



DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON
1851 SOUTH BELL STREET
ARLINGTON, VA 22240-5291

AUG 30 2004

DFAS-DFM

MEMORANDUM FOR DIRECTOR, CONTINUING GOVERNMENT ACTIVITY, DEFENSE
FINANCE AND ACCOUNTING SERVICE (DFAS-PDO/CL)

SUBJECT: Interim Change to the Department of Defense Financial Management
Regulation (DoDFMR), Volume 7B, Regarding the Special Compensation for
Severely Disabled Retirees (DFAS Item N-12)

Attached is Interim Change **R 08-04** to the DoDFMR, Volume 7B. Public Law 108-136, Section 641(b) repealed the authority for Special Compensation for Severely Disabled Retirees due to the enactment of Concurrent Receipt authority under Public Law 108-136, Section 641(a), effective January 1, 2004.

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

A handwritten signature in black ink, appearing to read "Jerry S. Hinton".

Jerry S. Hinton
Director for Finance

Attachment:
As stated

cc: ODUSD(MPP)(Comp)
OUSD(C)(ODCFO)(FP)
ODGC(F)
DFAS-GA/CL
Service Liaisons
USCG/NOAA/PHS Liaisons

SPECIAL COMEPENSATION FOR SEVERELY DISABLED RETIREES

1. In Chapter 62, which was added by IC R12-02, insert between "SPECIAL COMEPENSATION FOR SEVERELY DISABLED RETIREES" and "Section 6201: BACKGROUND" the following:

NOTE: In accordance with Public Law 108-136, Section 641(b), effective January 1, 2004, the Special Compensation for Severely Disabled Retirees program has been repealed and no additional benefits will be paid under this program for periods beginning on or after the effective date. Payments will be made to any eligible retiree who, as determined by DFAS, met the criteria for payment during the program's applicability. Any member who requests assistance in determining why he/she was not paid under this program will be provided information and assistance on a timely basis to effect payments that may be due. The member must contact the Service from whom he/she retired in order to correct data and information in the personnel system. In addition, a member would obtain payment information from DFAS and entitlement information from the Department of Veterans Affairs. In accordance with the Barring Act (31 U.S.C. section 3702(b)), a claim for unpaid Special Compensation for Severely Disabled payments due prior to January 1, 2004, must be received by DFAS within six years of the date the payment was originally due. Therefore, no further claims for such payments can be made after December 31, 2009. Members who are eligible for both Special Compensation for Severely Disabled Retirees and Combat Related Special Compensation for the period of June 2003 through December 2003 are not entitled to receive both compensations. Members who received both will have Special Compensation for Severely Disabled benefits withheld or recouped for the above period.

Below Chapter will be retained and maintained until December 31, 2009.