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.

New Bills: 114th Congress

H.R. 1594 Rep Joe Wilson, SC
79 Co-sponsors (4/28/2015)

S. 979 Sen. Bill Nelson, FL and Sen. Susan Collins, ME

S. Con.Res.11 Budget FY16
Sen. Michael Enzi, WY

FY14 Average SBP $1,099 mo.

Cost FY14
Military Retirement Trust Fund
Outgoing $56.6 Billion to military retirement and survivor payments
$3.85 Billion to 294,000 Surviving Spouses

CBO score:
$500 Million (FY15) owed to 62,094 offset Widows (less than 1% of $55 Billion outgo)

Surviving Spouses Deserve Equal Beneficiary Status.
No DIC offset for other SBP beneficiaries, such as:
- Remarried surviving spouses over age 57 receive both SBP and DIC payments (2003)
- Surviving children
- Former spouses receive SBP and current spouses receive DIC based on one service member's benefits
- Surviving spouses may 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- Surviving spouses of non-service connected death receive full SBP up to 55% (SBP/62 offset repealed in 2003)
- 37,685 surviving spouses receive NO SBP, yet pay TRICARE premiums, CHAMPVA has no premiums
- Federal Civil Service Survivor Annuitants
- 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 original Survivor Benefit Bill:
H. R. 10670 (1972) -
To establish a survivor benefit program to provide income replacement for survivors with reasonable cost sharing by the retiree; to supplement social security; and to parallel the Civil Service Retirement System as closely as possible.
## SBP IMPACT --- 05/1/2015

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<td>$143. mo.</td>
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<td>0-5 20 YRS</td>
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<td>Un-Remarried Surviving Spouse</td>
<td>$2,339 $1,254</td>
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## Military Retired Pay/Survivor Benefit Offsets

### Eliminated or Expanded by Congress

- **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.
- **2003** Repealed SBP/DIC offset for surviving spouses who remarry after age 57
- **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”
- **2008** Surviving Spouse Indemnity Allowance $50 + to 2013 PL 110-181
- **2009** Increased and extended SSIA to 2017 PL 111-31
- **2011** S. A. 1209 to S.1867 Elimination of SBP/DIC offset agreed to by voice vote, stripped in Conference.

Last revised 5/1/2015