DEFENSE FINANCE AND ACCOUNTING SERVICE
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MAY 22 2000

DFAS-HQ/FMM

MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DENVER CENTER

SUBJECT: Update to the Department of Defense Financial Management Regulation (DoDFMR), Volume 7B, Regarding Repeal of Dual Compensation and Pay Cap of Military Retired Pay (DFAS Item I-78)

Attached is DFAS Interim Change Number **R 06-00** to the DoDFMR, Volume 7B. This change is effective October 1, 1999.

We have evaluated your comments on the draft change to the DoDFMR, Volume 7B. The attached final version of the change includes your comments where appropriate. Assignment of an interim change number is your authority to initiate a procedural modification to facilitate this change. For the Denver Center, use the attached to initiate the formal change to the DoDFMR, Volume 7B.

for Gloria D. Hansen
Jerry S. Hinton
Acting Director for Finance

Attachment:
As stated

cc: DASD (MMP)(COMP)
OUSD (C) ODCFO (FC)
ODGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA/PHS Liaisons
DFAS-HQ/DMP

1. In the **Table of Contents** delete the current sections 0501-Reporting Requirement; 0502-Federal Employment; and 0503-Pay Adjustments and renumber the current sections 0504-0507 to 0502-0505 respectively.

2. In the **Table of Contents** add the following new subsection:

   "0501 Note: Repeal of Reporting/Reductions"

3. Add the following new subsection **0501** to read:

   "0501 **NOTE:** Section 651, Public Law 106-65, October 5, 1999, repealed section 5532 of title 5, United States Code effective October 1, 1999. As a result, reductions in military retired pay based on 5 USC 5532 will not apply to periods of entitlement on or after October 1, 1999.

4. Renumber the current subparagraphs in the following manner:

Current	New
"0501	050101
050101	050101A
050102	050101B
050102A	050101B1
050102B	050101B2
050102C	050101B3
050102D	050101B4
050102E	050101B5
0502	050102
050201	050102A
050201A	050102A1
050201A1	050102A1a
050201A2	050102A1b
050201B	050102A2
050201C	050102A3
050202	050102B
050202A	050102B1
050202A1	050102B1a
050202A2	050102B1b
050202A3	050102B1c
050202A3a	050102B1c(1)
050202A3b	050101B1c(2)
050202A3c	050102B1c(3)
050202B	050102B2
050202C	050102B3
050202D	050102B4

050203
050203A
050203B
050203B1
050203B2
050203B3
050203C
050203D
050203E
050204
050204A
050204B
050204B1
050204B2
050204C
050204C1
050204C2
050205
050205A
050205A1
050205A2
050205A2a
050205A2b
050205A2c
050205A2d
050205A2e
050205A2f
050205A2g
050205A2h
050205A2i
050205B
050205B1
050205B2
050205C
050205D
050205E
050205F
050206
050206A
050206B
050206C
050207
050207A
050207A1
050207A2
050207A3
050102C
050102C1
050102C2
050102C2a
050102C2b
050102C2c
050102C3
050102C4
050102C5
050102D
050102D1
050102D2
050102D2a
050102D2b
050102D3
050102D3a
050102D3b
050102E
050102E1
050102E1a
050102E1b
050102E1b(1)
050102E1b(2)
050102E1b(3)
050102E1b(4)
050102E1b(5)
050102E1b(6)
050102E1b(7)
050102E1b(8)
050102E1b(9)
050102E2
050102E2a
050102E2b
050102E3
050102E4
050102E5
050102E6
050102F
050102F1
050102F2
050102F3
050102G
050102G1
050102G1a
050102G1b
050102G1c

050207B
050207B1
050207B2
050207B3
050208
050208A
050208B
050208C
050208D
050208E
050209
050209A
050209B
050209B1
050209B2
050209B3
050209B4
050209B5
050209C
050209C1
050209C2
050209C3
050209C4
050209D
050209E
050209F
050209G
050209H
050210
0503
050301
050301A
050301A1
050301A1a
050301A1b
050301A1c
050301A2
050301A3
050301B
050301B1
050301B2
050301B3
050301B4
050301B4a
050301B4b
050301B4c
050102G2
050102G2a
050102G2b
050102G2c
050102H
050102H1
050102H2
050102H3
050102H4
050102H5
050102I
050102I1
050102I2
050102I2a
050102I2b
050102I2c
050102I2d
050102I2e
050102I3
050102I3a
050102I3b
050102I3c
050102I3d
050102I4
050102I5
050102I6
050102I7
050102I8
050102J
050103
050103A
050103A1
050103A1a
050103A1a(1)
050103A1a(2)
050103A1a(3)
050103A1b
050103A1c
050103A2
050103A2a
050103A2b
050103A2c
050103A2d
050103A2d(1)
050103A2d(2)
050103A2d(3)

050301B5	050103A2e
050301C	050103A3
050302	050103B
050303	050103C
050303A	050103C1
050303B	050103C2
050303B1	050103C2a
050303B2	050103C2b
050303C	050103C3
050303D	050103C4
050304	050103D
050304A	050103D1
050304A1	050103D1a
050304A2	050103D1b
050304B	050103D2
050304B1	050103D2a
050304B2	050103D2b
050304C	050103D3
050305	050102E
050305A	050103E1
050305A1	050103E1a
050305A2	050103E1b
050305A3	050103E1c
050305B	050103E2
050305C	050103E3
050305C1	050103E3a
050305C2	050103E3b
050305D	050103E4"

5. Renumber all subparagraphs 0504 **Conflict of Interest** through the end of 0507 **Service in Military Force of Newly Democratic Nations** to 0502 through 0505, respectively.

6. Add the following to the Bibliography:

"Paragraph	Citation
0501	OASD(FMP) memo, Dec 10, 1999" Public Law 106-65, section 651, October 5, 1999