

SGLI Denial of Payments

Cause of death is irrelevant for purposes of paying SGLI (see 38 USC Sections 1965 - 1976 and 38 CFR Part 9). So long as you are covered, SGLI will pay your beneficiaries even if your death is the result of DUI or not wearing a seat belt (even suicide is covered). Again, cause of death is irrelevant for purposes of paying SGLI.

SGLI will not pay out in certain circumstances, but these circumstances relate to whether the individual was covered by SGLI at the time of death. For example, a service member who is AWOL for more than 30 days, confined by civilian authorities for more than 30 days, or serves more than 30 days under a court martial sentence involving total forfeiture of all pay and allowances is no longer covered by SGLI (see 38 U.S.C. Section 1968(a)(1)(B)). Further, any person guilty of mutiny, treason, spying, or desertion, or who because of conscientious objections, refuses to perform service in the Armed Forces of the U.S. or refuses to wear the uniform is not covered by SGLI (see 38 U.S.C. Section 1973).

Factors such as DUI or not wearing a seat belt in a jurisdiction that requires the use of one could well be the basis for denying Dependency Indemnity Compensation (DIC) to otherwise eligible beneficiaries. The reason is that in order for your beneficiaries to receive DIC your death must not have been due to your own misconduct. There is no such test for SGLI.