

110TH CONGRESS
1ST SESSION

S. 935

To repeal the requirement for reduction of survivor annuities under the Survivor Benefit Plan by veterans' dependency and indemnity compensation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 20, 2007

Mr. NELSON of Florida (for himself, Mr. HAGEL, Mr. BINGAMAN, Ms. MIKULSKI, Mrs. LINCOLN, Mr. BIDEN, Mr. VITTER, Mr. DOMENICI, Mr. KERRY, Mr. MARTINEZ, Mr. SALAZAR, Ms. SNOWE, Mr. BROWN, Mrs. FEINSTEIN, Mrs. MURRAY, and Mrs. CLINTON) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To repeal the requirement for reduction of survivor annuities under the Survivor Benefit Plan by veterans' dependency and indemnity compensation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REPEAL OF REQUIREMENT OF REDUCTION OF**
4 **SBP SURVIVOR ANNUITIES BY DEPENDENCY**
5 **AND INDEMNITY COMPENSATION.**

6 (a) REPEAL.—

1 (1) IN GENERAL.—Subchapter II of chapter 73
2 of title 10, United States Code, is amended as fol-
3 lows:

4 (A) In section 1450, by striking subsection
5 (e).

6 (B) In section 1451(c)—

7 (i) by striking paragraph (2); and

8 (ii) by redesignating paragraphs (3)

9 and (4) as paragraphs (2) and (3), respec-
10 tively.

11 (2) CONFORMING AMENDMENTS.—Such sub-
12 chapter is further amended as follows:

13 (A) In section 1450—

14 (i) by striking subsection (e); and

15 (ii) by striking subsection (k).

16 (B) In section 1451(g)(1), by striking sub-
17 paragraph (C).

18 (C) In section 1452—

19 (i) in subsection (f)(2), by striking
20 “does not apply—” and all that follows
21 and inserting “does not apply in the case
22 of a deduction made through administra-
23 tive error.”; and

24 (ii) by striking subsection (g).

1 (D) In section 1455(c), by striking “,
2 1450(k)(2),”.

3 (b) PROHIBITION ON RETROACTIVE BENEFITS.—No
4 benefits may be paid to any person for any period before
5 the effective date provided under subsection (f) by reason
6 of the amendments made by subsection (a).

7 (c) PROHIBITION ON RECOUPMENT OF CERTAIN
8 AMOUNTS PREVIOUSLY REFUNDED TO SBP RECIPI-
9 ENTS.—A surviving spouse who is or has been in receipt
10 of an annuity under the Survivor Benefit Plan under sub-
11 chapter II of chapter 73 of title 10, United States Code,
12 that is in effect before the effective date provided under
13 subsection (f) and that is adjusted by reason of the
14 amendments made by subsection (a) and who has received
15 a refund of retired pay under section 1450(e) of title 10,
16 United States Code, shall not be required to repay such
17 refund to the United States.

18 (d) REPEAL OF AUTHORITY FOR OPTIONAL ANNUITY
19 FOR DEPENDENT CHILDREN.—Section 1448(d)(2) of
20 such title is amended—

21 (1) by striking “DEPENDENT CHILDREN.—”
22 and all that follows through “In the case of a mem-
23 ber described in paragraph (1),” and inserting “DE-
24 PENDENT CHILDREN.—In the case of a member de-
25 scribed in paragraph (1),”; and

1 (2) by striking subparagraph (B).

2 (e) RESTORATION OF ELIGIBILITY FOR PREVIOUSLY
3 ELIGIBLE SPOUSES.—The Secretary of the military de-
4 partment concerned shall restore annuity eligibility to any
5 eligible surviving spouse who, in consultation with the Sec-
6 retary, previously elected to transfer payment of such an-
7 nuity to a surviving child or children under the provisions
8 of section 1448(d)(2)(B) of title 10, United States Code,
9 as in effect on the day before the effective date provided
10 under subsection (f). Such eligibility shall be restored
11 whether or not payment to such child or children subse-
12 quently was terminated due to loss of dependent status
13 or death. For the purposes of this subsection, an eligible
14 spouse includes a spouse who was previously eligible for
15 payment of such annuity and is not remarried, or remar-
16 ried after having attained age 55, or whose second or sub-
17 sequent marriage has been terminated by death, divorce
18 or annulment.

19 (f) EFFECTIVE DATE.—The sections and the amend-
20 ments made by this section shall take effect on the later
21 of—

22 (1) the first day of the first month that begins
23 after the date of the enactment of this Act; or

24 (2) the first day of the fiscal year that begins
25 in the calendar year in which this Act is enacted.

1 **SEC. 2. EFFECTIVE DATE OF PAID-UP COVERAGE UNDER**
2 **SURVIVOR BENEFIT PLAN.**

3 (a) SURVIVOR BENEFIT PLAN.—Section 1452(j) of
4 title 10, United States Code, is amended by striking “Oc-
5 tober 1, 2008” and inserting “October 1, 2007”.

6 (b) RETIRED SERVICEMAN’S FAMILY PROTECTION
7 PLAN.—Section 1436a of such title is amended by striking
8 “October 1, 2008” and inserting “October 1, 2007”.

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