



STATEMENT FOR THE RECORD

**TRAGEDY ASSISTANCE PROGRAM FOR SURVIVORS (TAPS)
BEFORE THE
SENATE COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON PERSONNEL**

February 14, 2017

Tragedy Assistance Program for Survivors (TAPS) is the national organization providing compassionate care for the families of America's fallen military heroes. TAPS provides peer-based emotional support, grief and trauma resources, grief seminars and retreats for adults, 'Good Grief Camps' for children, case work assistance, connections to community-based care, and a 24/7 resource and information helpline for all who have been affected by a death in the Armed Forces. Services are provided to families at no cost to them. We do all of this without financial support from the Department of Defense. TAPS is funded by the generosity of the American people.

TAPS was founded in 1994 by Bonnie Carroll following the death of her husband in a military plane crash in Alaska in 1992. Since then, TAPS has offered comfort and care to more than 70,000 bereaved surviving family members. For more information, please visit www.TAPS.org

TAPS currently receives no government grants or funding.

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Chairman Tillis, Ranking Member Gillibrand and other distinguished members of the Personnel Subcommittee, the Tragedy Assistance Program for Survivors (TAPS) thanks you for the opportunity to provide a statement on the quality of life issues of importance to surviving military families. We are appreciative of the work this subcommittee has done in the past to improve benefits for the survivors of those who have made the greatest sacrifice for our country.

TAPS appreciates the work done by the Armed Services Committee on the National Defense Authorization Act for Fiscal Year 2017, including the extension of the Supplemental Survivor Indemnity Allowance and the extension of equal benefits under the Survivor Benefit Plan for survivors of reserve component members who die in the line of duty during inactive-duty training.

Eliminate the DIC Offset to the SBP Annuity

The Tragedy Assistance Program for Survivors (TAPS) believes ending the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP) will provide the most significant long-term advantage to the financial security of all eligible surviving families. Although we know there is a significant price tag associated with this change, ending this offset would correct an inequity that has existed for many years.

Each payment serves a different purpose. The DIC is a special indemnity (compensation or insurance) payment paid by the Department of Veterans Affairs (VA) to the survivor when the service member's service causes his or her death. The SBP annuity, paid by the Department of Defense (DoD) reflects the longevity of the service of the military member. It is ordinarily calculated at 55 percent of retired pay.

Military retirees who elect SBP pay a portion of their retired pay to ensure that their family has a guaranteed income should the retiree die. If that retiree dies due to a service-connected disability, their survivor also becomes eligible for DIC. At present, the surviving spouse who is eligible for SBP and DIC receives the full DIC payment of \$1,254.19 (2014 rates) per month and the portion of the SBP payment offset by the DIC payment which varies upon the retiree's rank and length of service.

Surviving spouses whose service member died on active duty after September 11, 2001 are also eligible for both the SBP annuity and DIC payment. Surviving active duty spouses can make several choices, dependent upon their circumstances and the ages of their children. Because SBP is offset by the DIC payment, the spouse may choose to waive this benefit and select the "child only" option. In this scenario, the spouse would receive the DIC payment and the children would receive the full SBP amount until each child turns 18 (23 if in college), as well as the individual child DIC until each child turns 18 (23 if in college). Once the children have left the house, this choice currently leaves the spouse with an annual income from DIC of \$15,050 (2015 rates), a significant drop in income from what the family had been earning while the service member was alive and on active duty. The percentage of loss is even greater for survivors whose service members served longer.

TAPS hears from the eligible surviving spouses that we serve about the inequity of this offset. Many of the surviving spouses of junior service members receive no portion of their SBP annuity. Those who choose to designate their children as the SBP beneficiaries face other challenges. Some, whose service member had a longer term of service, often find that the taxes the children are paying overwhelm the short term benefit of having the SBP go to their children. When the SBP annuity is designated for the children, the surviving spouse does not resume eligibility when the children age out of their eligibility. It is also difficult to make this choice so soon after the death of the service member while still in the fog of grief, without knowing what the future may bring.

It is unconscionable that this has been an issue for so many years and that survivors need to come back year after year to fight for this change only to be told the cost is too high. The cost was high to surviving families - those who gave their lives for their country deserve more fair compensation for their surviving spouses.

Eliminate the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP) to recognize the length of commitment and service of the career service member and spouse. We support H.R. 846, which provides for that elimination.

Special Survivor Indemnity Allowance

Congress has acknowledged the inequity of the offset in the FY2008 National Defense Authorization Act. Since October 1, 2008, surviving spouses whose SBP payments have been offset dollar by dollar by DIC are eligible for the Special Survivor Indemnity Allowance (SSIA). We appreciate the provision included in the FY2017 National Defense Authorization Act which extended the SSIA to May 31, 2018 as termination loomed. Unfortunately, now that deadline needs to be addressed. The monthly payments were incremented over a 10 year period but at its highest (\$310 in 2017) only covers about 1/3 of the amount lost by the DIC offset. We feel that increasing the SSIA with a phase in similar to what was in effect previously might also address eliminating the DIC offset entirely over the long term.

The SSIA has provided partial financial relief to surviving spouses of deceased military service members who experience an offset to their Survivor Benefit Plan annuity by their receipt of Dependency and Indemnity Compensation (DIC) which is paid by the Veterans Administration.

We ask for a thoughtful look at the future of the SSIA. We appreciate the requirement of a study of Survivor Benefits included in the FY17 NDAA. A holistic look at the totality of Survivor Benefits is overdue. The survivors of those who have paid the ultimate price deserve no less.

Extend the Special Survivor Indemnity Allowance beyond May 31, 2018 and provide for a phased-in increase in the amount.

Bereavement Leave

In the past year, several changes have been made to modernize different types of military leave. TAPS asks that you include a specified bereavement leave in these reforms. Establish a bereavement leave policy based on the model of paternity leave which could include 14 days of non-chargeable leave that the service member could opt to use within 45 days of the date of the death of a spouse, child, or parent. Bereavement leave could be used in combination with chargeable leave if mission priorities permit. The amount of bereavement leave and the duration within which it is to be utilized should be standard regardless of branch of service.

Seek Legislation to establish a distinct DoD-wide bereavement policy.

Health Care Reform

TAPS appreciates the consideration given to the survivors of active duty deaths in the Health Care initiatives included in the FY17 NDAA. TAPS, along with our fellow members of the Military Coalition and the National Military and Veterans Alliance, will solicit input from beneficiaries on how they feel the changes are being implemented. We will work closely with the Defense Health Agency to help make the implementation run smoothly and TAPS families receive up-to-date communications as conditions change and update.

We support the Health Care provisions included in the National Military Family Association statement to this subcommittee.

Changes to the Commissary Benefit

We join with our associates in The Coalition to Save Our Military Shopping Benefits in expressing our concerns about threats to the savings families will be able to achieve as the Military Resale System moves forward to achieve an estimated \$2 billion in reductions [to commissaries and exchanges] over a 5-year period [2017-21] including adding private labels in the commissary. The recent publishing of new savings calculation protocols resulting in a lowering of savings estimates for military families shopping at the commissary from the long-held level of about 30 percent to an average of 20 percent in CONUS is very troubling. We ask that this Committee join with us in monitoring the effect of these changes on the benefit for all military families, including our eligible surviving families.

It is the responsibility of the Nation to provide for the support of the loved ones of those who have paid the highest price for freedom. Thank you for allowing us to speak on their behalf.