

**EIGHTY-SIXTH NATIONAL CONVENTION  
OF  
THE AMERICAN LEGION  
NASHVILLE, TENNESSEE  
August 31, September 1, 2, 2004**

**Resolution No. 236: The American Legion Policy On Department Of Veterans  
Affairs National Service Life Insurance**

**Origin: Wyoming**

**Submitted by: Convention Committee on Veterans Affairs and Rehabilitation**

WHEREAS, No regular government life insurance program was available to veterans entering and leaving service in the period January 1957 to September 1965; and

WHEREAS, Veterans of the Vietnam War serving on active duty during the period beginning September 29, 1965, through May 7, 1975, were covered under either the Servicemen's Group Life Insurance (SGLI) program or, later, the Veterans Group Life Insurance (VGLI) program; and

WHEREAS, Upon discharge or separation from service, individuals had only 120 days within which to convert their government life insurance to a private commercial policy, with Veterans Group Life Insurance not becoming available until August 1974, with a retroactive open period to 1970 for unconverted active or inactive SGLI policies, but not applying to the major portion of the Vietnam War; and

WHEREAS, Many of these veterans experienced extraordinarily severe readjustment problems and were often financially and/or emotionally unable to take advantage of the conversion provision within the 120-day time limit after discharge from service; and

WHEREAS, Many Vietnam War veterans who did not convert their government life insurance to a private policy, as well as veterans of the World War II and Korean War period whose National Service Life Insurance (NSLI) policies may have lapsed, and veterans of the Cold War period of 1957—1965 who had no government life insurance coverage for their families' protection, but because of disability may not be able to purchase commercial insurance; and

WHEREAS, There is precedent for the reopening of the National Service Life Insurance program in that it was previously reopened in 1965—1966 for World War II and Korean War veterans with disabilities who had been eligible to apply for NSLI on or after October 8, 1940, through December 31, 1956, (disabilities could have been service-connected and/or nonservice-connected); and

WHEREAS, Since 1951, veterans granted a service-connected disability and who are otherwise in good health may purchase up to a basic \$10,000 of NSLI service-disabled insurance at standard rates within two years from the date the VA notifies them of the grant of service connection (one year prior to September 1, 1991); and

WHEREAS, Many such eligible veterans, due to financial hardships and problems associated with their service-connected disabilities and adjustments to civilian life, or to notification problems resulting from VA procedures, did not apply for NSLI service-disabled insurance within the prescribed eligibility period; and

WHEREAS, VA service-disabled life insurance does not permit an eligibility period for increases in previously rated service-connected disabilities, but only for new ratings; and

WHEREAS, Those who may now be able to afford insurance at standard NSLI-disabled rates, and who still would meet the underwriting criteria, cannot apply due to the statutory bar; and

WHEREAS, The continuous inflation of the past four decades has rendered the maximum face value of \$10,000 for basic NSLI coverage totally inadequate; now, therefore, be it

**RESOLVED, By The American Legion in National Convention assembled in Nashville, Tennessee, August 31, September 1, 2, 2004, That The American Legion sponsor and support legislation to amend Title 38, United States Code, to provide for the reopening of the National Service Life Insurance program for a minimum of one year for all disabled veterans within underwriting criteria similar to that of the Veterans Reopened Program of 1965—1966, to include a similar reopened period for the service-disabled insurance program for those veterans in good health except for their service-connected disabilities, regardless of the date of their service-connected rating, and that such reopened issues be at a maximum optional face value at a level that appropriately reflects current inflationary experience.**