



DEFENSE FINANCE AND ACCOUNTING SERVICE  
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DEC 23 2004

DFAS-DOP

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE  
FINANCE AND ACCOUNTING SERVICE (DFAS-PM/CL)

SUBJECT: Proposed Change to the Department of Defense Financial Management Regulation (DoDFMR), Volume 7A, Regarding Modification of Active and Reserve Component Reenlistment Bonus Authorities (DFAS Item N-43)

The attached Interim Change **38-04** extends the authority for reserve bonuses and is effective October 28, 2004.

This is a routine change and the result of directed action that does not affect existing policies. A draft of this change was not provided for comment. Assignment of the interim change number is your authority to initiate a procedural modification to implement this change. Use the attached to initiate the formal change to the DoDFMR, Volume 7A.

Lydia Moschkin  
Director, Policy and Requirements

Attachments:  
As stated

cc: DUSD(MPP)(Comp)  
OUSD(C)(ODCFO)(FD)  
ODGC(F)  
Service Liaisons  
USCG/NOAA/PHS Liaisons  
DFAS-GAM/DE  
DFAS-PMA-CL  
DFAS-PMJE/DE

Chapter 57

1. Revise title to paragraph 570402 as follows:

“570402. Selected Reserve Reenlistment or Voluntary Extension Bonus

2. Revise subparagraph 570402.A to read as follows:

“A. Basic Condition of Entitlement. Effective October 28, 2004, the Secretary concerned may pay a bonus to an enlisted member of a Reserve Component after all the conditions are met: . . . . .”

3. Replace subparagraphs 570402.B and 570402.C with the following:

B. To Whom Payable. The Secretary of the military department may pay a bonus under this paragraph to an enlisted member of a Reserve Component who has completed not more than 16 years total military service and reenlists or voluntarily extends his or her enlistment for:

1. A period of 6 years may receive an amount not to exceed \$15,000;
2. An initial period of 3 years may receive an amount not to exceed \$7,500;
3. A second period of 3 years may receive an amount not to exceed \$6,000.

C. Amounts Payable. The bonus payment may be paid in either lump sum or in installments. If the bonus is paid in installments, the initial payment shall be not less than 50 percent of the total amount of the bonus. The Secretary of the Military Department concerned shall prescribe the amount of each subsequent installment payment and the schedule for making the installment payment.

4. In subparagraph 570403.C.1 replace \$8,000 with \$10,000.

5. Add the following to the bibliography:

ParagraphCitation

570402.A

Public Law 108-136, section 618(b),  
October 28, 2004

570402.B	Public Law 108-136, section 618(b), October 28, 2004
570402.C	Public Law 108-136, section 618(b), October 28, 2004
570403.C.1	Public Law 108-375, section 618(c), October 28, 2004

**Chapter 61****1. Revise paragraph 610301 as follows:**

610301. An amount not to exceed \$3,000 may be paid to a person who enlists, reenlists, or extends for a period of 6 years, or \$750 to a person who enlists, reenlists, or extends for a period of 3 years.

**2. Add the following new paragraph 610204:**

610204. A person entitled to a bonus under this section who is called or ordered to active duty shall be paid, during that period of active duty, any amount of the bonus that becomes payable to the member during that period of active duty.

**3. Revise the bibliography to read:**

6101—AUTHORITY

37 U.S.C. 308h

6102—BASIC CONDITIONS OF ENTITLEMENT

37 U.S.C. 308h(g)

Public Law 108-375, section 618(e), October 28, 2004

610204

Public Law 108-375, section 618(e), October 28, 2004

6103—AMOUNTS PAYABLE

610301

Public Law 108-375, section 618(e), October 28, 2004