

ISSUE BRIEF: IMPROVE SURVIVOR BENEFITS

The Situation

- A surviving dependent of a veteran that either dies from a service-connected condition or has been rated totally disabled for 10 consecutive years prior to their death is eligible to receive Dependency and Indemnity Compensation (DIC) from the Department of Veterans Affairs (VA).
- A DIC eligible surviving spouse that remarries before the age of 55 will lose their DIC benefits. Removing the remarriage age for surviving spouses has been a long-standing issue for DAV.
- Currently, the rate for DIC is significantly lower than an equivalent benefit provided to survivors of federal civilian employees who die while performing their duties. An eligible surviving spouse of a federal employee is also entitled to a basic death benefit, plus 50% of the employee's final salary. That death benefit is about \$33,000 annually for federal employees compared to DIC at \$19,353 in 2024.
- Some dependents and survivors of severely disabled veterans are also eligible for educational benefits, similar to the Montgomery GI Bill, under chapter 35, United States Code. However, they only have a 10-year period in which to apply for and complete programs of education, which begins either from the date the veteran is evaluated by the VA as permanently and totally disabled from their service-connected disabilities or the date of such veteran's death due to service-connected disability.

The Challenge

- To make a veteran who is seriously disabled have to wait 10 years before they can be assured that their surviving loved ones are going to receive these important benefits puts undue stress on those who are already dealing with being totally disabled and want to ensure financial stability for their family upon their death.
- Surviving spouses of active-duty service members and veterans are more likely to be widowed at younger age than other professions. Therefore, on average, there is a longer waiting period to maintain eligibility for surviving spouses of service members and veterans than for survivors of federal employees. Surviving spouses that are currently in receipt of DIC benefits should not have to worry about losing their benefits if they remarry before the age of 55.
- DIC payments were intended to provide surviving spouses with a means of economic stability after the loss of their spouse. Survivors who rely solely on DIC benefits face significant financial hardships after the death of their loved one. For example, a veteran who is married and receiving compensation at the 100% rate would be paid \$3,946 a month currently. Once

that veteran passes away, the survivor would only be entitled to receive \$1,612.75 a month, a loss of nearly \$28,000 a year.

- In many instances, especially in cases of caregivers, family obligation or the need to provide care to the veteran, prevent dependents, spouses and surviving spouses from utilizing their education benefits in the required 10-year period.

The Solution

DAV urges Congress to enact S. 414 and H.R. 1083, legislation that would:

- Change DIC eligibility to a graduated benefit and make the veteran eligible at five years for 50% of the benefit amount and increase this benefit incrementally on an annual basis.
- Reduce the remarriage age for a surviving spouse to a more reasonable age or institute a new method of retaining eligibility so that surviving spouses do not have to wait an unreasonable length of time to remarry just to maintain their benefits.
- Increase the rate of DIC for survivors. DAV recommends that DIC be indexed to 55% of the compensation rate of a veteran rated totally disabled and adjusted annually for inflation.
- Eliminate the 10-year rule for spouses and surviving spouses to use their educational benefits provided under chapter 35, title 38, United States Code.

DAV also urges Congress to pass H.R. 3651 and S. 1266, the Love Lives On Act, legislation that would eliminate the remarriage age for survivors in receipt of DIC payments. Surviving spouses that are currently in receipt of DIC benefits should not have to worry about losing their benefits if they remarry before the age of 55.