

**SUMMARY OF MAJOR CHANGES TO CHAPTER 20
DOD 7000.14-R, VOLUME 7A
MILITARY PAY POLICY AND PROCEDURES ACTIVE DUTY AND RESERVE 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 |
|-----------------|--------------------------|---|-----------------------|
| 20-2 to 20-3 | 200403 | IC 37-99 adds a new paragraph that establishes parity with regard to the payment of outstanding bonus obligations upon death of enlisted and officer members. | June 29, 1999 |
| | Complete Chapter Rewrite | IC 10-00 incorporates rate increases and eligibility criteria for the Aviator Retention Bonus. | Oct 01, 1999 |

Interim change 10-00 is a complete chapter rewrite.

★CHAPTER 20 (IC 10-00)

AVIATOR RETENTION BONUS

2001 ENTITLEMENT

An aviation officer who makes a written agreement to remain on active duty in aviation service for at least 1 year, may be paid a retention bonus as provided in this chapter. The written agreement must be executed during the period beginning January 1, 1989, and ending on December 31, 2000, and accepted by the Secretary of the Military Department concerned. An aviation officer eligible under this chapter is entitled to a retention bonus in addition to any other pay and allowances to which the officer is entitled.

2002 ELIGIBILITY REQUIREMENTS

200201. Effective October 1, 1999, to qualify for an aviation bonus under this chapter, an officer must:

- A. Be entitled to aviation career incentive pay (ACIP),*
- B. Be in a pay grade below O-7 (although the Secretary of the Military Department concerned may establish more restrictive requirements),*
- C. Be qualified to perform operational flying duty, and*
- D. Have completed any active duty service commitment incurred for undergraduate aviator training.*

200202. Definitions of select terms used in this chapter are as follows:

A. Aviation Service. Aviation service is service performed by an officer (except a flight surgeon or other medical officer) while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation.

B. Operational Flying Duty. Operational flying duty is flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary of the Military Department concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation.

2003 COMPUTATION

The amount of a retention bonus authorized under this chapter for agreements submitted on or after October 1, 1999, may not be more than \$25,000 for each year covered by the agreement to remain on active duty.

2004 TIME OF PAYMENT

200401. *The term of the written agreement and the amount of payment may be prorated as long as an agreement does not extend beyond the date on which the officer would complete 25 years of aviation service.*

200402. *Upon an officer's acceptance of the agreement, the total amount payable becomes fixed and may be paid either in a lump sum or in installments.*

200403. *If a member dies before receiving the full amount of the bonus due (including contracted future year anniversary payments) and death is not caused by the member's misconduct, the remaining unpaid bonus balance is payable as a lump sum for inclusion in the settlement of the deceased member's final military pay account. If death is determined to be the result of the member's own misconduct, termination of future payments and proration or recoupment of the bonus, as applicable, will be made in accordance with procedures that the Military Department has established for members whose inability to complete a contracted period of service is voluntary or the result of misconduct.*

2005 RECOUPMENT

200501. *Recoupment of the unearned portion of the bonus is required on a pro rata basis if the officer receiving the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.*

200502. *The amount established for recoupment is, for all purposes, a debt owed to the United States.*

200503. *A discharge in bankruptcy under Title 11, United States Code (reference (aj)), that is entered less than 5 years after the termination of an agreement under this section, does not discharge the member signing such agreement from a debt arising under such agreement or under section 2001.*

200504. *Reduce the amount to be recouped by an amount equal to any reduction taken under subparagraphs 350702.F. or 350802.D.*

Chapter 20 — Aviator Retention Bonus

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|---|-------------------------------|--------|---|
| ★ | 2001—Entitlement | | <i>Public Law 106-65, Section 613(a), Oct 5, 1999 37 U.S.C. 301b (a)</i> |
| | 2002—Eligibility Requirements | | <i>37 U.S.C. 301b(b) Public Law 105-261, Section 615(c)(2), Oct 17, 1998</i> |
| ★ | | 200202 | <i>Public Law 106-65, Section 615, Oct 5, 1999 37 U.S.C. 301b(j)</i> |
| | 2003—Amount of Bonus | | <i>37 U.S.C. 301b(c) Public Law 105-85, Section 616, Nov 18, 1997</i> |
| ★ | | | <i>Public Law 106-65, Section 615, Oct 5, 1999</i> |
| | 2004—Time of Payment | 200403 | <i>37 U.S.C. 301b(d), (e) ASD(FMP) Memo, June 29, 1999</i> |
| ★ | | | <i>Public Law 106-65, Section 615, Oct 5, 1999</i> |
| | 2005—Recoupment | | <i>37 U.S.C. 301b(g) Public Law 103-139, Section 8127, Nov 11, 1993 Public Law 103-335, Section 8106A, Sep 30, 1994</i> |
| ★ | | | <i>Public Law 106-65, Section 615, Oct 5, 1999</i> |
| | 2006—Restriction | | <i>Public Law 100-456,</i> |

2007—Coverage of Period of Lapsed Authority

*Section 611(e),
Sep 29, 1988
Public Law 103-160,
Section 613(i),
Nov 30, 1993
Public Law 104-106,
Section 613(i),
Feb 10, 1996*