

ARMY BOARD FOR CORRECTION OF MILITARY RECORDS

RECORD OF PROCEEDINGS

IN THE CASE OF: [REDACTED]

BOARD DATE: 11 June 2024

DOCKET NUMBER: AR20230012583

APPLICANT REQUESTS: in effect, remission or cancellation of her indebtedness for Servicemembers Group Life Insurance (SGLI) and repayment of any debt which she paid, in the U.S. Army Reserve.

APPLICANT'S SUPPORTING DOCUMENT(S) CONSIDERED BY THE BOARD:
DD Form 149 (Application for Correction of Military Record)

FACTS:

1. The applicant did not file within the 3-year time frame provided in Title 10, U.S. Code (USC), section 1552(b); however, the Army Board for Correction of Military Records (ABCMR) conducted a substantive review of this case and determined it is in the interest of justice to excuse the applicant's failure to timely file.
2. The applicant states in effect, she enlisted in the U.S. Army Reserve (USAR) in 2008; however, she immediately signed paperwork to be separated from the military before she shipped to Basic Combat Training. She never actively served in the USAR or any other branch of military service nor did she receive any pay. The Defense Finance and Accounting Service (DFAS) garnished her 2022 tax return for SGLI for the period of 2010 through 2016 for the debt except \$1.00.
3. A review of the applicant's service record shows:
 - a. On 1 February 2008, the applicant enlisted in the USAR for a period of eight years.
 - b. On 14 September 2008, Orders Number 08-258-02104, issued by Headquarters, Army Reserve Medical Command (AR MEDCOM), the applicant was involuntarily transferred from the AR MEDCOM Trainees, Transients, Holders and Students to the 94th Medical Corps Hospital, effective 14 September 2008, for the convenience of the government.
 - c. The applicant's service record is void of any further personnel actions including her discharge from the USAR. However, the Soldier Management Services - Web

Portal, shows the applicant was discharged from the USAR effective 19 August 2009 for miscellaneous general reasons. It also shows her contractual obligation expired on 31 January 2014 and her expiration term of service was 31 January 2016.

d. DA Form 5016 (Chronological Statement of Retirement Points) shows for each retirement year ending 1 February 2008 through 1 February 2011 the applicant earned zero inactive duty training points, 15 membership points and zero active duty training points for a total of 15 creditable points each year.

4. On 4 March 2024, in the processing of this case, via e-mail, DFAS stated that according to the applicant's pay records she served from 26 August 2009 through 24 November 2010 but she did not receive any military pay from October 2010 through April 2016. The applicant has a debt in the amount of \$2,150.00 plus \$17.32 in interest, penalties and administrative fees for a total of \$2,167.32 for SGLI premiums that were paid on her behalf. The SGLI debt occurred during the period of 20 October 2010 through 21 April 2016. The premiums were paid because the applicant had an active payroll account that was not separated. The applicant made a payment in 2022 in the amount of \$2,165.46 for a remaining balance of \$1.86. No supporting documents are available.

BOARD DISCUSSION:

After reviewing the application, all supporting documents, and the evidence found within the military record, the Board found that relief was warranted. The applicant's contentions, the military record, and regulatory guidance were carefully considered.

a. The applicant enlisted in the USAR on 1 February 2008 and although there are no separation orders, other evidence shows she may have been separated on 19 August 2009 for miscellaneous general reasons. It appears her unit failed to separate her from service, and as such DFAS continued to charge her SGLI premiums.

b. According to DFAS the applicant's pay records show she served from 26 August 2009 through 24 November 2010. The applicant did not receive any military pay from October 2010 through April 2016. She has a debt in the amount of \$2,150.00 plus \$17.32 in interest, penalties and administrative fees for a total of \$2,167.32 for SGLI premiums that were paid on her behalf. The SGLI debt occurred during the period of 20 October 2010 through 21 April 2016. The premiums were paid because the applicant had an active payroll account that was not separated. The applicant made a payment in 2022 in the amount of \$2,165.46 for a remaining balance of \$1.86. Since the applicant was no longer in the military after 19 August 2009, she should not be responsible for the SGLI debt that occurred during the period of 20 October 2010 through 21 April 2016.

c. The Board determined there was a series of errors by the applicant's Reserve unit (by not timely separating her) and by DFAS (not receiving any military pay from October 2010 through April 2016, yet charging her SGLI premiums during the same period). Because of these errors, and as a matter of justice, and in the interests of the Army, the applicant' debt should be waived and she should be reimbursed any monies paid, as a result of this correction.

BOARD VOTE:

Mbr 1 Mbr 2 Mbr 3

█	█	█	GRANT FULL RELIEF
:	:	:	GRANT PARTIAL RELIEF
:	:	:	GRANT FORMAL HEARING
:	:	:	DENY APPLICATION

BOARD DETERMINATION/RECOMMENDATION:

The Board determined the evidence presented is sufficient to warrant a recommendation for relief. As a result, the Board recommends that all Department of the Army records of the individual concerned be corrected by:

- Showing the applicant separated from the U.S. Army Reserve on 19 August 2009
- Reimbursing the applicant any monies she paid towards her debt that occurred after this date

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I certify that herein is recorded the true and complete record of the proceedings of the Army Board for Correction of Military Records in this case.

REFERENCES:

1. Title 10, USC, section 1552(b), provides that applications for correction of military records must be filed within 3 years after discovery of the alleged error or injustice. This provision of law also allows the ABCMR to excuse an applicant's failure to timely file within the 3-year statute of limitations if the ABCMR determines it would be in the interest of justice to do so.

2. Army Regulation 600-4 (Remission or Cancellation of Indebtedness) provides policy and instructions for submitting and processing packets for remission or cancellation of indebtedness to the U.S. Army. Requests for remission or cancellation of indebtedness must be based on injustice, hardship, or both. A Soldier's debt to the U.S. Army may be remitted or canceled based on this regulation in cases arising from debts incurred while serving on active duty or in an active status as a Soldier.

3. Department of Defense Financial Management Regulation 7000.14-R, Volume 7a (Military Pay), chapter 47 (Servicemembers Group Life Insurance (SGLI) Program), Members who receive basic pay for one or more days per month are responsible for SGLI premiums unless they waive coverage.

a. Paragraph 470301, effective 6 April 1991, this program automatically insures eligible members against death in the amount of \$100,000.00 when the member is performing active duty or active duty for training for an ordered period of more than 30-days. All Selected Reservists and any other Ready Reserve members who are assigned or attached to a unit or position that may require performing active duty or active duty for training and that will require at least 12 scheduled periods of inactive duty for training annually are also covered full-time (includes but is not limited to training and retired categories A, B, C, D, F, H, L, P, Q, T, and U). Members may elect basic coverage for an amount less than \$100,000.00, in \$10,000.00 increments, or may elect to waive coverage.

b. Paragraph 4707 (Deductions (SGLI Premiums)), when a member is in a status referred to in section 4703 (eligible for full-time coverage), the monthly deduction (effective 1 July 1994) is \$.90 for each \$10,000.00 of coverage. The deduction will be made even though the member may have paid the yearly premium as a Reservist covered on a part time basis. For rules concerning starting and stopping deductions. Monthly deductions are not prorated for partial months of service. Deduct the full month's premium for any month in which a member is covered for at least one day. During months in which coverage amounts change, deduct the full month's premium for the higher coverage rate. When a member is required to perform duty then the effective date of and SGLI deduction enters such duty coverage is the first day of entry on such duty maximum basic coverage is automatically in effect until the member elects reduced coverage or waives coverage.

c. Paragraph 4708 (Refunds), refunds will not be made of amounts deducted before the effective date of any election for reduced or waived coverage. When a request for reinstatement of coverage or for increased coverage is rejected by the Office of Servicemen's Group Life Insurance (OSGLI), any increase in premiums withheld pending OSGLI rejection will be credited to the member's pay account.

d. Paragraph 471208 (Termination of Coverage), on the earliest date of 120-days after the: 1. Date of the member's death, 2. Date of termination of the insurance on the member's life or 3. Member separates from the Service.

//NOTHING FOLLOWS//