

DEPARTMENT OF THE NAVY

BOARD FOR CORRECTION OF NAVAL RECORDS 701 S. COURTHOUSE ROAD, SUITE 1001 ARLINGTON, VA 22204-2490

> Docket No. 9731-23 Ref: Signature Date

From: Chairman, Board for Correction of Naval Records

To: Secretary of the Navy

Subj: REVIEW OF NAVAL RECORD ICO USN RET,

XXX-XX-

Ref: (a) Title 10 U.S.C. § 1552

(b) DoD 7000.14-R (c) DD Form 2656

Encl: (1) DD Form 149 w/attachments

(2) Subject's naval record

- 1. Pursuant to the provisions of reference (a), Subject, hereinafter referred to as Petitioner, filed enclosure (1) with the Board for Correction of Naval Records (Board), requesting that her naval record be corrected to reflect declined participation in Survivor Benefit Plan (SBP).
- 2. The Board, consisting of _____, and ____, reviewed Petitioner's allegations of error and injustice on 26 June 2024 and, pursuant to its regulations, determined that the corrective action indicated below should be taken on the available evidence of record. Documentary material considered by the Board consisted of the enclosures, relevant portions of Petitioner's naval record, and applicable statutes, regulations and policies.
- 3. The Board, having reviewed all the facts of record pertaining to Petitioner's allegations of error and injustice, found that, before applying to this Board, she exhausted all administrative remedies available under existing law and regulations within the Department of the Navy. The Board made the following findings:
- a. In accordance with reference (b), SBP elections must be made prior to retired pay becoming payable and the election to participate in or decline SBP is irrevocable. If not all requirements for an election needing the spouse's concurrence have been satisfied prior to retirement, for whatever reason, full spouse costs, and coverage will be implemented, regardless of any request by the member to do otherwise. Any change in SBP election subsequent to retirement will be done through an administrative correction of records as permitted by law.
- b. Reference (c), stipulates, "[t]he date of the spouse's signature in Block 43c MUST NOT before the date of the member's signature in Block 39c, or on or after the date of retirement listed in Part I, Section I, Block 4."
 - c. On 22 May 1995, Petitioner entered active duty.

- d. On 12 June 1999, Petitioner married
- e. On 28 October 2022, Petitioner's spouse signed DD Form 2656, Data for Payment of Retired Personnel before a notary witness concurring with spouse's SBP election, however Petitioner had not signed the form.
- f. On 31 October 2022, Petitioner signed DD Form 2656, Data for Payment of Retired Personnel electing not to participate in SBP
- g. On 29 December 2022, the Defense Finance and Accounting Service (DFAS) issued Petitioner notification indicating, "[w]e have received your DD-2656 form but cannot take action on your SBP election at this time because the election is invalid." Directions on completing a new form was provided and specified, "[t]he form must be signed prior to retirement to be considered valid. If a new form is not submitted or is invalid, your SBP election will default to Automatic Spouse SBP."
- h. Petitioner transferred to the Retired List effective 1 January 2022 and automatically enrolled in SBP Spouse coverage as a result of the DFAS not receiving a corrected DD Form 2656 prior to retirement.
- i. On 20 March 2023, Petitioner signed and submitted an updated DD Form 2656, Data for Payment of Retired Personnel to the DFAS, however the election could not be updated after retirement.
- j. On 22 June 2024, Petitioner and spouse signed SBP Affidavit before a notary witness requesting to decline SBP coverage as a result of receiving insufficient SBP information/counseling prior to the date of retirement.

CONCLUSION

Upon review and consideration of all the evidence of record, the Board finds the existence of an injustice warranting the following corrective action. The Board concluded Petitioner provided sufficient evidence to reflect her and spouse's desire to decline SBP coverage prior to transferring to the Retired List. Although Petitioner did not complete the proper administrative requirements, the Board determined that under these circumstances, relief is warranted.

RECOMMENDATION

That Petitioner's naval record be corrected, where appropriate, to show that:

Petitioner elected to decline participation in SBP with proper spouse concurrence prior to transferring to the Retired List effective 1 January 2022.

Note: The DFAS will complete an audit of Petitioner's pay records to determine amounts due, if any.

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A copy of this Report of Proceedings will be filed in Petitioner's naval record.

- 4. It is certified that a quorum was present at the Board's review and deliberations, and that the foregoing is a true and complete record of the Board's proceedings in the above-entitled matter.
- 5. Pursuant to the delegation of authority set out in Section 6(e) of the revised Procedures of the Board for Correction of Naval Records (32 Code of Federal Regulations, Section 723.6(e)), and having assured compliance with its provisions, it is hereby announced that the foregoing corrective action, taken under the authority of the reference, has been approved by the Board on behalf of the Secretary of the Navy.

