CHAPTER 5

ADVANCEMENTS ON RETIRED LIST

20501. Purpose
This chapter covers advancements of retired member, Fleet Reservists, and Fleet Marine Corps Reservists who are retired when:

a. Their active service, inactive service (Navy or Marine Corps members only), and service on the retired list or in the Fleet Reserve or Fleet Marine Corps Reserve totals 30 years; or
b. Members are found not physically qualified for retention in the Fleet Reserve or Fleet Marine Corps Reserve.

20502. General
Part one, chapter 1, section C, covers members retired from active service in:

a. A higher grade because of serving on active duty in special positions.
b. The highest grade or rating held while serving on active duty, or
c. The grade to which members would have been promoted had it not been for the physical disability for which retired and which was found to exist as a result of physical examination for promotion.

20503. Advancements

a. Army and Air Force
Each warrant officer of the Army or Air Force and each enlisted member of the Regular Army or Air Force is entitled, when active service plus service on the retired list totals 30 years, to be advanced on the retired list to the highest temporary or permanent grade in which the member served satisfactorily as determined by the Secretary of the Army or Air Force.

b. Navy and Marine Corps
(1) When an enlisted member of the Fleet Reserve or Fleet Marine Corps Reserve has completed 30 years of service, or when the member is found not physically qualified for retention in the Fleet Reserve or Fleet Marine Corps Reserve as a result of the required quadrennial physical examination, the member is transferred to the retired list.

(2) Such a member maybe advanced on the retired list to the highest officer grade in which the member served satisfactorily under a temporary or permanent appointment as determined by the Secretary of the Navy.

20504. Effects on Pay
a. The advancement authorities do not impose the absolute requirement that a member of the Armed Forces must be advanced on the retired list. When a member would receive a lesser rate of the retired pay when advanced than when originally retired or transferred, the member should be consulted and advised that retired pay would be less if member elects to be advanced on the retired list.

b. Warrant officers advanced on the retired list are entitled to use only years of active service in determining the percentage multiplier to be used in computing retired pay for the advanced grade. When recomputation results in a reduction of retired pay and is effected solely on the basis of administrative determination without regard to member’s wishes, the member may elect advancement and reduction in pay or remain in the grade in which retired with benefits of original retirement.

c. If an enlisted member is in fact advanced on the retired list, retired pay must be recomputed, even though a reduction of retired pay would result. Before being advanced, the member should be consulted and advised that the retired pay entitlement will be less if the member elects to be advanced.

d. Retired pay may be computed at the higher grade in which a member had served satisfactorily, without regard to whether the higher grade was temporary or permanent, even though the service in which the individual held the higher grade is not the service from which retired. Where required by statute, an administrative approval that the service at the higher grade was satisfactorily performed must be issued by the Secretary of the Military Department or Secretary of the appropriate Department for the Coast Guard, NOAA, or PHS in which the member performed service at the higher grade.

e. An enlisted member who, when retired or transferred, was awarded a 10 percent increase in retired pay because of extraordinary heroism performed in the line of duty is not eligible to continue receiving the additional 10 percent upon advancement to officer rank.

f. A member of the Armed Forces advanced on the retired list is entitled to retired pay recomputed by:
(1) Taking the rate of monthly basic pay for the grade on the initial date of retirement or transfer (or taking the monthly retired pay base if member entered a uniformed service after 7 Sep 1980);

(2) Multiplying two and one-half percent times the total number of years of active service (using 6 months or more as a whole year) for members advanced before 1 Oct 1983, and using whole months actually served, in excess of whole years, as 1/12th of a year for members advanced after 30 Sep 1983;

(3) Subtracting the excess over 75 percent of pay upon which computation is based; and

(4) Adding all applicable cost-of-living adjustments from date of initial retirement or transfer.

20505. Restoration of Former Grade

Each retired warrant officer, enlisted member of the Regular Army or Air Force, or enlisted member retired from the Fleet Reserve or Fleet Marine Corps Reserve who has been advanced on the retired list to a higher temporary or permanent commissioned officer grade may apply to the service Secretary within 3 months after advancement for restoration to the former enlisted or warrant officer grade. If the Secretary approves the request, the member may be restored to the former warrant officer or enlisted grade. A member so restored is thereafter considered for all purposes to be a warrant officer or an enlisted member, as applicable.