



**DEFENSE FINANCE AND ACCOUNTING SERVICE**

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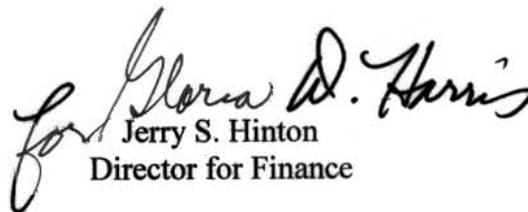
DFAS-DFM

MEMORANDUM FOR OFFICE OF THE UNDER SECRETARY OF DEFENSE  
(COMPTROLLER)(ODCFO)(FP)  
DIRECTOR, MILITARY RETIRED PAY OPERATIONS, DEFENSE  
FINANCE AND ACCOUNTING SERVICE (DFAS-PRR/CL)  
DIRECTOR, MILITARY ANNUITY PAY OPERATIONS, DEFENSE  
FINANCE AND ACCOUNTING SERVICE (DFAS-PRR/DE)

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation  
(DoDFMR), Volume 7, Part B, Regarding Retirement from Active Reserve Service  
After Regular Retirement (K-17)

The attached is Interim Change **R 01-02** to Chapter 7 of the DoDFMR, Volume 7B.  
Public Law 106-398, Section 653, November 1, 2000, allows a retired member of the regular  
component, who later serves and is promoted in an active reserve position, to retire as a member  
of the retired reserve at the higher grade.

We have evaluated your comments on the proposed change and included your comments  
where appropriate. Assignment of an interim change number is your authority to initiate  
procedural modifications to implement this change. Use the attached to initiate a formal change  
to the DoDFMR, Volume 7B.

  
Jerry S. Hinton  
Director for Finance

Attachments:  
As stated

cc DASD (MMP)(Comp)  
OUSD (C)(ODCFO)(FP)  
ODGC (F)  
DFAS-GAM/DE  
Services Liaisons  
USCG/NOAA/PHS Liaisons  
DFAS-PR/KC  
DFAS-PRR/CL  
DFAS-PRR/DE  
DFAS-PMJE/DE

**1. Subparagraph 010108.B.4, revise to read:**

4. Is not entitled under any other provision of law to retired pay from the Armed Forces or retainer pay as a member of the Fleet Reserve or the Marine Corps Fleet Reserve, except as provided in section 0708 of this volume.”

**2. Chapter 7, revise Heading to read:****RECOMPUTATION AFTER ADDITIONAL ACTIVE/RESERVE DUTY****3. Add new section 0708 to read:****0708 RETIREMENT FROM ACTIVE RESERVE SERVICE AFTER REGULAR RETIREMENT**

070801. Election of Reserve Retirement Pay. Effective May 1, 2001, a member of a Regular Component who is entitled to retired or retainer pay based on years of active service, and who serves in an active status as a member of a Reserve Component may apply for reserve retired pay under 10 U.S.C. 12731 on or after attaining age 60. The member who is qualified under this section is exempt from the following provisions:

A. Performing the last 8 years of qualifying service in accordance with title 10 U.S.C. 12731(a)(3), and

B. The limitation in 10 U.S.C. 12731(a)(4) that a retiree is not entitled, under any other provision of law, to retired pay from an Armed Force or retainer pay as a member of the Fleet Reserve or Fleet Marine Corps Reserve.

**4.  Add to the Bibliography:****Paragraph****Citation**

070801

Public Law 106-398, section 653  
October 30, 2000  
10 U.S.C. 12741