



T H E M I L I T A R Y C O A L I T I O N

201 North Washington Street
Alexandria, Virginia 22314
(703) 838-8113

September 16, 2005

The Honorable Jon Corzine
United States Senate
Washington, DC 20510

Dear Senator Corzine:

The Military Coalition (TMC), a consortium of nationally prominent military and veterans organizations representing more than 5.5 million active duty, Guard and Reserve, retired and former members of the uniformed services, plus their family members and survivors is writing to ask your support for Sen. Bill Nelson's amendment (SA762) to the FY2006 Defense Authorization Bill, that would correct two major military Survivor Benefit Plan (SBP) inequities. Sen Nelson's amendment would (1) end the unfair deduction of VA survivor benefits from military SBP annuities when military service causes an active duty or retired member's death and (2) move up the effective date of 30-year, paid-up SBP coverage from October 1, 2008 to October 1, 2005.

TMC urges you to oppose Sen. John Warner's 2d degree amendment that would simply require a study of the SBP annuity deduction and drop the paid-up SBP initiative entirely.

TMC believes another study is not required to do what's right. We believe strongly that, when military service causes the member's death, the VA's payment of Dependency and Indemnity Compensation (DIC) should be considered just that – an additional indemnity for the service's role in the member's untimely death. It should be added to SBP, not substituted for it. The new lump sum death benefit improvements are not applicable to tens of thousands of widows affected by the DIC offset, which leaves large numbers of survivors with an annuity of only \$993 per month. While some relatively recent widows can transfer SBP eligibility to children, if any, this does nothing to help older survivors or those without children. Further, many survivors who are financially compelled to take advantage of this temporary relief will be left at an even greater long-term disadvantage because they must forfeit all SBP eligibility when their children are grown. These SBP-DIC offset injustices need to be fixed for 55,000 military survivors.

Similarly, older retirees need and deserve relief from the current 2008 effective date of paid-up SBP. That delayed effective date means that thousands of Greatest Generation retirees who have been paying into SBP since 1972 will have to pay up to 36 years of premiums, and will end up paying one-third more premiums than members who retired after 1978.

TMC believes the time for action on Sen. Nelson's amendment is now. Failure to do so would do a disservice to the thousands of survivors and retirees who have waited years for relief from these two SBP inequities.

TMC urges you to vote for Sen Nelson's SBP amendment and oppose any effort to dilute or defer action on these long-overdue fixes for military widows and "Greatest Generation" retirees.

Sincerely,

The Military Coalition
(Signatures enclosed)

cc: Sen Bill Nelson