

ASSEMBLY RESOLUTION No. 173

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JULY 2, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

SYNOPSIS

Urges Congress enact Military Surviving Spouses Equity Act.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 7/2/2020)

1 **AN ASSEMBLY RESOLUTION** urging Congress to enact the Military
2 Surviving Spouses Equity Act.

3

4 **WHEREAS**, Under current federal law, survivors of deceased military
5 members are required to forfeit part or all of their Survivor Benefit
6 Plan (SBP) annuity when they are awarded Dependency and
7 Indemnity Compensation (DIC) from the United States Department
8 of Veterans Affairs (VA); and

9 **WHEREAS**, Currently, surviving spouses of active duty or retired
10 members who died of a service-connected cause are required to
11 forfeit \$1 of their SBP annuity for each \$1 received in DIC; and

12 **WHEREAS**, For FY 2017, the DIC was approximately \$1,258 a month
13 and the offset wiped out most if not all of the SBP annuity
14 compensation for a majority of survivors; and

15 **WHEREAS**, Congress has made attempts to help some of the survivors
16 by: raising the lump-sum death gratuity for deaths after October
17 2001; ending the offset for survivors who remarry after age 57; and
18 authorizing the Special Survivor Indemnity Allowance (SSIA), a
19 modest monthly rebate (approximately \$310 in FY 2017) to SBP-
20 DIC recipients subjected to this inequity; and

21 **WHEREAS**, However, the lump-sum increases in the death gratuity did
22 not help the 95% of survivors whose spouses died of service-caused
23 conditions before 2001. Forced to forfeit \$1,258 a month, survivors
24 view the SSIA \$310 rebate a poor effort at restitution; and

25 **WHEREAS**, In 2007, the Veterans Disability Benefits Commission was
26 asked to review the inequity and determined that when military
27 service causes a member's death, the DIC should be paid in
28 addition to the SBP annuity, not subtracted from it; and

29 **WHEREAS**, The Military Surviving Spouses Equity Act is currently
30 pending in Congress to: repeal certain provisions that require the
31 offset of money paid in DIC compensation from SBP annuities for
32 surviving spouses under 60 years of age; prohibit requiring
33 repayment of certain monies previously paid to SBP recipients; and
34 require certain military departments to pay the dependent children
35 when there is no eligible surviving spouse; and

36 **WHEREAS**, This House urges Congress to pass the Military Surviving
37 Spouses Equity Act because our nation's military personnel risk
38 their lives to defend our nation and our freedoms and they should
39 be able to trust that the benefits they designate for their families
40 will be provided; now, therefore,

41

42 **BE IT RESOLVED** *by the General Assembly of the State of New*
43 *Jersey:*

44

45 1. This House urges Congress to enact the Military Surviving
46 Spouses Equity Act.

AR173 DANCER, MURPHY

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2. Copies of this resolution, as filed with the Secretary of State shall be transmitted by the Clerk of the General Assembly to the President and Vice President of the United States, the Majority and Minority Leaders of the United States Senate, the Speaker and Minority Leader of the United States House of Representatives, every member of Congress elected from this State, and the Secretary of the United States Department of Veterans Affairs.

STATEMENT

12 This House urges Congress to enact the Military Surviving
13 Spouses Equity Act. The Survivor Benefit Plan (SBP) annuity is
14 purchased insurance and the Dependency and Indemnity
15 Compensation (DIC) is paid for service-caused death. The offset
16 has been an unfair penalty that cuts earned benefits to military
17 survivors.

18 Currently, the surviving spouse of a military member who dies
19 on active duty or of a service-connected illness or injury in
20 retirement is entitled to survivor's benefits from the Department of
21 Veterans Affairs' DIC fund. However, if they had also voluntarily
22 paid into the Department of Defense's SBP in addition to the DIC,
23 their survivors' benefits can be subtracted by as much as \$15,828
24 per year. Essentially, the SBP is subtracted from the total
25 survivor's benefit, rather than added to it. This offset is a
26 substantial burden for many surviving military families. Our
27 nation's military personnel risk their lives to defend our nation and
28 our freedoms. They should be able to trust that the benefits they
29 designate for their families will be provided.