



DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON

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APR 23 2003

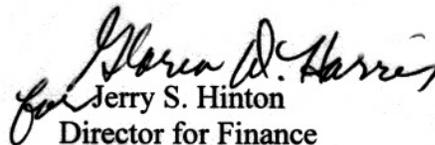
DFAS-DFM

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE
FINANCE AND ACCOUNTING SERVICE (DFAS-PM/CL)

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation (DoDFMR), Volume 7, Part B, Regarding Extraordinary Heroism Pay for Members of the Non-Regular Service (DFAS Item L-90)

The attached Interim Change **R 06-03** to Chapter 1 of the DoDFMR, Volume 7B is effective October 1, 2002. Public Law 107-314, December 2, 2002, Section 632, provides authority to the Secretary concerned to credit Extraordinary Heroism in the line of duty to enlisted members of the Reserve Component who are entitled to retired pay. Reserve members who are credited with Extraordinary Heroism under this section will have their retired pay increased by 10 percent.

We have evaluated your comments on the proposed change and included your comments where appropriate. Assignment of the interim change number is your authority to initiate procedural modifications to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7B.


Jerry S. Hinton
Director for Finance

Attachments:

As stated:

cc: DASD(MPP)(Comp)
OUSD(C)(OCDFO)(FP)
ODGC(F)
DFAS-GA/CL
Service Liaisons
USCG/NOAA/PHS Liaisons
DFAS-PDO/CL
DFAS-PMJE/DE

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1. Revise paragraph 010701 to read:

010701. Entitlement

2. Revise paragraph 010107.A to read:

A. Regular Service Retirement. Enlisted members of the Army, Air Force, Navy, and Marine Corps retired after completing of 20 years but less than 30 years of active service are eligible to receive 10 percent additional retired or retainer pay if credited with extraordinary heroism in the line of duty. Total retired pay, including the 10 percent increase, may not exceed maximum pay of 75 percent of the applicable retired pay base. Enlisted members of the Coast Guard who retired after completion of 20 years, voluntarily or involuntarily, are eligible to have retired pay increased by an amount equal to 10 percent of the active duty pay and permanent additions thereto of the grade or rating with which retired if credited with extraordinary heroism in the line of duty. See Chapter 2 for transfer of Navy and Marine Corps enlisted members to the Fleet Reserve and Fleet Marine Corps Reserve.

2. Renumber paragraph 010701.B as C insert new B as follows:

B. Non Regular Service Retirement. Enlisted members of the Reserve Component who are entitled to retired pay and credited by the Secretary concerned with extraordinary heroism in the line of duty shall have their retired pay increased by an additional 10 percent. The Secretary's determination as to extraordinary heroism is conclusive for all purposes. The total retired pay, including the 10 percent increase, may not exceed the maximum pay of 75 percent of the applicable retired pay base. This shall take effect October 1, 2002, and shall apply with respect to retired pay for months beginning on or after that date.

3. Add to the bibliography:

Paragraph

Citation

Revise subparagraph and citation
010701. B as C

Add:
010701.B

Public Law 107-314, section 632, December 2, 2002