

ARMY BOARD FOR CORRECTION OF MILITARY RECORDS

RECORD OF PROCEEDINGS

IN THE CASE OF: [REDACTED]

BOARD DATE: 10 June 2025

DOCKET NUMBER: AR20240002909

APPLICANT REQUESTS: remission of Servicemember Group Life Insurance (SGLI) debt.

APPLICANT'S SUPPORTING DOCUMENT(S) CONSIDERED BY THE BOARD:

- DD Form 149 (Application for Correction of Military Record)
- School Reservation – reflective of the applicant's reservation to attend Basic Combat Training (BCT) at Fort Sill, OK on 20 June 2016
- Medical documents – reflective of the applicant undergoing surgery on 19 July 2022 and the allied medications prescribed

FACTS:

1. The applicant states:

- He enlisted in December 2015 for 6 years
- He was injured while attending BCT in 2016 and unable to complete
- He attempted to return to BCT but was unable to do so
- He was diagnosed with brain cancer in 2022

2. A review of the applicant's service records reflects the following:

- On 1 December 2015 – he enlisted in the U.S. Army Reserve (USAR) for 8 years (6x2 contract)
- On 31 January 2023 (Orders Number 3944239) – he was discharged from military service on 1 February 2023 due to continued/willful absences

3. On 1 November 2024, the Office of the Deputy Chief of Staff, G-1, Program Analyst, Compensation and Entitlements Division, provided an advisory opinion recommending denial of the applicant's request noting that he has not demonstrated that the debt is invalid, and the premiums were collected in error. In fact, the Defense Finance and Accounting Service provides that the debt was underestimated by \$190.00. The applicant last performed duty on 7 January 2017 with full SGLI coverage and was

separated from the USAR on 10 February 2023. The USAR needs to determine why the applicant was not discharged until 2023.

4. On 3 November 2024, the applicant was provided with a copy of the advisory opinion and afforded 15 days to provide comments. The applicant responded inquiring about the status of his medical insurance from 7 January 2017 – 10 February 2023.

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 Board carefully considered the applicant's record of service, documents submitted in support of the petition, and executed a comprehensive review based on law, policy, and regulation. Upon review of the applicant's petition, available military records, and advisory from the Office of the Deputy Chief of Staff G-1, contrary to the advisory opinion, the Board determined that had the applicant separated in 2017, when he last performed duty with full SGLI coverage. The premiums would not have been charged. The USAR failed to separate the applicant in a timely manner. Based on this the Board majority voted to grant the applicant's requested relief. The Board minority determined relief was not appropriate.

BOARD VOTE:

<u>Mbr 1</u>	<u>Mbr 2</u>	<u>Mbr 3</u>	
:XX	:XX	:	GRANT FULL RELIEF
:	:	:	GRANT PARTIAL RELIEF
:	:	:	GRANT FORMAL HEARING
:	:	:XX	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 and Army National Guard records of the individual concerned be corrected by cancelling collection of the applicant's SGLI debt and refunding any monies already recouped.

X //signed//

CHAIRPERSON

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, U.S. Code, 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 (AR) 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 on the basis of this regulation in cases arising from debts incurred while serving on active duty or in an active status as a Soldier. AR 600-4 in accordance with the authority of Title 10 United States Code (USC), section 4837, the Secretary of the Army may remit or cancel a Soldier's debt to the U.S. Army if such action is in the best interests of the United States. Indebtedness to the U.S. Army that may not be canceled under Title 10 USC, section 4837 when the debt is incurred while not on active duty or in an active status.
3. AR 37-104 (Military Pay and Allowances Policy states under Chapter 26 (Service Member's Group Life Insurance, Family SGLI (FSGLI), and Tricare Family Member Dental Program (TFMDP) (CONUS only), paragraph 2, states all Soldiers will automatically receive the maximum basic SGLI coverage upon accession unless they decline coverage, elect reduced coverage, or elect supplemental coverage. Chapter 33-4 (In-processing Reserve Soldiers) states SGLI starts automatically.
4. Department of Defense Financial Management Regulation, Volume 7A, Chapter 47 states:
 - a. Paragraph 1.0 (General) states, the SGLI Program is administered by the Department of Veterans (VA). Eligible members, who receive basic pay for 1 or more days per month or members of the Ready Reserves who drill for points, are responsible for the payment of SGLI premiums.
 - b. Paragraph 2.1 (Eligibility) states, full-time coverage automatically insures eligible members against death when a member is performing active duty (AD) or active duty for training (ADT) for an ordered period of more than 30 days, or while on full-time duty as a cadet or midshipman at a Service Academy. All members of the Ready Reserve and National Guard, who are assigned or attached to a unit or position that may require performing active duty or active duty for training and will be scheduled to perform at least 12 periods of inactive duty for training (IDT) annually, are also eligible for full-time coverage.

c. Paragraph 5.2 (Non-Pay Status) states, during any month in which a member is assigned to the Ready Reserve of a Uniformed Service, and insured by SGLI, the Uniformed Service concerned will contribute from the appropriation for active duty pay, the share of the cost attributable to insuring the member under this policy. Any amounts contributed on behalf of the member will be collected by deduction from the member's pay or otherwise, which may include establishing a debt against the member's pay account and will be credited to the appropriation from which the contribution was made.

d. Paragraph 5.4 (Refunds), provides that, refunds shall 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 Servicemembers' Group Life Insurance (OSGLI), any increase in premiums withheld pending OSGLI rejection shall be credited to the member's pay account.

e. Table 47-1 – Effective Dates of SGLI Coverage and Deductions (Full-time and Part-time) provides, in pertinent part, when a member required to perform duty enters such duty, the effective date of 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. SGLI deduction starts the month of the date of entry.

5. Department of Defense (DoD) 7000.14-R, Financial Management Regulation, Volume 16, Chapter 3 (Collection of Debts Owed by Individuals to the DoD), paragraph 5.0 (Collection of Debt from Former Members) states in subparagraph 5.1.1., this section pertains to the collection of debts owed by individuals who are no longer employed by DoD or no longer on active duty. This section also covers individuals who were neither DoD employees nor active-duty members, but who are indebted to DoD. This category of debt is referred to as "out-of-service." If a Component's Debt Collection Office (DCO) cannot collect a debt through salary offset because the debtor is not being paid by DoD, and the debtor has not agreed to pay the debt in a lump sum, then the DCO should obtain debt collection services from the Debt and Claims Management Office (DCMO). The DCMO operates and maintains the Defense Debt Management System (DDMS) to provide centralized, cost-effective, automated debt servicing and collection assistance to DCOs on delinquent debts owed to DoD by individuals who are no longer paid by DoD.

//NOTHING FOLLOWS//