



## 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

August 24, 2005

The Honorable John Warner  
Chairman, Armed Services Committee  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The Military Coalition, 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 you to reconsider your proposed 2<sup>nd</sup>-degree amendment to the Senate's FY2006 Defense Authorization Bill that would negate Sen. Bill Nelson's efforts to fix two major military Survivor Benefit Plan (SBP) inequities.

Your amendment would substitute language directing the Veterans Disability Benefits Commission to study the SBP-DIC offset issue and include recommendations in their report to the President due next year. This would further delay any fix to the unfair deduction of VA survivor benefits from military SBP annuities when military service causes an active duty or retired member's death. In addition, it would preclude moving up the effective date of 30-year, paid-up SBP coverage from October 1, 2008 to October 1, 2005.

TMC believes another study is not required to do what's right. We believe strongly that, when military service causes the member's death, Dependency and Indemnity Compensation 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 not to offer your 2<sup>nd</sup>-degree SBP amendment when the Defense Authorization Bill is again considered by the Senate.

Sincerely,

The Military Coalition  
(Signatures enclosed)