

113TH CONGRESS
1ST SESSION

H. R. 3314

To amend title 10, United States Code, to limit recoupments of separation pay, special separation benefits, and voluntary separation incentive from members of the Armed Forces subsequently receiving retired or retainer pay.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 23, 2013

Ms. SHEA-PORTER introduced the following bill; which was referred to the
Committee on Armed Services

A BILL

To amend title 10, United States Code, to limit recoupments of separation pay, special separation benefits, and voluntary separation incentive from members of the Armed Forces subsequently receiving retired or retainer pay.

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.**

4 This Act may be cited as the “Military Retired Pay
5 Fairness Act of 2013”.

1 **SEC. 2. LIMITATIONS ON RECOUPMENT OF SEPARATION**
2 **PAY, SPECIAL SEPARATION BENEFITS, AND**
3 **VOLUNTARY SEPARATION INCENTIVE FROM**
4 **MEMBERS SUBSEQUENTLY RECEIVING RE-**
5 **TIRED OR RETAINER PAY.**

6 (a) SEPARATION PAY AND SPECIAL SEPARATION
7 BENEFITS.—Section 1174(h)(1) of title 10, United States
8 Code, is amended—

9 (1) by inserting “(A)” after “(1)”;

10 (2) by adding at the end the following new sub-
11 paragraphs:

12 “(B) The amount deducted under subparagraph (A)
13 from a payment of retired or retainer pay may not exceed
14 25 percent of the amount of the member’s retired or re-
15 tainer pay for that month unless the member requests or
16 consents to deductions at an accelerated rate. The Sec-
17 retary of Defense shall consult with the member regarding
18 the repayment rate to be imposed, taking into account the
19 financial ability of the member to pay and avoiding the
20 imposition of an undue hardship on the member and the
21 member’s dependents.

22 “(C) The deduction of amounts from the retired or
23 retainer pay of a member under this paragraph may not
24 commence until the date that is 90 days after the date
25 on which the Secretary of Defense notifies the member
26 of the deduction of such amounts under this paragraph.

1 Any notice under this subparagraph shall be designed to
2 provide clear and comprehensive information on the de-
3 duction of amounts under this paragraph, including infor-
4 mation on the determination of the amount and period of
5 installments under this paragraph.

6 “(D) The Secretary of Defense may waive the deduc-
7 tion of amounts from the retired or retainer pay of a mem-
8 ber under this paragraph if the Secretary determines that
9 deduction of such amounts would result in a financial
10 hardship for the member.”.

11 (b) VOLUNTARY SEPARATION INCENTIVE.—Section
12 1175(e)(3) of such title is amended—

13 (1) by redesignating subparagraph (B) as sub-
14 paragraph (C);

15 (2) by inserting after subparagraph (A) the fol-
16 lowing new subparagraph:

17 “(B) The amount deducted under subparagraph (A)
18 from a payment of retired or retainer pay may not exceed
19 25 percent of the amount of the member’s retired or re-
20 tainer pay for that month unless the member requests or
21 consents to deductions at an accelerated rate. The Sec-
22 retary of Defense or the Secretary of Homeland Security,
23 as applicable, shall consult with the member regarding the
24 repayment rate to be imposed, taking into account the fi-
25 nancial ability of the member to pay and avoiding the im-

1 position of an undue hardship on the member and the
2 member's dependents.”; and

3 (3) by adding at the end the following new sub-
4 paragraphs:

5 “(D) The deduction of amounts from the retired or
6 retainer pay of a member under this paragraph may not
7 commence until the date that is 90 days after the date
8 on which the Secretary of Defense or the Secretary of
9 Homeland Security, as applicable, notifies the member of
10 the deduction of such amounts under this paragraph. Any
11 notice under this subparagraph shall be designed to pro-
12 vide clear and comprehensive information on the deduction
13 of amounts under this paragraph, including information
14 on the determination of the amount and period of install-
15 ments under this paragraph.

16 “(E) The Secretary of Defense or the Secretary of
17 Homeland Security, as applicable, may waive the deduc-
18 tion of amounts from the retired or retainer pay of a mem-
19 ber under this paragraph if the Secretary determines that
20 deduction of such amounts would result in a financial
21 hardship for the member.”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall take effect on the first day of the first
24 month beginning on or after the date of the enactment
25 of this Act and apply to deductions made from the retired

- 1 or retainer pay of members of the uniformed services for
- 2 that month and subsequent months.

