

105TH CONGRESS
2D SESSION

S. 2563

To amend title 10, United States Code, to restore military retirement benefits that were reduced by the Military Retirement Reform Act of 1986.

IN THE SENATE OF THE UNITED STATES

OCTOBER 7 (legislative day, OCTOBER 2), 1998

Mr. ROBERTS (for himself and Mr. MCCAIN) introduced the following bill;
which was read twice and referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to restore military retirement benefits that were reduced by the Military Retirement Reform Act of 1986.

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

3 **SECTION 1. SHORT TITLE; REFERENCES TO TITLE 10,**
4 **UNITED STATES CODE.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Military Retirement Readiness Enhancement Act of
7 1998”.

8 (b) REFERENCES TO TITLE 10.—Except as otherwise
9 expressly provided, whenever in this Act an amendment
10 or repeal is expressed in terms of an amendment to, or

1 repeal of, a section or other provision, the reference shall
 2 be considered to be made to a section or other provision
 3 of title 10, United States Code.

4 **SEC. 2. RETIRED PAY MULTIPLIER.**

5 (a) REPEAL OF REDUCTION FOR LESS THAN 30
 6 YEARS OF SERVICE.—Subsection (b) of section 1409 is
 7 amended by striking out paragraph (2).

8 (b) CONFORMING AMENDMENTS.—(1) Paragraph (1)
 9 of such subsection is amended by striking out “paragraphs
 10 (2) and (3)” and inserting in lieu thereof “paragraph (2)”.

11 (2) Paragraph (3) of such subsection is redesignated
 12 as paragraph (2).

13 **SEC. 3. ADJUSTMENTS OF RETIRED AND RETAINER PAY TO**
 14 **REFLECT CHANGES IN THE CONSUMER**
 15 **PRICE INDEX.**

16 (a) REPEAL OF REDUCED COLA RATE.—Subsection
 17 (b) of section 1401a is amended—

18 (1) by striking out paragraphs (1), (2), (3), and
 19 (4), and inserting in lieu thereof the following:

20 “(1) GENERAL RULE.—Effective on December
 21 1 of each year, the Secretary of Defense shall in-
 22 crease the retired pay of each member and former
 23 member of an armed force by the percent (adjusted
 24 to the nearest one-tenth of 1 percent) by which—

1 “(A) the price index for the base quarter
2 of that year, exceeds

3 “(B) the base index.”; and

4 (2) by redesignating paragraph (5) as para-
5 graph (2).

6 (b) FIRST COLA ADJUSTMENT.—Subsections (c)(3)
7 and (d) of such section are amended by striking out “who
8 first became a member of a uniformed service before Au-
9 gust 1, 1986, and”.

10 (c) REPEAL OF SPECIAL RULE ON PRO RATING INI-
11 TIAL ADJUSTMENT FOR POST-1986 REFORM RETIR-
12 EES.—Subsection (e) of such section is repealed.

13 (d) CONFORMING AMENDMENTS.—Subsections (f),
14 (g), and (h) of such section are redesignated as sub-
15 sections (e), (f), and (g), respectively.

16 **SEC. 4. RESTORAL OF FULL RETIREMENT AMOUNT AT AGE**
17 **62.**

18 (a) REPEAL.—Section 1410 is repealed.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of chapter 71 is amended by striking out
21 the item relating to section 1410.

22 **SEC. 5. CONFORMING AMENDMENTS FOR SURVIVOR BENE-**
23 **FIT PLAN.**

24 (a) UNREDUCED RETIRED PAY AS BASIS FOR ANNU-
25 ITY.—Section 1447(6)(A) is amended by striking out

1 “(determined without regard to any reduction under sec-
 2 tion 1409(b)(2) of this title)”.

3 (b) COST-OF-LIVING ADJUSTMENTS AND RECOMPU-
 4 TATIONS.—Section 1451 is amended by striking out sub-
 5 sections (h) and (i) and inserting in lieu thereof the follow-
 6 ing:

7 “(h) ADJUSTMENTS TO BASE AMOUNT FOR COST-OF-
 8 LIVING.—

9 “(1) INCREASES IN BASE AMOUNT WHEN RE-
 10 TIRED PAY INCREASED.—Whenever retired pay is in-
 11 creased under section 1401a of this title (or any
 12 other provision of law), the base amount applicable
 13 to each participant in the Plan shall be increased at
 14 the same time.

15 “(2) PERCENTAGE OF INCREASE.—The increase
 16 shall be by the same percent as the percent by which
 17 the retired pay of the participant is so increased.”.

18 (c) REDUCTION IN RETIRED PAY.—(1) Section 1452
 19 is amended—

20 (A) in subsection (c), by striking out paragraph
 21 (4); and

22 (B) by striking out subsection (i).

23 (2) Section 1460(d) is amended by striking out “or
 24 recomputed under section 1452(i) of this title”, or recom-
 25 puted, as the case may be,” and “or recomputation”.

1 **SEC. 6. EFFECTIVE DATE.**

2 This Act and the amendments made by this Act shall
3 take effect on October 1, 1999, and shall apply with re-
4 spect to retired or retainer pay accruing for months begin-
5 ning on or after that date.

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