

**SUMMARY OF MAJOR CHANGES TO CHAPTER 12
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
12-4	120203.E	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 personnel.	June 29, 1999
	120101.A, 120201.A, 120301.A Bibliography	IC 07-00 incorporates extensions of entitlement authority and authorized rate increases for nuclear bonuses and special pay.	Oct 1, 1999

Interim change 37-99 and 07-00 are incorporated in this chapter.

CHAPTER 12

SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS

1201 NUCLEAR POWER ACCESSION BONUS PROGRAM

120101. Entitlement

★ A. *Effective October 1, 1999, individuals accepted, on or before December 31, 2000, for officer naval nuclear power training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants, may be entitled to accession bonuses not to exceed a total of \$20,000. (IC 07-00)*

B. The Secretary of the Navy is assigned, under law, responsibility for issuing regulations that prescribe specific eligibility requirements and, annually, the value of the bonus payments, not to exceed the limit cited above. The amounts payable to an individual under this entitlement become fixed upon acceptance, by the Secretary of the Navy, of the individual's written agreement to participate in the training program. The regulation governing this program, including effective bonus rates, is SECNAVINST 7220.65 series (reference (ac)).

C. The bonus is made of 2 parts, which the Secretary of the Navy has identified as follows:

1. Nuclear Officer Accession Bonus. The Nuclear Officer Accession Bonus is payable upon selection and acceptance, by the Secretary of the Navy, of the individual's written agreement for participation in officer naval nuclear power training.

2. Nuclear Career Accession Bonus. The Nuclear Career Accession Bonus is payable upon successful completion, as a commissioned officer, of training for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants.

120102. Eligibility Requirements

A. Nuclear Officer Accession Bonus. The following requirements must be met to qualify for the Nuclear Officer Accession Bonus:

1. If an individual already is a commissioned officer, he or she must not be restricted in performance of duty; that is, he or she must be an officer of the unrestricted line;

2. The individual must be selected and execute a written agreement to participate in officer naval nuclear power training; and

3. The Secretary of the Navy must accept the individual into the training program.

B. Nuclear Career Accession Bonus. An officer must meet the following requirements to qualify for the Nuclear Career Accession Bonus:

- Bonus
1. Fulfill the above requirements for the Nuclear Officer Accession
 2. Be on active duty and entitled to basic pay
 3. Successfully complete the nuclear propulsion training program.

120103. Payment

A. Upon acceptance of a request for admission into the program, the Chief of Naval Personnel shall give the individual an official written notification of acceptance. The date of acceptance shall fix the value of both the Nuclear Officer Accession Bonus and the Nuclear Career Accession Bonus.

1. Effective August 12, 1996, the Department of the Navy set the Nuclear Officer Accession Bonus at \$6,000 and the Nuclear Career Accession Bonus at \$2,000.

2. Effective October 1, 1998, the Department of the Navy set the Nuclear Officer Accession Bonus at \$8,000. The Nuclear Career Accession Bonus remained unchanged at \$2,000.

B. Nuclear Officer Accession Bonus. A properly executed acceptance document will establish authority to make payment of the Nuclear Officer Accession Bonus.

C. Nuclear Career Accession Bonus. The Commanding Officer, Nuclear Power Training Unit (NPTU), shall certify the eligibility of each officer upon successful completion of the training program which will establish authority to make payment of the Nuclear Career Accession Bonus.

120104. Recoupment

A. An individual, who has received a Nuclear Officer Accession Bonus and fails to commence or satisfactorily complete the nuclear power training specified in the agreement with the Secretary of the Navy, will, except for the reasons listed in SECNAVINST 7220.65 series (reference (ac)), be required to refund the entire bonus.

B. Reduce the amount to be recouped by an amount equal to any reduction taken under subparagraphs 350702.F or 350802.D of this volume.

1202 NUCLEAR-QUALIFIED OFFICER EXTENDING PERIOD OF ACTIVE SERVICE (CONTINUATION PAY)120201. Entitlement

★ A. *Effective October 1, 1999, nuclear qualified officers with applications for extension on active duty that are accepted on or before December 31, 2000, may be entitled to a bonus not to exceed a total of \$25,000 for each year of the active service agreement. (IC 07-00)*

B. The Secretary of the Navy is assigned, under law, responsibility for issuing regulations that prescribe specific eligibility requirements and, annually, the value of the bonus payments, not to exceed the limit cited in subparagraph 120201.A, above. The amounts payable to an individual under this entitlement become fixed upon acceptance, by the Secretary of the Navy, of the individual's written agreement to extend on active duty. Acceptance may not be made more than 1 year in advance of the end of an officer's initial existing period of obligated active service. The regulation governing this program, including effective bonus rates, is SECNAVINST 7220.65 series (reference (ac)).

120202. Eligibility Requirements

A. The following requirements must be met to qualify for continuation pay. The individual must:

1. Be an officer on active duty, receiving basic pay and not restricted in the performance of duty (i.e., unrestricted line officer);
2. Currently be qualified for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants;
3. Not have completed 23 years of commissioned service at the time of application;
4. Be serving in pay grade 0-6 or below (not frocked to 0-7) and, at the time of application, not be selected for promotion to pay grade 0-7;
5. Have executed a written agreement to remain on active duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants for a period of 3, 4, or 5 years; and
6. Have the agreement accepted by the Chief of Naval Personnel on behalf of the Secretary of the Navy.

B. A qualified officer may execute successive continuation agreements so long as any new period of obligated active service does not extend beyond the end of 26 years of commissioned service.

120203. Payment

A. Upon acceptance of a request for extension, the Chief of Naval Personnel shall give the individual official written notification of acceptance. The date of acceptance shall fix the value of the annual payments for the entire period of the extension.

1. Effective August 12, 1996, the Department of the Navy set the Nuclear Officer Continuation bonus at \$12,000 per contract year.

2. Effective October 1, 1998, the Department of the Navy set the Nuclear Officer Continuation Bonus at \$15,000 per contract year.

B. When an officer's agreement is accepted before the end of an existing service obligation, continuation pay may be paid in a number of installments that are equal to:

1. The number of years covered by the contract plus 1; the first upon acceptance of the application, the second upon expiration of existing obligated service, with the remaining payments annually (at 12-month intervals) thereafter. (Note: this provision only applies to the first contract for continuation pay.)

2. The number of years covered by the contract; the first upon expiration of existing obligated service, with the remaining payments annually thereafter.

C. When an officer's agreement is accepted after an existing service requirement expires, continuation pay is paid in equal annual installments over the length of the contract, commencing upon acceptance of the application, with the remaining payments annually thereafter.

D. Should the amount be increased that is paid to officers, who subsequently apply for continuation pay, officers with a contract in effect at a lower rate may execute a new agreement at the higher rate. The period of this new agreement shall be equal to or exceed the original period of the officer's existing agreement, but cannot in any case extend the obligation beyond 26 years of commissioned service. Upon execution of a new contract, the previous contract shall be canceled effective on the day before the anniversary date after the date on which continuation pay is increased.

E. 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 balance of the bonus 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, shall be made in accordance with procedures established for members whose inability to complete a contracted period of service is voluntary or the result of misconduct.

120204. Recoupment

A. An officer who fails to maintain eligibility requirements for continuation pay, or who does not complete the full period of 3, 4, or 5 years of active duty as agreed, may not be paid any unpaid installments of continuation pay. Except under certain conditions prescribed in the SECNAV Instruction 7220.65 series (reference (ac)), an officer shall repay the unearned portion of any installments already paid. To arrive at an amount to be recouped, reduce the total continuation pay to an amount per month and multiply the monthly amount by the number of months, and fractions of months, for which payment was made and for which the officer has not served.

B. Reduce the amount to be recouped by an amount equal to any reduction taken under subparagraphs 350702.F or 350802.D of this volume.

1203 NUCLEAR CAREER ANNUAL INCENTIVE BONUS120301. Entitlement

★ A. *Effective October 1, 1999, nuclear qualified unrestricted line officers serving on active duty on the last day of a fiscal year, prior to December 31, 2000, may be entitled to an annual bonus not to exceed \$22,000. Effective October 1, 1999, nuclear qualified limited duty and warrant officers serving on active duty on the last day of a fiscal year, prior to December 31, 2000, may be entitled to an annual bonus not to exceed \$10,000. Officers otherwise eligible, but not on active duty on the last day of a nuclear service year (fiscal year) or who are not eligible for a portion of the year, may be paid a bonus on a pro rata basis. (IC 07-00)*

B. The Secretary of the Navy is assigned, under law, responsibility for issuing regulations which prescribe specific eligibility requirements and, the value of the annual bonus payments, not to exceed the limits cited above. The regulation governing this program, including effective bonus rates, is SECNAVINST 7220.65 series (reference (ac)).

120302. Eligibility Requirements

A. The following general requirements must be met to qualify for the Nuclear Career Annual Incentive Bonus. The individual must:

1. Be an officer on active duty, receiving basic pay
2. Have current technical qualifications for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants
3. Be serving in pay grade W-2 through W- 4 or O-1 through O-6

4. Not be serving in a period of obligated service incurred as a result of the acceptance of Nuclear Officer Continuation Bonus (this does not preclude pro rata payments)

5. Not be also entitled to receive aviation career incentive pay, except in the case of officers serving in billets that require them to be technically qualified for duty in connection with the supervision, operation, and maintenance of naval nuclear propulsion plants, and qualified for the performance of operational flying duties.

B. Additional requirements for eligibility are as follows:

1. Unrestricted line officers also shall have completed their period of initial obligated active service incurred from initial source training as extended for nuclear power training.

2. Chief warrant officers and limited duty officers shall be serving in an assignment with duties involving the direct supervision, operation, or maintenance of naval nuclear propulsion plants.

120303. Payment

A. The Nuclear Career Annual Incentive Bonus shall be paid annually on September 30 to all eligible officers on active duty. Change 1 to SECNAVINST 7220.65H (reference (ac)) established the Nuclear Career Annual Incentive Bonus at \$10,000 for unrestricted line officers and \$4,500 for chief warrant and limited duty officers, both rates effective for bonus accruing after September 30, 1996.

B. An officer who is eligible on September 30 or last working day of the fiscal year, but who had a period or periods of ineligibility during the fiscal year, shall be paid a pro rata share of the bonus for all periods of eligibility during the year.

C. An officer who is separated from the naval service or who has lost technical qualification for duty involving the supervision, operation, and maintenance of naval nuclear propulsion plants prior to September 30, shall be paid a pro rata share of the bonus for all periods of eligibility during the year, provided the separation or loss of technical qualification was not the result of:

1. Voluntary separation or voluntary loss of technical qualification
2. Voluntary request for relief
3. Refusal to accept orders to assignment in connection with supervision, operation, and maintenance of naval nuclear propulsion plants
4. Disability resulting from or during misconduct, willful neglect, or unauthorized absence

5. Misconduct
6. Detachment for Cause.

D. An officer promoted to pay grade 0-7, or selected for and assuming the rank of 0-7 (frocked) prior to September 30 shall be paid a pro rata share of the bonus for all periods of eligibility during the year.

Chapter 12—Special Pay for Nuclear-Qualified Officers

1201—Nuclear Power Accession Bonus Program		
	120101-120104	37 U.S.C. 312b Public Law 104-106, Section 613(f), Feb 10, 1996
	120101.A	Public Law 105-261, Section 613, Oct 17, 1998 37 U.S.C. 312b (c)
★		<i>Public Law 106-65, Section 624(b), Oct 5, 1999</i>
★		<i>Public Law 106-65, Section 613(f), Oct 5, 1999</i>
1202—Nuclear-Qualified Officer Extending Period of Active Service (Continuation Pay)		
	120201-120204	37 U.S.C. 312 ASD(FMP) Memo, Jun 29, 1999
	120201.A	Public Law 105-261, Section 613, Oct 17, 1998 37 U.S.C. 312 (e)
★		<i>Public Law 106-65, Section 624(a), Oct 5, 1999</i>
★		<i>Public Law 106-65, Section 613(e), Oct 5, 1999</i>
1203—Nuclear Career Annual Incentive Bonus		
	120301.A	Public Law 104-201, Section 613, 23 Sep 1996 37 U.S.C. 312c (d)
★		<i>Public Law 106-65, Section 624(c), Oct 5, 1999</i>
★		<i>Public Law 106-65, Section 613(g), Oct 5, 1999</i>