Calendar No. 13

106TH CONGRESS S. 4

[Report No. 106-1]

A BILL

To improve pay and retirement equity for members of the Armed Forces; and for other purposes.

February 2, 1999
Reported with an amendment

Calendar No. 13

106TH CONGRESS 1ST SESSION

S. 4

[Report No. 106-1]

To improve pay and retirement equity for members of the Armed Forces; and for other purposes.

IN THE SENATE OF THE UNITED STATES

January 19, 1999

Mr. Warner (for himself, Mr. Thurmond, Mr. McCain, Mr. Smith of New Hampshire, Mr. Inhofe, Ms. Snowe, Mr. Roberts, Mr. Allard, Mr. Hutchinson, Mr. Sessions, Mr. Lott, Mr. Hagel, Mr. Abraham, Mr. Mack, Mrs. Hutchison, Mr. Santorum, and Mr. Coverdell) introduced the following bill; which was read twice and referred to the Committee on Armed Services

February 2, 1999

Reported by Mr. WARNER, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To improve pay and retirement equity for members of the Armed Forces; and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

- 2 This Act may be cited as the "Soldiers', Sailors', Air-
- 3 men's, and Marines' Bill of Rights Act of 1999".

4 TITLE I—PAY AND ALLOWANCES

- 5 SEC. 101. FISCAL YEAR 2000 INCREASE AND RESTRUCTUR-
- 6 **ING OF BASIC PAY.**
- 7 (a) Waiver of Section 1009 Adjustment.—Any
- 8 adjustment required by section 1009 of title 37, United
- 9 States Code, in the rates of monthly basic pay authorized
- 10 members of the uniformed services by section 203(a) of
- 11 such title to become effective during fiscal year 2000 shall
- 12 not be made.
- 13 (b) January 1, Increase in Basic Pay.—Effective
- 14 on January 1, 2000, the rates of monthly basic pay for
- 15 members of the uniformed services shall be increased by
- 16 4.8 percent.
- 17 (e) Basic Pay Reform.—(1) Effective on July 1,
- 18 2000, the rates of monthly basic pay for members of the
- 19 uniformed services within each pay grade are as follows:

COMMISSIONED OFFICERS 1

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
0-102	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0-9	0.00	0.00	0.00	0.00	0.00
0-8	6,594.30	6,810.30	6,953.10	6,993.30	7,171.80
0-7	5,479.50	$\frac{5,851.80}{}$	5,851.50	5,894.40	6,114.60
0-6	4,061.10	4,461.60	4,754.40	4,754.40	4,772.40
0-5	3,248.40	3,813.90	4,077.90	4,127.70	4,291.80
0-4	2,737.80	3,333.90	3,556.20	3,606.04	3,812.40
$0-3^3$	2,544.00	2,884.20	3,112.80	3,364.80	3,525.90
$0-2^3$	$\frac{2,218.80}{}$	$\frac{2,527.20}{}$	2,910.90	3,000.00	3,071.10
0-13	1,926.30	2,004.90	2,423.10	2,423.10	2,423.10

3

COMMISSIONED OFFICERS 1

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
	Over 8	Over 10	Over 12	Over 14	Over 16
0-102	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0-9	0.00	0.00	0.00	0.00	0.00
0-8	7,471.50	7,540.80	7,824.60	7,906.20	8,150.10
0-7	6,282.00	6,475.80	6,669.00	6,863.10	7,471.50
0-6	4,976.70	5,004.00	5,004.00	5,169.30	5,791.20
0-5	4,291.80	4,420.80	4,659.30	4,971.90	$\frac{5,286.00}{}$
0-4	3,980.40	4,251.50	4,464.00	4,611.00	4,758.90
0-33	$\frac{3,702.60}{}$	$\frac{3,850.20}{}$	4,040.40	4,139.10	4,139.10
$0-2^3$	3,071.10	3,071.10	3,071.10	$\frac{3,071.10}{}$	3,071.10
$0 - 1^3$	$\frac{2,423.10}{}$	$\frac{2,423.10}{}$	$\frac{2,423.10}{}$	2,423.10	2,423.10
	Over 18	Over 20	Over 22	Over 24	Over 26
0-102	\$0.00	\$10,655.10	\$10,707.60	\$10,930.20	\$11,318.40
0-9	0.00	9,319.50	9,453.60	9,647.70	9,986.40
0-8	8,503.80	8,830.20	9,048.00	9,048.00	9,048.00
0-7	7,985.40	7,985.40	7,985.40	7,985.40	8,025.60
0-6	6,086.10	6,381.30	6,549.00	6,719.10	7,049.10
0-5	5,436.00	5,583.60	5,751.90	5,751.90	5,751.90
0−4	4,808.70	4,808.70	4,808.70	4,808.70	4,808.70
$0-3^{3}$	4,139.10	4,139.10	4,139.10	4,139.10	4,139.10
$0-2^3$	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
0-13	2,423.10	2,423.10	$\frac{2,423.10}{}$	2,423.10	2,423.10

¹Basic pay for these officers is limited to the rate of basic pay for level V of the Executive Schedule:

²While serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, basic pay for this grade is calculated to be \$12,441.00, regardless of cumulative years of service computed under section 205 of title 37, United States Code. Nevertheless, basic pay for these officers is limited to the rate of basic pay for level V of the Executive Schedule.

a Does not apply to commissioned officers who have been credited with over 4 years of active duty service as an enlisted member or warrant officer:

4

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
0- 3E 4	\$0.00	\$0.00	\$0.00	\$3,364.80	\$3,525.90
⊕- 2 <u>E</u> ⁴ ⊕-	0.00	0.00	0.00	3,009.00	3,071.10
1E 4	0.00	0.00	0.00	2,423.10	2,588.40
	Over 8	Over 10	Over 12	Over 14	Over 16
0- 3E 4 0- 2E 4 0- 1E 4	\$3,702.60 3,168.60 2,683.80 Over 18	\$3,850.20 3,333.90 2,781.30	\$4,040.40 3,461.40 2,877.60 Over 22	\$4,200.30 3,556.20 3,009.00 Over 24	\$4,291.80 3,556.20 3,009.00 Over 26
O-3E O-2E O-1E	\$4,416.90 3,556.20 3,009.00	\$4,416.90 3,556.20 3,009.00	\$4,416.90 3,556.20 3,009.00	\$4,416.90 3,556.20 3,009.00	\$4,416.90 3,556.20 3,009.00

WARRANT OFFICERS

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W-5 W-4 W-3 W-2	\$0.00 2,592.00 2,355.90 2,063.40 1,719.00	\$0.00 2,788.50 2,555.40 2,232.60 1,971.00	\$0.00 2,868.60 2,555.40 2,232.60 1,971.00	\$0.00 2,947.50 2,588.40 2,305.80 2,135.70	\$0.00 3,083.40 2,694.30 2,423.10 2,232.60
W-5 W-4	Over 8 \$0.00 \$,217.20	Over 10 \$0.00 3,352.80	Over 12 \$0.00 \$,485.10	Over 14 \$0.00 \$,622.20	90.00 3,753.60
₩ <u>-3</u> ₩ <u>-2</u> ₩ <u>-1</u>	2,814.90 2,555.40 2,332.80	2,974.20 2,852.60 2,433.30	$\begin{array}{r} 3,071.10 \\ 2,749.80 \\ 2,533.20 \end{array}$	$\frac{3,177.00}{2,844.30}$ $\frac{2,634.00}{2}$	3,298.20 2,949.00 2,734.80
W-5 W-4 W-3 W-2 W-1	\$0.00 3,888.00 3,418.50 3,058.40 2,835.00	\$4,475.10 4,019.00 3,539.10 3,163.80 2,910.90	\$4,628.70 4,155.60 3,659.40 3,270.90 2,910.90	\$4,782.90 4,289.70 3,780.00 3,378.30 2,910.90	\$4,937.40 4,427.10 3,900.90 3,378.30 2,910.90

5

ENLISTED MEMBERS Years of service computed under section 205 of title 37, United States Code

2 or less	Over 2	Over 3	Over 4	Over 6
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0.00	0.00	0.00	0.00	0.00
1,765.80	1,927.80	2,001.00	2,073.00	2,147.70
1,518.90	1,678.20	$\frac{1,752.60}{1}$	1,824.30	1,899.30
1,332.60	1,494.00	$\frac{1,566.00}{1}$	1,640.40	1,714.50
1,242.90	1,373.10	$\frac{1,447.20}{}$	$\frac{1,520.10}{1}$	$\frac{1,593.90}{1}$
1,171.50	$\frac{1,260.60}{1}$	1,334.10	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$
1,127.40	1,127.40	$\frac{1,127.40}{1}$	1,127.40	1,127.40
⁵ 1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
Over 8	Over 10	Over 12	Over 14	Over 16
\$0.00	\$3,015.30	\$3,083.40	\$3,169.80	\$3,271.50
2,528.40	$\frac{2,601.60}{}$	2,669.70	2,751.60	2,840.10
2,220.90	$\frac{2,294.10}{}$	2,367.30	2,439.30	2,514.00
1,973.10	$\frac{2,047.20}{}$	2,118.60	2,191.50	$\frac{2,244.60}{}$
$\frac{1,789.50}{1}$	$\frac{1,861.50}{1}$	$\frac{1,936.20}{1}$	$\frac{1,936.20}{1}$	$\frac{1,936.20}{1}$
$\frac{1,593.90}{1}$	$\frac{1,593.90}{1}$	$\frac{1,593.90}{1}$	$\frac{1,593.90}{1}$	$\frac{1,593.90}{1}$
1,335.90	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$
1,127.40	1,127.40	$\frac{1,127.40}{1}$	$\frac{1,127.40}{1}$	$\frac{1,127.40}{1}$
1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
Over 18	Over 20	Over 22	Over 24	Over 26
\$3,373.20	\$3,473.40	\$3,609.30	\$3,744.00	\$3,915.80
$\frac{2,932.50}{}$	3,026.10	$\frac{3,161.10}{}$	$\frac{3,295.50}{}$	3,483.60
2,588.10	$\frac{2,660.40}{}$	2,787.60	$\frac{2,926.20}{}$	3,134.40
$\frac{2,283.30}{}$	$\frac{2,283.30}{2}$	2,285.70	2,285.70	2,285.70
$\frac{1,936.20}{1}$	1,936.20	$\frac{1,936.20}{1}$	1,936.20	1,936.20
1,593.90	1,593.90	$\frac{1,593.90}{1}$	$\frac{1,593.90}{1}$	$\frac{1,593.90}{1}$
1,335.90	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$	$\frac{1,335.90}{1}$
1,127.40	1,127.40	1,127.40	1,123.20	1,127.40
1,005.60	1,005.60	$\frac{1,005.60}{1}$	1,005.60	1,005.60
	\$0.00 1,765.80 1,518.90 1,332.60 1,242.90 1,171.50 1,127.40 5 1,005.60 Over 8 \$0.00 2,528.40 2,220.90 1,973.10 1,789.50 1,593.90 1,335.90 1,127.40 1,005.60 Over 18 \$3,373.20 2,932.50 2,588.10 2,283.30 1,936.20 1,593.90 1,335.90 1,335.90 1,335.90 1,127.40	\$0.00 0.00 1,765.80 1,518.90 1,332.60 1,494.00 1,242.90 1,171.50 1,127.40 1,127.40 1,127.40 1,1005.60 \$0.00 2,528.40 2,220.90 1,789.50 1,789.50 1,335.90 1,335.90 1,127.40 1,127.40 1,935.90 1,335.90 1,335.90 1,127.40 1,005.60 \$0.00 \$3,015.30 2,294.10 1,973.10 1,789.50 1,593.90 1,335.90 1,127.40 1,005.60 \$0.00 \$3,015.30 2,294.10 1,973.10 1,789.50 1,593.90 1,335.90 1,127.40 1,005.60 \$0.00 \$3,015.30 2,294.10 1,973.10 1,789.50 1,335.90 1,335.90 1,127.40 1,005.60 \$0.00 \$3,015.30 2,294.10 2,047.20 1,593.90 1,335.90 1,127.40 1,127.40 1,005.60 \$0.00 \$3,015.30 2,294.10 2,047.20 1,593.90 1,335.90 1,335.90 1,936.20 1,936.20 1,936.20 1,593.90 1,335.90 1,335.90 1,335.90 1,335.90 1,335.90 1,335.90 1,335.90 1,593.90 1,127.40	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	$\begin{array}{cccccccccccccccccccccccccccccccccccc$

⁴While serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$4,701.00, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

⁵ In the case of members in the grade E-1 who have served less than 4 months on active duty, basic pay is \$930.30.

1 SEC. 102. PAY INCREASES FOR FISCAL YEARS AFTER FIS-

- 2 **CAL YEAR 2000.**
- 3 (a) ECI+0.5 Percent Increase for All Mem-
- 4 BERS.—Section 1009(c) of title 37, United States Code,
- 5 is amended to read as follows:
- 6 "(e) ECI+0.5 PERCENT INCREASE FOR ALL MEM-
- 7 BERS.—Subject to subsection (d), an adjustment taking
- 8 effect under this section during a fiscal year shall provide
- 9 all eligible members with an increase in the monthly basic
- 10 pay by the percentage equal to the sum of one percent
- 11 plus the percentage calculated as provided under section
- 12 5303(a) of title 5 (without regard to whether rates of pay
- 13 under the statutory pay systems are actually increased
- 14 during such fiscal year under that section by the percent-
- 15 age so calculated).".
- 16 (b) EFFECTIVE DATE.—The amendment made by
- 17 subsection (a) shall take effect on October 1, 2000.
- 18 SEC. 103. SPECIAL SUBSISTENCE ALLOWANCE.
- 19 (a) Allowance.—(1) Chapter 7 of title 37, United
- 20 States Code, is amended by inserting after section 402 the
- 21 following new section:
- 22 "§ 402a. Special subsistence allowance
- 23 "(a) Entitlement.—Upon the application of an eli-
- 24 gible member of a uniformed service, the Secretary con-
- 25 cerned shall pay the member a special subsistence allow-

- 1 ance for each month for which the member is eligible to
- 2 receive food stamp assistance.
- 3 "(b) TERMINATION OF ENTITLEMENT.—The entitle-
- 4 ment of a member to receive payment of a special subsist-
- 5 ence allowance terminates upon the occurrence of any of
- 6 the following events:
- 7 "(1) Termination of eligibility for food stamp
- 8 assistance.
- 9 "(2) Payment of the special subsistence allow-
- 10 ance for 12 consecutive months.
- 11 "(3) Promotion of the member to a higher
- 12 grade.
- 13 "(4) Transfer of the member in a permanent
- 14 change of station.
- 15 "(e) Reestablished Entitlement.—(1) After a
- 16 termination of a member's entitlement to the special sub-
- 17 sistence allowance under subsection (b), the Secretary con-
- 18 cerned shall resume payment of the special subsistence al-
- 19 lowance to the member if the Secretary determines, upon
- 20 further application of the member, that the member is eli-
- 21 gible to receive food stamps.
- 22 "(2) Payments resumed under this subsection shall
- 23 terminate under subsection (b) upon the occurrence of an
- 24 event described in that subsection after the resumption of
- 25 the payments.

- 1 "(3) The number of times that payments are resumed
- 2 under this subsection is unlimited.
- 3 "(d) Documentation of Eligibility.—A member
- 4 of the uniformed services applying for the special subsist-
- 5 ence allowance under this section shall furnish the Sec-
- 6 retary concerned with such evidence of the member's eligi-
- 7 bility for food stamp assistance as the Secretary may re-
- 8 quire in connection with the application.
- 9 "(e) AMOUNT OF ALLOWANCE.—The monthly
- 10 amount of the special subsistence allowance under this
- 11 section is \$180.
- 12 "(f) Relationship to Basic Allowance for Sub-
- 13 SISTENCE.—The special subsistence allowance under this
- 14 section is in addition to the basic allowance for subsistence
- 15 under section 402 of this title.
- 16 "(g) FOOD STAMP ASSISTANCE DEFINED.—In this
- 17 section, the term 'food stamp assistance' means assistance
- 18 under the Food Stamp Act of 1977 (7 U.S.C. 2011 et
- 19 seq.).
- 20 "(h) TERMINATION OF AUTHORITY.—No special sub-
- 21 sistence allowance may be made under this section for any
- 22 month beginning after September 30, 2004.".
- 23 (2) The table of sections at the beginning of such
- 24 chapter is amended by inserting after the item relating
- 25 to section 402 the following:

[&]quot;402a. Special subsistence allowance.".

- 1 (b) EFFECTIVE DATE.—Section 402a of title 37,
- 2 United States Code, shall take effect on the first day of
- 3 the first month that begins not less than 180 days after
- 4 the date of the enactment of this Act.
- 5 (e) Annual Report.—(1) Not later than March 1
- 6 of each year after 1999, the Secretary of Defense shall
- 7 submit to Congress a report setting forth the number of
- 8 members of the uniformed services who are eligible for as-
- 9 sistance under the Food Stamp Act of 1977 (7 U.S.C.
- 10 2011 et seq.).
- 11 (2) In preparing the report, the Secretary shall con-
- 12 sult with the Secretary of Transportation (with respect to
- 13 the Coast Guard), the Secretary of Health and Human
- 14 Services (with respect to the commissioned corps of the
- 15 Public Health Service), and the Secretary of Commerce
- 16 (with respect to the commissioned officers of the National
- 17 Oceanic and Atmospheric Administration), who shall pro-
- 18 vide the Secretary of Defense with any information that
- 19 the Secretary determines necessary to prepare the report.
- 20 (3) No report is required under this section after
- 21 March 1, 2004.

1	TITLE II—RETIREMENT
2	BENEFITS
3	SEC. 201. RETIRED PAY OPTIONS FOR PERSONNEL ENTER-
4	ING UNIFORMED SERVICES ON OR AFTER AU-
5	GUST 1, 1986.
6	(a) REDUCED RETIRED PAY ONLY FOR MEMBERS
7	ELECTING 15-YEAR SERVICE BONUS.—(1) Paragraph (2)
8	of section 1409(b) of title 10, United States Code, is
9	amended by inserting after "July 31, 1986," the following:
10	"has elected to receive a bonus under section 318 of title
11	37,".
12	(2)(A) Paragraph (2)(A) of section 1401a(b) of title
13	10, United States Code, is amended by striking "The Sec-
14	retary shall increase the retired pay of each member and
15	former member who first became a member of a uniformed
16	service before August 1, 1986," and inserting "Except as
17	otherwise provided in this subsection, the Secretary shall
18	increase the retired pay of each member and former mem-
19	ber".
20	(B) Paragraph (3) of such section 1401a(b) is
21	amended by inserting after "August 1, 1986," the follow-
22	ing: "and has elected to receive a bonus under section 318
23	of title 37,".
24	(3) Section 1410 of title 10, United States Code, is
25	amended by inserting after "August 1, 1986," the follow-

1	ing: "who has elected to receive a bonus under section 318
2	of title 37,".
3	(b) OPTIONAL LUMP-SUM BONUS AT 15 YEARS OF
4	SERVICE.—(1) Chapter 5 of title 37, United States Code
5	is amended by adding at the end the following new section
6	"§318. Special pay: 15-year service bonus elected by
7	members entering on or after August 1
8	1986
9	"(a) Payment of Bonus.—The Secretary concerned
10	shall pay a bonus to a member of a uniformed service who
11	is eligible and elects to receive the bonus under this see-
12	tion.
13	"(b) Eligibility for Bonus.—A member of a uni-
14	formed service serving on active duty is eligible to receive
15	a bonus under this section if the member—
16	"(1) first became a member of a uniformed
17	service on or after August 1, 1986;
18	"(2) has completed 15 years of active duty in
19	the uniformed services; and
20	"(3) if not already obligated to remain on active
21	duty for a period that would result in at least 20
22	years of active-duty service, executes a written
23	agreement (prescribed by the Secretary concerned)
24	to remain continuously on active duty for five years

- 1 after the date of the completion of 15 years of ac-
- 2 tive-duty service.
- 3 "(e) Election.—(1) A member eligible to receive a
- 4 bonus under this section may elect to receive the bonus.
- 5 The election shall be made in such form and within such
- 6 period as the Secretary concerned requires.
- 7 "(2) An election made under this subsection is irrev-
- 8 ocable.
- 9 "(d) Notification of Eligibility.—The Secretary
- 10 concerned shall transmit a written notification of the op-
- 11 portunity to elect to receive a bonus under this section
- 12 to each member who is eligible (or upon execution of an
- 13 agreement described in subsection (b)(3), would be eligi-
- 14 ble) to receive the bonus. The Secretary shall complete the
- 15 notification within 180 days after the date on which the
- 16 member completes 15 years of active duty. The notifica-
- 17 tion shall include the procedures for electing to receive the
- 18 bonus and an explanation of the effects under sections
- 19 1401a, 1409, and 1410 of title 10 that such an election
- 20 has on the computation of any retired or retainer pay
- 21 which the member may become eligible to receive.
- 22 "(e) Form and Amount of Bonus.—A bonus
- 23 under this section shall be paid in one lump sum of
- 24 \$30,000.

- 1 "(f) Time for Payment of a bonus to
- 2 a member electing to receive the bonus under this section
- 3 shall be made not later than the first month that begins
- 4 on or after the date that is 60 days after the Secretary
- 5 concerned receives from the member an election that satis-
- 6 fies the requirements imposed under subsection (e).
- 7 "(g) Repayment of Bonus.—(1) If a person paid
- 8 a bonus under this section fails to complete the total pe-
- 9 riod of active duty specified in the agreement entered into
- 10 under subsection (b)(3), the person shall refund to the
- 11 United States the amount that bears the same ratio to
- 12 the amount of the bonus payment as the unserved part
- 13 of that total period bears to the total period.
- 14 "(2) Subject to paragraph (3), an obligation to reim-
- 15 burse the United States imposed under paragraph (1) is
- 16 for all purposes a debt owed to the United States.
- 17 "(3) The Secretary concerned may waive, in whole
- 18 or in part, a refund required under paragraph (1) if the
- 19 Secretary concerned determines that recovery would be
- 20 against equity and good conscience or would be contrary
- 21 to the best interests of the United States.
- 22 "(4) A discharge in bankruptcy under title 11 that
- 23 is entered less than five years after the termination of an
- 24 agreement under this section does not discharge the mem-

- 1 ber signing such agreement from a debt arising under the
- 2 agreement or this subsection.".
- 3 (2) The table of sections at the beginning of such
- 4 chapter is amended by adding at the end the following
- 5 new item:
 - "318. Special pay: 15-year service bonus elected by members entering on or after August 1, 1986.".
- 6 (e) Conforming Amendments to Survivor Bene-
- 7 FIT PLAN PROVISIONS.—(1) Section 1451(h)(3) of title
- 8 10, United States Code, is amended by inserting "OF CER-
- 9 TAIN MEMBERS" after "RETIREMENT".
- 10 (2) Section 1452(i) of such title is amended by strik-
- 11 ing "When the retired pay" and inserting "Whenever the
- 12 retired pay".
- 13 (d) Related Technical Amendments.—(1) Sec-
- 14 tion 1401a(b) of title 10, United States Code, is
- 15 amended—
- 16 (A) by striking the heading for paragraph (1)
- 17 and inserting "INCREASE REQUIRED.—";
- 18 (B) by striking the heading for paragraph (2)
- 19 and inserting "PERCENTAGE INCREASE.—"; and
- 20 (C) by striking the heading for paragraph (3)
- 21 and inserting "REDUCED PERCENTAGE FOR CER-
- 22 TAIN POST-AUGUST 1, 1986 MEMBERS.—".

- 1 (2) Section 1409(b)(2) of title 10, United States
- 2 Code, is amended by inserting "CERTAIN" after "REDUC-
- 3 TION APPLICABLE TO" in the paragraph heading.
- 4 (3)(A) The heading of section 1410 of such title is
- 5 amended by inserting "certain" before "members".
- 6 (B) The item relating to such section in the table of
- 7 sections at the beginning of chapter 71 of title 10, United
- 8 States Code, is amended by inserting "certain" before
- 9 "members".
- 10 SEC. 202. PARTICIPATION IN THRIFT SAVINGS PLAN.
- 11 (a) Participation Authority.—(1)(A) Chapter 3
- 12 of title 37, United States Code, is amended by adding at
- 13 the end the following:
- 14 "§ 211. Participation in Thrift Savings Plan
- 15 "(a) AUTHORITY.—A member of the uniformed serv-
- 16 ices serving on active duty for a period of more than 30
- 17 days may participate in the Thrift Savings Plan in accord-
- 18 ance with section 8440e of title 5.
- 19 "(b) Rule of Construction Regarding Separa-
- 20 Tion.—For the purposes of section 8440e of title 5, the
- 21 following actions shall be considered separation of a mem-
- 22 ber of the uniformed services from Government employ-
- 23 ment:
- 24 "(1) Release of the member from active-duty
- 25 service (not followed by a resumption of active-duty

- 1 service within 30 days after the effective date of the
- 2 release).
- 3 "(2) Transfer of the member by the Secretary
- 4 concerned to a retired list maintained by the Sec-
- 5 retary.".
- 6 (B) The table of sections at the beginning of such
- 7 chapter is amended by adding at the end the following:
 "211. Participation in Thrift Savings Plan.".
- 8 (2)(A) Subchapter III of chapter 84 of title 5, United
- 9 States Code, is amended by adding at the end the follow-
- 10 ing:
- 11 "88440e. Members of the uniformed services on ac-
- 12 **tive duty**
- 13 "(a) Participation Authorized.—(1) A member
- 14 of the uniformed services authorized to participate in the
- 15 Thrift Savings Plan under section 211(a) of title 37 may
- 16 contribute to the Thrift Savings Fund.
- 17 "(2) An election to contribute to the Thrift Savings
- 18 Fund under paragraph (1) may be made only during a
- 19 period provided under section 8432(b) for individuals sub-
- 20 ject to this chapter.
- 21 "(b) Applicability of Thrift Savings Plan Pro-
- 22 VISIONS.—Except as otherwise provided in this section,
- 23 the provisions of this subchapter and subchapter VII of
- 24 this chapter shall apply with respect to members of the
- 25 uniformed services making contributions to the Thrift

- 1 Savings Fund as if such members were employees within
- 2 the meaning of section 8401(11).
- 3 "(e) Maximum Contribution From Basic Pay.—
- 4 The amount contributed by a member of the uniformed
- 5 services for any pay period out of basic pay may not ex-
- 6 ceed 5 percent of such member's basic pay for such pay
- 7 period.
- 8 "(d) Other Member Contributions.—A member
- 9 of the uniformed services making contributions to the
- 10 Thrift Savings Fund out of basic pay may also contribute
- 11 (by direct transfer to the Fund) any part of any special
- 12 or incentive pay that the member receives under chapter
- 13 5 of title 37. No contribution made under this subsection
- 14 shall be subject to, or taken into account for purposes of,
- 15 the first sentence of section 8432(d), relating to the appli-
- 16 cability of any limitation under section 415 of the Internal
- 17 Revenue Code of 1986.
- 18 "(e) Agency Contributions Generally Prohib-
- 19 ITED.—Except as provided in section 211(e) of title 37,
- 20 no contribution under section 8432(c) of this title may be
- 21 made for the benefit of a member of the uniformed serv-
- 22 ices making contributions to the Thrift Savings Fund
- 23 under subsection (a).
- 24 "(f) Benefits and Elections of Benefits.—In
- 25 applying section 8433 to a member of the uniformed serv-

1	ices who has an account balance in the Thrift Savings
2	Fund—
3	"(1) any reference in such section to separation
4	from Government employment shall be construed to
5	refer to an action described in section 211(b) of title
6	37; and
7	"(2) the reference in section 8433(g)(1) to con-
8	tributions made under section 8432(a) shall be
9	treated as being a reference to contributions made to
10	the Fund by the member, whether made under sec-
11	tion 8351, 8432(a), or this section.
12	"(g) Basic Pay Defined.—For purposes of this sec-
13	tion, the term 'basic pay' means basic pay that is payable
14	under section 204 of title 37.".
15	(B) The table of sections at the beginning of chapter
16	84 of title 5, United States Code, is amended by adding
17	after the item relating to section 8440d the following:
	"8440e. Members of the uniformed services on active duty.".
18	(3) Section 8432b(b) of title 5, United States Code
19	is amended—
20	(A) in paragraph (1), by striking "Each em-
21	ployee" and inserting "Except as provided in para-
22	graph (4), each employee";
23	(B) by redesignating paragraph (4) as para-
24	graph (5); and

1	(C) by inserting after paragraph (3) the follow-
2	ing new paragraph (4)
3	"(4) No contribution may be made under this section
4	for a period for which an employee made a contribution
5	under section 8440e.".
6	(4) Section 8473 of title 5, United States Code, is
7	amended—
8	(A) in subsection (a), by striking "14 mem-
9	bers" and inserting "15 members"; and
10	(B) in subsection (b)—
11	(i) by striking "14 members" and inserting
12	"15 members";
13	(ii) by striking "and" at the end of para-
14	graph (8);
15	(iii) by striking the period at the end of
16	paragraph (9) and inserting "; and"; and
17	(iv) by adding at the end the following:
18	"(10) 1 shall be appointed to represent partici-
19	pants (under section 8440e) who are members of the
20	uniformed services.".
21	(5) Paragraph (11) of section 8351(b) of title 5,
22	United States Code, is redesignated as paragraph (8).
23	(e) REGULATIONS.—Not later than 180 days after
24	the date of the enactment of this Act, the Executive Direc-
25	tor appointed by the Federal Thrift Retirement Invest-

- 1 ment Board and the Secretary of Defense shall jointly
- 2 issue regulations to implement section 8440e of title 5,
- 3 United States Code (as added by subsection (a)) and sec-
- 4 tion 211 of title 37, United States Code (as added by sub-
- 5 section (b)).

6 SEC. 203. SPECIAL RETENTION INITIATIVE.

- 7 Section 211 of title 37, United States Code, as added
- 8 by section 202, is amended by adding at the end the fol-
- 9 lowing:
- 10 "(e) Agency Contributions for Retention in
- 11 Critical Specialties.—(1) The Secretary concerned
- 12 may enter into an agreement with a member to make con-
- 13 tributions to the Thrift Savings Fund for the benefit of
- 14 the member if the member—
- 15 "(A) is in a specialty designated by the Sec-
- 16 retary as critical to meet requirements (whether
- such specialty is designated as critical to meet war-
- 18 time or peacetime requirements); and
- 19 "(B) commits in such agreement to continue to
- serve on active duty in that specialty for a period of
- 21 six years.
- 22 "(2) Under any agreement entered into with a mem-
- 23 ber under paragraph (1), the Secretary shall make con-
- 24 tributions to the Fund for the benefit of the member for
- 25 each pay period of the 6-year period of the agreement for

- 1 which the member makes a contribution out of basic pay
- 2 to the Fund under this section. Paragraph (2) of section
- 3 8432(e) applies to the Secretary's obligation to make con-
- 4 tributions under this paragraph, except that the reference
- 5 in such paragraph to contributions under paragraph (1)
- 6 of such section does not apply.".

7 SECTION 1. SHORT TITLE.

- 8 This Act may be cited as the "Soldiers', Sailors', Air-
- 9 men's, and Marines' Bill of Rights Act of 1999".

10 TITLE I—PAY AND ALLOWANCES

- 11 SEC. 101. FISCAL YEAR 2000 INCREASE AND RESTRUCTUR-
- 12 ING OF BASIC PAY.
- 13 (a) Waiver of Section 1009 Adjustment.—Any
- 14 adjustment required by section 1009 of title 37, United
- 15 States Code, in the rates of monthly basic pay authorized
- 16 members of the uniformed services by section 203(a) of such
- 17 title to become effective during fiscal year 2000 shall not
- 18 be made.
- 19 (b) January 1, Increase in Basic Pay.—Effective
- 20 on January 1, 2000, the rates of monthly basic pay for
- 21 members of the uniformed services shall be increased by 4.8
- 22 percent.
- 23 (c) Basic Pay Reform.—(1) Effective on July 1,
- 24 2000, the rates of monthly basic pay for members of the
- 25 uniformed services within each pay grade are as follows:

$COMMISSIONED\ OFFICERS^{\,1}$ Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>O</i> – <i>9</i>	0.00	0.00	0.00	0.00	0.00
<i>O</i> – <i>8</i>	6,594.30	6,810.30	6,953.10	6,993.30	7,171.80
<i>O</i> – <i>7</i>	5,479.50	5,851.80	5,851.50	5,894.40	6,114.60
<i>O</i> – <i>6</i>	4,061.10	4,461.60	4,754.40	4,754.40	4,772.40
<i>O</i> – <i>5</i>	3,248.40	3,813.90	4,077.90	4,127.70	4,291.80
O-4	2,737.80	3,333.90	3,556.20	3,606.04	3,812.40
O-33	2,544.00	2,884.20	3,112.80	3,364.80	3,525.90
$O-2^{3}$	2,218.80	2,527.20	2,910.90	3,000.00	3,071.10
O–1 ³	1,926.30	2,004.90	2,423.10	2,423.10	2,423.10
	Over 8	Over 10	Over 12	Over 14	Over 16
0-102	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>O</i> – <i>9</i>	0.00	0.00	0.00	0.00	0.00
0-8	7,471.50	7,540.80	7,824.60	7,906.20	8,150.10
0-7	6,282.00	6,475.80	6,669.00	6,863.10	7,471.50
<i>O</i> – <i>6</i>	4,976.70	5,004.00	5,004.00	5,169.30	5,791.20
<i>O</i> – <i>5</i>	4,291.80	4,420.80	4,659.30	4,971.90	5,286.00
0-4	3,980.40	4,251.50	4,464.00	4,611.00	4,758.90
O-33	3,702.60	3,850.20	4,040.40	4,139.10	4,139.10
$O-2^{3}$	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
O-1 ³	2,423.10	2,423.10	2,423.10	2,423.10	2,423.10
	Over 18	Over 20	Over 22	Over 24	Over 26
0-102	\$0.00	\$10,655.10	\$10,707.60	\$10,930.20	\$11,318.40
<i>O</i> – <i>9</i>	0.00	9,319.50	9,453.60	9,647.70	9,986.40
0-8	8,503.80	8,830.20	9,048.00	9,048.00	9,048.00
O-7	7,985.40	7,985.40	7,985.40	7,985.40	8,025.60
O-6	6,086.10	6,381.30	6,549.00	6,719.10	7,049.10
O-5	5,436.00	5,583.60	5,751.90	5,751.90	5,751.90
0-4	4,808.70	4,808.70	4,808.70	4,808.70	4,808.70
0-33	4,139.10	4,139.10	4,139.10	4,139.10	4,139.10
O-2 ³	3,071.10	3,071.10	3,071.10	3,071.10	3,071.10
0-13	2,423.10	2,423.10	2,423.10	2,423.10	2,423.10

¹ Basic pay for these officers is limited to the rate of basic pay for level V of the Executive Sched-

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OFFICER

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-3E ⁴	\$0.00	\$0.00	\$0.00	\$3,364.80	\$3,525.90
O-2E ⁴	0.00	0.00	0.00	3,009.00	3,071.10
O-1E ⁴	0.00	0.00	0.00	2,423.10	2,588.40
	Over 8	Over 10	Over 12	Over 14	Over 16
O-3E 4	\$3,702.60	\$3,850.20	\$4,040.40	\$4,200.30	\$4,291.80
O-2E 4	3,168.60	3,333.90	3,461.40	3,556.20	3,556.20

¹ Basic pay for these officers is a similar value.

² While serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, basic pay for this grade is calculated to be \$12,441.00, regardless of cumulative years of service computed under section 205 of title 37, United States Code. Nevertheless, basic pay for these officers is limited to the rate of basic pay for level V of the Executive Schedule

³ Does not apply to commissioned officers who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

$\begin{array}{c} COMMISSIONED\ OFFICERS\ WITH\ OVER\ 4\ YEARS\ OF\ ACTIVE\ DUTY\ SERVICE\\ AS\ AN\ ENLISTED\ MEMBER\ OR\ WARRANT\ OFFICER \end{array}$

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-1E 4	2,683.80	2,781.30	2,877.60	3,009.00	3,009.00
	Over 18	Over 20	Over 22	Over 24	Over 26

WARRANT OFFICERS

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W-5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4	2,592.00	2,788.50	2,868.60	2,947.50	3,083.40
W-3	2,355.90	2,555.40	2,555.40	2,588.40	2,694.30
W-2	2,063.40	2,232.60	2,232.60	2,305.80	2,423.10
W–1	1,719.00	1,971.00	1,971.00	2,135.70	2,232.60
	Over 8	Over 10	Over 12	Over 14	Over 16
W-5	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
$W\!\!-\!\!4$	3,217.20	3,352.80	3,485.10	3,622.20	3,753.60
W-3	2,814.90	2,974.20	3,071.10	3,177.00	3,298.20
W-2	2,555.40	2,852.60	2,749.80	2,844.30	2,949.00
W-1	2,332.80	2,433.30	2,533.20	2,634.00	2,734.80
	Over 18	Over 20	Over 22	Over 24	Over 26
W-5	\$0.00	\$4,475.10	\$4,628.70	\$4,782.90	\$4,937.40
W-4	3,888.00	4,019.00	4,155.60	4,289.70	4,427.10
W-3	3,418.50	3,539.10	3,659.40	3,780.00	3,900.90
W-2	3,058.40	3,163.80	3,270.90	3,378.30	3,378.30
W-1	2,835.00	2,910.90	2,910.90	2,910.90	2,910.90

ENLISTED MEMBERS

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8	0.00	0.00	0.00	0.00	0.00
E-7	1,765.80	1,927.80	2,001.00	2,073.00	2,147.70
E-6	1,518.90	1,678.20	1,752.60	1,824.30	1,899.30
E-5	1,332.60	1,494.00	1,566.00	1,640.40	1,714.50
E-4	1,242.90	1,373.10	1,447.20	1,520.10	1,593.90
E-3	1,171.50	1,260.60	1,334.10	1,335.90	1,335.90
E-2	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
E-1	5 1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
	Over 8	Over 10	Over 12	Over 14	Over 16
E-94	\$0.00	\$3,015.30	\$3,083.40	\$3,169.80	\$3,271.50
E-8	2,528.40	2,601.60	2,669.70	2,751.60	2,840.10
E-7	2,220.90	2,294.10	2,367.30	2,439.30	2,514.00
E-6	1,973.10	2,047.20	2,118.60	2,191.50	2,244.60
E-5	1,789.50	1,861.50	1,936.20	1,936.20	1,936.20
E-4	1,593.90	1,593.90	1,593.90	1,593.90	1,593.90

ENLISTED MEMBERS

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
<i>E-3</i>	1,335.90	1,335.90	1,335.90	1,335.90	1,335.90
<i>E–2</i>	1,127.40	1,127.40	1,127.40	1,127.40	1,127.40
<i>E</i> –1	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60
	Over 18	Over 20	Over 22	Over 24	Over 26
$E-9^{4}$	\$3,373.20	\$3,473.40	\$3,609.30	\$3,744.00	\$3,915.80
<i>E</i> –8	2,932.50	3,026.10	3,161.10	3,295.50	3,483.60
<i>E</i> −7	2,588.10	2,660.40	2,787.60	2,926.20	3,134.40
<i>E</i> -6	2,283.30	2,283.30	2,285.70	2,285.70	2,285.70
E– 5	1,936.20	1,936.20	1,936.20	1,936.20	1,936.20
<i>E-4</i>	1,593.90	1,593.90	1,593.90	1,593.90	1,593.90
<i>E-3</i>	1,335.90	1,335.90	1,335.90	1,335.90	1,335.90
E–2	1,127.40	1,127.40	1,127.40	1,123.20	1,127.40
E–1	1,005.60	1,005.60	1,005.60	1,005.60	1,005.60

⁴While serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$4,701.00, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

SEC. 102. PAY INCREASES FOR FISCAL YEARS AFTER FISCAL

- 2 **YEAR 2000.**
- 3 (a) ECI+0.5 Percent Increase for All Mem-
- 4 BERS.—Section 1009(c) of title 37, United States Code, is
- 5 amended to read as follows:
- 6 "(c) ECI+0.5 Percent Increase for All Mem-
- 7 BERS.—Subject to subsection (d), an adjustment taking ef-
- 8 fect under this section during a fiscal year shall provide
- 9 all eligible members with an increase in the monthly basic
- 10 pay by the percentage equal to the sum of one percent plus
- 11 the percentage calculated as provided under section 5303(a)
- 12 of title 5 (without regard to whether rates of pay under
- 13 the statutory pay systems are actually increased during
- 14 such fiscal year under that section by the percentage so cal-
- 15 *culated*).".

⁵In the case of members in the grade E-1 who have served less than 4 months on active duty, basic pay is \$930.30.

1	(b) EFFECTIVE DATE.—The amendment made by sub-
2	section (a) shall take effect on October 1, 2000.
3	SEC. 103. SPECIAL SUBSISTENCE ALLOWANCE.
4	(a) Allowance.—(1) Chapter 7 of title 37, United
5	States Code, is amended by inserting after section 402 the
6	following new section:
7	"§ 402a. Special subsistence allowance
8	"(a) Entitlement.—Upon the application of an eli-
9	gible member of a uniformed service described in subsection
10	(b), the Secretary concerned shall pay the member a special
11	subsistence allowance for each month for which the member
12	is eligible to receive food stamp assistance.
13	"(b) Covered Members.—An enlisted member re-
14	ferred to subsection (a) is an enlisted member in pay grade
15	E–5 or below.
16	"(c) Termination of Entitlement.—The entitle-
17	ment of a member to receive payment of a special subsist-
18	ence allowance terminates upon the occurrence of any of
19	the following events:
20	"(1) Termination of eligibility for food stamp
21	assistance.
22	"(2) Payment of the special subsistence allow-
23	ance for 12 consecutive months.
24	"(3) Promotion of the member to a higher grade

- 1 "(4) Transfer of the member in a permanent
- 2 change of station.
- 3 "(d) Reestablished Entitlement.—(1) After a ter-
- 4 mination of a member's entitlement to the special subsist-
- 5 ence allowance under subsection (c), the Secretary con-
- 6 cerned shall resume payment of the special subsistence al-
- 7 lowance to the member if the Secretary determines, upon
- 8 further application of the member, that the member is eligi-
- 9 ble to receive food stamps.
- 10 "(2) Payments resumed under this subsection shall ter-
- 11 minate under subsection (c) upon the occurrence of an event
- 12 described in that subsection after the resumption of the pay-
- 13 ments.
- 14 "(3) The number of times that payments are resumed
- 15 under this subsection is unlimited.
- 16 "(e) Documentation of Eligibility.—A member of
- 17 the uniformed services applying for the special subsistence
- 18 allowance under this section shall furnish the Secretary con-
- 19 cerned with such evidence of the member's eligibility for
- 20 food stamp assistance as the Secretary may require in con-
- 21 nection with the application.
- 22 "(f) Amount of Allowance.—The monthly amount
- 23 of the special subsistence allowance under this section is
- 24 \$180.

- 1 "(q) Relationship to Basic Allowance for Sub-
- 2 SISTENCE.—The special subsistence allowance under this
- 3 section is in addition to the basic allowance for subsistence
- 4 under section 402 of this title.
- 5 "(h) FOOD STAMP ASSISTANCE DEFINED.—In this sec-
- 6 tion, the term 'food stamp assistance' means assistance
- 7 under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).
- 8 "(i) Termination of Authority.—No special sub-
- 9 sistence allowance may be made under this section for any
- 10 month beginning after September 30, 2004.".
- 11 (2) The table of sections at the beginning of such chap-
- 12 ter is amended by inserting after the item relating to section
- 13 402 the following:

"402a. Special subsistence allowance.".

- 14 (b) Effective Date.—Section 402a of title 37,
- 15 United States Code, shall take effect on the first day of the
- 16 first month that begins not less than 180 days after the date
- 17 of the enactment of this Act.
- 18 (c) Annual Report.—(1) Not later than March 1 of
- 19 each year after 1999, the Secretary of Defense shall submit
- 20 to Congress a report setting forth the number of members
- 21 of the uniformed services who are eligible for assistance
- 22 under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).
- 23 (2) In preparing the report, the Secretary shall consult
- 24 with the Secretary of Transportation (with respect to the
- 25 Coast Guard), the Secretary of Health and Human Services

1	(with respect to the commissioned corps of the Public Health
2	Service), and the Secretary of Commerce (with respect to
3	the commissioned officers of the National Oceanic and At-
4	mospheric Administration), who shall provide the Secretary
5	of Defense with any information that the Secretary deter-
6	mines necessary to prepare the report.
7	(3) No report is required under this section after
8	March 1, 2004.
9	TITLE II—RETIREMENT
10	BENEFITS
11	SEC. 201. RETIRED PAY OPTIONS FOR PERSONNEL ENTER-
12	ING UNIFORMED SERVICES ON OR AFTER AU-
13	GUST 1, 1986.
13	GUST 1, 1986.
13 14	GUST 1, 1986. (a) Reduced Retired Pay Only for Members
131415	GUST 1, 1986. (a) Reduced Retired Pay Only for Members Electing 15-Year Service Bonus.—(1) Paragraph (2)
13 14 15 16 17	GUST 1, 1986. (a) Reduced Retired Pay Only for Members Electing 15-Year Service Bonus.—(1) Paragraph (2) of section 1409(b) of title 10, United States Code, is amend-
13 14 15 16 17	GUST 1, 1986. (a) Reduced Retired Pay Only for Members Electing 15-Year Service Bonus.—(1) Paragraph (2) of section 1409(b) of title 10, United States Code, is amended by inserting after "July 31, 1986," the following: "has
13 14 15 16 17 18	GUST 1, 1986. (a) Reduced Retired Pay Only for Members Electing 15-Year Service Bonus.—(1) Paragraph (2) of section 1409(b) of title 10, United States Code, is amended by inserting after "July 31, 1986," the following: "has elected to receive a bonus under section 318 of title 37,".
13 14 15 16 17 18 19	GUST 1, 1986. (a) REDUCED RETIRED PAY ONLY FOR MEMBERS ELECTING 15-YEAR SERVICE BONUS.—(1) Paragraph (2) of section 1409(b) of title 10, United States Code, is amended by inserting after "July 31, 1986," the following: "has elected to receive a bonus under section 318 of title 37,". (2)(A) Paragraph (2)(A) of section 1401a(b) of title
13 14 15 16 17 18 19 20 21	(a) Reduced Retired Pay Only for Members Electing 15-Year Service Bonus.—(1) Paragraph (2) of section 1409(b) of title 10, United States Code, is amended by inserting after "July 31, 1986," the following: "has elected to receive a bonus under section 318 of title 37,". (2)(A) Paragraph (2)(A) of section 1401a(b) of title 10, United States Code, is amended by striking "The Sec-
13 14 15 16 17 18 19 20 21	(a) Reduced Retired Pay Only for Members Electing 15-Year Service Bonus.—(1) Paragraph (2) of section 1409(b) of title 10, United States Code, is amended by inserting after "July 31, 1986," the following: "has elected to receive a bonus under section 318 of title 37,". (2)(A) Paragraph (2)(A) of section 1401a(b) of title 10, United States Code, is amended by striking "The Secretary shall increase the retired pay of each member and

1	increase the retired pay of each member and former mem-
2	ber".
3	(B) Paragraph (3) of such section 1401a(b) is amended
4	by inserting after "August 1, 1986," the following: "and
5	has elected to receive a bonus under section 318 of title 37,".
6	(3) Section 1410 of title 10, United States Code, is
7	amended by inserting after "August 1, 1986," the following:
8	"who has elected to receive a bonus under section 318 of
9	title 37,".
10	(b) Optional Lump-Sum Bonus at 15 Years of
11	Service.—(1) Chapter 5 of title 37, United States Code,
12	is amended by adding at the end the following new section:
13	"§ 318. Special pay: 15-year service bonus elected by
	great april 19 year to the control of
14	members entering on or after August 1,
14	members entering on or after August 1,
141516	members entering on or after August 1,
14151617	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned
14151617	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned shall pay a bonus to a member of a uniformed service who
141516171819	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned shall pay a bonus to a member of a uniformed service who is eligible and elects to receive the bonus under this section.
141516171819	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned shall pay a bonus to a member of a uniformed service who is eligible and elects to receive the bonus under this section. "(b) Eligibility for Bonus.—A member of a uni-
14 15 16 17 18 19 20	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned shall pay a bonus to a member of a uniformed service who is eligible and elects to receive the bonus under this section. "(b) Eligibility for Bonus.—A member of a uniformed service serving on active duty is eligible to receive
14 15 16 17 18 19 20 21	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned shall pay a bonus to a member of a uniformed service who is eligible and elects to receive the bonus under this section. "(b) Eligibility for Bonus.—A member of a uniformed service serving on active duty is eligible to receive a bonus under this section if the member—
14 15 16 17 18 19 20 21	members entering on or after August 1, 1986 "(a) Payment of Bonus.—The Secretary concerned shall pay a bonus to a member of a uniformed service who is eligible and elects to receive the bonus under this section. "(b) Eligiblity for Bonus.—A member of a uniformed service serving on active duty is eligible to receive a bonus under this section if the member— "(1) first became a member of a uniformed service."

- 1 "(3) if not already obligated to remain on active
- 2 duty for a period that would result in at least 20
- 3 years of active-duty service, executes a written agree-
- 4 ment (prescribed by the Secretary concerned) to re-
- 5 main continuously on active duty for five years after
- 6 the date of the completion of 15 years of active-duty
- 7 service.
- 8 "(c) Election.—(1) A member eligible to receive a
- 9 bonus under this section may elect to receive the bonus. The
- 10 election shall be made in such form and within such period
- 11 as the Secretary concerned requires.
- 12 "(2) An election made under this subsection is irrev-
- 13 ocable.
- 14 "(d) Notification of Eligibility.—The Secretary
- 15 concerned shall transmit a written notification of the op-
- 16 portunity to elect to receive a bonus under this section to
- 17 each member who is eligible (or upon execution of an agree-
- 18 ment described in subsection (b)(3), would be eligible) to
- 19 receive the bonus. The Secretary shall complete the notifica-
- 20 tion within 180 days after the date on which the member
- 21 completes 15 years of active duty. The notification shall in-
- 22 clude the procedures for electing to receive the bonus and
- 23 an explanation of the effects under sections 1401a, 1409,
- 24 and 1410 of title 10 that such an election has on the com-

- 1 putation of any retired or retainer pay which the member
- 2 may become eligible to receive.
- 3 "(e) Form and Amount of Bonus.—A bonus under
- 4 this section shall be paid in one lump sum of \$30,000.
- 5 "(f) Time for Payment of a bonus to a
- 6 member electing to receive the bonus under this section shall
- 7 be made not later than the first month that begins on or
- 8 after the date that is 60 days after the Secretary concerned
- 9 receives from the member an election that satisfies the re-
- 10 quirements imposed under subsection (c).
- 11 "(g) Repayment of Bonus.—(1) If a person paid a
- 12 bonus under this section fails to complete the total period
- 13 of active duty specified in the agreement entered into under
- 14 subsection (b)(3), the person shall refund to the United
- 15 States the amount that bears the same ratio to the amount
- 16 of the bonus payment as the unserved part of that total pe-
- 17 riod bears to the total period.
- 18 "(2) Subject to paragraph (3), an obligation to reim-
- 19 burse the United States imposed under paragraph (1) is
- 20 for all purposes a debt owed to the United States.
- 21 "(3) The Secretary concerned may waive, in whole or
- 22 in part, a refund required under paragraph (1) if the Sec-
- 23 retary concerned determines that recovery would be against
- 24 equity and good conscience or would be contrary to the best
- 25 interests of the United States.

1	"(4) A discharge in bankruptcy under title 11 that is
2	entered less than five years after the termination of an
3	agreement under this section does not discharge the member
4	signing such agreement from a debt arising under the agree-
5	ment or this subsection.".
6	(2) The table of sections at the beginning of such chap-
7	ter is amended by adding at the end the following new item:
	"318. Special pay: 15-year service bonus elected by members entering on or after August 1, 1986.".
8	(c) Conforming Amendments to Survivor Benefit
9	Plan Provisions.—(1) Section 1451(h)(3) of title 10,
10	United States Code, is amended by inserting "OF CERTAIN
11	MEMBERS" after "RETIREMENT".
12	(2) Section 1452(i) of such title is amended by striking
13	"When the retired pay" and inserting "Whenever the retired
14	pay".
15	(d) Related Technical Amendments.—(1) Section
16	1401a(b) of title 10, United States Code, is amended—
17	(A) by striking the heading for paragraph (1)
18	and inserting "Increase required.—";
19	(B) by striking the heading for paragraph (2)
20	and inserting "PERCENTAGE INCREASE.—"; and
21	(C) by striking the heading for paragraph (3)
22	and inserting "Reduced Percentage for Certain
23	POST-AUGUST 1, 1986 MEMBERS.—".

- 1 (2) Section 1409(b)(2) of title 10, United States Code,
- 2 is amended by inserting "CERTAIN" after "REDUCTION AP-
- 3 PLICABLE TO" in the paragraph heading.
- 4 (3)(A) The heading of section 1410 of such title is
- 5 amended by inserting "certain" before "members".
- 6 (B) The item relating to such section in the table of
- 7 sections at the beginning of chapter 71 of title 10, United
- 8 States Code, is amended by inserting "certain" before
- 9 "members".
- 10 SEC. 202. PARTICIPATION IN THRIFT SAVINGS PLAN.
- 11 (a) Participation Authority.—(1)(A) Chapter 3 of
- 12 title 37, United States Code, is amended by adding at the
- 13 end the following:
- 14 "§211. Participation in Thrift Savings Plan
- 15 "(a) AUTHORITY.—A member of the uniformed services
- 16 serving on active duty for a period of more than 30 days
- 17 may participate in the Thrift Savings Plan in accordance
- 18 with section 8440e of title 5.
- 19 "(b) Rule of Construction Regarding Separa-
- 20 TION.—For the purposes of section 8440e of title 5, the fol-
- 21 lowing actions shall be considered separation of a member
- 22 of the uniformed services from Government employment:
- 23 "(1) Release of the member from active-duty
- 24 service (not followed by a resumption of active-duty

- 1 service within 30 days after the effective date of the
- 2 release).
- 3 "(2) Transfer of the member by the Secretary
- 4 concerned to a retired list maintained by the Sec-
- 5 retary.".
- 6 (B) The table of sections at the beginning of such chap-
- 7 ter is amended by adding at the end the following:

"211. Participation in Thrift Savings Plan.".

- 8 (2)(A) Subchapter III of chapter 84 of title 5, United
- 9 States Code, is amended by adding at the end the following:
- 10 "§8440e. Members of the uniformed services on active
- 11 duty
- 12 "(a) Participation Authorized.—(1) A member of
- 13 the uniformed services authorized to participate in the
- 14 Thrift Savings Plan under section 211(a) of title 37 may
- 15 contribute to the Thrift Savings Fund.
- 16 "(2) An election to contribute to the Thrift Savings
- 17 Fund under paragraph (1) may be made only during a
- 18 period provided under section 8432(b) for individuals sub-
- 19 ject to this chapter.
- 20 "(b) Applicability of Thrift Savings Plan Provi-
- 21 SIONS.—Except as otherwise provided in this section, the
- 22 provisions of this subchapter and subchapter VII of this
- 23 chapter shall apply with respect to members of the uni-
- 24 formed services making contributions to the Thrift Savings

- 1 Fund as if such members were employees within the mean-
- 2 ing of section 8401(11).
- 3 "(c) Maximum Contribution From Basic Pay.—
- 4 The amount contributed by a member of the uniformed serv-
- 5 ices for any pay period out of basic pay may not exceed
- 6 5 percent of such member's basic pay for such pay period.
- 7 "(d) Other Member Contributions.—A member of
- 8 the uniformed services making contributions to the Thrift
- 9 Savings Fund out of basic pay may also contribute (by di-
- 10 rect transfer to the Fund) any part of any special or incen-
- 11 tive pay that the member receives under section 308, 308a,
- 12 308f, or 318 of title 37. No contribution made under this
- 13 subsection shall be subject to, or taken into account for pur-
- 14 poses of, the first sentence of section 8432(d), relating to
- 15 the applicability of any limitation under section 415 of the
- 16 Internal Revenue Code of 1986.
- 17 "(e) Agency Contributions Generally Prohib-
- 18 ITED.—Except as provided in section 211(c) of title 37, no
- 19 contribution under section 8432(c) of this title may be made
- 20 for the benefit of a member of the uniformed services making
- 21 contributions to the Thrift Savings Fund under subsection
- 22 *(a)*.
- 23 "(f) Benefits and Elections of Benefits.—In ap-
- 24 plying section 8433 to a member of the uniformed services
- 25 who has an account balance in the Thrift Savings Fund—

1	"(1) any reference in such section to separation
2	from Government employment shall be construed to
3	refer to an action described in section 211(b) of title
4	37; and
5	"(2) the reference in section $8433(g)(1)$ to con-
6	tributions made under section 8432(a) shall be treated
7	as being a reference to contributions made to the
8	Fund by the member, whether made under section
9	8351, 8432(a), or this section.
10	"(g) Basic Pay Defined.—For purposes of this sec-
11	tion, the term 'basic pay' means basic pay that is payable
12	under section 204 of title 37.".
13	(B) The table of sections at the beginning of chapter
14	84 of title 5, United States Code, is amended by adding
15	after the item relating to section 8440d the following:
	"8440e. Members of the uniformed services on active duty.".
16	(3) Section 8432b(b) of title 5, United States Code, is
17	amended—
18	(A) in paragraph (1), by striking "Each em-
19	ployee" and inserting "Except as provided in para-
20	graph (4), each employee";
21	(B) by redesignating paragraph (4) as para-
22	graph (5); and
23	(C) by inserting after paragraph (3) the follow-
24	ing new paragraph (4):

1	"(4) No contribution may be made under this section
2	for a period for which an employee made a contribution
3	under section 8440e.".
4	(4) Section 8473 of title 5, United States Code, is
5	amended—
6	(A) in subsection (a), by striking "14 members"
7	and inserting "15 members"; and
8	(B) in subsection (b)—
9	(i) by striking "14 members" and inserting
10	"15 members";
11	(ii) by striking "and" at the end of para-
12	graph(8);
13	(iii) by striking the period at the end of
14	paragraph (9) and inserting "; and"; and
15	(iv) by adding at the end the following:
16	"(10) 1 shall be appointed to represent partici-
17	pants (under section 8440e) who are members of the
18	uniformed services.".
19	(5) Paragraph (11) of section 8351(b) of title 5, United
20	States Code, is redesignated as paragraph (8).
21	(b) APPLICABILITY.—The authority of members of the
22	uniformed services to participate in the Thrift Savings
23	Plan under section 211 of title 37, United States Code (as
24	added by subsection (a)(1)), shall take effect on July 1,
25	2000.

- 1 (c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Executive Director appointed by the Federal Thrift Retirement Investment Board shall issue regulations to implement section 8440e of title 5, United States Code (as added by subsection (a)(2)) and section 211 of title 37, United States Code (as added by subsection (a)(1)). 8 SEC. 203. SPECIAL RETENTION INITIATIVE. 9 Section 211 of title 37, United States Code, as added 10 by section 202, is amended by adding at the end the following: 11 "(c) AGENCY CONTRIBUTIONS FOR RETENTION IN 12 Critical Specialties.—(1) The Secretary concerned may enter into an agreement with a member to make contribu-14 tions to the Thrift Savings Fund for the benefit of the mem-16 ber if the member— 17 "(A) is in a specialty designated by the Sec-18 retary as critical to meet requirements (whether such 19 specialty is designated as critical to meet wartime or 20 peacetime requirements); and 21 "(B) commits in such agreement to continue to 22 serve on active duty in that specialty for a period of 23 six years.
- 24 "(2) Under any agreement entered into with a member 25 under paragraph (1), the Secretary shall make contribu-

1	tions to the Fund for the benefit of the member for each
2	pay period of the 6-year period of the agreement for which
3	the member makes a contribution out of basic pay to the
4	Fund under this section. Paragraph (2) of section 8432(c)
5	applies to the Secretary's obligation to make contributions
6	under this paragraph, except that the reference in such
7	paragraph to contributions under paragraph (1) of such
8	section does not apply.".
9	TITLE III—MONTGOMERY GI
10	BILL BENEFITS
11	SEC. 301. INCREASE IN RATES OF EDUCATIONAL ASSIST-
12	ANCE FOR FULL-TIME EDUCATION.
13	(a) Increase.—Section 3015 of title 38, United States
14	Code, is amended—
15	(1) in subsection (a)(1), by striking "\$528" and
16	inserting "\$600"; and
17	(2) in subsection (b)(1), by striking "\$429" and
18	inserting "\$488".
19	(b) Effective Date.—The amendments made by sub-
20	section (a) shall take effect on October 1, 1999, and shall
21	apply with respect to educational assistance allowances
22	paid for months after September 1999. However, no adjust-
23	ment in rates of educational assistance shall be made under
24	subsection (g) of section 3015 of title 38, United States
25	Code, for fiscal year 2000.

1 SEC. 302. TERMINATION OF REDUCTIONS OF BASIC PAY.

- 2 (a) Repeals.—(1) Section 3011 of title 38, United
- 3 States Code, is amended by striking subsection (b).
- 4 (2) Section 3012 of such title is amended by striking
- 5 subsection (c).
- 6 (3) The amendments made by paragraphs (1) and (2)
- 7 shall take effect on the date of the enactment of this Act
- 8 and shall apply to individuals whose initial obligated pe-
- 9 riod of active duty under section 3011 or 3012 of title 38,
- 10 United States Code, as the case may be, begins on or after
- 11 such date.
- 12 (b) Termination of Reductions in Progress.—
- 13 Any reduction in the basic pay of an individual referred
- 14 to in section 3011(b) of title 38, United States Code, by
- 15 reason of such section 3011(b), or of any individual referred
- 16 to in section 3012(c) of such title by reason of such section
- 17 3012(c), as of the date of the enactment of this Act shall
- 18 cease commencing with the first month beginning after such
- 19 date, and any obligation of such individual under such sec-
- 20 tion 3011(b) or 3012(c), as the case may be, as of the day
- 21 before such date shall be deemed to be fully satisfied as of
- 22 such date.
- 23 (c) Conforming Amendment.—Section 3034(e)(1) of
- 24 title 38, United States Code, is amended in the second sen-
- 25 tence by striking "as soon as practicable" and all that fol-

1 lows through "such additional times" and inserting "at such times". SEC. 303. ACCELERATED PAYMENTS OF EDUCATIONAL AS-4 SISTANCE. 5 Section 3014 of title 38, United States Code, is 6 amended— (1) by inserting "(a)" before "The Secretary 7 8 shall pay"; and 9 (2) by adding at the end the following new sub-10 section (b): 11 "(b)(1) When the Secretary determines that it is appropriate to accelerate payments under the regulations prescribed pursuant to paragraph (6), the Secretary may make payments of basic educational assistance allowance under this subchapter on an accelerated basis. 16 "(2) The Secretary may pay a basic educational assistance allowance on an accelerated basis only to an individual entitled to payment of the allowance under this sub-18 chapter who has made a request for payment of the allowance on an accelerated basis. 20 21 "(3) In the event an adjustment under section 3015(g) of this title in the monthly rate of basic educational assistance will occur during a period for which a payment of

an allowance is made on an accelerated basis under this

25 subsection, the Secretary shall—

1	"(A) pay on an accelerated basis the amount the
2	allowance otherwise payable under this subchapter for
3	the period without regard to the adjustment under
4	that section; and
5	"(B) pay on the date of the adjustment any ad-
6	ditional amount of the allowance that is payable for
7	the period as a result of the adjustment.
8	"(4) The entitlement to a basic educational assistance
9	allowance under this subchapter of an individual who is
10	paid an allowance on an accelerated basis under this sub-
11	section shall be charged at a rate equal to one month for
12	each month of the period covered by the accelerated payment
13	of the allowance.
14	$\lq\lq(5)$ A basic educational assistance allowance shall be
15	paid on an accelerated basis under this subsection as fol-
16	lows:
17	"(A) In the case of an allowance for a course
18	leading to a standard college degree, at the beginning
19	of the quarter, semester, or term of the course in a
20	lump-sum amount equivalent to the aggregate amount
21	of monthly allowance otherwise payable under this
22	subchapter for the quarter, semester, or term, as the
23	case may be, of the course.
24	"(B) In the case of an allowance for a course

 $other\ than\ a\ course\ referred\ to\ in\ subparagraph\ (A)-\!\!\!\!-\!\!\!\!-$

25

1	"(i) at the later of (I) the beginning of the
2	course, or (II) a reasonable time after the request
3	for payment by the individual concerned; and
4	"(ii) in any amount requested by the indi-
5	vidual concerned up to the aggregate amount of
6	monthly allowance otherwise payable under this
7	subchapter for the period of the course.
8	"(6) The Secretary shall prescribe regulations for pur-
9	poses of making payments of basic educational allowance
10	on an accelerated basis under this subsection. Such regula-
11	tions shall specify the circumstances under which acceler-
12	ated payments should be made and include requirements
13	relating to the request for, making and delivery of, and re-
14	ceipt and use of such payments.".
15	SEC. 304. TRANSFER OF ENTITLEMENT TO EDUCATIONAL
16	ASSISTANCE.
17	(a) Authority To Transfer to Family Member.—
18	Subchapter II of chapter 30 of title 38, United States Code,
19	is amended by adding at the end the following new section:
20	"§3020. Transfer of entitlement to basic educational
21	assistance
22	"(a) The Secretary may, for the purpose of enhancing
23	recruiting and retention, and at the Secretary's sole discre-
24	tion, permit an individual entitled to educational assist-
25	ance under this subchapter to elect to transfer such individ-

- 1 ual's entitlement to such assistance, in whole or in part,
- 2 to the individuals specified in subsection (b).
- 3 "(b) An individual's entitlement to educational assist-
- 4 ance may be transferred when authorized under subsection
- 5 (a) as follows:
- 6 "(1) To the individual's spouse.
- 7 "(2) To one or more of the individual's children.
- 8 "(3) To a combination of the individuals referred
- 9 to in paragraphs (1) and (2).
- 10 "(c)(1) An individual electing to transfer an entitle-
- 11 ment to educational assistance under this section shall—
- 12 "(A) designate the individual or individuals to
- 13 whom such entitlement is being transferred and the
- 14 percentage of such entitlement to be transferred to
- 15 each such individual; and
- 16 "(B) specify the period for which the transfer
- shall be effective for each individual designated under
- 18 subparagraph (A).
- 19 "(2) The aggregate amount of the entitlement transfer-
- 20 able by an individual under this section may not exceed
- 21 the aggregate amount of the entitlement of such individual
- 22 to educational assistance under this subchapter.
- 23 "(3) An individual electing to transfer an entitlement
- 24 under this section may elect to modify or revoke the transfer
- 25 at any time before the use of the transferred entitlement.

- 1 An individual shall make the election by submitting written
- 2 notice of such election to the Secretary.
- 3 "(d)(1) The use of any entitlement transferred under
- 4 this section shall be charged against the entitlement of the
- 5 individual making the transfer at the rate of one month
- 6 for each month of transferred entitlement that is used.
- 7 "(2) Except as provided in paragraph (3), an individ-
- 8 ual using entitlement transferred under this section shall
- 9 be subject to the provisions of this chapter in such use as
- 10 if such individual were entitled to the educational assist-
- 11 ance covered by the transferred entitlement in the individ-
- 12 ual's own right.
- 13 "(3) Notwithstanding section 3031 of this title, a child
- 14 shall complete the use of any entitlement transferred to the
- 15 child under this section before the child attains the age of
- 16 26 years.
- 17 "(e) In the event of an overpayment of educational as-
- 18 sistance with respect to an individual to whom entitlement
- 19 is transferred under this section, such individual and the
- 20 individual making the transfer under this section shall be
- 21 jointly and severally liable to the United States for the
- 22 amount of the overpayment for purposes of section 3685 of
- 23 this title.
- 24 "(f) The Secretary shall prescribe regulations for pur-
- 25 poses of this section. Such regulations shall specify the man-

- 1 ner and effect of an election to modify or revoke a transfer
- 2 of entitlement under subsection (c)(3).".
- 3 (b) Clerical Amendment.—The table of sections at
- 4 the beginning of such chapter is amended by inserting after
- 5 the item relating to section 3019 the following new item: "3020. Transfer of entitlement to basic educational assistance.".

6 TITLE IV—REPORT

- 7 SEC. 401. ANNUAL REPORT ON EFFECTS OF INITIATIVES ON
- 8 RECRUITMENT AND RETENTION.
- 9 (a) REQUIREMENT FOR REPORT.—On December 1 of
- 10 each year, the Secretary of Defense shall submit to Congress
- 11 a report that sets forth the Secretary's assessment of the ef-
- 12 fects that the provisions of this Act and the amendments
- 13 made by the Act are having on recruitment and retention
- 14 of personnel for the Armed Forces.
- 15 (b) First Report.—The first report under this sec-
- 16 tion shall be submitted not later than December 1, 2000.