



Memorandum

December 8, 2003

TO: Honorable C.A. Dutch Ruppertsberger
Attention: Sheilah Mirmeran

FROM: Robert L. Goldich
Specialist in National Defense
Foreign Affairs, Defense, and Trade Division

SUBJECT: Concurrent Receipt of Military Retired Pay and VA Disability
Compensation: Side-by-Side Comparison of H.R. 303, 108th
Congress and Relevant Provisions of the FY2004 National
Defense Authorization Act

This memorandum is provided in response to your request of December 4, 2003. You asked CRS to prepare a side-by-side comparison of H.R. 303, 108th Congress, and those provisions of the FY2004 National Defense Authorization Act (Sections 641-642, P.L. 108-136, November 24, 2003; 117 Stat. 1392) related to concurrent receipt of military retired pay and Department of Veterans Affairs (VA) disability compensation. We have included only those sections dealing with the changes in existing programs or authorizing of new programs in both pieces of legislation; provisions dealing purely with titles of bills, clerical and technical amendments, and definitions have been excluded.

Please contact me at extension 77633, or rgoldich@crs.loc.gov, as necessary.

Concurrent Receipt: Side-by-Side Comparison of H.R. 303, 108th Congress, and Relevant Provisions of the FY2004 National Defense Authorization Act

<p align="center">H.R. 303, 108th Congress</p>	<p align="center">FY2004 National Defense Authorization Act (Sections 641-642)</p>
<p>Section 2(a): Amendment to 10 USC 1414(a). Payment of Both Retired Pay and Compensation. Allows military retirees who are entitled to both military retired pay and VA disability compensation to be paid both without regard to prohibitions on such payment in 38 USC 5304-5305. Provides that those retirees, <i>except as provided in the new 10 USC 1414(b)</i> (see below), who are retired for disability under chapter 61, title 10 USC (10 USC 1201-1221), shall <i>not</i> be allowed to receive military retired pay and VA disability compensation concurrently.</p>	<p>Subsection 641(a): Amendment to 10 USC 1414: Subsection 1414(a): Payment of Both Retired Pay and Compensation. <i>Subject to the phase-in of full concurrent receipt described below</i>, allows military retirees who are entitled to both military retired pay and VA disability compensation to be paid both without regard to prohibitions on such payment in 38 USC 5304-5305, if the retiree has a service-connected disability of at least 50% as determined by the VA.</p>
<p>No corresponding language.</p>	<p>Subsection 641(a): Amendment to 10 USC 1414: Subsection 1414 (c): Phase-In of Full Concurrent Receipt. Authorizes a 10-year program for the phasing-in of concurrent receipt for members with at least a 50% disability, with the amounts of the offset to be progressively decreased at the beginning of each calendar year, beginning on January 1, 2004, and ending December 31, 2013.</p>

<p>H.R. 303, 108th Congress</p>	<p>FY2004 National Defense Authorization Act (Sections 641-642)</p>
<p>No corresponding language. Not relevant because H.R. 303 repeals the CRSC program.</p>	<p>Subsection 641(a): Amendment to 10 USC 1414: Subsection 1414 (d): Coordination with Combat-Related Special Compensation (CRSC) Program. Provides that a retiree who is eligible for both the phased-in concurrent receipt established by this Act and the Combat Related Special Compensation (CRSC) authorized in 10 USC 1413a may receive one or the other, but not both (i.e., the retiree may choose whichever program is more financially advantageous). Authorizes an annual open season during which each member may switch from one program to another.</p>
<p>Section 2(a): Amendment to 10 USC 1414 (b). Special Rule for Chapter 61 [Disability] Career Retirees. Provides that disability retirees who have at least 20 years of service (i.e., are also eligible for retirement based on length of service) are entitled, under certain conditions, to partial concurrent receipt, if the amount of retired pay computed on the basis of their degree of disability is above that to which they would be entitled based on length of service. If the latter is the case, that part of their retired pay which is</p>	<p>Subsection 641(a): Amendment to 10 USC 1414: Subsection 1414(b)(1): Special Rule for Chapter 61 [Disability] Career Retirees. Identical to H.R. 303 language.</p>

H.R. 303, 108th Congress	FY2004 National Defense Authorization Act (Sections 641-642)
above their length-of-service entitlement will be decreased by any VA disability compensation they receive.	
<p>Section 2(a): Amendment to 10 USC 1414(c). Denial of Concurrent Receipt to Retirees with Less than 20 Years of Service. States that the new subsection (a) of 10 USC 1414 (see above) does not apply to members retired under chapter 61 of title 10, USC. (i.e., disability retirees) with less than 20 years of service.</p>	<p>Subsection 641(a): Amendment to 10 USC 1414: Subsection 1414(b)(2): Special Rules for Chapter 61 Disability Retirees—Disability Retirees with Less Than 20 Years of Service. Denial of Concurrent Receipt to Retirees with Less than 20 Years of Service. States that the new subsection (a) of 10 USC 1414 (see above) does not apply to members retired under chapter 61 of title 10, USC. (i.e., disability retirees) with less than 20 years of active duty service or 20 years of service creditable for reserve retirement purposes.</p>
<p>Section 2(b): Repeal of Special Compensation Programs. Repeals 10 USC 1413, authorizing special compensation for certain severely disabled uniformed services retirees; and 10 USC 1413a, authorizing combat-related special compensation.</p>	<p>Subsection 641(b). Repeals 10 USC 1413, authorizing special compensation for certain severely disabled uniformed services retirees. [10 USC 1413a remains in effect; see below.]</p>
<p>Section 3(a): Effective Dates. Makes H.R.</p>	<p>Subsection 641(e): Effective Date.</p>

H.R. 303, 108th Congress	FY2004 National Defense Authorization Act (Sections 641-642)
303 effective on (1) the first day of the first month that begins after its enactment, or (2) the first day of the fiscal year that begins in the calendar year in which it is enacted, if later than the date in (1).	Establishes January 1, 2004 as the effective date for the payments authorized under this Act.
Section 3(b): Retroactive Benefits. Prohibits any retroactive payments of the benefits provided in the Act for any period before the effective date specified in Section 3(a), above.	No corresponding language.
No corresponding language.	Section 642: Revisions to Combat-Related Special Compensation Program. Authorizes payment of full CRSC to any retiree with at least 20 years of service, active or that creditable for reserve retirement purposes, who meets the CRSC criteria of (1) holding a Purple Heart or (2) having incurred a disability on a combat-related basis specified in 10 USC 1413a(e). This therefore repeals the previous qualifications that any retiree eligible under (2) had to have at least a 60% disability; and specifies explicitly that anyone eligible for reserve retirement—i.e., with at least 20 years of creditable reserve service—is entitled to CRSC.

Source: Congressional Research Service.