



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

July 3, 2007

The Honorable Daniel K. Akaka
United States Senate
Washington, DC 20510

Dear Senator Akaka:

The Military Coalition (TMC), a consortium of nationally prominent military and veterans organizations, representing more than 5.5 million members plus their families and survivors, is writing to ask for your support Senator Bill Nelson's Defense Authorization Bill amendment that would address two significant problems with the military Survivor Benefit Plan (SBP). The first is the dollar-for-dollar deduction of VA benefits for service-connected deaths from the survivors' SBP annuities. The second is the delayed effective date of 30-year paid-up SBP coverage, which imposes undue financial penalties on the earliest SBP enrollees. Correction of these remaining survivor benefit inequities is a top legislative goal for TMC in 2007.

We strongly believe that if military service caused a retired member's death, the Dependency Indemnity Compensation (DIC) the VA pays the survivor should be added to the SBP benefits the retiree paid for, not substituted for them. In the case of members killed on active duty, a surviving spouse with children can avoid the dollar-for-dollar offset only by assigning SBP to the children. But that forces the spouse to give up any SBP claim after the children attain their majority – leaving the spouse with only a \$1,067 monthly annuity from the VA. Surely, those who give their lives for their country deserve fairer compensation for their surviving spouses.

As for paid-up SBP, the 2008 effective date in existing law allows those who retired after 1978 to stop paying SBP premiums once they have paid for 30 years and attained age 70. But tens of thousands of "Greatest Generation" retirees who signed up for SBP as early as 1972 – and who paid nearly two decades of higher premiums before the premium reduction in 1990 – will have to pay premiums for up to 36 years. This Amendment would move up the effective date to October 1, 2007.

The Military Coalition urges you to restore equity to this very important survivor program and vote in favor of Senator Nelson's SBP amendment when it comes to the floor for consideration.

Sincerely,

The Military Coalition
(Signatures Enclosed)

Air Force Association
Air Force Sergeants Association
Air Force Women Officers Associated
American Logistics Association
AMVETS (American Veterans)
Army Aviation Association of America
Association of Military Surgeons of the United States
Association of the United States Army
Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
Commissioned Officers Association of the U.S. Public Health Service, Inc.
Enlisted Association of the National Guard of the United States
Fleet Reserve Association
Gold Star Wives of America, Inc.
Jewish War Veterans of the United States of America
Marine Corps League
Marine Corps Reserve Association
Military Chaplains Association of the United States of America
Military Officers Association of America
Military Order of the Purple Heart
National Association for Uniformed Services
National Guard Association of the United States
National Military Family Association
National Order of Battlefield Commissions
Naval Enlisted Reserve Association
Naval Reserve Association
Navy League of the United States
Non Commissioned Officers Association
Reserve Enlisted Association of the United States
Reserve Officers Association
Society of Medical Consultants to the Armed Forces
The Retired Enlisted Association
United States Army Warrant Officers Association
United States Coast Guard Chief Petty Officers Association
Veterans of Foreign Wars of the United States
Veterans' Widows International Network