

**SUMMARY OF MAJOR CHANGES TO CHAPTER 09
DOD 7000.14-R, VOLUME 7B
MILITARY PAY POLICY AND PROCEDURES FOR RETIRED PAY**

New and revised instructions are indicated by a star placed immediately before the new or revised section, paragraph, subparagraph, decision logic table, etc.

Page	Paragraph	Explanation of Change/Revision	Effective Date
		No ICs have been issued to this chapter.	

CHAPTER 9

ADVANCEMENTS ON RETIRED LIST0901 PURPOSE

090101. This chapter covers advancements of retired members, Fleet Reservists, and Fleet Marine Corps Reservists who are retired when:

A. Their active service, inactive service (Navy or Marine Corps members only), and service on the retired list or in the Fleet Reserve or Fleet Marine Corps Reserve totals 30 years; or

B. Members are found not physically qualified for retention in the Fleet Reserve or Fleet Marine Corps Reserve.

0902 GENERAL

090201. Section 0103 of this volume covers members retired from active service in:

A. A higher grade because of serving on active duty in special positions,

B. The highest grade or rating held while serving on active duty, or

C. The grade to which members would have been promoted had it not been for the physical disability for which retired and which was found to exist as a result of physical examination for promotion.

0903 ADVANCEMENTS

090301. Army and Air Force. Each warrant officer of the Army or Air Force and each enlisted member of the Regular Army or Air Force is entitled, when active service plus service on the retired list totals 30 years, to be advanced on the retired list to the highest temporary or permanent grade in which the member served satisfactorily as determined, respectively, by the Secretary of the Army or the Secretary of the Air Force.

090302. Navy and Marine Corps

A. When an enlisted member of the Fleet Reserve or Fleet Marine Corps Reserve has completed 30 years of service, or when he or she is found not physically qualified for retention in the Fleet Reserve or Fleet Marine Corps Reserve as a result of the required quadrennial physical examination, the member is transferred to the retired list.

B. Such a member may be advanced on the retired list to the highest officer grade in which the he or she served satisfactorily under a temporary or permanent appointment as determined by the Secretary of the Navy.

0904 EFFECTS ON PAY

090401. There is no absolute requirement that a member of the Armed Forces must be advanced on the retired list. When a member would receive a lesser rate of the retired pay when advanced than when originally retired or transferred, the member should be consulted and advised that retired pay would be less if he or she elects to be advanced on the retired list.

090402. Warrant officers advanced on the retired list are entitled to use only years of active service in determining the percentage multiplier to be used in computing retired pay for the advanced grade. When recomputation results in a reduction of retired pay and is effected solely on the basis of administrative determination without regard to member's wishes, the member may elect advancement and reduction in pay or remain in the grade in which retired with benefits of original retirement.

090403. If an enlisted member is, in fact, advanced on the retired list, retired pay must be recomputed, even though a reduction of retired pay would result. Before being advanced, the member should be consulted and advised that the retired pay entitlement will be less if the member elects to be advanced.

090404. Retired pay may be computed at the higher grade in which a member had served satisfactorily, without regard to whether the higher grade was temporary or permanent, even though the Military Service in which he or she held the higher grade is not the Military Service from which retired. Where required by statute, an administrative approval that the service at the higher grade was satisfactorily performed shall be issued by the Secretary of the Military Department (or designee) in which the member performed service at the higher grade.

090405. An enlisted member who, when retired or transferred, was awarded a 10 percent increase in retired pay because of extraordinary heroism performed in the line of duty is not eligible to continue receiving the additional 10 percent upon advancement to officer rank.

090406. A member of the Armed Forces advanced on the retired list is entitled to retired pay recomputed by:

A. Using the rate of monthly basic pay for the grade on the initial date of retirement or transfer (or using the monthly retired pay base if the member entered a Uniformed Service after September 7, 1980);

B. Multiplying two and one-half percent times the total number of years of active service (using 6 months or more as a whole year) for members advanced before October 1, 1983, and using whole months actually served, in excess of whole years, as 1/12 of a year for members advanced after September 30, 1983;

C. Subtracting the excess over 75 percent of pay upon which computation is based; and

D. Adding all applicable cost-of-living adjustments from the date of initial retirement or transfer.

0905 RESTORATION OF FORMER GRADE

Each retired warrant officer, enlisted member of the Regular Army or Air Force, or enlisted member retired from the Fleet Reserve or Fleet Marine Corps Reserve who has been advanced on the retired list to a higher temporary or permanent commissioned officer grade may, within 3 months after advancement, apply to the Secretary of the Military Department concerned for restoration to the former enlisted or warrant officer grade. If the Secretary of the Military Department concerned approves the request, the member may be restored to the former warrant officer or enlisted grade. A member so restored thereafter is considered for all purposes to be a warrant officer or an enlisted member, as applicable.

Chapter 09-Advancements on Retired List

0903-Advancements

090301	10 U.S.C. 3964, 8964 49 Comp Gen 618 Friestedt vs US 173 Court of Claims 447, 1965
090302.B	10 U.S.C. 6151(a), 6331, 6485

0904-Effects on Pay

090401	44 Comp Gen 510 51 Comp Gen 137
090402	MS Comp Gen B-156576, July 22, 1965
090404	49 Comp Gen 113, 618
090406.A	Public Law 96-352, Sep 8, 1980
090406.B	Public Law 98-94, Sep 24, 1983
090406.D	10 U.S.C. 1401a(f), 3992, 8992, 6151a, b, c, d