



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

██████████
Docket No. 8859-24
Ref: Signature Date

██████████
██████████
██████████

Dear ██████████,

This is in reference to your application for correction of your naval record pursuant to Section 1552 of Title 10, United States Code. After careful and conscientious consideration of relevant portions of your naval record and your application, the Board for Correction of Naval Records (Board) found the evidence submitted insufficient to establish the existence of probable material error or injustice. Consequently, your application has been denied.

A three-member panel of the Board, sitting in executive session, considered your application on 20 March 2025. The names and votes of the members of the panel will be furnished upon request. Your allegations of error and injustice were reviewed in accordance with administrative regulations and procedures applicable to the proceedings of this Board. Documentary material considered by the Board consisted of your application, together with all material submitted in support thereof, relevant portions of your naval record and applicable statutes, regulations, and policies.

On ██████████, your first dependent child was born. On ██████████, your second dependent child was born. On ██████████, you divorced ██████████. On ██████████, you married ██████████.

In accordance with DoD 7000.14-R FMR Volume 7B, Chapter 54, “[t]he RCSBP [Reserve Component Survivor Benefit Plan] is a benefit plan that enables members who served in the Reserve Components to leave a benefit called an “annuity.” An annuity is a monthly payment that normally lasts the lifetime of the beneficiary after the member passes away. The amount of the monthly payment is a percentage of the retired pay, and that percentage depends upon the election the member made when the member signed up for RCSBP. The SBP [Survivor Benefit Plan] is for members of the Uniformed Services. NOTE: SBP (see Chapter 42) and RCSBP share many of the same terms. Chapter 42, section 2.0 provides additional terms not specifically defined in this section.

SBP Premium is the combination of the ‘Standard Premium,’ the ‘Reserve Component Premium,’ and the ‘Survivor’s Annuity Premium Deduction.’ Standard Premium. Standard Premium is the reduction in retired pay made to provide the member with SBP coverage for

the period after a member becomes entitled to retired pay. The Standard Premium is described in Chapter 45. It is distinct and separate from the Reserve Component Premium and the Survivor's Annuity Premium Deduction which are described in paragraphs 2.13 and 2.14.

Reserve Component Premium. When a Reserve member participates in the RCSBP after first becoming eligible based on 20 qualifying years of satisfactory service, coverage for the member's survivors commences but premiums are not paid until the member first becomes actually entitled to retired pay (usually age 60). Note: See also Chapter 1, subparagraphs 3.8.6.1 through 3.8.6.5 which reduces the eligibility age below 60 years of age for a reservist to receive retirement pay. At that time, reductions in the member's retired pay are made that are specifically related only to the RCSBP coverage that was already provided while the member awaited the requisite age of entitlement to retired pay. These reductions are the Reserve Component Premium. They are made after the member begins receiving retired pay for the RCSBP coverage that was provided before the member received retired pay. They are distinct from the Standard Premium (in paragraph 2.12) which are reductions made for the SBP coverage that is provided after the member becomes entitled to retired pay. They are also distinct from the Survivor's Annuity Premium Deduction."

"Elections filed during the 90-day period referred to in paragraph 4.1 are generally irrevocable unless revoked before the expiration of the 90-day period."

"PREMIUMS. The Government does not subsidize the cost of providing RCSBP coverage under the immediate or deferred annuity option, but the members and beneficiaries who potentially will benefit from the coverage share the cost. The cost to the retiree, known as the Reserve Component Premium, is in the form of an additional deduction from his or her retired pay beyond the Standard Premium..."

"The SBP Premium consists of a Standard Premium, Reserve Component Premium, and a Survivor's Annuity Premium Deduction. The Standard Premium is the reduction in retired pay made to provide coverage for the period after a member becomes entitled to retired pay. The Reserve Component Premium is the reduction in retired pay made for the RCSBP coverage that was already provided while the member awaited the requisite age of entitlement to retired pay..."

On 20 December 2012, Command, Navy Personnel Command notified you that "You have completed all requirements to receive retired pay at or after age 60 under the provision of references (a) and (b). Eligibility may not be denied or revoked unless it resulted directly from fraud or misrepresentation on your part. The number of years of creditable service and the amount of retired pay, however, may be adjusted for errors. Enclosure (1) is used to document your initial eligibility. An updated Statement of Service for Navy Reserve Retirement will be provided upon your retirement or discharge.

You are now also entitled to participate in the RC-SBP. You should access our website and read the plan information...Enclosure (2) is your Election Certificate, which must be completed and submitted to this command (Pers-912) within 90 days of receipt of this letter,

or you will be automatically enrolled with— immediate spouse coverage based on your full retired pay. Your election is irrevocable except upon certain changes in dependent status.”

On 20 January 2013, you signed a Reserve Component Survivor Benefit Plan (RCSBP) Election Certificate and agreed to the following: Section IV – Coverage block 12 (Options) “Option C (Immediate Annuity), I elect to provide an immediate annuity beginning on the day after date of my death, whether before or after age 60.” Block 13 (Type of coverage) “Type of coverage: Spouse only.” Section V – Level of coverage block 14 (Select the monthly amount of retired pay you wish to have the survivor annuity based on.) “Full retired pay.” Furthermore, the form was also witnessed.

On 4 February 2013, Commander, Navy Personnel Command notified you that “[t]he attached document(s) is forwarded/returned for the reason indicated:

Your election certificate dated 20 Jan 13 is accepted. A copy is forwarded for your records. You are required to contact this command when there are any changes in your marital status within one year of that event.

A full divorce decree, original certified death certificate or marriage certificate will be required to make official changes to your survivor election. Waiting until you apply for your pay at age 60 to notify us of marital changes will result in you being subject to the default laws Congress has enacted if you failed to comply with the rules and regulations of the RC-SBP program.”

On 25 February 2014, Commander, Navy Personnel Command (PERS-9) notified you that “[p]er references (a) [10 U.S.C. § 10154] and (b) [10 U.S.C. § 12774(a)], the Chief of Navy Personnel approved and authorized your request to transfer to Retired Reserve status effective 01 April 2014.

Upon your submission of application, per the guidelines reference (c) [BUPERSINST 1001.39F], you will be eligible under reference (d) [10 U.S.C. Chapter 1223] for retired pay benefits, to include medical benefits, at age 60 Enclosure (1) is your Certificate of Retirement.”

On 15 December 2022, you and your spouse signed a Data for Payment of Retired Personnel form and agreeing to the following: Section X – Survivor Benefit Plan (SBP) Election block 35 (Reserve component only) “Option A.” Block 36 (SBP beneficiary categories) “I elect not to participate in SBP.” Furthermore, the form was also notarized.

On 19 January 2024, Commander, Navy Personnel Command (PERS-9) notified you that “[p]er reference (a) [10 U.S.C. § 12731(a)] the Secretary of the Navy approved your application for retired pay for nonregular service. Your initial date of eligibility for retired pay is 9 March 2024. Per your request, your authorization to retired pay is effective 9 March 2024.

Per references (b) [10 U.S.C. § 12732] and (c) [10 U.S.C. § 12733], computation of your retired pay under reference (d) [10 U.S.C. § 12739] will be based on 21 years, 9 months, and

6 days of qualifying service, 02739 retirement points and a pay entry base date of 25 June 1990.”

On [REDACTED] you turned 60 years old. Furthermore, you began to receive retired pay and SBP/RCSBP premiums were being deducted. On 15 December 2024, you signed an Application for Retired Pay Benefits form.

You requested to change your record to reflect declined participation in SBP and refund of premiums. The Board, in its review of your entire record and application, carefully weighed all potentially mitigating factors, to include your assertions. The Board concluded that Department of Defense Financial Management Regulation 7000.14-R specifies that the election to participate in or decline Reserve Component Survivor Benefit Plan (RCSBP) is irrevocable. Additionally, the policy indicates RCSBP coverage for the member’s survivors commences but premiums are not paid until the member first becomes actually entitled to retired pay. RCSBP premium deductions are for the coverage provided while the member awaited the requisite age of entitlement to retired pay. RCSBP premiums are distinct from the SBP premiums. You were issued Notification of Eligibility (NOE) to Receive Retired Pay at Age 60 and Participate in the RCSBP on 20 December 2012. On 20 January 2013, you signed DD Form 2656-5, Reserve Component Survivor Benefit Plan (RCSBP) Election Certificate and elected Option “C” (Immediate Annuity) Spouse only coverage at the full retired pay level of coverage. On 1 April 2014, you transferred to the Retired Reserve without pay and thereafter, transferred to the Retired Reserve with pay effective 9 March 2024. Upon transferring to the Retired Reserve with pay, your coverage changed from RCSBP to SBP coverage, and premium deductions began for both coverages in accordance with the abovementioned policy. The Board noted that you received RCSBP Spouse coverage from the time of election through 8 March 2024 and your spouse would have received an annuity if you had passed away during this time. Therefore, the Board agreed that no change to your record is warranted. You are advised that you may discontinue SBP coverage by submitting DD Form 2656-2, Survivor Benefit Plan (SBP) Termination Request to Defense Finance and Accounting Service, within 25 to 36 months after receiving retired pay effective 9 March 2024.

You are entitled to have the Board reconsider its decision upon submission of new matters, which will require you to complete and submit a new DD Form 149. New matters are those not previously presented to or considered by the Board. In this regard, it is important to keep in mind that a presumption of regularity attaches to all official records. Consequently, when applying for a correction of an official naval record, the burden is on the applicant to demonstrate the existence of probable material error or injustice.

Sincerely,

3/24/2025

[REDACTED]