” and adding, in its place, “§§ 8.17 and 8.18”.

38. The newly redesignated § 8.14 is revised to read as follows:

§ 8.14 Cash value and policy loan.

(a) Provisions for cash value, paid-up insurance, and extended term insurance, except as provided in § 8.17(b), shall become effective at the completion of the first policy year on any plan of National Service Life Insurance other than the 5-year level premium term plan. The cash value at the end of the first policy year and at the end of any policy year thereafter, for which premiums have been paid in full, shall be the reserve with any dividend accumulations, where applicable.

(b) Upon written request and upon complete surrender of the insurance and all claims thereunder, the United States will pay to the insured the cash value

of the policy less any indebtedness, provided the policy has been in force by payment or waiver of the premiums for at least 1 year. Paid-up additions do not have to be in force for 1 year before they have cash values. Unless otherwise requested by the insured, a surrender will be deemed completed as of the end of the premium month in which the application for cash surrender is delivered to the Department of Veterans Affairs, or as of the date of the check for the cash value, whichever is later. If the application is forwarded by mail, properly addressed, the postmark date will be taken as the date of delivery. If it is forwarded through military channels, the date the application is placed in military channels will be taken as the date of delivery.

(c) All values, reserves and net single premiums on participating National Service Life Insurance, other than as provided in paragraph (e) of this section, shall be based on the American Experience Table of Mortality, with interest at the rate of 3 percent per annum. For each month after the first policy year for which month a premium has been paid or waived, the reserve at the end of the preceding policy year shall be increased by one-twelfth of the increase in reserve for the current policy year.

(Authority: 38 U.S.C. 1902, 1906)

(d) All values on insurance, reserves, and net single premiums issued under the provisions of section 1922(a) of title 38 U.S.C., and on modified life and ordinary life plans of insurance issued under section 1904(c), (d), and (e), respectively, shall be based on the Commissioners 1941 Standard Ordinary Table of Mortality with interest at the rate of $2\frac{1}{4}$ percent per annum. Values between policy years shall be proportionally adjusted.

(Authority: 38 U.S.C. 1904, 1906)

(e) All values on insurance, reserves, and net single premiums issued under the provisions of section 1923(b) of title 38 U.S.C., and on modified life and ordinary life plans of such insurance issued under section 1904 (c), (d), and (e), respectively, shall be based on table X-18 (1950-54 Intercompany Table of Mortality) with interest at the rate of $2\frac{1}{2}$ percent per annum. Values between policy years shall be proportionally adjusted.

(Authority: 38 U.S.C. 1904, 1923)

(f) All values, reserves, and net single premiums on nonparticipating insurance on which the requirements of good health were waived under the provisions of section 602(c)(2) of the National Service Life Insurance Act, as

amended (“H” Insurance), and on the modified life and ordinary life plans of such “H” insurance issued under section 1904 (c), (d), and (e), respectively, of title 38 U.S.C. shall be based on the American Experience Table of Mortality, with interest at the rate of 3 percent per annum. Values between policy years shall be proportionally adjusted. The provisions of the “Net Cash Value” clause in National Service Life Insurance policies are hereby amended accordingly.

(g) All values, reserves, and net single premiums on participating modified life and ordinary life plan insurance issued under section 1904 (b), (d), and (e), respectively, of title 38 U.S.C. shall be based on the 1958 Commissioners Standard Ordinary Basic Table of Mortality and interest at the rate of 3 percent per annum. Values between policy years shall be proportionally adjusted.

(h) All values, reserves, and net single premiums on insurance issued under the provisions of section 1925(b) of title 38 U.S.C., and on modified life and ordinary life plans of such insurance issued under section 1904 (c), (d), and (e), respectively, shall be based on the 1958 Commissioners Standard Ordinary Basic Mortality Table and interest at the rate of $3\frac{1}{2}$ percent per annum. Values between policy years shall be proportionally adjusted.

(i) All values, reserves, and net single premiums on insurance issued under the provisions of section 1925(c) of title 38 U.S.C., and on modified life, ordinary life, 20-payment life and 30-payment life plans, where appropriate, of such insurance issued under section 1904 (c), (d), and (e), respectively, shall be based on the American Experience Table of Mortality and interest at the rate of $3\frac{1}{2}$ percent per annum. Values between policy years shall be proportionally adjusted.

(Authority: 38 U.S.C. 1906)

(ii) [Reserved]

§ 8.15 [Amended]

39. In newly redesignated § 8.15, paragraph (a) is amended by removing “under the provisions of § 8.27 (a) through (g) the insured may elect to receive payment in monthly installments under option 2 (§§ 8.79, 8.80, 8.80c, and 8.81, as applicable) or as a refund life income option in accordance with the applicable provisions of §§ 8.80, 8.80c, 8.81, and 8.92a.” and adding, in its place, “the insured may elect to receive payment in monthly installments under option 2 or as a refund life income.”; by removing “§ 8.89” and adding, in its place, “title

38 U.S.C. 1917"; by removing paragraphs (b) and (c).

§ 8.18 [Amended]

40. Newly redesignated § 8.18 is amended by removing "as set forth in § 8.26(a)".

41. The newly redesignated § 8.19 is revised to read as follows:

§ 8.19 Conversion of a 5-year level premium term policy as provided for under § 1904 of title 38 U.S.C.

National Service Life Insurance on the level premium term plan which is in force may be exchanged for a permanent plan policy upon written application by the insured and the payment of the current monthly premium at the attained age for the plan of insurance selected (except where premium waiver under 38 U.S.C. 1912 is effective). The reserve (if any) on the policy will be allowed as a credit on the current monthly premium except where premium waiver is effective. Conversion to an endowment plan may not be made while the insured is totally disabled. The conversion will be made without medical examination, except when deemed necessary to determine whether an applicant for conversion to an endowment plan is totally disabled, and upon complete surrender of the term insurance while in force by payment or waiver of premium.

(Authority: 38 U.S.C. 1904)

42. The newly redesignated § 8.21 is revised to read as follows:

§ 8.21 Total disability-speech.

The organic loss of speech shall be deemed to be total disability under National Service Life Insurance. 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.

43. The newly redesignated § 8.22 is revised to read as follows:

§ 8.22 Beneficiary and optional settlement changes.

The insured shall have the right at any time, and from time to time, and without the knowledge or consent of the beneficiary to cancel or change a beneficiary and/or optional settlement designation. A change of beneficiary or optional settlement to be effective must be made by notice in writing signed by the insured and forwarded to the Department of Veterans Affairs by the insured or designated agent, and must

contain sufficient information to identify the insured. A beneficiary designation and an optional settlement selection, but not a change of beneficiary, may be made by last will and testament duly probated. Upon receipt by the Department of Veterans Affairs, a valid designation or change of beneficiary or option shall be deemed to be effective as of the date of execution. Any payment made before proper notice of designation or change of beneficiary has been received in the Department of Veterans Affairs shall be deemed to have been properly made and to satisfy fully the obligations of the United States under such insurance policy to the extent of such payments.

§ 8.23 [Amended]

44. Newly redesignated § 8.23 is amended by removing "of §§ 3.1(j), 3.204, 3.205 (a) and (b), 3.209, 3.211, and 3.212" and adding, in its place, "found in Part 3".

§ 8.25 [Amended]

45. In newly redesignated § 8.25, paragraph (b) is removed; and paragraph (a) is amended by removing "(a) Except as provided in paragraph (b) of this section where" and adding, in its place, "Where".

§ 8.27 [Amended]

46. Newly redesignated § 8.27 is amended by removing "§ 8.64(b)" and adding, in its place, "§ 8.25".

47. The newly redesignated § 8.29 is revised to read as follows:

§ 8.29 Options.

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

§ 8.30 [Amended]

48. In newly redesignated § 8.30, in the heading, "and limited convertible 5-year level premium plan" is removed; in paragraph (a), in the first sentence, "except as provided in paragraph (c) of this section," is removed; and "or limited convertible 5-year level premium term plan" is removed; in paragraph (b)(3)(ii), "(§ 8.1)" is removed and "(8.0)" is added in its place; paragraph (c) is removed.

49. Newly redesignated § 8.32 is revised to read as follows:

§ 8.32 Application for reinstatement of total disability income provision.

A total disability income provision which is lapsed may be reinstated if the insured meets the same requirements as those for reinstatement of the policy to which the total disability income provision is attached; except that in no

event shall the requirement of a health statement or other medical evidence be waived in connection with the reinstatement of the total disability income provision.

50. Newly redesignated § 8.33 is revised to read as follows:

§ 8.33 Policy provisions.

Contracts of insurance authorized to be made in accordance with the terms and conditions set forth in the forms and policy plans are subject in all respects to the applicable provisions of title 38 U.S.C., amendments and supplements thereto, and applicable Department of Veterans Affairs regulations promulgated pursuant thereto, all of which together with the insured's application, required evidence of health, including physical examination, if required, and tender of premium shall constitute the contract.

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38 CFR Part 17

RIN 2900-A107

Autopsies

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the autopsies regulations. The regulations in effect prior to the effective date of this document set forth a mechanism for informing the appropriate United States Attorney through a VA Regional Counsel's Office of a death at a VA facility when it is "suspected that the death resulted from crime or the cause of death is unknown." This merely was intended to apply when there was a suspicion that a death resulted from a crime. The words "or the cause of death is unknown" are removed based on the determination that they are not necessary to accomplish the intended purpose and could be misunderstood to mean that the autopsy procedures were intended to apply when there is no suspicion of a crime. This document also changes the term "coroner" to "medical examiner/coroner" to reflect that in the context of the regulations it is appropriate for both names to be used interchangeably.

EFFECTIVE DATE: June 10, 1996.

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