*Gold Star Wives of America, Inc.*

200 N. Glebe Road, Room 425, Arlington, Virginia 22203

**REPEAL THE SURVIVOR BENEFIT PLAN/DEPENDENCY AND INDEMNITY COMPENSATION**

**(SBP/DIC) OFFSET**

Objective: To repeal the law that requires a $1.00 reduction in a DoD Survivor Benefit Program (SBP)

for each $1.00 received from the VA's Dependency and Indemnity Compensation (DIC) program. SBP is a premium based voluntarily selected benefit of retirement.

***Legislation: 113th Congress***

***HR 32 Rep. Joe Wilson, SC***

*172 Co-sponsors (8/1/2013}*

***S 734 Sen. Bill Nelson, FL and***

***Sen. Susan Collins, ME.***

*24 Co-sponsors (8/1/2013)*

***Cost FY11****:*

*Military Retirement Trust Fund Outgoing $55 Billion to military retirement and survivor payments*

*$3.61 Billion to 294,000 Surviving*

*Spouses*

***CBO score:***

*$477 Million (2013) owed to 59,241 offset Widows (less than 1% of*

*$55 B)*

***Original Survivor Benefit Bill HR 10670,*** *signed by President Richard Nixon, Sept 21, 1972, House Report 92-481 passed as a free standing bill*

*For more information, contact:*

***Gold Star Wives of America, Inc****.*

*888-751-6350*

*703-351-6246* [*www.goldstarwives.org*](http://www.goldstarwives.org)

***Military Compensation website***

[*http://militarypay.defense.gov/survivor/sbp/index.html*](http://militarypay.defense.gov/survivor/sbp/index.html)

*based on 50% of active duty base pay*

***VA Compensation***

[*http://www.vba.va.gov/bln/21/Rates/comp01.htm*](http://www.vba.va.gov/bln/21/Rates/comp01.htm)

**Surviving Spouses Deserve Equal Beneficiary Status:**

**No DIC offset for other beneficiary categories, such as:**

• Remarried surviving spouses over age 57 receive both SBP and DIC payments (2004)

• Surviving children do not have offset between SBP and DIC

• Former spouses may receive SBP and current spouse receives DIC

• Surviving spouses receive SBP from first marriage and DIC from second marriage

• Surviving spouses of non-service connected death receive full SBP up to 55% (SBP/62)

• 31,000 surviving spouses have NO SBP to pay TRICARE premiums, CHAMPVA has no premiums

• Federal Civil Service Survivor Annuity is not offset by DIC and no premiums are paid for survivor benefit by civilian employees who die in active employment.

• Retirees pay SBP premium of 61/2% of retired pay and premium refund is proportionate to SBP paid.

**Favorable Recommendations Eliminate Offset to SBP/DIC:**

• The Veterans Disability Benefits Commission (2007)

• Commission on Care for America's Returning Wounded

Warriors (2007)

* 11th Quadrennial Review of Military Compensation (2012)

**Philosophical Basis of DoD's Survivor Benefit Plan:**

To supplement the survivor benefit of Social Security at age 62. (Repealed in 2003)

To establish a survivor benefit similar to the Federal Civil Service Annuity or 55% of retired pay with a reasonable "cost sharing" premium

• 2001, all military active duty deaths receive SBP, no premiums paid

• Federal Civilian Employee / no premiums paid for survivor annuity

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SBP IMPACT  As Of 09/18/2012** | | | | | | | | | | |
| **Rank** | **Status** | **SBP Monthly Premium** | **Monthly Retired Pay 2012** | **Monthly VA Disability 2012** | **Monthly Total** | **Monthly SBP Annuity** | **Monthly VADIC Benefit** | **Monthly VA/DIC Offset** | **Gross Monthly Income** | **Percentage of Pre death mil/va**  **Income** |
| E-7-20 YRS |  | $141. mo. |  |  |  |  |  |  |  |  |
|  | 100% Disabled Veteran with Spouse |  | $2,169 | $2924 | $5,093 | N/A | N/A | N/A | $5,093 |  |
|  | UnRemarried Surviving Spouse |  |  |  |  | $1,192 | $1,195 | ($1,192) | $1,195 | 23.46% |
|  | Remarried Surviving Spouse =>57 |  |  |  |  | $1,192 | $1,195 | 0 | $2,387 | 46.86% |
| 0-5 20  YRS |  | $271.mo |  |  |  |  |  |  |  |  |
|  | 100% Disabled Veteran with Spouse |  | $4,180 | $2924 | $7,104 | N/A | N/A | N/A | $7,104 |  |
|  | UnRemarried Surviving Spouse |  |  |  |  | $2,299 | $1,195 | $1,104 | $2,299 | 32.23% |
|  | Remarried Surviving Spouse =>57 |  |  |  |  | $2,299 | $1,195 | 0 | $3,494 | 49.18% |

Rank 0- 5 20 YRSPrecedent

**Military Retired Pay/Survivor Benefit Offsets**

**eliminated or expanded by Congress**

* **1999 Repealed Federal Civilian Pay offset to Military Retired pay for Regular Officers --- PL 106-65.**
* **1999 Recognize incremental repeal of “Concurrent Receipt” Military retired pay and VA’s disability compensation**
* **2001-2003 expanded full “concurrent receipt” to combat disabled servicemembers (20+yrs)**
* **2001-2003 ten yr. phase out of disability offset for 20yr.+ retirees with 100%-50% disability**
* **2001 Survivor Benefit Annuity eligibility extended to spouses and children <20yrs service.**
* **2004 4 year phase out to repeal Social Security offset to Survivor Benefit Annuity at age 62**
* **2004 Immediate concurrent receipt for 100% disabled retirees (20+yrs)**
* **2005 accelerated “concurrent receipt” for “unemployable disabled retirees”**
* **2006 “Benjamin Moore Act” provides SBP to AD surviving children 2001-2003 PL 109-364**
* **2008 Surviving Spouse Indemnity Allowance $50 + to 2013 PL 110-181**
* **2009 Increased and extended SSIA to 2017 PL 111-31**