
REQUIRING INSURANCE COMPANIES TO ACCEPT OFFICIAL
REPORTS AS SATISFACTORY PROOF OF DEATH.

APRIL 6, 1918.—Ordered to be printed.

Mr. WILLIAMS, from the Committee on Finance, submitted the
following

REPORT.

[To accompany S. 3475.]

The Committee on Finance, to whom was referred the bill (S. 3475) to prescribe the requisite form of proof of death under policies or contracts of insurance covering the lives of persons in or attached to the military forces of the United States, and for other purposes, having considered the same report thereon with the recommendation that the bill do pass without amendment.

The bill has the approval of the Secretary of War as will be seen by the communication attached hereto and made a part of this report.

WAR DEPARTMENT,
Washington, January 9, 1918.

To the CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
United States Senate.

SIR: I desire to invite your attention to a draft herewith of proposed legislation requiring insurance companies to accept as a satisfactory proof of death the official reports of deaths issued by the War Department. The necessity for such legislation was brought to my attention by the following cablegram from the commanding general, American Expeditionary Forces:

"Recommend legislation be urged requiring insurance companies to accept as satisfactory proof of death official reports of deaths issued by War Department under provisions similar to those described in United States Department of Labor Children's Bureau, Miscellaneous Series No. 10, bureau publication No. 25, pages 35 and 36.

"Recommend certificate of death similar to that on page 37 same publication be issued by War Department for missing men believed to be dead after thorough investigation of the case."

In this connection it should be noted that life insurance has developed to a greater degree in the United States than in other countries, and this is an indication that we shall, in all probability, have a serious problem to face in the matter of insurance payable to the beneficiary of men whose death can not be established in the usual way acceptable to commercial insurance companies.

This difficulty will arise from the inability to obtain complete formal records of death owing to the exigencies of the military service, which does not observe the usual statistical requirements of peace times, as interments must be promptly attended to. There is also the inability to give any report about some men, except that they are missing." Thus, if the commercial insurance companies adhere to their usual peace rule, and wait for a period of several years after disappearance, before paying the proceeds to the beneficiary, it will result in great hardships in a number of cases.

In this connection attention might be invited to the fact that other countries have handled this matter in a way which seems to give satisfaction. For example, the Canadian system provides (pp. 35 and 36, "Care of Dependents of Enlisted Men in Canada," United States Department of Labor, Children's Bureau, Miscellaneous Series No. 10) that all insurance companies transacting life insurance in the Dominion shall accept as satisfactory proof of death the official certificate of death or presumption of death which the War Department may issue, and that if subsequently the policyholder should prove to be alive and the company should be unable to have the amount refunded by the beneficiary, the Government will reimburse the company for the payment which has been made.

It is believed that this provision is suggested so as to make the insurance companies feel free to make payment under the proof of death furnished by official records and thereby relieve a soldier's beneficiary of the expense and delay which would be necessitated by suit in the courts to collect the insurance. In cases where the official records are to the effect that the insured is missing, to relieve the beneficiary of the necessity of delaying collection of the insurance until such time as under the general provisions of law presumption of death would arise is no doubt also one of the reasons for the Canadian system. The added protection given the soldier and his beneficiary under such provisions seem to have convinced the Canadian Government that it was its duty to make refund to the insurance company in the case mentioned. The War Department believes that this Government should view the matter in the same light, and with this in view proposes the legislation referred to.

Respectfully,

NEWTON D. BAKER, *Secretary of War.*

