



Gold Star Wives of America, Inc.

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Statement of

Gold Star Wives of America, Inc.

Before the Joint Senate and House Committees on

Veterans Affairs Hearing

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Presented By

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Gold Star Wives of America, Inc.

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see right, let us strive to finish the work we are in; to bind up the nation's wounds, to care for him who has borne the battle, his widow and his orphan."

... President Abraham Lincoln, Second Inaugural Address, March 4, 1865

Chairman Senator Isakson (R-GA), Chairman Representative Roe (R-TN), Ranking Member Senator Tester (D-MT), Ranking Member Representative Waltz (D-MN), and distinguished members of both the Senate and House Committees on Veterans Affairs, I am pleased to be here today to testify on behalf of Gold Star Wives of America, Inc. (GSW) to share our legislative concerns.

My name is Misty J Brammer. I am the widow of Staff Sergeant Kerry J Brammer, US Army medic who died on active duty on August 5th, 2005. I serve on the Government Relations Committee for the GSW. I was raised in Fairbanks, Alaska and I now live in Colorado. After my husband's death, I obtained custody of my step children and raised them to adulthood.

GSW is grateful for all the public laws which have been passed in the years since 1946. These laws provide much needed benefits for surviving spouses and children of our military service members. GSW would like to thank Representative Jeff Miller and Senator Richard Blumenthal for the passage of the Veterans Health Care and Benefits Improvement Act of 2016. This included the extension of time for the earliest post-9/11 surviving spouses to utilize the Marine Gunnery Sergeant John David Fry Scholarship. GSW is also grateful for the passage of the Department of Veteran Affairs Dental Insurance Reauthorization Act of 2016. This allows surviving spouses receiving CHAMPVA insurance benefits to apply for dental insurance. GSW also appreciates the extension of the Special Survivor Indemnity Allowance (SSIA) and the National Defense Authorization Act of 2017 until May 31, 2018. Additionally, we would like to thank the Office of Survivors Assistance for their hard work as well as the VA Benefits Assistance Service for organizing and allowing surviving spouses to receive information through the VA/DOD Survivors Forum.

The mission of the GSW organization is to provide much needed moral support during a surviving spouse's life long journey through grief and recovery from the loss of their soldier and to protect the needed benefits of the families they left behind. GSW brings awareness to Congress, the public, and the military community of the inequities that exist in benefits provided to surviving spouses and their children. We are a non-profit organization and receive no federal grants.

GSW is addressing some of the inequities and concerns that currently exist:

- 1) **Dependency and Indemnity Compensation (DIC)**, the flat monthly rate (\$1,257.95) has not been increased since 1993 except for Cost of Living (COLA).
- 2) **Survivor Benefit Plan (SBP)/DIC** offset in which a law requires a \$1.00 reduction in a Department of Defense (DOD) SBP for each \$1.00 received from the Department of Veteran Affairs (VA) DIC.
- 3) **Special Survivor Indemnity Allowance (SSIA)** is a special allowance for surviving spouses whose SBP payments have been offset (partially or totally) as a result of receiving DIC. It expires May 31, 2018.
- 4) **Education Benefits**
- 5) **Remarriage**
- 6) **Other concerns** and current bills that GSW supports

Dependency and Indemnity Compensation (DIC)

“To care for him who has borne the battle, and for his widow and orphan.”

These words from Abraham Lincoln’s Second Inaugural Speech in 1865 succinctly state the sacred promise our country has made to our veterans and survivors. Congress has always had an important role in ensuring that this promise is kept. This promise began with the Continental Congress in 1780 when Congressional action created survivor benefits for certain Revolutionary War survivors. We hope this promise is continued.

In every year since, these benefits changed based on need until they became much unorganized. In the mid-1950’s, President Eisenhower ordered a Presidential Commission on Veterans Benefits to be chaired by General Omar Bradley. The goal was to make recommendations to streamline these benefits. The streamlining included survivor benefits, promised so long before. Their report, known as the Bradley Report, was released in 1956. Congress implemented a series of changes to compensation to ensure the system was equitable and manageable.

In 1956, the death compensation was provided to survivors regardless of income. The amount was determined by wartime or peacetime service. Compensation was amended again in 1969 by Congress with a fixed rate of compensation assigned to each rank. Finally, in 1993, Congress established with PL 102-568, resulting in two types of DIC. The first is referred to as rank based DIC determined by pay grade of the deceased military service member/veteran. Rank based DIC is in the process of being phased out through attrition. The second type of DIC is flat rate DIC. All surviving spouses whose military spouse died on or after January 1, 1993 receive the monthly flat rate DIC regardless of rank.

The Fiscal Year 2015 Annual Benefits Report issued by the VA in May 2016, states there are 373,129 surviving spouses who receive DIC. The largest group of DIC recipients is surviving spouses of Vietnam Veterans. Almost 90% of these surviving spouses are over the age of 57, with 43% over the age of 75. They are well their most productive earning years. Prior to the Vietnam War, society encouraged women to work in the home, maintaining the house and raising children. After the Vietnam War, many became the caregivers for their disabled veteran spouses.

The Cost of Living (COLA) increases have been the only changes in DIC since the flat rate was implemented in 1993. When DIC is compared to payments to surviving spouses of other federal employees, DIC lags behind almost 12%. The Survivor Benefits Plan (SBP), administered by the Department of Defense (DOD), pays up to 55% of a military retiree’s retirement pay to the surviving spouse. Under the Civil Service Retirement System (CSRS), the surviving spouse receives 55% of the retirement benefit. In the Federal Employees Retirement System (FERS), the surviving spouse is eligible for 50% of the retirement pay plus a significant lump sum payment. The current DIC flat rate for a surviving spouse is \$1,257.95 per month. This is 43% of the disability compensation rate for a fully disabled single veteran whose rate is \$2,915.55 per month.

- *Many of our widows have shared stories of how difficult it is to survive on DIC and little or no Social Security. Sadly, some have had to give up even small luxuries in order to cover the cost of the basic essentials of daily living. An 85 year old widow from California whose husband was killed in Vietnam cannot afford the extra gas to attend GSW functions – one of the few places where she can not only socialize with others who understand her struggle, but provide guidance and support to younger widows of Iraq and Afghanistan. This woman survives on \$1,257.95 from DIC a month. The meager Cost of Living Allowance (COLA) increase January 2017 of \$3.76 will barely buy one gallon of gas.*
- *Another widow from Oklahoma who is also 85 years old and whose husband died in Vietnam needs to substitute teach to supplement her monthly income of \$1,257.95 from DIC in order to survive. There are many similar stories of this nature throughout our country where these older widows are having difficulty surviving financially.*

Currently there is no bill in the House or the Senate that will correct these awful situations. GSW is looking for a primary sponsor and passage of a bill to increase DIC to the 55% level. This would make DIC equitable with other Federal employee survivor benefit plans. This would be a gradual increase over a period of time. For example: a 3% increase every year for 10 years. **Our widows from WWII, Korea, and Vietnam are now in their eighties and nineties. These are the survivors who need the increase the most yet many are afraid it will not happen in their lifetime.**

It is therefore incumbent upon Congress to take action to rectify this inequity by increasing the current amount of DIC paid to a level comparable to other federal employees. This would be in keeping with the promise our country made to its veterans and survivors.

Survivor Benefits Plan/Dependency Indemnity Compensation Offset (SBP/DIC Offset)

In 1972, Congress created the Survivor Benefit Plan (SBP) for retiring service members who may select up to 55% of their retirement pay towards SBP. This would ensure that their surviving spouse has income after their death. In 2001 further changes expanded the program to include the surviving spouses and/or eligible children of all active duty deaths classified as in the line of duty (LOD) including reserve members on active duty for annual training day. In 2013, SBP eligibility was extended to deaths classified in LOD of inactive duty training deaths.

While GSW is grateful for the changes that have been made to the military's SBP, it is essential to know and acknowledge that many active duty surviving spouses do not meet the qualifications necessary to receive full SBP. Over 39,000 military surviving spouses receive no SBP at all. The reason for this is that their service member spouse, who died in the LOD, did not live long enough to achieve the necessary rank and time in service to overcome the DIC offset. The average monthly DIC offset to SBP is \$912.00 per the latest DOD Statistic Report of the Military Retirement System Fiscal Year 2015. **The spouses, subject to the SBP/DIC offset, only receive the portion of the SBP that exceeds the DIC offset.**

- *One widow from South Carolina receives only \$78.05 but should be receiving \$1,336.00 per month for the SBP. She is the widow of a service member who served his country for just under 20 years. Her total benefits with SBP and DIC should be \$2,515.90 (\$1,336.00 for SBP plus \$1,257.95 for DIC) but is only \$1,336.00 (\$78.05 SBP plus \$1,257.95 DIC) per month due to the SBP/DIC dollar for dollar offset.*

There is no DIC offset to children receiving SBP. Therefore, many of the younger surviving spouses sign the SBP benefit over to their children. The children lose this benefit when they reach the age of majority. The surviving spouse forever forfeits their rights to this benefit. These are the sacrifices a parent should not have to make. If the elimination of the SBP/DIC offset occurs, then the surviving spouses should have the option to reclaim the SBP.

- *After the tragic death of her husband in 2005, one of our young widows from Texas was left to raise their four children, as a single parent. As any of us would do, she made what she thought was the best decision for her family and signed her SBP over to her children. By doing so, she forfeited all future rights to her SBP. This means that when her youngest child reaches age of majority, she will realize a decrease of approximately 75% of her monthly income. When she gave up her SBP for the benefit of her children, she was not told that she would never get it back.*

For a surviving spouse to receive their SBP benefits in full, they must remarry at or after the age of 57. Any SBP premiums paid to the surviving spouse upon their spouse's death must be paid back in order to receive the full SBP benefits.

- *This was the devastating case for a widow from Florida, who remarried after the age of 57, eight years after her husband's death. In order to receive her full SBP/DIC monthly benefit, she had to pay back \$41,000.00 in premiums to the DOD. The offset would have continued had she not been able to pay this astounding fee.*

The SBP/DIC offset also affects the surviving spouses of those who die in retirement from a service connected cause and made a decision in good faith to purchase the SBP plan for their spouses. If they die as a result of their service connected disability, their surviving spouse's SBP would be reduced dollar for dollar by DIC.

- *An example is a widow from Florida whose husband's was a retired, service-connected fully-disabled veteran. While he was alive, the VA disability pay and the DOD retirement pay were not offset. When he passed away, the survivor benefit was offset by DIC. The family's income decreased drastically causing the loss of the family home.*
- *A widow in California lost her husband last year to the effects of Agent Orange. Two of the family's children also are affected by Agent Orange as they have disabilities caused by their father's exposure to Agent Orange. This widow is awaiting for these Second Generation Agent Orange victims to be approved. Since the veteran's death, the family lost over half of their income. They are currently homeless and living in their car.*

The National Defense Authorization Act (NDAA) for FY 2004 permitted certain veterans who are eligible for military retired pay and for veterans' disability compensation, to receive concurrent payment of each without an offset. As you are aware, the SBP/DIC offset is a concurrent receipt issue.

There are two different survivor benefits. The SBP is a purchased annuities benefit, or type of insurance benefit. This is purchased out-of-pocket by military retirees for their surviving spouses. The SBP is our service members' earned benefit, not an entitlement received from the DOD. The other benefit is DIC. DIC is an indemnity payment, received from the VA. DIC serves as an indemnity payment for death. Since death is the ultimate disability the surviving spouses should be entitled to concurrent receipt of both SBP and DIC. **Instead, SBP is offset dollar for dollar by DIC causing the surviving spouse to receive less money on a monthly basis than paid and planned for by the service member.**

A new bill, HR-846, Military Widow's Tax Elimination 2017, is in the House. This bill has been introduced by Representative Wilson (R-SC). There is another new bill, S-339, Military Surviving Spouses Equity Act of 2017, in the Senate. This one was introduced by Senator Nelson (D-FL). These will repeal SBP/DIC offset and eliminate the inequity. Gold Star Wives of America, Inc. ask for not only your support, but your vote in the passage of these two very important bills.

Special Survivor Indemnity Allowance (SSIA)

A provision of the National Defense Authorization Act of FY 2008 established the Special Survivor Indemnity Allowance (SSIA) for surviving spouses who experience the SBP/DIC offset. Surviving spouses subject to SBP/DIC offset started receiving SSIA in October of 2008. **SSIA is now scheduled to abruptly terminate May 31, 2018. This will cause a deficit of \$310 per month to the surviving families affected by the SBP/DIC offset.** The 2017 NDAA provided an extension of less than one year with no increase. A further extension is not guaranteed and the amount of any future extension is unknown. It is important to note this modest benefit acknowledges the inequity of the SBP/DIC offset. Still further its function was begin the process to end the SBP/DIC offset. While our first and most efficient ask is to repeal the SBP/DIC offset, as stop gap, GSW asks for a further extension on SSIA unless SBP/DIC is repealed.

On April 1, 2009, HASC Chairman Skelton stated, "This legislation is the latest step in our continuing effort to eliminate the so called, 'widow's tax' which has long denied surviving family members the full payment of their (SBP) benefits." He continued, "The House Committee on Armed Services will continue to explore every opportunity to pursue legislation that brings us closer to eliminating the 'widow's tax'." **Eighteen years later the SBP/DIC offset has not been removed.**

Education Benefits

GSW is in appreciation for the two education and training options available to surviving spouses that assist with the continuation of post-secondary education. The first is The Survivors' and Dependents' Educational Assistance (DEA)/Chapter 35. This offers education and training opportunities to eligible surviving spouses and dependents of deceased service members. This program pays a monthly allowance of \$1,024.00 for a full time student for up to 45 months. The monthly allowance is inadequate to cover the current cost of tuition, books and fees for most colleges. GSW supports an increase of 20% to cover these costs and to keep benefits in line with the Fry Scholarship as well as other education programs.

The second education option is the Marine Gunnery Sergeant John David Fry Scholarship (Fry Scholarship). This Post 9/11 benefit is for children and surviving spouses of service members who died on active duty only. It provides 36 months of education at the 100% level to include full tuition and fees, monthly housing allowance, and books and supplies stipend.

Remarriage

GSW would like your assistance in changing current law that binds young surviving spouses to widowhood. Under current law, if the surviving spouse remarries before the age of 57, he/she forfeits lifesaving benefits afforded to them. After researching the complex bureaucracies that govern rules addressing surviving spouses and congressional research, we realized age 57 is an arbitrary age that penalizes younger surviving spouses. Please remove the age limit on all available benefits for surviving spouses who remarry.

Other countries have recognized the remarriage concern brought to you today and have taken steps to alleviate the remarriage issues. For example, in 2014 Britain changed a similar law recognizing unfair treatment of surviving spouses. The Prime Minister said, "For decades the wives of fallen service members had to choose between finding new love and financial stability under a complex scheme introduced in 1975 that stopped the pensions of military widows who remarried or cohabited with someone after the death of their spouse." Britain abolished the law. We ask you do the same here in the United States.

- *A widow from Colorado shared her story. "As a surviving military spouse, my life has been a constant state of uncertainty since losing my husband over eleven years ago. At the young age of 31, I found myself to be a military widow. The sudden, tragic loss left me devastated and unsure of my future. As a single mom raising two children affected by the loss of their father, I came to rely on the connections and support the military offered. It is a familiar way of life. My husband's service was important to the United States. We, as a family, have continued to support military life. My life, as a military widow, shifted and changed as did the support from the military. It steadily decreased over time. It has been reduced to DIC, SBP, SSIA, Tri-care (in which I now have to pay my own premiums), some educational benefits, and VA home loan. Under current law, if I remarry before the age of 57 (again a completely arbitrary age), I lose all of these benefits, thus losing my independence. These benefits have, and continue to be, an important resource to establishing and continuing my life as a surviving military spouse, mother, and productive member of my community. This is not easy to do after a traumatic loss. Without these resources, I am financially vulnerable."*

On behalf of surviving spouses, we respectfully request assistance in changing current law. Representative Coffman (R-CO) is currently seeking cost analysis on a potential bill to eliminate the remarriage penalty at any age. Please support that and other advocacy to keep all of surviving spouse's benefits intact regardless of marital status. To lose these benefits creates further undue burden and places surviving spouses at risk.

Other Concerns and Current Bills GSW Supports

- 1) Change in the Gold Star Wives of America, Inc. Federal Charter: US Code: Title 36>Subtitle II> Part B> Section 80507, Restrictions: (b) Political Activities. The corporation, or a director or officer as such may not contribute in any political activity or in any manner attempt to influence legislation. GSW wishes to eliminate the last few words of Section 80507 (b) “in any manner attempt to influence legislation”.
- 2) The Yellow Ribbon Program is available to current and former members of the armed forces. While alive, the veteran may transfer this program to the spouse or children if they are participating in the Fry Scholarship program. After the veteran’s death, the surviving spouses and children are not eligible for this program. There is no current bill to support this issue. GSW requests that spouses and children of deceased service members be able to participate in this program.
- 3) HR-92 and S-423 CHAMPAVA Children’s Protection Act of 2017, which changes the age of health insurance coverage for military dependents from age 23 to age 26 while they are attending a post-secondary school. GSW supports the passage of this bill.
- 4) S-120, Bring Our Heroes Home Act of 2017, will provide a review board at the National Archives with the authority to declassify unnecessarily classified records that may provide new information on the whereabouts of POW/MIAs. GSW supports passage of this bill.
- 5) HR- 544, Private Corrade Purple Heart Preservation Act, will regulate the purchase, production, sale or exchange of military medals or decorations and not authorize the sale of a Purple Heart awarded to a member of the Armed Services. GSW supports the passage of this bill.
- 6) Being intimately familiar with the devastation of death, GSW is extremely concerned with the overwhelming number of suicides committed by veterans and active duty service members every day. Tragically, many of these people die without having sought help for common side effects of war, such as PTSD. Often, if there is no diagnosis, benefits are not afforded to the family left behind. GSW supports any efforts to reduce the rate of service connected suicides and to expedite the process for survivors to obtain the benefits they desperately need.

Conclusion

Gold Star Wives of America, Inc. is appreciative for existing laws that provide vital benefits and support for surviving spouses and children of our military members who gave their lives in service for our country. It is our duty to stand together with you and ensure that President Lincoln's words still ring true, that our nation provides for the victims of her wars. We are the families that are left behind, yet another casualty of wars.

With every flag-draped casket that is flown home from Iraq and Afghanistan, another family suffers devastating loss. These brave men and women answered their Nation's call to service, believing that our Nation would properly care for their loved ones, if the ultimate sacrifice came. We honor their memories by asking for your help in rectifying the inequities we have presented. Our benefits are not 'entitlements', but have been earned through service and sacrifice that never goes away.

President John F. Kennedy said: "A nation reveals itself not only by the citizens it produces, but also by the citizens it honors, the citizens it remembers."

Again, thank you for the opportunity to testify on behalf of Gold Star Wives of America, Inc. I am available for any questions you might have.

Contributors to writing this testimony include:

Misty J Brammer-Widow of Staff Sergeant Kerry J. Brammer, US Army, in line of duty, 2005

Jeanette Early-Widow of Sergeant First Class, Howard L. Early, US Army, combat death, Vietnam, 1969

Donna Eldridge-Widow of Colonel Gary W. (Bo) Eldridge, US Army

Sandra Luhnnow-Widow of PFC Glenn E. Luhnnow, US Army, combat death, Vietnam, 1967

Chris Kinnard-Widow of Spec 4 James E. Kinnard, US Army, combat death, Vietnam, 1969

Pat Collins Miller-Widow of SGT Danny J. Miller, US Army, Agent Orange, combat disability death, 2008

Biography for Misty J Brammer, Gold Star Wives of America, Inc.

My name is Misty J Brammer. I am the widow of Staff Sergeant Kerry J Brammer, US Army medic who died while on active duty on August 5th, 2005. I currently serve on the Government Relations Committee for Gold Star Wives of America, Inc. I was raised in Fairbanks, Alaska and I now live in Colorado. After my husband's death, I obtained custody of my step children and raised them to adulthood. I have earned degrees in early education, human services and I hold a master's degree in macro level Social Work. I currently work as a strategic consultant for a national foundation.



