

**U.S. Department of
Homeland Security**

**United States
Coast Guard**



Coast Guard Pay Manual



COMDTINST M7220.29D

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COMMANDANT INSTRUCTION M7220.29D

Subj: COAST GUARD PAY MANUAL

1. PURPOSE. This Manual establishes Coast Guard policy concerning the pay and allowances of Coast Guard personnel.
2. ACTION. Commanding Officer, Coast Guard Pay and Personnel Center (CG PPC) and Commander, Coast Guard Personnel Service Center (CG PSC), are responsible for promulgating procedures and guidance necessary to effectively and efficiently implement the policy included in this Manual. All Coast Guard unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chiefs of headquarters staff elements shall comply with the provisions of this Manual. Internet release is authorized.
3. DIRECTIVES AFFECTED. Coast Guard Pay Manual, COMDTINST M7220.29C is hereby cancelled.
4. DISCUSSION. This revision to the Coast Guard Pay Manual continues the ongoing efforts to update Coast Guard pay and allowance policy with current statute and regulations.
5. DISCLAIMER. This guidance is not a substitute for applicable legal requirements, nor is it itself a rule. It is intended to provide guidance for Coast Guard personnel and is not intended to nor does it impose legally-binding requirements on any party outside the Coast Guard.
6. MAJOR CHANGES. The new name of the Manual is the Coast Guard Pay Manual, COMDTINST M7220.29D. This Manual has been revised from its previous version, consolidating and clarifying repetitive or conflicting content, updated references, and reporting new policy and regulations. A review of the entire Manual is recommended.

DISTRIBUTION – SDL No. 170

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NON-STANDARD DISTRIBUTION:

7. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS.

- a. The development of this Manual and the general policies contained within it have been thoroughly reviewed by the originating office in conjunction with the Office of Environmental Management, Commandant (CG-47). This Instruction is categorically excluded under current Department of Homeland Security (DHS) categorical exclusion DHS (CATEX) A3 from further environmental analysis in accordance with the U.S. Coast Guard Environmental Planning Policy, COMDTINST 5090.1 and the Environmental Planning (EP) Implementing Procedures (IP).
- b. This Manual will not have any of the following: significant cumulative impacts on the human environment; substantial controversy or substantial change to existing environmental conditions; or inconsistencies with any Federal, State, or local laws or administrative determinations relating to the environment. All future specific actions resulting from the general policy in this Instruction must be individually evaluated for compliance with the National Environmental Policy Act (NEPA) and Environmental Effects Abroad of Major Federal Actions, Executive Order 12114, Department of Homeland Security (DHS) NEPA policy, Coast Guard Environmental Planning policy, and compliance with all other applicable environmental mandates.

8. DISTRIBUTION. No paper distribution will be made of this Manual. An electronic version will be located on the following Commandant (CG-612) web sites.

Internet: <http://www.dcms.uscg.mil/directives/>, and

CGPortal: <https://cgportal2.uscg.mil/library/directives/SitePages/Home.aspx>.

9. RECORDS MANAGEMENT CONSIDERATIONS. This Manual has been thoroughly reviewed during the directives clearance process, and determined there are no further records scheduling requirements in accordance with Federal Records Act, 44 U.S.C. 3101 et seq., National Archives and Records Administration (NARA) requirements, and Information and Life Cycle Management Manual, COMDTINST M5212.12 (series). This policy does not have any significant or substantial change to existing records management requirements.

10. FORMS/REPORTS. The forms referenced in this Manual are available in USCG Electronic Forms on the Standard Workstation or on the Internet at <https://dcms.uscg.afpims.mil/Our-Organization/Assistant-Commandant-for-C4IT-CG-6/The-Office-of-Information-Management-CG-61/Forms-Management/CG-Forms/> and CG Portal at <https://cgportal2.uscg.mil/library/forms/SitePages/Home.aspx>. DoD forms may be found at <https://www.esd.whs.mil/directives/forms/>.

11. REQUEST FOR CHANGES. Comments and recommendations pertaining to this Manual are invited, through your chain of command, and will be addressed to Commandant (CG-1332), at email: HQS-DG-LST-CG-1332@USCG.MIL.

C. J. HULSER /s/
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Acting Director of Military Personnel

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CHAPTER 1

INTRODUCTION TO COAST GUARD PAY

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CHAPTER 1. INTRODUCTION TO COAST GUARD PAY

A. Active Duty Pay Administration.

1. Direct Access (DA). Direct Access is the centralized personnel and pay system for Coast Guard active duty, reserve, and retired members.
2. Non-reporting Units. Unit commanding officers are responsible for personnel management functions. Actions which require the generation of personnel and pay input must be accurately communicated to the Personnel and Administration (P&A) office. Unit commanding officers must ensure that appropriate worksheets from the Pay and Personnel Procedures Manual, PPCINST M1000.2 (series), and supporting documents (copy of marriage license, divorce decree, birth certificate, course completion certificate, etc.) are furnished to the P&A Office in a timely manner to facilitate accurate personnel and pay management. The commanding officer is responsible for notifying the P&A Office when a member assigned to his/her unit has not received a regular or special payment, or the payment is in error. These requirements are contained in the Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).
3. Coast Guard Member Responsibility. Each service member (active duty, reservist, and retiree) has a responsibility to verify the accuracy and correctness of every pay, allowance, entitlement, and deduction that is processed or appears on their Semi-Monthly Statement of Income, commonly referred to as payslip or (in the case of retirees) Retiree & Annuitant Statement of Monthly Income (RASOMI). These include but are not limited to: Basic Pay for member's pay entry base date and pay grade, correct housing allowance for member's dependency status and their duty station location, type of quarters being assigned, permanent duty station (PDS) zip code, correct meal cost deductions for enlisted members serving on ships with established Coast Guard Dining Facilities (CGDF - galley) or shore stations where CGDF use has been designated as mandatory (CG Class A Schools or certain unaccompanied personnel housing (UPH/barracks) residents), and special/incentive pays. After review and verification of their Semi-Monthly Statement of Income, if any discrepancies are noted or suspected, the service member must take prompt action to notify (in writing or by email) the unit P&A office or the Servicing Personnel Office (SPO) to have the discrepancies corrected. In the case of a questionable or suspected overpayment, members must set aside those monies that are in question until notified in writing by higher authority (PPC or CGHQ) that the amount in question is correct and the member can retain the funds. If necessary, service members must seek assistance from their supervisor to ensure discrepancies are properly corrected in a timely manner.
4. Personnel and Administration (P&A) Office. P&A Offices perform certain personnel administrative functions for a number of non-reporting units. The P&A Office is a vital link between the member and their pay and personnel records. P&A Offices provide administrative support to their subordinate units. They must ensure that appropriate worksheets and documents are completed timely and accurately and that member's are correctly counseled on pay and personnel issues.

5. Servicing Personnel Office (SPO). SPOs complete pay & personnel functions for P&A Offices. Starts and stops of pay entitlements are controlled by the use of Direct Access (DA) transactions to update the member's DA pay account. It is essential that these transactions are accurate and timely. The responsibility for accuracy and timeliness rests with the member, unit commanding officer, P&A Office, and the SPO. Responsible officials must ensure that personnel tasked with preparing, reviewing, and approving documents are thoroughly familiar with applicable directives and procedural guides. Errors must be carefully investigated and corrected to ensure the personnel data records are all correct. The SPO contacts PPC on pay problems which cannot be resolved at the SPO level. SPO personnel who certify/approve payroll transactions are responsible for the accuracy and legality of those transactions, and have pecuniary liability for illegal, improper, or incorrect payments as prescribed in the Certifying and Disbursing Manual, COMDTINST M7210.1 (series). In accordance with sound audit principles outlined in the GAO "Standards for Internal Control in the Federal Government," the SPO is required to, in accordance with procedures established by PPC, conduct audits to validate pay and allowances on active duty and reserve personnel assigned to that SPO as well as audit all pay transactions that were approved by that SPO.
6. Special Purpose Reporting Units. The following Coast Guard units also have the ability to input data into DA:
 - a. Coast Guard Personnel Service Center (PSC), Washington, DC. Provides data input for enlisted advancements and officer promotions and various other personnel-related data.
 - b. Coast Guard Finance Center, Chesapeake, VA. Provides data input for collection of travel and transportation indebtedness and tax adjustment transactions associate with fringe benefits and self-procured HHG moves.
 - c. Coast Guard Pay and Personnel Center (PPC). The mission of the Coast Guard Pay and Personnel Center is to provide accurate and timely pay service to all active duty, reserve, and retired members, and survivors of active duty and retired personnel of the United States Coast Guard. In order to complete this mission, PPC receives and accounts for all SPO and HQ data input into DA; administers and records the disbursement of pay for active duty, reserve, and retired members; administers leave and retirement point accounting for active and reserve military personnel; arranges for settlements of claims on behalf of deceased or separated personnel and for collection of out-of-service debts; process application for allotments and garnishments for certain support obligations as required by law and regulation; develops written procedures to support all areas of personnel and pay policy, and provides personnel management and accounting information to appropriate managers within the Coast Guard. PPC establishes procedures for conducting key control audits by the SPO.
7. Commandant (CG-6). The program manager for DA has the responsibility for implementing pay and personnel policy formulated by Commandant (CG-133). No later than August 2017, Commandant (CG-6) will begin publishing all Variable Data (VD) for

all pay and allowances in members' payslips. Commandant (CG-6) also provides all key control reports for auditing by PPC and SPO.

B. Overview of Direct Access (DA).

1. Input. Data is entered into DA by multiple entities (P&A office, SPO, supervisor, member). Regardless of who enters the data, it is essential that the data is accurate. There are edits in DA that require certain data elements or combinations of data elements to be completed or prohibit other combinations. If these requirements are not met, DA will not let the operator finish the transaction. Although DA has edits requiring certain fields on a transaction, it cannot ensure that a transaction is error-free before it processes. DA is a real-time system, personnel and pay transactions are updated, in most instances, immediately and the updated record may be viewed by P&A Offices, SPOs, and PPC. The payroll finalization process is run at the end of each pay period to finalize a member's pay for that pay period, produce a semi-monthly payslip of income to ensure an accurate record of pay accounts for the member, and to produce fund management and accounting reports to provide key budgeting and financial information.
2. Update. Automatic updating of the pay accounts are done on the effective date of entitlement. Pay entitlements affected by longevity of service will occur in the pay period of the longevity. Automatic update also posts any change in rate caused by policy or legislation (e.g. a change in COLA or BAH rate for a particular location). Lastly, automatic updates adjust members' cumulative sea time for those serving in sea duty positions.
3. Notice of Overpayment (Indebtedness). When computing a member's pay, DA accumulates retroactive credits and debits. The semi-monthly payslip notifies the member of a planned collection action for debts of less than \$1000. A Notice of Overpayment and Erroneous payment letter will be provided from PPC for debts of \$1000 or more. The letter will provide a full description of the cause and amount of the overpayment, establish a start date for collection of the overpayment in regular installment amounts via administrative offset, and provide an opportunity for the unit commanding officer to propose an alternate repayment schedule within certain parameters. See Chapter 11 of this Manual for debt collection policy and procedural guidance.
4. Output. The last step in the cycle is the output. DA produces a wide variety of outputs in support of personnel and pay administration. The following is a brief synopsis:
 - a. Management Reports. Management reports are developed to provide Commandant and other Headquarters staff components with a complete summary of financial data for analytical purposes.
 - b. Control Reports. Control reports are produced for use by PPC and SPOs to manage personnel and payroll functions. The reports provide information about pay accounts requiring action or investigation of a questionable condition, and also detect payments

made in error or possible fraud cases.

- c. Payrolls. DA issues semi-monthly salary payrolls, monthly allotment, garnishments, and disbursement files for TSP, SGLI, etc.
 - d. Accounting Reports. Each month a series of reports provide complete payroll accounting data. The data is electronically transmitted from the Pay and Personnel Center to the Finance Center to update the Coast Guard Oracle Financials (CGOF).
 - e. Wage and Tax Information. Federal, state, and FICA wages and tax withholding data is generated on a monthly, quarterly, and annual basis to support various tax reporting requirements of the automated payroll system. This includes W-2's for the members as well as summary information for the State and Federal Government agencies involved.
5. Access to File. DA contains HR information on Coast Guard members, a record of current pay entitlements, and a history showing when members' pay entitlements were started/stopped/changed, and the name of the technician who entered and approved the transactions.

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CHAPTER 2

COMPUTATION OF SERVICE AND BASIC PAY

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CHAPTER 2. COMPUTATION OF SERVICE AND BASIC PAY

- A. Creditable Service. Under the authority of 37 U.S.C. 205, compute a member's cumulative years of service for the purpose of determining the member's rate of Basic Pay by adding all periods of active and inactive service as a commissioned officer, warrant officer, or enlisted member in any Regular or Reserve component of a Uniformed Service. This includes, but is not limited to the following:
1. Academy Teaching Staff. A military member who is appointed as a professor, associate professor, assistant professor, or instructor may include any time served as a member of the civilian teaching staff at the Coast Guard Academy under the provisions of 14 U.S.C. 1946.
 2. National Oceanographic and Atmospheric Administration (NOAA) Commissioned Corps. Include service in the current grades of ensign and above and service as a deck officer or junior engineer. This includes periods served in the former Environmental Science Services Administration or Coast and Geodetic Survey. It does not include service as a ship keeper, seaman, fireman, oiler, etc., under "shipping articles" (24 Comp Gen 829 and 25 Comp Gen 680).
 3. Cadet and Midshipman Service. Cadet or midshipman service at a U.S. Military Academy (USMA, USNA, USAFA, USCGA), the U.S. Merchant Marine Academy (46 U.S.C. 51311), or Senior ROTC/NROTC Program is only creditable in computing the pay of enlisted members (29 Comp Gen 331, 31 Comp Gen 528 and 10 U.S.C. 971, 37 U.S.C. 205(6)). Per 10 U.S.C. 971, no cadet or midshipman service is creditable for any purpose for commissioned officers (including commissioned warrant officers).
 4. Service Attained Prior to Statutory Enlistment Age. Any service which is otherwise creditable may be counted even if the service was performed before a member attained the statutory age for enlistment. Such service may not be counted if it is determined to be fraudulent and is voided for that reason.
 5. Pay Grades O1E, O2E and O3E. A commissioned officer in pay grade O1, O2, or O3, is entitled to the special rate of basic pay and allowances for O1E, O2E, or O3E, if the officer has had over four years of active duty as either a warrant officer or enlisted member (combination of the two may be used after 30 Sep 1983). Periods of inactive duty Reserve Component membership are not creditable for the purpose of computing qualifying service for these special officer pay grades. In computing active enlisted service, include active duty for training (ADT) as an enlisted member (38 Comp Gen 68). Do not count active service in a dual status (temporary officer - permanent enlisted) (38 Comp Gen 68). Effective 1 Dec 2001, the special rate of basic pay and allowances for O1E, O2E, or O3E, is payable to a commissioned officer who is credited with 1,460 or more retirement points while in an enlisted or warrant officer status.
 6. Service on the Retired List. A retired member who is recalled to active duty may count inactive service on a retired list including a temporary disability retired list, of any of the Uniformed Services; however, this only applies for longevity pay purposes.

7. Retention for Medical Care. Any period on and after 12 Dec 1941 when an enlisted member of the Armed Forces is retained in service, after expiration of term of service, for medical treatment or hospitalization for disease or injury incident to service and not due to the member's misconduct (10 U.S.C. 507).
 8. Delayed Entry Program. Service as an enlisted member in a Reserve Component (RC), including Ready Reserve service (inactive and active) under the Delayed Entry (Enlistment) Program (DEP), before beginning active duty or an initial period of active duty for training, provided the Reserve enlistment was entered into before 1 Jan 1985. As of 1 Jan 1985, the following restrictions went into effect as and when stated.
 - a. For enlistments in a RC under 10 U.S.C. 12103(b) or (d), including enlistments under a DEP, that were entered into between 1 Jan 1985, and 28 Nov 1989, the period served in the RC before beginning active duty or an initial period of active duty for training is not creditable.
 - b. For enlistments entered into on or after 29 Nov 1989:
 - (1) A period of enlisted service in a RC under 10 U.S.C. 12103(b) or (d), including inactive service under a DEP, is creditable service only if the member performs inactive duty training before beginning active duty or an initial period of active duty for training.
 - (2) Service performed as an enlisted member in a RC under 10 U.S.C. 513, other than a period of active duty, is not creditable service.
 9. Making Up Lost Time. Effective on returning to full duty, an enlisted member is liable to make up time lost. The time served to make up lost time is creditable service. However, if a member is retained beyond normal expiration of enlistment for trial or to serve a sentence and is not restored to a full duty status, this period does not count as making up time lost and is not creditable.
 10. Creditable Prior Service. A member claiming prior service credit must submit a request for Statement of Creditable Service (SOCS) to PPC through their unit's P&A office as prescribed in Chapter 5, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series). PPC retains the authority and responsibility to establish the correct Pay Entry Base Date (PEBD). Upon receipt of proper documentation, PPC is required to provide a SOCS within 6 weeks. See Section 2.D. of this Manual for policy concerning adjustment of Pay Entry Base Date (PEBD) and Active Duty Base Date (ADBD) for members and new accessions who claim prior creditable service.
- B. Service Not Creditable. This list of non-creditable service is not all-inclusive, but lists some types precluded by law.
1. Fraudulent Enlistment. Time spent in an enlistment which is determined to be fraudulent and is specifically terminated by reason of fraud. (A member is entitled to credit for time in a fraudulent enlistment when the defect is waived by the

Government.) A person whose enlistment is canceled as an illegal enlistment or who is discharged by reason of a fraudulent enlistment is not entitled to credit for any service during such enlistment even though the person may later enlist and serve under a legal enlistment.

2. State, Home, or Territorial Guard. Time spent as a member.
3. Delayed Entry Program.
 - a. On and after 1 Jan 1985, time served as a member of a Reserve Component under a delayed entry program, either for Regular or Reserve Component service prior to entry on active duty or ADT.
 - b. On and after 29 Nov 1989, any period of time not covered by Section 2.A. of this Manual.
4. Inactive National Guard. Time served as a member of the inactive National Guard (as distinguished from the National Guard of the United States). Such service is creditable if a member held a commission or an enlisted status in the inactive National Guard and National Guard of the United States at the same time (22 Comp Gen 907, 23 Comp Gen 755, and 38 Comp Gen 352).
5. Disciplinary Reasons. A person retained in service after the expiration of enlistment date for disciplinary reasons is not entitled to credit for service during such retention if they are convicted of the charges for which retained for. (See Chapter 1, Military Separations Manual, COMDTINST M1000.4 (series)).
6. Medical Reasons. A person detained in service after the expiration of enlistment date for medical care or hospitalization for an injury, sickness, or disease not incurred in line of duty, not due to own misconduct, is not entitled to credit for service during such retention. (See Chapter 1, Military Separations Manual, COMDTINST M1000.4 (series)).

C. Effect of Absence from Duty on Creditable Service.

1. Officer Status. Time spent by commissioned and warrant officers in an absence without leave, absence due to own misconduct, civil confinement, or military confinement status is counted as creditable service for pay purposes. However, it is not counted as creditable service for retirement longevity or leave accrual purposes (Sec. 561, PL 104-106). See also Chapter 2, Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series).
2. Enlisted Status. Effect on creditable service of enlisted members when absent from duty. Deductible time denotes periods during which service credit does not accrue. Absent without leave (AWOL) and desertion include the following:

- a. All periods of unauthorized absence in excess of 24 hours.
 - b. An unauthorized delay in excess of 24 hours, in obeying orders or returning from leave, or a failure to report at a place to which directed is AWOL unless accounted for to the satisfaction of the commanding officer and excused as unavoidable and charged as leave.
 - c. Unauthorized absence of a mentally incompetent person, unless such absence is excused as unavoidable.
 - d. Where a person has been tried by a court-martial and acquitted of a charge of unauthorized absence or desertion or the court-martial is set aside for some legal reason, this action does not change the status of the unauthorized absence except where it is clearly shown that the person had not in fact been in an unauthorized absence status.
3. Absence Due to Own Misconduct. Absence from duty in excess of 24 hours resulting from own misconduct. Chapter 5, Administrative Investigations Manual, COMDTINST M5830.1 (series), sets forth the procedures for determining misconduct.
4. Nonperformance of Duty (Civil Arrest). The following applies to civil arrest:
- a. Personnel arrested and detained by civil authorities while in an unauthorized absence status continue in such status even though acquitted of the civil charge.
 - b. Personnel taken into custody by the civil authorities for an offense alleged to have been committed prior to enlistment or entry on active duty are not entitled to credit for the period of the absence irrespective of acquittal or dismissal of the charge (9 Comp Gen 114).
 - c. Personnel arrested and detained by civil authorities while on authorized leave or liberty who are released without trial, no reparation having been made, are not entitled to credit for service from the date and hour of expiration of leave or liberty to the date of return to their unit if subsequently tried and convicted by a court-martial for any offense based on the same facts (notwithstanding the fact that the charges and/or specifications may be different) which necessitated their absence in the hands of civil authorities.
 - d. Personnel arrested and detained by civil authorities while on authorized leave or liberty who fail to return to their units upon expiration of leave or liberty will be considered to be AWOL from the date and hour of expiration of leave or liberty unless acquitted of the civil charges on which held, or unless the commanding officer determines that the person was entirely free from fault in connection with their arrest and detention. Under no condition will personnel in this category be granted an extension of leave. See Chapter 2, Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series)

- e. Personnel arrested and detained by civil authorities while on authorized leave or liberty that are released and return to their units before expiration of leave or liberty, do not lose service credit for the period in custody of civil authorities. Notification of civil arrest is required as described in Chapter 2, Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series).
 - f. Personnel delivered to civil authorities for trial under the provision of Chapter 8, Military Justice Manual, COMDTINST M5810.1 (series), are not entitled to credit for service while in custody of civil authorities.
 - g. Personnel confined in a brig at their unit due to the commission of some civil offense, held for trial by civil authorities and found guilty, are not entitled to credit for service for the period of confinement.
 - h. Personnel released by civil authorities with a suspended sentence or on promise to make reparation or restitution are considered not to have been acquitted, and any absence in excess of 24 hours caused by civil arrest is deductible time.
5. Confinement Awaiting Trial and Disposition of Case (CONF). Confinement awaiting trial and disposition of a case includes the following:
- a. All periods, in excess of 24 hours, in confinement awaiting trial by a summary, special, or general court-martial when the trial results in conviction. It is not necessary that a court-martial be ordered before the person can be considered as “confined awaiting trial.”
 - b. All periods, in excess of 24 hours, in confinement after trial while awaiting final action on the court-martial.
 - c. A person transferred under guard for confinement pending disciplinary action is considered as “confined awaiting trial” as of the date and hour placed in the custody of the guard, until the date and hour delivered to the unit for disciplinary action, provided the person is tried and convicted by a court-martial.
 - d. An absentee or deserter detained in a nonmilitary facility at the request of a representative of the Armed forces made pursuant to Chapter 1, Discipline and Conduct Manual, COMDTINST M1600.2 (series), or similar regulation or instruction of the other Armed Services, is considered as “confined awaiting trial” as of the date and hour of the request, until the date and hour returned to Coast Guard jurisdiction, provided the person is tried and convicted by a court-martial.
 - e. Prior to 1 Jul 1948, only confinement awaiting trial by a general court-martial which resulted in conviction and a sentence to imprisonment in a naval prison or at a receiving ship or station designated as a naval prison was deductible time. Confinement awaiting trial by a deck or summary court was not deductible time.

6. Confinement Under Sentence. Confinement under sentence includes the following:

- a. All periods of confinement, in excess of 24 hours, as a result of a sentence of a summary, special, or general court-martial. The type of confinement adjudged or how the sentence is served does not affect the determination of deductible time. The rule is that whenever the approved sentence of a court-martial used the word “confinement” the person does not receive service credit for the period of confinement. A sentence using the words “deprivation of liberty” or “restriction” does not so operate.
- b. If confinement adjudged by a court-martial is subsequently set aside by the reviewing authorities the effect is as though the confinement had never been adjudged and the person is entitled to service credit for the period involved. Similarly, if the period of confinement is reduced by the reviewing authorities the person loses service credit only for the period of the reduced sentence.
- c. In accordance with Chapter 1, Discipline and Conduct Manual, COMDTINST M1600.2 (series), personnel in confinement will have their sentences reduced if conduct in confinement is satisfactory. In any such case the person loses service credit for only such part of the approved sentence as they were required to serve.
- d. Prior to 1 Jul 1948, only imprisonment in a naval prison or a receiving ship or station designated as a naval prison under sentence of a general court-martial was deductible time for pay purposes, completion of enlistment and retirement. Confinement under sentence of a deck or summary court-martial was, however, deductible time for the purposes of earning leave.
- e. Correctional custody awarded at non-judicial punishment is not considered confinement and is nondeductible time for any purpose (Ref: Chapter 1, Military Justice Manual, COMDTINST M5810.1 (series)).

D. Computation of Time for Pay.

1. How to Compute Rates of Pay. 5 U.S.C. 5505 establishes the rules for division of time and computation of pay for services rendered. Appendix C of the Personnel and Pay Procedures Manual, PPCINST M1000.2 (series), contains procedures for computation of time for pay.
2. Rates of Pay. To determine a member’s monthly rate of basic pay refer to the web site: <https://www.dfas.mil/militarymembers/payentitlements/Pay-Tables.html>.
3. Computation of Creditable Prior Service for Longevity Pay. Effective 30 Jan 2015, CG PPC is the only Coast Guard activity authorized to grant creditable prior service for pay longevity (Pay Entry Base Date – PEBD) and active duty (Active Duty Base Date – ADBD) purposes. All personnel accessed into the Coast Guard or Coast Guard Reserve regardless of any claimed prior creditable service, will have their

PEBD and ADBD established by accession points as the date the authorized travel began incident to initial active duty or initial active duty for training (IADT). In the case of Reserve Component personnel accessed into the Ready Reserve for the purpose of subsequent Selected Reserve service, PEBD may be set on the date the first inactive duty for training (IDT/Reserve drills) were performed prior to commencement of IADT after 28 Nov 1989. Per Sections 2.A.8. and 2.B.3. of this Manual, periods of DEP service time in any uniformed service is not creditable for PEBD purposes.

4. Statement of Creditable Service requests (SOCS). SOCS requests submitted to PPC by accession points on behalf of new accessions claiming creditable prior service will receive priority for processing. Accession points must assist newly accessed personnel with SOCS requests and submit these requests to PPC within 48 hours of the newly-accessed personnel's arrival at the accession point.
5. Pay and Personnel Center (PPC). Must expedite completion of SOCS for all newly-accessed personnel who claim creditable prior service and adjust these personnel's PEBD and (if applicable) ADBD as soon as practicable and issue any back pay and allowances resulting from the adjusted PEBD credited to the affected member's pay account.
6. Recruiter. Must ensure that all prior service accessions are aware that their initial pay and allowances will be based upon their initial PEBD established at their accession point, that a SOCS will be expeditiously completed for them by PPC, and when their PEBD is adjusted, all back pay and allowances will be paid to them, normally within 8 weeks of accession onto active duty. Recruiters must also brief all new prior service accessions on the documentation needed to properly complete a SOCS request at their accession point and ensure copies of the appropriate documentation for creditable service is in their possession when they depart on active duty to the accession point. Appropriate documentation includes but is not limited to:
 - a. Certificate of Release or Discharge from Active Duty, Form DD-214
 - b. Semi-Monthly Payslips
 - c. Discharge paperwork
 - d. Reserve annual points statements

E. Commencement of Active Duty Pay.

1. When Entitled to Basic Pay. The pay of service members is prescribed by 37 U.S.C. 1009 and implemented by Executive Order. Members are entitled to receive pay according to their pay grade and years of service when they are on active duty in a pay status and not prohibited by law from receiving such pay. The pay grade to which a member is assigned is prescribed by 37 U.S.C. 201. Non-prior service Coast Guard

Scholars students at the Naval Academy Preparatory School (NAPS) are entitled to the same rate of pay as Coast Guard Academy cadets as authorized in Chapter 15 of this Manual per 37 U.S.C. 203(e)(1). In the case of prior service NAPS students, their pay is Basic Pay paid at the rate prescribed by 37 U.S.C. 203(e)(1); e.g. the monthly rate of Basic Pay prescribed for their pay grade and years of service as enlisted active duty member or Basic Pay at the same rate prescribed for cadets, whichever is greater. NAPS students are entitled to all other enlisted allowances, if otherwise eligible.

2. Employment of Members in Another Capacity. Unless otherwise provided by law, a member may not be employed in another capacity by the Government, and receive pay, other than the pay and allowances which accrue by reason of the member's military status. However, the member may be employed on a voluntary basis during off-duty hours in connection with non-appropriated fund activities. Refer to 5 U.S.C. 5536 and 46 Comp Gen 400 (1966).
3. Original Appointment of Officers. Pay and allowances accrue from the date of acceptance of appointment as a permanent or temporary regular officer. The normal method of acceptance is taking the oath of office. Commencement of travel in compliance with an order is considered acceptance for pay purposes. Payment is not authorized until the formal signing of the oath of office. Refer to 60 Comp Gen 143 (1980). Refer to Figure 2-1 for specifics and for Coast Guard Academy graduates.
4. Enlisted Members. Commence pay and allowances of the rate in which an enlisted member enlists or reenlists in the Regular Coast Guard, upon signature date of the enlistment or reenlistment.
5. Reserve Members. Instructions governing commencement of pay and allowances of Reserve members while on active duty are in Section 2.K.2 of this Manual. For reserve members performing active duty and inactive duty for training (IDT), see Chapter 12 of this Manual.
6. Recalled Retired Members. Commence active duty pay for a recalled retired member as prescribed in Section 2.K. of this Manual. Payment restrictions are: A retired member who is drawing a pension, retired pay, disability compensation, etc., by virtue of the member's own service may not receive compensation (including allowances for subsistence, quarters, and travel) for performance of active duty until the member has executed a Waiver of Pension/Disability Compensation or Retired Pay.
7. Promotions and Advancements. See Figure 2-2 for the effective date of pay for the grade to which a member is promoted or advanced.

WHEN ACTIVE DUTY BEGINS

| R U L E | A | B | C D | |
|------------------|---|---|---|---|
| | When a person is | and | then active duty pay and allowances begin on: | are authorized for: |
| 1 | originally appointed as a regular warrant or commissioned officer | appointment is permanent or temporary | date of formal acceptance of appointment | |
| 2 | an enlisted member or warrant officer temporarily appointed to regular commissioned officer | | date of formal acceptance of appointment | |
| 3 | enlisted or reenlisted | | date of enlistment or reenlistment | |
| 4 | service academy graduate commissioned as an Ensign | appointment is issued and accepted within six months of graduation | date of rank as stated in the commission | |
| 5 | | appointment is not issued or accepted within six months of graduation | date of formal acceptance of appointment. (17 Comp Gen 377) | |
| 6 | reserve or retired member called or recalled to active duty | | date member complies with active duty orders. (Note 2) | |
| 7 | reserve or retired member ordered to report for physical examination preparatory to call or recall to active duty, and continues to assigned duty station | | | period of examination, and allowable travel time in connection therewith (Note 2) |
| 8 | separated from the Coast Guard Academy and required to serve a period of enlisted active duty | | date following disenrollment from the Coast Guard Academy | |

Notes:

1. After acceptance of original temporary appointment and while serving in temporary rank, a member is not entitled to additional pay, allowances or gratuities because of change in permanent enlisted or warrant officer grade or status.
2. See Chapter 2 of this Manual and Figure 2-5 for allowable travel time to include in computation. Pay and allowances do not accrue if the member begins travel or reports earlier than the travel time necessary to comply with the active duty orders.

FIGURE 2-1

INCREASE IN PAY ON PROMOTION

| R U L E | A | B | C |
|------------------|---|---|---|
| | When a member is a(an): | and action is | then the effective date of increase in pay and allowances is |
| 1 | Commandant Vice-Commandant | appointment to Commandant, Vice-Commandant, respectively | effective date as stipulated in Presidential appointment and terminates on the day of detachment. |
| 2 | Vice Admiral | appointment as Area Commander or Deputy Commandant (under authority of 14 U.S.C. 305) | on the date the officer assumes that duty and terminates on the date the officer is detached from that duty. (Note 1) |
| 3 | Commissioned Officer | promotion to pay grade 0-8 or below under authority of 14 U.S.C. 2121 | effective date as stated in the letter transmitting the promotion appointment. |
| 4 | Commissioned Officer or Warrant Officer | temporary promotion under authority of 14 U.S.C. 2125 | from the effective date specified by the Secretary in |
| 5 | Enlisted Member | advancement in rate | effective date as indicated in the advancement authorization. (Note 2) |

Notes:

1. The pay and allowances of a vice admiral must not be interrupted by the termination of an appointment for the purposes of reappointment to another position as a vice admiral. (14 U.S.C. 307)
2. A Commanding Officer cannot advance a member retroactively. See Chapter 3, Enlisted Accessions, Evaluations, and Advancements Manual, COMDTINST M1000.2(series).

FIGURE 2-2

- F. Termination of Active Duty Pay. Active duty pay is terminated upon separation or change in status. Credit active duty pay and allowances through the appropriate date as indicated below:
1. Retirement. The day before the date placed on the retired list.
 2. Recalled Retired Member Released from Active Duty. See the instructions in Section 2.K of this Manual for reservists being released.
 3. Resignation, Discharge, or Dismissal. The date shown as official date of separation in official notice or date officer receives official notice if no official date of separation is shown except:
 - a. Discharge orders do not of themselves relieve the Government of its obligation to an officer. The officer must have received actual or constructive notice by the effective date, unless the officer willfully avoids notice of separation. If an officer is kept in service without fault, in ignorance of an order of dismissal, entitlement to all salaries and benefits of the office continue.
 - b. If held in service under orders after the date shown in separation orders, an officer is entitled to pay if there is nothing in the record showing non-entitlement.
 4. Member Transferred to Reserve and Concurrently Released from Active Duty. The date on which transferred to the Coast Guard Reserve and concurrently released. Travel time is not allowed in computing entitlement.
 5. Termination of Officer Status Under Temporary Appointment. The date prior to the date of termination of the appointment, except that entitlement accrues for:
 - a. The date of termination of the appointment if member is discharged or dismissed from permanent status on the date of termination.
 - b. The date of termination of appointment if the officer's resignation becomes effective on the date of termination.
 - c. The date the appointment is terminated if the officer is released from AD on termination date.
 - d. The date prior to the date the officer is placed on the retired list.
 - e. The date prior to the date of acceptance of a permanent appointment as an officer when the temporary appointment is terminated upon acceptance of the permanent appointment.
 6. Reduction in Rate. Pay and allowances of the rate from which reduced accrue up to and include the date prior to effective date of reduction in rate. When an erroneous promotion is

revoked, normally the reduction in pay and allowances is effective on the day prior to the erroneous promotion. However, if the member served at the higher grade in a “de facto” status (i.e., the member was promoted by competent authority and performed duties of the higher grade), the member is entitled to pay and allowances of the higher grade up to the day before the date of discovery of the erroneous promotion.

7. Fraudulent Enlistment.

- a. Void Enlistments. The enlistments of individuals enlisted below the minimum statutory age who are still below that age when that fact is discovered, and the enlistments of individuals who are mentally incompetent are voided. Upon a definite determination of such facts, the individual’s pay and allowances are to be stopped, and he or she must be released from military control. There is no entitlement to pay and allowances beyond the date of determination of the fraud, but the individual retains amounts paid prior to the date of determination, if the payments were otherwise proper. The individual is not entitled to Lump Sum Leave (LSL) payment.
- b. Voidable Enlistments. In these cases the Government may determine to waive the fraud or release the individual from military control or waive the fraud and administratively discharge the individual (see (1), (2), or (3) below). Pay and allowances are to be suspended upon a definite determination that the member’s enlistment was fraudulent. There is no entitlement to pay and allowances beyond the date of determination of the fraud, unless the fraud is subsequently waived by the Government. The decision to waive the fraud or void the enlistment and release the individual from military control should be contemporaneous, or as contemporaneous as possible, with the date of determination of the fraud so as to avoid retaining control over an individual whose status as a military member is void.
 - (1) If the Government waives the fraud and retains the individual on active duty, the suspension must be removed and pay and allowances must be continued.
 - (2) If the Government decides to release the individual from military control, no entitlements accrue beyond the date of determination. The individual is not entitled to LSL payment.
 - (3) If the Government chooses to waive the fraud and administratively discharge the individual by reason of misconduct (fraudulent enlistment) under Chapter 2, of the Military Assignments and Authorized Absences Manual , COMDTINST M1000.8(series), pay and allowances accrue through the date of discharge and the individual is entitled to LSL payment.

Note: When a fraudulent enlistment occurs due to the concealment or misrepresentation of a material fact that would have disqualified the individual for enlistment, there is no entitlement to pay and allowances for any period served during the fraudulent enlistment; however, by analogy to the rule applicable in the

case of de facto officer, the member is permitted to retain amounts paid prior to the date of determination or date of discharge, as appropriate, if the payments were otherwise proper.

- c. Authorized Certifying Officer (ACO) Concerns. An ACO is entitled to credit for proper payments to a member who fraudulently enlisted, if payments were made without the knowledge of the fraud and before the Government rescinded the contract.
- d. Physical Condition. Failure to discover that the physical condition of an enlistee was such as would warrant rejection for military service does not deprive a member of the right to pay and allowances or of the status of being entitled to basic pay.

G. Continuation of Pay Under Special Circumstances.

- 1. Recalled to Active Duty. Officers and enlisted members recalled to AD by orders of competent authority after retirement are entitled to AD pay until the date of actual release from AD.
- 2. Retirement Orders Received Subsequent to Effective Date. Officers and enlisted members are entitled to active duty pay and allowances to and including the date of actual receipt or knowledge of retirement orders.
- 3. Retained for Convenience of the Government. When an enlisted member is retained for the convenience of the Government beyond the term of their enlistment or beyond the expiration of obligated service, the member is entitled to pay and allowances for the period of retention. A member retained under any of the below conditions is considered to have been retained for the convenience of the Government. See Chapter 1, Military Separations Manual, COMDTINST M1000.4(series).
 - a. Hospitalization With Member's Consent. When an enlisted member is hospitalized from a disease or injury (excluding misconduct) prior to their date of expiration of enlistment, the member is entitled to pay and allowances until their recovery period enables them to meet the physical requirement for reenlistment, or until recovery from the disease or injury is rendered impossible, whichever is earlier. If hospitalization was due to the member's misconduct, pay and allowances terminate on the date of expiration of enlistment.
 - b. Services Essential to Public Interest. The member's services are considered essential to the public interest. Basic pay and allowances accrue to the member for the period plus a 25 percent increase in Basic Pay as provided in Section 2.L. of this Manual.
 - c. Court-Martial Action. The enlisted member is awaiting trial, undergoing trial, or awaiting the results of a trial, and is acquitted. Pay and allowances accrue until the member is separated from the Service.

- d. Detained in Time of War or National Emergency. Under the provisions of 14 U.S.C. 2314, if a member is detained beyond the end of enlistment, pay and allowances continue without regard to the fact that the member may be in a status such as awaiting trial by court martial.

H. Saved Pay.

1. Authority. The statutory authority for Saved Pay is 14 U.S.C. 2104 and 37 U.S.C. 907. The purpose of Saved Pay is to ensure that a member is not unduly penalized with a reduction in pay for accepting an appointment as either a chief warrant officer or as an officer.
 - a. Warrant Officers. A warrant officer who accepts an appointment as a commissioned officer (temporary or permanent) must be paid the greater of:
 - (1) The pay and allowances to which the member thereafter becomes entitled as a commissioned officer; or
 - (2) The pay and allowances to which such member would be entitled if the member had remained in the last warrant officer grade held before appointment as a commissioned officer, and continued to receive increases in pay and allowances authorized for that grade.
 - (3) If a warrant officer previously held an enlisted grade, and is entitled to saved pay for that enlisted grade, the member is entitled to pay and allowances as prescribed in Section 2.H.1.b. in the Manual.
 - b. Enlisted Members. An enlisted member who accepts an appointment as an officer or warrant officer must be paid the greater of:
 - (1) The pay and allowances to which such member would be entitled if the member had remained in the last enlisted grade held before appointment as an officer or warrant officer, and continued to receive increases in pay and allowances authorized for that grade; or
 - (2) The pay and allowances to which the member thereafter becomes entitled as an officer or warrant officer.
 - c. Licensed Officers of the U. S. Merchant Marine. A licensed officer of the U. S. Merchant Marine who accepts an appointment as a temporary commissioned officer in the Regular Coast Guard in a grade not above lieutenant must be paid the greater of:
 - (1) The pay and allowances to which such member would have been entitled had the member remained in the former Uniformed Service grade and continued to receive the increases in pay and allowances authorized for that grade; or

- (2) The pay and allowances to which the member thereafter becomes entitled as a Regular Coast Guard officer.
- d. Prior Service Members. A prior service enlisted member or warrant officer of another service who is appointed as a commissioned officer in the Coast Guard or Coast Guard Reserve is entitled to saved pay under the provisions of Chapter 2 of this Manual. Prior service members who take a reduction in pay grade upon entry into the Coast Guard are not protected under saved pay provisions.
2. Computation Items. The following pay and allowance items are included in the computation of saved pay:
 - a. Basic pay.
 - b. Basic Allowance for Housing (BAH).
 - c. Basic Allowance for Subsistence (BAS).
 - d. Special pay for diving duty.
 - e. Career Sea Pay (CSEAPAY) and Career Sea Pay Premium (CSEAPAY PREM)
 - f. Hardship Duty Pay-location (HDP).
 - g. Imminent Danger Pay (IDP).
 - h. Incentive pay (aviation) for the performance of hazardous duty.
 - i. Family Separation Allowance (FSA)
 - j. Family Separation Housing (FSH). Refer to 46 Comp Gen 57 (1966).
 - k. Station allowances.
 - l. Special duty pay to which entitled had the member not been appointed as an officer. Refer to 48 Comp Gen 12 (1968). (SDP must only be included if the officer was appointed prior to 6 Jan 2006. See Section 2.H.3.g. of this Manual)
 - m. Cash clothing allowances (initial or maintenance) except when an officer is eligible for payment of a uniform allowance.
 - n. Foreign Language Proficiency Pay (FLPP).

3. Restrictions. The following restrictions govern Saved Pay. Refer to 45 Comp Gen 763 (1966).
- a. A member entitled to Saved Pay is not authorized the Basic Pay for one grade and the allowances for another grade.
 - b. The Saved Pay amount must be reduced when a member loses entitlement to specific items shown in Sections 2.H.2.d. through 2.H.2.g. However, these specific items must again be included in saved pay if the member later qualifies for such items. Refer to 46 Comp Gen 57 (1966).
 - c. A temporary officer is not entitled to an increase in Saved Pay because of promotion to a higher permanent grade.
 - d. BAH and quarters-in-kind are regarded as alternatives. BAH may be continued as an item of Saved Pay and will be paid whenever it is not forfeited because the member is assigned to Government quarters.
 - e. Family Separation Housing (FSH) allowance may be continued as an item of Saved Pay under the same conditions as BAH.
 - f. Family Separation Allowance (FSA) may be included in the computation of Saved Pay, until the entitlement ends, if the member was entitled to FSA due to enforced separation at the time of appointment. FSA may be reinstated as an item of Saved Pay for future periods during which the member again qualifies. Refer to 46 Comp Gen 57 (1966). Other items of special or incentive pay may be reinstated if a member again qualifies for them.
 - g. Special duty pay, incentive pay for hazardous duty, special pay for diving duty, imminent danger pay, career sea pay, career sea pay premium and hardship duty pay location, may be retained as items of saved pay only as long as the member continues to perform the duty and would be eligible to receive payment by remaining in the former status (48 Comp Gen 12). SDP must only be included if the officer was appointed prior to 6 Jan 2006.
 - h. A break in service (release from active duty or discharge) does not disqualify a member for the Saved Pay and allowance entitlements of this section.
4. Determination Required. The Pay and Personnel Center (PPC) will determine whether the pay and allowances of the grade to which appointed equals or exceeds the pay and allowances of the former grade. In cases where the pay and allowances for the former grade exceed the pay and allowances of the new grade, the member is placed into a saved pay status. When the member is transferred to or from sea or overseas duty, completes an additional period of service, is affected by a statutory pay increase or other change which affects pay and allowances, pay will be recomputed and, if required, saved pay changes to the pay for the member's current grade.

I. Pay Entitlement for Authorized Leave and Authorized Absence.

1. Authority. 10 U.S.C. 701-704 contains the authority for granting leave accruing to members of the Armed Forces. Detailed regulations which contain authority for payment of unused accrued leave are prescribed in Chapter 2, Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series) and Section 10.A. of this Manual.
2. Entitlement During Leave Periods. Except as provided in Figure 2-3, a member is entitled to proper credit of full pay and allowances during periods of leave.
3. Definition of Full Pay and Allowances. The term “full pay and allowances” for the purpose of this section means:
 - a. Basic pay.
 - b. Special pays. (Except when leave and/or authorized absence is incident to separation or retirement from active duty)
 - c. Incentive pay for hazardous duty. (Except when leave and/or authorized absence is incident to separation or retirement from active duty)
 - d. Basic Allowances for Housing (BAH) and Subsistence (BAS).
 - e. Personal money allowance.
 - f. Clothing maintenance allowances.
 - g. Family Separation Allowance. (Except when leave and/or authorized absence is incident to separation or retirement from active duty)
 - h. Family Separation Housing (FSH) Allowance. (Except when leave and/or authorized absence is incident to separation or retirement from active duty)
 - i. Station Allowances
4. Excess Leave and Authorization to Carry-Over Advance Leave. See Chapter 2, Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series).
5. Pay and Allowances During Excess Leave. Members on excess leave are not entitled to pay and allowances as follows:
 - a. When the complete period of leave is granted as excess leave, pay and allowance accrual will be stopped beginning with the first day of leave.

- b. When a portion of the leave is granted as advance leave and a portion granted as excess leave, pay and allowance accrual will be stopped beginning with the first day of excess leave. Members in an excess leave status are considered to have a rate of pay.

AUTHORIZED ABSENCE – EFFECT ON PAY AND ALLOWANCES

| R U L E | A | B | C | D |
|------------------|--|--|---|--|
| | When a member is absent from duty | and | then the member | and the period of absence is |
| 1 | on authorized leave | such leave is: a. regular accrued leave b. emergency leave c. delay en route | is entitled to otherwise proper credit of full pay and allowances during the period of absence | charged as leave. |
| 2 | | Such leave is in advance of that accrued | | charged against leave as it accrues (NOTE 1) |
| 3 | | such leave is: a. Academy graduation leave b. sick or convalescent c. compensatory absence d. liberty e. proceed time | | not chargeable against leave. |
| 4 | at home in an awaiting orders status pending final action on the physical evaluation board proceedings | leave was not specifically granted in the member's orders | is entitled to pay and allowances as follows: a. Basic pay b. BAS – officers and enlisted members c. BAH (NOTE 2) d. Clothing maintenance allowance | chargeable to leave to the extent possible. (NOTE 3) |
| 5 | on excess leave | | not entitled to pay and allowances except BAH under Section 2.I.5 (NOTE 4) | not chargeable as leave. |

Notes:

1. Refer to Section 2.I.5 for collection requirements when advance leave is changed to excess leave.
2. Members without dependents are entitled to BAH in accordance with Chapter 3.
3. Excess leave which may result during such absence is not charged. However, a negative leave balance which existed prior to the member being ordered home awaiting orders status continues until separation or retirement, at which time it must be collected as excess leave.
4. A member separating effective 1 March whose separation leave period through 28 February (or through 29 February during leap year) results in excess leave, is not entitled to pay and allowances for 29 and 30 February (or for 30 February during leap year). These days are not considered days of excess leave, however, the member is considered to be in a non-pay status through 30 February, (5 Comp Gen 935). See the explanation of complex areas on the LES in Appendix (F), Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

FIGURE 2-3

J. Withholding Pay for Unauthorized Absence and Other Lost Time.

1. Effect on Pay and Allowances. The types of unauthorized absence and other lost time and their effect on pay and allowances are shown in Figure 2-4. Forfeitures of pay and allowances will be computed as follows:
 - a. When Pay Stops. Check one day's pay for each full day of absence. Unauthorized absence of 24 consecutive hours or less does not effect pay or allowances. This applies even though the absence involves parts of two days. Begin checkage on the day members absent themselves without authority. This includes:
 - (1) The day leave, liberty, or authorized travel time expires, if hour of expiration is prior to 2400. When the hour of expiration is 2400, begin checkage on the following day.
 - (2) The day taken into custody by civil authorities.

Exception: If a member is held in civil custody while on authorized leave the member is entitled to pay and allowances until the leave expires.
 - b. When Pay Resumes. A member is entitled to pay and allowances on the day of return to Armed Forces jurisdiction or to a duty status, as appropriate. Entitlement accrues even though the member is not immediately returned to the member's regular duty station.
2. Unauthorized Absence and Desertion. A member who is absent from duty without authority is considered absent without leave. It is the commanding officer's determination whether the member's status is termed absent without leave (AWOL), absent over leave, or desertion.
 - a. Determination by Court-Martial Sentence. A member found guilty of unauthorized absence by a court-martial forfeits pay and allowances for the period of absence. An acquittal (or disapproval by the reviewing authority, in the case of conviction) affects only the disciplinary aspects of the absence. It does not prevent an administrative determination that the member was AWOL.
 - b. Administrative Determination of Unauthorized Absence. When a member is in an unauthorized absence status, an administrative determination must be made as to whether the absence was unavoidable. Chapter 2, Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series) and Figure 2-4 contain rules for determining whether the absence was unavoidable. If it is not excused as unavoidable, the member (including one mentally incompetent) forfeits pay and allowances for the period of absence. This applies even though a court-martial finds the member not guilty of a charge of unauthorized absence, or when a finding of guilty has been disapproved by the reviewing authority (48 Comp Gen 792).
 - c. Discharge for Desertion. A discharge for desertion is conclusive evidence of desertion for purposes of forfeiture of pay, even in the absence of trial by court-martial.

3. Absence in Custody of Civil Authorities. See Figure 2-4, rule 3 for entitlement to pay and allowances for the period of absence.
 - a. Pay Earned Prior to Arrest. The member may be paid all pay and allowances earned before the date of arrest and confinement if authorized by the commanding officer.
 - b. Member Released on Bail. When a member is released on bail, withhold pay and allowances for the period member was in custody pending final action by civil authorities.
 - c. Member on Leave. If a member is held by civil authorities while on authorized leave, member is entitled to pay and allowances until leave expires, even though member is convicted of an offense.
 - d. Civil Confinement Term. Personnel convicted and sentenced to a term of civil confinement who are released from the confinement facility during the normal workday under a Work Release Program are entitled to pay and allowances for each day of full duty performed commensurate with their grade and military specialty.
4. Military Confinement.
 - a. Pay and allowances accrue to a member in military confinement except:
 - (1) When confined by military authorities for civil authorities. Refer to Chapter 6 of this Manual and rule 8 of Figure 2-4.
 - (2) When pay and allowances are forfeited by court-martial sentence. Refer to Chapter 6 of this Manual and rule 9 of Figure 2-4.
 - (3) See Figures 3-2, 3-7, 4-3, 4-6, and 4-7, and 4-8 for entitlement to special pay and allowances during confinement.
 - b. Confined Awaiting Trial When Enlistment Expires. Pay and allowances end on date enlistment expires. If member is acquitted when tried, pay and allowances accrue until member is discharged. Refer to 30 Comp Gen 449.
 - c. Serving Court-Martial Sentence When Enlistment Expires. Pay and allowances end on date the enlistment expires. They will not accrue again until the date member is restored to a full duty status unless the sentence is completely overturned or set aside (11 Comp Gen 342).
 - d. Return to Military Control After Enlistment Expired. An absentee who surrenders or is apprehended after the term of enlistment has expired is not entitled to pay and allowances until the member is restored to a full duty status. This also applies whether retained solely for trial or discharge, whether trial is barred by the statute of limitations, or whether the member will later be returned to duty (9 Comp Gen 323, MS Comp Gen B-23804, 21 Feb 1942 and B-113109, 30 Jan 1953).

- e. Confined While In a Status of Being Held In Service To Make Up Lost Time. An enlisted member continues in a pay status, except to the extent that the member's pay may be forfeited by court-martial. This pay status terminates if in confinement on the date the member's normal term of service, as extended to make up lost time, would have expired, even if restored to duty at a later date (Gen 488 and 47 Comp Gen 487).
- f. Confinement Deferred or Prisoner Restored to Duty. A prisoner in a non-pay status is entitled to pay and allowances when service of sentence to confinement is deferred or member is restored to a full duty status. Refer to Paragraph 88f of Manual for Courts Martial (MCM) 2008.
- g. Absentee Term of Enlistment Expires. An enlisted member, whose enlistment expires while AWOL, is not entitled to pay and allowances upon return to military control for the period member was confined while awaiting trial and disposition of the case, if member's conviction becomes final and return to full duty has never been affected. Pay and allowances will accrue if the member is returned to full duty upon return to military control for the purpose of making good lost time (37 Comp Gen 380, 9 Comp Gen 323, and 3 Comp Gen 676).
- h. Absentee Returns Prior to Enlistment Expiration. The pay and allowances of an absentee who surrenders or who is apprehended before the expiration of the enlistment period will accrue from the date of return to military control.
- i. Enlistment Expires Before Trial. An enlisted member retained in service (not in confinement) for the purpose of trial by court-martial is not entitled to pay for any period after expiration of enlistment unless acquitted or charges are dismissed, or the member is retained in or restored to a full duty status (MS Comp Gen B-131446, 26 Jun 1957).
- j. Member in Correctional Custody. Pay and allowances accrue to a member in correctional custody imposed by non-judicial punishment. Correctional custody is not considered confinement.

**UNAUTHORIZED ABSENCE AND OTHER LOST TIME –
EFFECT ON PAY AND ALLOWANCES**

| R U L E | A | B | C |
|------------------|--|---|---|
| | When a member is absent from duty | and | member |
| 1 | without authority (AWOL), over leave or liberty, excess travel en route | the absence has been excused as unavoidable | is entitled to otherwise proper credits of pay and allowances. (40 Comp Gen 366) |
| 2 | | the absence was not excused as unavoidable | is not entitled to pay and allowances |
| 3 | in confinement by civil authorities or by military authorities for civil authorities | member is being detained as a witness before a civil court | is entitled to otherwise proper credits of pay and allowances |
| 4 | | the absence was excused as unavoidable | |
| 5 | | the absence was not excused as unavoidable | is not entitled to pay and allowances, except for that part of the period that is covered by authorized leave |
| 6 | in confinement by military authorities for a foreign civil offense (NOTE 1) | indictment by the foreign country is pending | is entitled to otherwise proper credit of pay and allowances for period before the date member is charged or indicted by the foreign country. |
| 7 | | has been charged or indicted by the foreign country | is not entitled to pay and allowances, except for that part of the period that is covered by authorized leave (36 Comp Gen 173) (NOTE 2) |
| 8 | in military confinement (other than for civil authorities) | is awaiting trial by court-martial or serving a sentence of confinement which did not include a forfeiture of pay | is entitled to otherwise proper credits of pay and allowances |
| 9 | | is serving a court-martial sentence which includes a forfeiture of pay and allowances | is entitled to pay and allowances accruing before the date the sentence was approved by the convening authority and to any un-forfeited pay and allowances accruing after the date. |
| 10 | as a deserter | was found guilty of desertion by a court-martial or was administratively discharged for desertion | forfeits all pay and allowances including that due on the first day of desertion. (NOTE 3) |

Notes:

1. Use this rule only in cases where the foreign country has jurisdiction under the terms of a treaty or other agreement with the United States.
2. Should the absence be excused as unavoidable, the member is entitled to full pay and allowances.
3. Pay and allowances due on date of desertion will be used to satisfy debts due the United States and its instrumentalities.

FIGURE 2-4

RULES FOR DETERMINING WHETHER ABSENCE IS UNAVOIDABLE

| R U L E | A | B | C | D |
|------------------|--|--|--|--|
| | When the member is absent from duty | and | and | then the absence may |
| 1 | in confinement by civil authorities or by military authorities for civil authorities | is tried and acquitted | it is clear that arrest and detention were not due to member's misconduct | be excused as unavoidable. (NOTES 1 and 2) (7 Comp Gen 496) rule 2 |
| 2 | | charges are dismissed or member is released (or dies) without trial | | |
| 3 | | is released without trial upon member's agreement to make restitution or reparation for the alleged offense | member's commanding officer determines that absence was not due to member's misconduct | (39 Comp Gen 781) rule 3 |
| 4 | | is admitted to bail and trial is postponed indefinitely | it is apparent that the case will not be prosecuted | (10 Comp Gen 490) rule 4 |
| 5 | | was released because member's case was discontinued by the prosecutor or plaintiff or because the jury failed to agree | | |
| 6 | | is tried and convicted | the appeal does not result in acquittal | not be excused as unavoidable. (11 Comp Gen 755) rule 7 |
| 7 | | is released under bond (not in a full duty status), pending appeal of member's case to a higher court | | |
| 8 | | is discharged because of imprisonment or conviction by a civil court | | |
| 9 | | confinement is due to member's failure to obey a decree of a civil court | the absence was not due to member's misconduct | (14 Comp Gen 116) rule 8 |
| 10 | without authority (AWOL) or over leave | the absence could not have been avoided by the member or by military authorities | | |
| 11 | over liberty | the absence could have been prevented by member or by military authorities | | be excused as unavoidable. (Notes 1 and 2) (40 Comp Gen 366) |
| 12 | | | | |
| | | | | not be excused as unavoidable. |

Notes:

1. The administrative determination will be made by Commandant (CG-133) in cases involving commissioned or warrant officers and enlisted members found to be mentally incompetent during period of absence. The commanding officer may make the determination in all other cases involving enlisted members.
2. If absence is not excused as unavoidable by the proper authorities, the member is not entitled to pay and allowances. (MS Comp Gen B-166803, 25 Jun 1969).

FIGURE 2-5

K. Pay and Allowances for Members of the Coast Guard Reserve on Active Duty (AD).

1. Authority. Under the provisions of 37 U.S.C. 204, a Reserve member on AD is entitled to the basic pay of the pay grade to which assigned in accordance with length of service.
2. Commencement of Pay. A Reserve member on AD is entitled to pay and allowances from the date indicated below:
 - a. Officers.
 - (1) Appointment on Original Entry. When a Reserve officer is ordered to AD coincident with acceptance of the original appointment, commence pay and allowances from the date of the acceptance of appointment as an officer by taking the oath of office. Appointment to commissioned rank is not coincident to an order to active duty unless the active duty order is effective the same date as the appointment. When a Reserve officer is appointed prior to an order to active duty, pay & allowances begins upon commencement of necessary travel to the station to which ordered. Commencement of necessary travel in compliance with an order is considered acceptance for pay purposes, but do not make payment prior to formal execution of the oath of office (21 Comp Gen 819).
 - (2) Promotion While on Active Duty. Commence pay and allowances of a Reserve officer promoted to a higher grade for duty performed from the date of the appointment thereto.
 - b. Enlisted Members.
 - (1) Enlists or Reenlists. When a person enlists or reenlists in the Coast Guard Reserve and is placed immediately on AD, commence pay and allowances from the date of enlistment or reenlistment.
 - (2) Ordered to Active Duty. When a Reserve enlisted member is ordered to AD, other than an enlisted member immediately placed on AD on date of enlistment or reenlistment, commence pay and allowances from the date the member commenced necessary travel in compliance with such orders. Refer to Section 2.K.3. of this Manual.
3. Pay and Allowances Entitlement During Travel Time. A Reserve member called to AD is entitled to AD pay and allowances for time allowed for necessary travel from:
 - a. Home to first duty station (including time required for physical examination plus necessary travel time).
 - b. Last duty station to home (except when released from AD for retirement, or dismissal, when discharged, or upon resignation).

- c. Terms and special conditions.
 - (1) Allowable travel time is considered active duty for all purposes normally ascribed to active duty. The computation of allowable travel time, whether actual or constructive will:
 - (a) For periods of active duty of 30 days or less, based upon the rules in Figure 2-6.
 - (b) For periods of active duty of more than 30 days, be based upon the rules and provisions of the JTR.
 - (2) A Reserve member who is ordered to perform active duty training (ADT-AT) and performs authorized inactive duty training (IDT) immediately before or after ADT-AT at or near the same site, and receives orders which direct performance of necessary travel to and from the ADT-AT site immediately before and after combined ADT-AT/IDT is entitled to active duty pay and allowances for allowable travel time, if any.
- 4. Restriction Against Dual Payments. A Reserve member who is in receipt of a pension, disability compensation, or retired pay, by virtue of prior military service, from the Government of the United States is prohibited from receiving compensation (including allowances for subsistence, quarters, and travel) for any period of AD, ADT-AT, or other duty, unless the member specifically waives or relinquishes such pay for the period of such AD.
- 5. Termination of Pay. Any amounts due a member for AD, or for travel home after release from such duty, may be paid before the member leaves the duty station, without regard to actual performance of the travel. If the member dies after payment, but before payment would otherwise be due, no part of the payment will be recovered by the United States.
 - a. Release from Active Duty. Credit AD pay and allowances of Reserve members through the day the member arrives at home of record. Compute allowable travel time in accordance with Figure 2-6.
 - b. Release from AD for Retirement. Credit pay and allowances through date before date member is placed on retired list.
 - c. Discharge or Death. Credit pay and allowances through date of discharge or death. Travel time is not allowable in computing entitlement.
 - d. Resignation or Dismissal. Credit pay and allowances through the date the officer receives official notice of acceptance of resignation or notice of dismissal, unless a later date is specified.
 - e. Definition of Last Day of Duty. On release from AD under orders which specifically

authorized travel by private conveyance, day of detachment from the duty station is a day of duty. Travel status begins on the following day, unless the total distance to the member's home is 175 miles or less. In all other cases, travel status begins as of the actual hour of detachment stated in the release orders or 1630 hours if orders do not show detachment hour.

ALLOWABLE TRAVEL TIME – TRAVEL BETWEEN PLACES WITHIN THE CONTINENTAL UNITED STATES

| R | A | B | C | D |
|-------------|----------------------------------|--|---|---|
| U L E | If ordered to active duty is for | and travel by | then, travel time allowed is | using |
| 1 | 30 days or less | air transportation is reasonably available. (Note 1) | computed on the basis of air transportation (not more than 1 day) for travel between places within the United States. (Note2) | actual commercial air schedules, and including the actual or estimated time to travel to and from air terminals (but not more than 2 hours for each trip) |
| 2 | | air transportation is not reasonably available for entire travel. (Note 1) | computed as if actually performed by public surface transportation | actual schedules of fastest available mode. (Notes 3 & 4) |

Notes:

1. When the air terminal is within 50 miles of the active duty station and direct or connecting flights are obtainable within 50 miles of the place from which ordered to active duty.
2. Additional travel time may be allowed when there is an actual delay in air travel. The delay must have been due to reasons beyond the control of the member, such as mechanical failure, adverse weather conditions, excess passenger load, cancelled flights, illness of other passengers, etc.
3. Travel is not expected to start or end between midnight and 0600.
4. Travel days will not exceed the computed travel time. In the computation of travel time, use existing commercial schedules to determine the latest departure time that would permit arrival at the duty station on the reporting date and hour. On release from AD, use earliest schedule after release permitting arrival home by fastest available means, without regard to actual performance of travel. A member of a Reserve component who:
 - a. Is ordered to perform active duty for training (ADT-AT),
 - b. Performs authorized inactive duty training (IDT) immediately prior to or after ADT-AT at or near the same site, and
 - c. Receives orders which direct performance of necessary travel to and from the ADT-AT site immediately prior to and after the period of combined ADT-AT/IDT, is entitled to AD pay and allowance for allowable travel time. The travel date will be specified in the AD orders. Full retirement point credit is earned for the period of IDT performed.

FIGURE 2-6

L. Increase in Basic Pay for Retention Beyond Enlistment.

1. Authority. 14 U.S.C. 2314 and 10 U.S.C. 5540 authorizes the payment of a 25 percent increase in Basic Pay to enlisted members retained beyond the expiration of their enlistment for a period of service essential to public interests.
2. Conditions of Entitlement. All of the following conditions must apply to be entitled to the 25 percent increase:
 - a. Service is other than in time of war.
 - b. Term of enlistment expires while member is serving on a vessel in foreign waters.
 - c. Member has signified intentions of not reenlisting and did not voluntarily extend the enlistment, and desire to return to the United States.
 - d. The senior officer present afloat certifies the retention is essential to the public interests.
3. Members Not Entitled to Increase. Enlisted members are not entitled to the increased Basic Pay if retained on AD after expiration of enlistment and:
 - a. Stationed at shore stations.
 - b. Stationed on ships on duty in waters in or around possessions and territories of the United States.
 - c. Stationed on ships on duty in ports or waters within the sovereign jurisdiction of the United States.
 - d. Retained due to lack of transportation.
 - e. Retained merely because it is desirable to continue their services, or some benefit may be derived there from.
 - f. Members of the Coast Guard Reserve who are retained on AD beyond the period of obligated service, as distinguished from the normal date of expiration of their enlistment.
4. Computation of Pay. During the period of retention, enlisted members are entitled to regular pay and allowances, under the same conditions as though the enlistment period had not expired, plus an increase in Basic Pay of 25 percent. The 25 percent increase is in the Basic Pay to which the member is entitled on the day before the period of retention began. The 25 percent increase in Basic Pay will not be used in computing:

- a. Cash settlement for unused leave on discharge.
 - b. Physical disability or temporary disability retired pay.
 - c. Disability severance pay.
 - d. Reenlistment bonus.
5. Termination of Increase. The 25 percent increase in Basic Pay continues through:
- a. Date of discharge if the member is discharged within 30 days after their effective arrival date in CONUS.
 - b. Date of transfer to a hospital for treatment.

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ALLOWANCES
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CHAPTER 3. ALLOWANCES

A. Basic Allowance for Subsistence (BAS).1. Terms. The following terms apply to BAS policy:

- a. Adequate Food Storage and Preparation Facilities. Those facilities in Government-owned or leased quarters that are:
 - (1) Near, but separate from sleeping and bathroom/head spaces; and
 - (2) Comprised of a refrigerator with freezer, a conventional or microwave oven (or both), a kitchen sink, and a dry food pantry or storage cabinets that may be located in the individual berthing spaces or a community kitchen available to all UPH residents.
- b. Appropriated Fund Dining Facility (AFDF). A generic term used to describe dining facilities funded totally by appropriated funds, including (but not limited to) Coast Guard Dining Facilities, Government mess, general mess, dining hall, dining activity, dining facility, mess hall, galley, field kitchen, flight kitchen, or similar terms. Food service activities operated by non-appropriated fund activity (NAFA) or Morale, Welfare, & Recreation (MWR) instrumentalities such as officers' messes, chiefs' messes, clubs, or on-base food service concessions are not considered AFDFs, except when those activities provide meals or rations under contract or agreement with the applicable operating and food costs borne by appropriated funds.
- c. Essential Station Messing (ESM). Messing declared by the installation, base, or station commander responsible for single Government quarters that is essential to operate the Government mess efficiently and economically, or that are necessary for the health and safety of enlisted personnel permanently assigned to single quarters. Those categories of enlisted members included in ESM will be charged for all meals made available whether eaten or not, except for approved missed meals.
- d. Essential Unit Messing (EUM). Any group messing declared by appropriate authority as essential for operational readiness, the conduct of military operations or necessary for the effective conduct of training where members are required to use AFDFs or messing provided by or on behalf of the Government (e.g. deployed port security unit (PSU), class "A" schools (with the exception of Public Affairs (PA) "A" School at the Defense Information School, Fort George G. Meade, MD), officer candidate school (OCS), or field duty). Designation for essential unit messing must be applied only to organizational units and to operational elements and detachments, not to individual service members. Current Coast Guard EUM duty locations/assignments include:
 - (1) Sea duty.
 - (2) Coast Guard Class A Schools.
 - (3) Coast Guard Officer Candidate School (OCS).
 - (4) Reserve Officer Candidate Indoctrination (ROCI).
 - (5) Field duty.

- (6) Any unit or assignment designated as EUM in the Coast Guard Supplement to the Joint Travel Regulations (CGS-JTR), COMDTINST 4600.17 (series).
- e. Field Duty. Any maneuvers, war games, field exercises, or similar operations where a member is assigned to a unit being subsisted in a dining facility operated by or on behalf of the Government or with an organization drawing field rations. Members assigned to field duty may, but do not necessarily have to be, under orders that authorize per diem.
 - f. Government Furnished Meals. Any meals or foodstuffs furnished by an AFDF or on behalf of the U.S. Government. Any meal or ration furnished without charge by a Government contractor or a foreign Government, or through a fellowship, grant or intern program while a member is receiving Basic Pay, either under the terms of a contract or agreement or on a complimentary basis, are considered to be furnished on behalf of the U.S. Government. When members are assigned to circumstances where mandatory pay account deductions are required for Government furnished meals made available, these collections will be made whether the meals are eaten or not.
 - g. Sea Duty. Service performed as either permanent party or on temporary duty aboard a Career Sea Pay (CSP)-eligible vessel as defined in Section 4.B.3 of this Manual.
 - h. Subsisted-In-Kind (SIK). Government furnished meals or rations at no charge from an AFDF, or subsisted at no charge on behalf of the Government when members are not entitled to BAS.
2. Background. In 2000, Congress amended 37 U.S.C. 402 so that all service members entitled to Basic Pay (except enlisted personnel that have not completed initial Basic Training) are concurrently entitled to BAS, including reservists on active duty for training (ADT). Also, 37 U.S.C. 1011 requires that any Uniformed Service member in receipt of any subsistence allowance or meal per diem must pay for Government-provided meals from an AFDF according to prices established by the Secretary of Homeland Security. Since the Coast Guard must collect payment for Government furnished meals, it is the Service's option as to how meal charges are collected. In most shore-based AFDFs, charges for meals are collected at the door or, if authorized, accumulated under an Individual Credit Account (ICA) which must be paid in-full to the unit Food Service Officer each month. Because they are not authorized BAS, cadets, non-prior service officer candidates, and enlisted recruits undergoing Basic Training are the only members authorized to be provided meals by Coast Guard AFDFs on a SIK basis. In certain assignments, such as sea duty aboard cutters with established galleys or at Coast Guard Class "A" Schools, use of the AFDF is deemed mandatory and payment for meals is accomplished by an automatic mandatory daily meal rate deduction directly from enlisted members' pay accounts. Unit Servicing Personnel Offices (SPOs) are responsible for starting and stopping automatic meal charge deductions, but as in all pay matters, it is ultimately the individual member's responsibility to verify the correctness of their pay accounts including payment for Government furnished meals.

3. Officer BAS (OFF-BAS).

- a. Authority. Per 37 U.S.C. 402, commissioned and warrant officers entitled to Basic Pay are entitled to OFF-BAS at all times, except as indicated in Figure 3-1.
- b. Rate Payable. See web site:
<https://www.dfas.mil/militarymembers/payentitlements/Pay-Tables/bas.html>.
- c. Payment for Government Furnished Meals.
 - (1) Officers are required to pay for all Government furnished meals from CG AFDFs at the rates set by Commandant (CG-111) in the Coast Guard Food Service Manual, COMDTINST M4061.5 (series) or per a superseding ALCOAST, or in the case of a non-CG AFDF, according to the policies of the providing service.
 - (2) Officers are not subject to mandatory automatic pay account deductions for Government furnished meals.
 - (3) If an officer dies, is mentally incompetent, or otherwise incapable of paying for Government furnished meals, the Pay Adjustment Authorization, Form DD-139 will be used to execute payment for Government furnished meals against the officer's pay account.

4. Enlisted BAS (ENL-BAS).

- a. Authority. Per 37 U.S.C. 402, all enlisted members entitled to Basic Pay are entitled to ENL-BAS except as indicated in Figure 3-2 and under the following circumstances:
 - (1) Recruits attending initial basic military training.
 - (2) Members attending OCS or ROCI who have not completed any previous basic training in any service.
 - (3) In an excess leave status (37 U.S.C. 502).
 - (4) In an absent without leave status, unless the absence is excused as unavoidable (37 U.S.C. 503).
 - (5) On approved educational leave of absence not to exceed two years (10 U.S.C. 708).
 - (6) A without-dependent member training for, attending, or participating in the Pan American games, Olympic games, or other specifically authorized international amateur sport competitions and the sponsoring agency subsists them (37 U.S.C. 420).
 - (7) Serving a court-martial sentence approved by the convening authority that includes forfeiture of pay and allowances or mandatory forfeiture of pay and allowances under the operation of UCMJ Article 58b (10 U.S.C. 857).
- b. Rate Payable. See web site:
<https://www.dfas.mil/militarymembers/payentitlements/Pay-Tables/bas.html>.
- c. Payment for Government Furnished Meals.

- (1) Enlisted personnel entitled to ENL-BAS and/or in receipt of a meal per diem are required to pay for all Government furnished meals from CG AFDFs at the rates set by Commandant (CG-111) in the Coast Guard Food Service Manual, COMDTINST M4061.5 (series) or per a superseding ALCGFINANCE, or in the case of a non-CG AFDF, according to the policies of the providing service.
 - (2) Enlisted personnel must pay for Government furnished meals (whether eaten or not) through mandatory automatic pay account deductions when:
 - (a) Assigned to sea duty, where the vessel has an established AFDF.
 - (b) Assigned to field duty, except when authorized per diem and Government furnished meals are provided in lieu of a meal per diem.
 - (c) Assigned to Class A Schools, except where a waiver has been granted by Commandant (CG-1332).
 - (d) Personnel E6 and below assigned to permanent duty stations ashore and occupying Unaccompanied Personnel Housing (UPH) where unit commanding officers or officers-in-charge have designated mandatory ESM status for UPH residents.
 - (e) In confinement under a court-martial sentence where forfeiture of pay and allowances has been deferred under the operation of UCMJ Article 58b.
 - (3) Enlisted personnel subject to mandatory automatic pay account deductions for Government furnished meals must have daily meal charges refunded when:
 - (a) On approved annual leave or other authorized excused absence away from the unit. Liberty periods are not eligible for mandatory automatic pay account deduction refunds.
 - (b) Away from the unit while on authorized temporary duty (TDY) where the member's AFDF is unable to provide any meals. A refund of the daily mandatory automatic pay account meal charge is not authorized when an enlisted member makes a claim for a missed meal.
 - (c) When hospitalized on an in-patient basis.
 - (4) If an enlisted member dies, is mentally incompetent, or otherwise incapable of paying for Government furnished meals, the Pay Adjustment Authorization, Form DD-139, may be used to execute payment for Government furnished meals against the member's pay account.
- d. Suspension of Mandatory Automatic Pay Deductions for Government Furnished Meals.
- (1) Authorization for suspension of mandatory automatic pay account deductions may be requested from Commandant (CG-1332) when the unit AFDF is temporarily closed and unable to provide meals.
 - (2) Commands will submit to Commandant (CG-1332) a Suspend Collection of CG Standard Meal Rate (CGSMR) Deductions, Form CG-7220G, and must specify

the period that the unit AFDF is out of service.

5. Enlisted BAS-II.

- a. Purpose. BAS-II is intended to provide a special rate of subsistence allowance for eligible enlisted personnel permanently assigned to Government-owned single-type unaccompanied personnel housing (UPH) without adequate food storage or food preparation facilities, and where an AFDF is not available, the member is not entitled to a meal per diem, and the Coast Guard cannot otherwise make Government furnished meals available.
- b. General Eligibility Criteria. BAS-II may be paid to active duty enlisted personnel under conditions that meet the criteria in Section 3.A.5.b.(1) through (4) below and who are not subject to any of the restrictions in Section 3.A.5.c. BAS-II may also be paid to members permanently assigned to CSP-eligible vessels under unique or unusual circumstances.
 - (1) Enlisted member must be entitled to ENL-BAS, and
 - (2) Permanently assigned Government-owned single-type UPH without adequate food storage and food preparation facilities, and
 - (3) There is no available AFDF, and
 - (4) The Government cannot otherwise provide Government furnished meals.
- c. Restrictions. The following restrictions apply to BAS-II eligibility:
 - (1) Not authorized if an AFDF temporarily closes for less than 14 consecutive days.
 - (2) Enlisted members authorized to receive BAS-II at their permanent duty station (PDS) who are hospitalized, perform TDY (including field duty, sea duty, at EUM or ESM locations, or on group travel) away from their PDS, on written authorized excused absence, on approved leave will revert to ENL-BAS for the period of absence from their PDS.
 - (3) Enlisted RC members on any type of ADT are not eligible for BAS-II.
- d. Rate Payable. The rate for BAS-II is fixed at twice the rate of standard ENL-BAS. When paid, it is credited to the member's pay account as a second payment of ENL-BAS in addition to the member's regular ENL-BAS entitlement.
- e. Requests.
 - (1) Timely requests for BAS-II must be signed by the unit commanding officer or officer-in-charge (authority to sign may not be delegated) and sent via the unit's SPO to Commandant (CG-1332) for approval/disapproval. Requests must contain:
 - (a) Rate/Names/Employee ID of members for whom BAS-II is requested.
 - (b) Certify that the members for whom BAS-II authority is sought are permanently assigned to Government-owned single-type UPH.

- (c) A statement on the characteristics of the PDS quarters and the availability of food storage and food preparation facilities.
 - (d) A statement that an AFDF is not available within a reasonable commute from the quarters or PDS. If the AFDF non-availability is due to a temporary closure caused by maintenance or other shipboard or facility work at the PDS performed by the Coast Guard or a contractor, the statement must include a reason why the work contract did not include a contracted alternative to provide Government furnished meals. Inadvertent oversights for failure to provide Government furnished meal as part of a work contract will not normally receive favorable consideration for BAS-II except under unusual and compelling circumstances.
 - (e) An estimated duration of the requirement for BAS-II authorization.
- (2) Timely requests are those which are received by Commandant (CG-1332) before or during the period for which BAS-II authorization is sought. Retroactive requests for BAS-II authority will not be approved.
6. Reserve Component (RC) Personnel. When RC personnel are performing authorized inactive duty for training (IDT – “Reserve Drills”) or other authorized inactive duty, they are not entitled to Basic Pay and thus not entitled to BAS. Enlisted RC personnel on IDT with pay may be authorized an IDT Subsistence Allowance per Chapter 12 of this Manual. All RC personnel are required to pay for Government furnished meals per the pricing policy set by Commandant (CG-111) in the Coast Guard Food Service Manual, COMDTINST M4061.5 (series) or per a superseding ALCGFINANCE.
7. Cadets. Because cadets are not entitled to Basic Pay they are not entitled to BAS. Cadets are provided Government furnished meals on a SIK basis at the U. S. Coast Guard Academy or other Service academy, on sea duty, or at a duty station with an AFDF. They are not authorized SIK while on TDY where per diem is authorized; and under these circumstances cadets must pay for Government furnished meals.
- See Chapter 15 of this Manual for commuted rations policy when cadets are on leave or excused absence where SIK is not available.

B. Basic Allowance for Housing (BAH) – General.

- 1. Housing Allowance. Housing allowances include:
 - a. Basic Allowance for Housing (BAH)
 - b. Overseas Housing Allowance (OHA)-See Joint Travel Regulations, Chapter 10.
 - c. Family Separation Housing (FSH)-See Section 3.G.11.
 - d. Basic Allowance for Housing Differential (BAH-DIFF)-See Section 3.B.6.

- e. Partial Basic Allowance for Housing (BAH-Partial)-See Section 3.B.7.
 - f. Transit Rate (BAH-Transit)-See Section 3.B.8.
 - g. Reserve Component Rate (BAH-RC)-See Section 3.B.9.
2. General. A member on active duty is authorized a housing allowance based on grade, dependency status, and location. Rates are prescribed depending on the member's grade and whether the member has, or does not have, dependents. The location not only determines the rate, but whether the type of allowance is BAH or OHA. The rate of BAH is based on rental housing costs and is paid independent of a member's actual housing costs. It is paid for housing in the United States. OHA is a cost reimbursement based allowance so the entitlement depends on other elements that have to factor in such as sharers, utilities, owner vs. renter. OHA is paid for housing outside the United States (non-BAH payable locations). The member is reimbursed actual rental costs not to exceed maximum OHA rates for each locality and grade. The maximum OHA rates are based upon actual rental costs of members in those locations. FSH-B follows the BAH logic for BAH payable locations, and FSH-O follows the OHA logic for non-BAH payable locations. Except for a partial housing allowance (BAH-Partial) or BAH-Differential (BAH-DIFF), a housing allowance is not paid to a member assigned to or occupying adequate Government quarters (see Section 3.F).
 3. Rates. See <http://www.defensetravel.dod.mil> for BAH, OHA, BAH-Transit, BAH-RC, BAH-Partial, and BAH-DIFF rates.
 - a. BAH Rates.
 - (1) The Per Diem, Travel and Transportation Allowance Committee (PDTATAC) determine adequate housing costs in a Military Housing Area (MHA) for all Uniformed Services' members authorized BAH. The determination for housing allowances is based upon the costs of adequate rental housing for civilians with comparable income levels in the same area.
 - (2) An adjustment in the BAH rates as a result of PDTATAC housing costs redetermination in an MHA takes effect when Basic Pay changes, or when a temporary increase is authorized under Section 3.B.10.
 - (3) A Military Housing Area (MHA) is defined geographically by postal zip code within the United States. Major military population areas are further identified by a combination of two-digit code for the state and a three-digit numerical designation within the state. For small military population areas, postal zip codes are aggregated into areas of similar housing cost and designated as County Cost Groups (CCG).
 4. Government Quarters Assignment. A housing allowance (except BAH Partial or BAH-DIFF) is not authorized for members who are assigned to or occupying Government quarters appropriate to the grade, rank, or rating of the member and adequate for the

member and dependents, if with dependents. See Section 3.F for additional information on Government quarters.

5. Housing Allowance Start and Stop Dates. See Figures 3-5, 3-6, and 3-7.

- a. Start. Unless specifically authorized elsewhere in this Chapter, permanent duty station (PDS) housing allowance eligibility starts on a member's PCS reporting date to a new PDS. OHA starts on the day a member obtains private-sector housing. The authorization document for OHA is the Individual Overseas Housing Allowance (OHA) Report, Form DD-2367. When a home port change is involved, ordinarily a housing allowance based on the rate for the new home port starts on the effective date of the home port change.
- b. Stop. Unless an extension is authorized under Section 3.G.1 or 3.G.2, the OHA and the FSH-B or FSH-O allowances stop on any of the following:
 - (1) The day the member's OHA, FSH-O or FSH-B lease ends.
 - (2) The day before the member departs due to a PCS order.
 - (3) The day before the effective date a member's assigned ship or unit changes its home port from OCONUS. However, a Service member without a dependent is authorized a housing allowance based on the old home port until the day the Service member moves back aboard the ship under all of the following conditions:
 - (a) The member is undergoing a home port change.
 - (b) The ship does not depart from the old home port before or on the home port change effective date.
 - (4) Upon assignment to Government quarters.

6. BAH Differential (BAH-DIFF).

- a. General. The BAH-DIFF rate is the difference between the with-dependents and without-dependents BAQ rates as of 31 Dec 1997 increased by the average pay raise percentage each year.
- b. Conditions of Entitlement and Non-Entitlement.
 - (1) A member who is authorized a housing allowance based solely on the payment of child support, and is assigned to single-type Government owned quarters (i.e., shipboard or barracks), leased quarters, or a housing facility under the jurisdiction of a Uniformed Service, is authorized only BAH-DIFF. A member is not authorized BAH-DIFF if their child support payment is less than their applicable pay grade BAH-DIFF amount.

- (2) A member who is with dependents (i.e., married, married with a child(ren), not married but has sole physical and legal custody for the care of a child(ren) (i.e., single parent), and who is otherwise authorized a with-dependent housing allowance on behalf of their dependent(s), but who also pays child support, and is assigned to Government owned or leased family-type quarters, is not authorized BAH-DIFF. Only members in Section 3.B.6.b.(1) are authorized BAH-DIFF.
- c. BAH Payable Amount Limitation for a Member Authorized BAH Solely on the Basis of the Member's Child Support Payment.
- (1) A member who is assigned to single-type Government owned quarters (i.e., shipboard or barracks), leased quarters, or a housing facility under the jurisdiction of a Uniformed Service, and is authorized BAH solely by reason of the member's adequate child support payment, is only authorized BAH-DIFF. A member is not authorized BAH-DIFF if their child support payment is less than the member's applicable pay grade BAH-DIFF amount.
 - (2) A member who is authorized to reside in private sector quarters and is not assigned to Government quarters, and is authorized BAH or OHA on behalf of a dependent solely on the basis of child support, is authorized a with-dependent housing allowance (either BAH or OHA) based on the payment of child support.
 - (3) A member is not authorized BAH or OHA solely on the basis of child support payment when their child(ren) is/are in another active duty member's custody (including a former spouse) who is assigned to Government owned or leased family-type quarters, or is in receipt of a with-dependent housing allowance on behalf of their child(ren). See Sections 3.D.17, 3.D.18, 3.D.19, 3.D.20, and 3.E.5 of this Manual.

7. Partial Housing Allowance (BAH-Partial).

- a. Authority. A member without dependents assigned to single-type Government owned quarters (i.e., shipboard or barracks) or is on field duty, and not authorized BAH or OHA without dependents, or if paying child support, BAH or OHA with dependents based on payment of child support, or BAH-DIFF, is authorized BAH-Partial.
- b. Conditions of Entitlement to BAH-Partial.
 - (1) A member without dependents assigned to single-type adequate Government quarters at the permanent station and authorized BAH-Partial who is subsequently hospitalized (no PCS involved), continues to be authorized BAH-Partial while hospitalized.

- (2) Except as provided in Sections 3.G.1.d and 3.G.1.e., a E-6 or below without dependents who is offered an assignment of adequate Government quarters, or is assigned Government quarters but elects not to occupy such quarters and resides in private quarters at their own expense, is considered to be assigned to Government quarters and is not authorized BAH or OHA. Therefore, such member is entitled to BAH-Partial.
- (3) BAH-Partial is not authorized during proceed time, leave en route, or travel time on PCS unless member is assigned to single-type Government quarters and not authorized BAH or OHA.
- (4) A member, married to another member, who has no dependents other than the spouse, is authorized BAH-Partial when assigned to single-type Government quarters and is not authorized BAH or OHA at the full rate. However, such members assigned or occupying family-type Government quarters are not authorized BAH-Partial.
- (5) A member, married to another member, if neither member has other dependents, who is assigned to sea duty and occupies Government family quarters assigned to the spouse when the ship is in port, is considered a member without dependents assigned to quarters on the ship and is not authorized BAH or OHA but is authorized BAH-Partial.
- (6) A member assigned to sea duty who is married to another member, and the couple have a dependent(s), and their duty stations are not in the same area, and the member's spouse claims their dependent(s) for BAH, and the member on sea duty does not reside off the ship but in their shipboard quarters, is considered a member without dependents and is only authorized BAH-Partial.
- (7) A member occupying single-type Government quarters whose dependents reside in family-type Government quarters, is not authorized BAH or OHA at the full rate and therefore, is authorized BAH-Partial, provided the family quarters are not assigned under the member's eligibility.
- (8) A member without dependents is not authorized BAH-Partial when assigned to Government leased quarters or Government family-type quarters. This includes family-type Government quarters that have been converted to single-type unaccompanied personnel housing (UPH) quarters.
- (9) A member without dependents confined in a guardhouse, brig, or correctional barracks who was assigned to single-type, Government quarters before confinement and remains assigned to such quarters during confinement is authorized BAH-Partial unless forfeiture of allowances was directed.
- (10) A member without dependents who is ordered PCS to confinement in a guardhouse, brig, correctional barracks, or to additional training in a retraining or

rehabilitation facility, is assigned to certain quarters therein and is not authorized BAH or OHA. Such member is authorized BAH-Partial unless forfeiture of allowance was directed.

- (11) A member without dependents who is restrained in a status of arrest in assigned single-type Government quarters and therefore not authorized BAH or OHA, is authorized BAH-Partial unless forfeiture of allowances was directed.
 - (12) A member without dependents permanently assigned to a hospital for treatment and assigned quarters in the hospital is authorized BAH-Partial.
 - (13) A member without dependents assigned to single-type Government quarters between permanent duty stations and not authorized BAH or OHA is authorized BAH-Partial.
 - (14) A member without dependents is not authorized BAH-Partial when assigned to Government single-type quarters (including Government-leased quarters) that exceed the minimum standards of single quarters for the member's grade.
- 8. BAH Transit. A Transit housing allowance rate is a temporary housing allowance paid while a member is in a travel or leave status between permanent duty stations, provided the member is not assigned to Government quarters. The Transit rate continues during proceed time and authorized delays en route, including TDY en route. See Section 3.G.4.
 - 9. BAH Reserve Components (BAH-RC). BAH-RC is the rate authorized to Reserve Component members called or ordered to active duty for 30 or fewer days except for a member called to active duty for a Secretary of Defense (SECDEF) designated contingency operation. A Reserve Component member called to active duty for a contingency operation is authorized the BAH/OHA rate even for tours of 30 or fewer days. See Section 3.G.9.
 - 10. Temporary BAH Increase. In accordance with the Joint Travel Regulations, 10018-A, the SECDEF may prescribe a temporary increase in BAH rates in an area declared as a major disaster area by the President or at an installation experiencing a sudden increase in the number of members assigned. Payment of the higher BAH is only effective for a MHA or specified zip codes within a County Cost Group. This authority expires 31 Dec 2019.

C. BAH Rate Protection.

- 1. Individual BAH Rate Protection. The monthly BAH rate amount actually paid a member (i.e., Individual BAH Rate Protection) must not be reduced as a result of changes in housing costs in the military housing area (MHA), administrative adjustments to MHA boundaries (which do not involve a physical relocation of a member's PDS), changes in the national monthly housing cost, or a member's

promotion. If the member is reduced in pay grade or loses BAH authorization, then individual rate protection at the current rate terminates on the effective reduction date or the date the member's eligibility to BAH for a given MHA terminates. The current BAH rate at the current duty location becomes the member's new protected BAH rate. Individual rate protection prevents the decrease of a BAH rate as long as the member's status remains unchanged and the member is in receipt of BAH. This means that members will be entitled to the 1 January published BAH rate, or the BAH rate authorized on 31 December, whichever rate is higher. Individual BAH rate protection continues until a member's status changes due to:

- a. The receipt of a permanent change of station (PCS) order to a new duty station located in a different MHA or to a new duty station located outside of the United States. See the Housing Allowance Protection Worksheet, Form CG-2025A, for PCS order types for which BAH may be based on the previous PDS or dependent location. See example (1) when the PCS transfer is within the same MHA.
- b. A reduction in pay grade. See example (2) below.
- c. A change in dependency status from with-dependent to without-dependent, or vice versa (e.g. divorce, marriage, death, adoption, etc). See examples (3) and (4). See 3.C.4.d of this Manual when BAH protection is authorized and a change in dependency status occurs. See Section 3.B.6 of this Manual for entitlement to either BAH DIFF or BAH or OHA with-dependents based on the payment of child support.

Examples:

- (1) PCS order within the same MHA. In 2016 a member receives a PCS order from CG Base Portsmouth, VA to CG Station Little Creek, VA. Both locations are in the Norfolk/Portsmouth, VA Military Housing Area (MHA). The member reports to STA Little Creek on 1 May 2016. In 2015, the BAH rate is \$650. The 2016 BAH rate is \$600. Reporting on 1 May 2016 is the member rate protected at the 2015 BAH rate? Yes, because both units are located in the same MHA, and the member has not terminated their individual rate protection, rate protection applies at the 2015 rate.
- (2) Reduction in pay grade. A member is reduced in pay grade from E-6 to E-5 on 1 May 2016. The E-6 BAH rate is protected at \$700 on 31 Dec 2015 even though the E-6 BAH rate decreased to \$625 on 1 Jan 2016. Is the E-5 rate protected at the E-6 rate effective 31 Dec 2015? No, the member's reduction in grade rate forfeits rate protection. The 2016 E-5 BAH rate is effective 1 May 2016.
- (3) Change in Dependency Status (divorced and paying child support). In 2016 a member is rate protected at the 2015 BAH with-dependent rate. On 30 Apr 2016 the member's divorce is final and the member resides in private sector quarters. Effective on 30 Apr 2016 the member experienced a dependency status change, and their 2015 BAH with dependent rate stops and the with-

dependent BAH code stops. The member's former spouse is not an active duty, the member is not the full-time custodial parent of their child/children, and the divorce decree directs the member to pay child support for their child/children. Effective on 1 May 2016 the member's housing allowance authorization changes to the 2016 BAH with dependent rate, which is based on the payment of child support. Their BAH code changes to the code for BAH with dependents based on the payment of child support, not assigned to Government quarters. The member is not rate protected at the 2015 BAH with dependent rate because the member experienced a dependency status change which terminates their individual rate protection.

(4) Change in Dependency Status (Acquired dependent). In 2016 a member is rate protected at the 2015 BAH with-dependent rate. On 31 May 2016 the member's divorce is final and BAH with dependents stops. On 1 Jun 2016 BAH without dependents starts. On 1 Dec 2016 the member acquires a dependent by marriage. The member is not rate protected at the 2015 BAH with dependents rate. Effective 1 Dec 2016 the member is authorized the 2016 BAH with dependent rate.

(5) Advancement in Pay Grade. A member is advanced to E-7 on 1 May 2016. Effective 31 Dec 2015 the E-6 BAH rate is \$650. The 1 Jan 2016 E-6 BAH rate is \$600. The E-7 BAH rate effective 1 Jan 2016 is \$625. The member is individually rate protected at the 2015 E-6 rate of \$650.

2. Definitions Applicable to BAH Protection Determinations.

- a. Reasonable Commuting Distance (RCD) Standard. The RCD standard as defined in this Section applies only to BAH protection determinations, and not to determinations on whether a member has an entitlement to a Government funded household goods move. The RCD standard is a distance not exceeding 50 miles (one-way) or a round-trip travel time of two hours or less. Regarding BAH protection determinations, the RCD standard is determined from the member's residence to their current duty station, or in some PCS cases from their residence to their current duty station and new duty station. To consider a PCS to a local unit without authorized PCS entitlements, the member's residence must be within the RCD standard to both the current permanent duty station and new duty station. To calculate the RCD standard without route manipulation, on-line mapping systems such as the Defense Table of Official Distances (DTOD), MapQuest, and Google Maps are used. BAH protection will not be approved if the member relocates his or her residence to meet the RCD standard. When CG PSC-PSD-fs is researching the RCD standard, a member's self-certification of a personal transportation mode, commuting route, driving route, mileage distance or travel time calculation will not be considered.
- b. No Entitlement Permanent Change of Station (PCS). To properly define this term under the Joint Travel Regulation (JTR), a "no entitlement" PCS order is an order that does not authorize the relocation of household goods and dependents (if with dependents) at

Government expense. This type of PCS order is normally issued when the member's old duty station and new duty station are in proximity to each other, and the member's residence is within the (RCD) standard to their current duty station and the new duty station.

3. Requesting BAH Protection.

- a. A member will submit to the Coast Guard Personnel Services Center, CG PSC-PSDs, either the:

- (1) Housing Allowance Protection Worksheet, Form CG-2025A; or the
- (2) OCONUS Early Return of Dependents - Request for TONO/LOA, Form CG-2026, that is available in the USCG Adobe Forms System or online at <https://dcms.uscg.afpims.mil/Our-Organization/Assistant-Commandant-for-C4IT-CG-6/The-Office-of-Information-Management-CG-61/Forms-Management/CG-Forms/> or <https://cgportal.uscg.mil/delivery/Satellite/CG611/FORMS>.
- (3) Family Stability Act BAH/Housing Worksheet (CG-7220H).

Note: U.S. Public Health Service Officers serving with the U. S. Coast Guard will submit BAH protection requests to: Division of Commissioned Corps Personnel and Readiness, 1101 Wootton Parkway, Plaza Level, Suite 100, Rockville, MD, 20852.

- b. When a member's BAH protection request is not applicable to the CG-2025A or CG-2026, the member will submit a memorandum request through their chain of command to Commandant (CG-1332). Upon receipt a Secretarial Process determination will be made on the request. The request may be emailed to: HQS-DG-LST-CG-1332@USCG.Mil.
- c. The below circumstances preclude BAH rate protection consideration, including temporary BAH rate protection, to base BAH on the previous duty station or a dependent location:
- (1) Financial burden of relocating dependents.
 - (2) Awaiting assignment to Gov't owned/leased housing at the new duty station location.
 - (3) Conserving PCS allowances by choosing not to relocate dependents and household goods.
 - (4) Planning to retire at the previous duty station area or returning there on next assignment.

- (5) Dependent child(ren) is unable to relocate due to a child custody agreement.
- (6) Acquiring a new residence (i.e., closing on a house or renting) but it is not move-in ready.
- (7) Inability to sell a personally owned residence that the member (with or without dependents) resides in.

4. CG PSC-PSD-fs BAH Protection Authorization Provisions.

- a. Unless there is evidence of significant error on policy misinterpretation, BAH protection determinations made by CG PSC-PSD-fs are final and not subject to appeal to higher authority.
- b. A member who issued a BAH protection memorandum basing BAH on either his or her previous duty station or dependent location (if with dependents), or OHA on a dependent location, the authorization remains in effect until the member executes a PCS from their permanent duty station, retires, resigns, discharges, divorces, a dependency status change occurs from with-dependents to without-dependents, a dependency status change occurs from without dependents to with dependents, the member and dependents (if with dependents) are assigned to Government owned or leased family type quarters, the member (if without dependents) is assigned to Government quarters, or the member and/or their dependents (if with dependents) relocate their residence either out of the Military Housing Area (MHA) boundary area their residence is located in, or out of their residence location (if not in an MHA), whichever action occurs first.
- c. In instances of multiple dependent locations, the member must designate the dependents' primary residence. The housing allowance rate is based on this primary residence.
- d. BAH protection terminates when a member with dependents who is in receipt of a BAH protection memorandum that bases BAH on either his or her previous duty station, or a designated place of dependents, and upon or after reporting to their new permanent duty station (PDS) divorces or experiences a dependency status change (e.g. court ordered legal separation, death of sole dependent) from with dependents to without dependents. Effective on the dependency status change date the member is not authorized to continue receipt of the with-dependent housing allowance rate for either the previous duty station or designated place of dependents. Effective on the dependency status change date the previous duty station or dependent location with-dependent rate terminates and effective the next date the member's housing allowance will be based on the rate for their permanent duty station location. See Figure 3-14, rules 1 and 2, Note 1.

- e. A member with or without dependents who is in receipt of a BAH protection memorandum that bases BAH on his or her previous duty station location or a dependent location (if with dependents), and the BAH rate at his or her PDS inverts to a higher rate, cannot submit a new request to CG PSC-PSD-fs to receive the PDS BAH rate. The member's SPO does not have the authority to change the member's BAH rate to the PDS rate should a rate inversion occur. The exception to this is when a designated unusually arduous sea duty vessel experiences a change of homeport.
 - f. A member with-dependents reporting to an unusually arduous sea duty vessel, to a unit in a military housing area designated a critical housing area (CHA) or a CHA designated unit, or to professional education or training that is at least 20 weeks but 12 months or less in duration, and on his or her PCS reporting date elects to receive the BAH rate at his or her PDS location. If BAH rate at their dependent location or previous PDS inverts to a higher rate, the member cannot submit a request to CG PSC-PSD-fs to receive the dependent location or previous PDS BAH rate. The member's SPO does not have the authority to change the BAH rate, and the PDS BAH rate remains in effect.
 - g. CG PSC-PSD-fs must not issue BAH rate protection determinations that are received by them more than 60 days after either the applicant's effective PCS reporting date to the PDS, or effective action date (i.e. marriage date) for which BAH rate protection is sought. These BAH rate protection requests will be sent to COMDT (CG-1332) for a Secretarial Process review and determination.
5. Housing Allowance Protection Worksheet (CG-2025A) Policies. Prior to submitting a CG-2025A, when a member is with dependents and their PCS order authorizes the relocation of dependents to a designated place, and the member will be moving his or her dependents to a designated place. A review is recommended of the Designated Place definition in the Joint Travel Regulations (JTR), Appendix A, Definitions and Acronyms.
- a. To a local unit without PCS entitlements.
 - (1) In addition to pre-existing BAH protection authority to base BAH on a member's dependent location (if with dependents), in the case of a "without PCS entitlements" permanent change of station (PCS) order issued to a location within the United States, CG PSC-PSD-fs may authorize members with dependents or without dependents, if otherwise eligible, BAH protection based on his or her previous duty station location. A PCS order issued with a TONO and accounting data can neither confirm nor deny the authorized PCS entitlements, and does not negate the fact that the member may be eligible for BAH protection. A PCS order to a local unit is considered without authorized PCS entitlements when the member's residence is located within the RCD standard to both their current permanent duty station and duty station to which

ordered, and the member will commute to the new permanent duty station from his or her residence.

- (2) CG PSC-PSD-fs BAH protection determination factors are:
- (a) Determining if the member's residence is within the RCD standard to his or her current duty station and new duty station. See Section 3.C.2.a of this Manual and example (1).
 - (b) Reviewing previous career assignment history and housing history to determine if the member's housing decision is actually based on the current duty station BAH rate (See examples (2) and (3)).
 - (c) Determining if a residence change occurred upon or after receipt of the PCS order (but prior to executing), which includes relocating from Government owned or leased quarters to private sector quarters (See examples (4) and (5)).
 - (d) Reviewing previous PCS transfers to verify if the member relocated his or her dependents and household goods to those previous duty stations.

Examples (1) through (4) shows when BAH for the previous duty station cannot be authorized.

- (1) A member is stationed at CGHQ Washington, DC and resides in Stafford, VA. The member receives a PCS order to the CG Yard, Baltimore, MD. The member elects not to relocate his or her dependents and household goods. BAH protection at the previous duty station (CGHQ) cannot be authorized because the member's residence is not within the RCD standard to the CG Yard.
- (2) A member was initially stationed at the CG Yard, Baltimore, MD (Annapolis, MD MHA). The member received a "no entitlement" PCS to CG Headquarters (CGHQ), Washington, DC, did not relocate his or her residence and received the Washington DC BAH rate. Tour complete at CG Headquarters, the member receives a "no entitlement" PCS back to CG Sector Baltimore (Annapolis, MD MHA). The member cannot retain the Washington, DC BAH rate because his or her initial housing decision was based on the Annapolis, MD MHA BAH rate.
- (3) A member executes a "no entitlement" PCS from CG PACAREA, Alameda, CA (Oakland, CA MHA) to CG AIRSTA San Francisco (San Francisco, CA MHA). The member resides in Alameda, CA (Oakland, CA MHA). Tour complete at the air station, the member receives a "no entitlement" PCS order to CG Base Alameda. The member cannot retain

the San Francisco BAH rate because the member based his or her initial housing decision on the Oakland, CA MHA.

- (4) A member receives a PCS order with PCS allowances from CG Sector Boston to CG Sector Southeastern New England, Providence, RI. The member's current residence is not within a reasonable commuting distance to CG Sector Southeastern New England. Prior to departing Sector Boston the member relocates his or her residence at their own expense to the Providence, RI area. The member is not authorized BAH at the Boston rate.
- (3) A member who executes back-to-back PCS transfers that result in a return to a PDS in the original military housing area is not authorized to maintain BAH at the previous duty station rate. What occurs in this transfer is a return to a previously authorized BAH in the same geographic area in which the member has continuously resided. If the member relocates his or her residence while stationed at the PDS with the higher BAH, this does not constitute basing a housing decision on that PDS BAH rate. Example: A member initially stationed at Sector Baltimore (Annapolis, MD MHA) is ordered to CG Headquarters. Tour complete at CGHQ the member is issued a PCS order back to the CG Yard, Baltimore. Upon reporting to the CG Yard the member's BAH is based on the CG Yard (Annapolis, MD MHA).
- (4) A member who executes a PCS transfer to a local unit and is authorized to continue receipt of BAH at the previous duty station rate, and then receives a new PCS order to the same duty station location, the member may be authorized to continue to maintain the previous duty station rate, so long as the member has not moved and continues to maintain his or her current residence. Example: A member initially stationed at AIRSTA San Francisco is ordered (no PCS entitlements) to CGD Eleven, Alameda, and is authorized to continue receipt of BAH for the previous duty station, AIRSTA San Francisco. Tour complete at CGD Eleven the member is ordered PCS to CG PACAREA, Alameda. The member would submit another CG-2025A to request continued receipt of the San Francisco MHA BAH rate.
- (5) In cases where the PCS order does not authorize a Government-funded move and the member desires to execute a Government-funded move to the new PDS area, the member must submit a written request for this through his or her chain of command to Commandant (CG-1332). The request will provide complete details why the PCS order should be amended to authorize a Government-funded move. If the PCS order is issued with no PCS entitlements, if the mileage or round-trip travel time from the residence to the current PDS or to new PDS ordered, exceeds the RCD the member is authorized PCS entitlements to relocate dependents (if with dependents) and household goods to the new

PDS. When PCS entitlements are appropriately authorized, the member cannot contact the order issuing authority and request removal of the PCS entitlements for the purpose of gaining BAH protection consideration for the previous duty station. A PCS order is not considered a “no entitlement” PCS order when the member’s residence is beyond the RCD to the current PDS and new PDS ordered to, and the member elects not to utilize the PCS entitlements and commutes to the new PDS.

- (6) A member paying child support in grade E-4 and above who is in receipt of BAH with-dependents based on payment of child support, and receives a PCS order to a sea duty vessel home ported in the vicinity of his or her current duty station, may request to receive the BAH with-dependents based on payment of child support rate for his or her previous duty station. Approval is contingent on the member’s private residence being within the RCD standard to their current duty station and the vessel’s home port. If BAH protection is authorized the member must continue to maintain this residence prior to the execution of the PCS order and must continue to occupy this residence while serving aboard the vessel in order to remain eligible for BAH at the with dependent rate. If the member terminates residency in their private quarters and is assigned to Government quarters (i.e., shipboard or barracks), BAH authorization changes to the BAH-DIFF rate, if otherwise eligible.
- b. PCS Order To An Unusually Arduous Sea Duty Vessel. These Coast Guard vessels are designated as unusually arduous sea duty vessels: Polar Class Icebreakers (WAGB); High Endurance Cutters (WHEC); Medium Endurance Cutters (WMEC); and National Security Class Cutters (WMSL) only after crews have been moved aboard commissioned WMSL cutters or have begun rotational cycles, and not to a WMSL pre-commissioning detail (PRECOMDET) during a construction phase. These vessels are home ported in U.S. home ports. There are no Coast Guard designated unusually arduous sea duty vessels with a home port located outside of the United States.
- (1) A member with dependents who receives a PCS order to an unusually arduous sea duty vessel, and the member has no intention of relocating any of their dependents to the vessel’s U.S. home port, is authorized BAH at the vessel’s U.S. home port rate unless the member submits a CG-2025A to request BAH for either:
 - (a) The previous duty station (PDS) only if the member is making a daily round-trip commute from their residence to their duty station, and his or her dependent(s) will remain in the residence shared with the member. The member’s Commanding Officer must certify in the remarks block of the Housing Allowance Protection Worksheet (CG-2025A) that the member is making a daily round-trip commute.

- (b) The dependent designated location where a member relocates their dependents to at Government expense. See the definition of Designated Place in the Joint Travel Regulations, Appendix A, Definitions and Acronyms. BAH at the dependent location may not be paid if the member is able to commute daily between the permanent duty station and the dependents' residence.

Note: A member who relocates their dependent(s) to the vessel's U.S. homeport and is authorized the BAH with dependent rate for the homeport, and subsequently relocates their dependent(s) out of the U.S. home port, is not authorized to submit a CG-2025A (unusually arduous sea duty) to request BAH for the dependent location. BAH remains based on the vessel's U.S. homeport.

- (2) Dependent Travel Delayed. The intent of the BAH protection authority to authorize BAH based on the previous duty station or a designated place of dependents is based on the member's intention to remain separated from their dependents throughout the duration of their tour aboard the vessel. The intent does not apply for a delay in dependent travel (except when ordered by competent authority) or a temporary separation from dependents after the member executes the PCS and reports aboard the vessel. Temporary dependent separations of this nature are considered matters of personal choice and not a basis for temporary BAH rate protection.
- (3) Member Paying Child Support. A member in grade E-4 and above who is receiving BAH with-dependents based on payment of child support and receives a PCS order to an unusually arduous sea duty vessel that has a homeport in the vicinity of his or her current duty station, may request to receive the BAH with-dependents based on payment of child support rate for his or her previous duty station, if higher than the vessel's home port rate. Approval is contingent on his or her private sector residence being within a commutable distance to the vessel's homeport. The member will continue to commute from their residence while serving aboard the vessel.

Note: If the private sector residence of a member without dependents is not within a commutable distance to the vessel's homeport, and the member is residing aboard the vessel, the member is not authorized a locality based BAH with or without dependent rate. The member is assigned to their shipboard quarters and is authorized either the BAH Partial rate for their pay grade, or the BAH Differential (BAH DIFF) rate for their pay grade if paying child support.

- c. To a Critical Housing Area (CHA). In accordance with Critical Housing Areas (CHA), COMDTINST 11101.15 (series), effective the date the PCS order is issued, a member with dependents ordered to a unit located in a CHA designated military housing area (MHA), or to a specific CHA designated unit, who has no intention of relocating any of his or her dependents to the designated CHA, may submit a CG-2025A. If the CHA designated MHA or unit is subsequently removed from the

CHA list after the effective PCS order date, and the member has not executed the PCS, the member remains eligible to submit a CG-2025A. BAH protection is not applicable if the member intends to relocate any of their dependents to the CHA designated MHA the unit is located in, or to the CHA designated unit. Members

authorized BAH without dependents or BAH with dependents based on the payment of child support are not eligible to submit a CG-2025A under this provision.

- (1) Critical Housing Areas are identified on the annual ALCGPSC message.
 - (2) BAH rate protection may be requested for either:
 - (a) The previous permanent duty station (PDS) location if the member's residence is within the RCD standard to the previous duty station. See RCD standard in Section 3.C.2.a of this Manual.
 - (b) The designated place, which can be either the member's current residence location where his or her dependents reside but is beyond the RCD standard to the previous PDS, or the designated place where the member elects to relocate their dependents at Government expense. See the Designated Place definition in the JTR, Appendix A, Definitions and Acronyms.
- d. To Short-Term Professional Education or Training. A member with dependents who receives a PCS order to a short-term professional education or training location (new PDS), and the duration of the education or training is at least 20 weeks but not more than 12 months in duration, and the member does not use his or her PCS entitlements to relocate their dependents (other than the member's own personal travel and a small shipment of personal items to their new education or training location), may submit a CG-2025A for BAH at either;
- (1) The previous permanent duty station (PDS) if the member's residence is within the RCD standard to the previous PDS. See RCD standard in Section 3.C.2.a of this Manual.
 - (2) The member's current residence where the member and dependents reside. The residence is within the RCD standard to the member's previous duty station.

Members who receive BAH protection authorization and subsequently execute a relocation of their dependents during the education or training assignment, will have their BAH rate reverted to the professional education or training PDS location effective the date their dependents vacate from their previous residence.

Note: Members without dependents making a PCS to a PDS in this Section are not eligible to request BAH protection under this provision when the education or

training location is beyond the RCD standard to both the member's current PDS and their residence location.

e. To a OCONUS PDS and Elects the Unaccompanied Tour.

- (1) A member with dependents making a PCS to an OCONUS PDS, and elects to serve an unaccompanied tour at his or her OCONUS PDS, dependent transportation to that OCONUS PDS is not authorized at Government expense. The PCS order must specify the member is electing the unaccompanied tour at his or her OCONUS PDS. The member will submit a CG-2025A to request BAH for either;
 - (a) The previous permanent duty station (PDS) location if the member's residence is within the RCD standard to the previous PDS. See RCD standard in Section 3.C.2.a of this Manual.
 - (b) The designated place, which can be either the member's current residence location where his or her dependents reside but is beyond the RCD standard to the previous PDS, or the designated place where the member elects to relocate their dependents at Government expense. See the Designated Place definition in the JTR, Appendix A, Definitions and Acronyms.

Note: While the member is serving an unaccompanied OCONUS tour, and the dependents relocate from a designated place at personal expense, see Figure 3-17, rule 7, in this Manual for housing allowance authorization, the Joint Travel Regulations (JTR), Table 8-8, for CONUS COLA authorization, and the JTR, 090103.D.4, for OCONUS COLA authorization.

- (2) If single-type Gov't Qtrs are not available for assignment to the member at the OCONUS PDS, and the dependent does not reside at or near the PDS, a determination for FSH-B (BAH) or FSH-O (OHA) will be made by the member completing the Family Separation Housing Worksheet, CG-7220. Note: If a member is delaying the transportation of his or her dependents to their OCONUS PDS, the member is not serving an unaccompanied tour and is not authorized FSH-B or FSH-O at the OCONUS PDS.
- (3) A dependent may visit the member at the OCONUS PDS for up to 90 consecutive days without affecting the with-dependent allowance or FSH. Note: If the visit exceeds 90 days, or if there is evidence that the dependent has established a residence in the vicinity of the member's OCONUS PDS, regardless of the number of days following the dependent's arrival at the PDS, it is no longer a visit but a change of the dependents' permanent residence. The dependent is considered to be residing at the PDS and the dependent-location housing allowance and FSH stops. In this event, the member is authorized PDS-based with-dependent allowance. Evidence includes (but is

not limited to) residing with the member, living in other than temporary lodging, gainful employment in the PDS vicinity, or enrollment in an educational or vocation training program.

- (4) If the dependent subsequently departs the PDS after day 90 to establish a residence elsewhere, FSH, if otherwise payable, and the with-dependent allowance previously authorized are reinstated as of the departure day.
- (5) When a member serves an unaccompanied tour at the first (i.e., the initial PDS when coming on active duty) PDS, payment of a with-dependent housing allowance is based on one of the locations described in the JTR, par. 050814, 050903, and 050907, if the dependent has been authorized/approved to reside at one of the locations described in those paragraphs.
- (6) A member transferred between unaccompanied tours, whose dependent does not move, may continue to be authorized a with-dependent rate based on the dependent's location. The member must submit a CG-2025A to CG PSC-PSD-fs and be issued a BAH protection memorandum for the new OCONUS PDS.
- (7) A member transferred between unaccompanied tours whose dependent moves from the member's prior PDS (PDS before the member was assigned on the first unaccompanied tour) to a designated place, or from a designated place to another designated place if the move is authorized/approved under the JTR, par. 050808, is authorized a with-dependent rate based on the dependent's new location.
- (8) If dependents relocate from a designated place at personal expense to any other OHA location that is not in the vicinity of the member's PDS, start OHA based on the new location effective the date private sector housing is obtained once the required documentation is provided. Stop the with-dependent allowance based on the designated place from which the dependent departed effective the day before the dependent departed that location if an OHA area or the day before the dependent arrives at the new location if departing a BAH area.
- (9) When a member serves an unaccompanied tour, and the dependents location is in an OHA payable location, the housing allowance for the dependents location may be authorized effective the date of the lease or mortgage, or if the dependent location is in a BAH payable area, effective the member's PCS reporting date to the OCONUS PDS.
- (10) If the dependent relocates at personal expense from a designated place in a BAH area to a different location in a BAH area that is not at or near the member's PDS, continue BAH based on the previously authorized location (either old PDS or dependent location before the move). If the dependent

relocates from a designated place in a OHA area to a location in a BAH area, start BAH based on the new location on the dependent's arrival date and stop the OHA the day prior to dependent's departure.

Note: If all of a member's dependents arrive at a member's OCONUS PDS (OHA area) and stay beyond 90 days, the member is not authorized OHA simply because the dependents are present. To be paid OHA the member must provide the required documentation (a completed and approved OHA report (DD Form 2367) for private section leased/owned housing.

f. To a Dependent-Restricted OCONUS PDS.

(1) A member with dependents making a PCS to a dependent-restricted PDS may submit a CG-2025A requesting BAH for either:

- (a) The previous permanent duty station (PDS) if the member's residence is within the RCD standard to the previous (PDS). See RCD standard in Section 3.C.2.a of this Manual.
- (b) The designated place, which can be either the member's current residence where his or her dependents reside but is beyond the RCD standard to the previous PDS, or the designated place where the member elects to relocate their dependents at Government expense. See the Designated Place definition in the JTR, Appendix A, Part 1, Definitions.

Note: While the member is serving a dependent-restricted OCONUS tour, and the member relocates their dependents at personal expense, see Figure 3-17, rule 7, in this Manual for housing allowance authorizations, the JTR, Table 8-8, for CONUS COLA authorization, and the JTR, par. 090103.D.4, for OCONUS COLA authorization.

- (2) If BAH protection is authorized and the member meets the FSH eligibility requirements, FSH-B or FSH-O may be authorized. See CG-7220.
- (3) When a member serves a dependent-restricted tour at the first (i.e., the initial PDS when coming on active duty) PDS, payment of a with-dependent housing allowance is based on one of the locations described in the JTR, par. 050814, 050903, or 050907, if the dependent has been authorized/approved to reside at one of the locations described in those paragraphs.
- (4) A member transferred between dependent-restricted tours, whose dependents do not move, continues to be authorized a with-dependent rate based on the dependent's location. The member must submit a CG-2025A for subsequent authorization for the new PDS.
- (5) A member transferred between dependent-restricted tours whose dependent

moves from the member's prior PDS (PDS before the member was assigned on the first dependent-restricted tour) to a designated place, or from a designated place to another designated place if the move is authorized/approved under JTR, par. 050808, is authorized a with-dependent rate based on the dependent's new location.

- (6) If dependents relocate from a designated place at personal expense to any other OHA location that is not in the vicinity of the member's PDS, start OHA based on the new location effective the date private sector housing is obtained once the required documentation is provided. Stop the with-dependent allowance based on the designated place from which the dependent departed effective the day before dependent departed that location if an OHA are or the day before the dependent arrives at the new location if departing a BAH area.
 - (7) When a member serves an unaccompanied tour in an OHA payable area, and the dependent's location is in an OHA payable location, the housing allowance for the dependent's location may be authorized effective the date of the lease or mortgage, or if the dependent location is in a BAH payable area, effective the member's PCS reporting date to the OCONUS PDS.
 - (8) If the dependent relocates at personal expense from a designated place in a BAH area to a different location in a BAH area that is not at or near the member's PDS, continue BAH based on the previously authorized location (either old PDS or dependent location before the move). If the dependent relocates from a designated place in a OHA area to a location in a BAH area, start BAH based on the new location on the dependent's arrival date and stop the OHA the day prior to dependent's departure.
- g. Stationed OCONUS and Acquires a Dependent(s). When a member stationed OCONUS acquires a dependent (i.e., marriage, birth, adoption, etc.), the member will submit a CG-2025A to request a with-dependent housing allowance be based on the:
- (1) Dependent location if the dependent does not reside at or near the OCONUS PDS. If the dependent does reside at or near the OCONUS PDS, the housing allowance is based on the OCONUS PDS. If the dependent's residence is in an OHA payable area, to authorize OHA a private sector housing expense is required for the dependent location.
 - (2) FSH Eligibility. Effective the date the dependent is acquired:
 - (a) If the dependent resides in the OCONUS PDS vicinity, then FSH is not authorized and the member is authorized the PDS with-dependent housing allowance.
 - (b) If single-type Government quarters are not available for a member at the

OCONUS PDS, and the dependent does not reside in the PDS vicinity, the member will submit the Family Separation Housing Worksheet, Form CG-7220. A member may not decline assignment to available single-type Government quarters, and the command may not release a member from his or her assignment to single-type Government quarters to gain FSH authorization. FSH is not authorized if the member is assigned to Government owned/leased quarters at the OCONUS PDS.

- (c) If a member is residing in private sector quarters and single-type Government quarters are available at the OCONUS PDS, FSH is not authorized.

Note: The adequacy or suitability of available Government quarters is not a consideration factor with respect to FSH.

- (3) Dependents may visit the member at an OCONUS PDS without changes to allowances. However, when the visit exceeds 90 consecutive days, or if there is evidence that the dependent has established a residence in the vicinity of the member's OCONUS PDS, regardless of the number of days following the dependent's arrival at the PDS, it is no longer a visit but a change of the dependents' permanent residence. Evidence includes (but is not limited to) residing with the member, living in other than temporary lodging, gainful employment in the PDS vicinity, or enrollment in an educational or vocation training program.
 - (4) The with-dependent allowance is changed to be based on the PDS location and FSH, if being paid, stops. If dependents subsequently depart the PDS area after with-dependent allowances are changed and FSH stopped, the with-dependent allowance and FSH previously authorized are reinstated as of the dependent's departure date.
- h. To Patrol Forces Southwest Asia (PATFOR SWA), PATFOR SWA/Mobile Unit/Cutters, or other Persian Gulf Area Permanent Duty Station. A member making a PCS to a PDS in this Section who is authorized a housing allowance based on the payment of child support is not authorized to request BAH for a designated place of dependents or a previous duty station location.
- (1) A member with dependents may submit a CG-2025A and request be authorized a with-dependent housing allowance based on either:
 - (a) The previous permanent duty station (PDS) location if higher than the dependent location). If the member's residence is beyond the RCD standard to the PDS, but the member resides with his or her dependents and commutes from this residence to the PDS, a member ordered to Patrol Forces Southwest Asia (PATFOR SWA), PATFOR SWA/Mobile

Unit/Cutters, or other Persian Gulf Area PDSs, may request BAH for their previous PDS location if higher than their dependent location.

- (b) The designated place, which can be either at the member's current residence where his or her dependents reside, and the member commutes to the PDS, or the designated place where the member elects to relocate their dependents at Government expense. See the Designated Place definition in the JTR, Appendix A, Definitions and Acronyms.

Note: While the member is serving their tour at a PDS in this Section, and the member relocates their dependents at personal expense, see Figure 3-17, rule 7, of this Manual for housing allowance authorizations, the JTR, Table 8-8, for CONUS COLA authorization, and the JTR, par. 090103.D.4, for OCONUS COLA authorization.

- (2) If BAH protection is authorized and the member meets the FSH eligibility requirements, FSH-B or FSH-O may be authorized. See Form CG-7220. Members stationed at PATFOR SWA and PATFOR SWA/Mobile Unit/Cutters are assigned to CG-leased quarters and not authorized FSH-O.

D. BAH - Dependency.

1. Purpose. This section explains the conditions necessary to establish dependency and the support of dependency for entitlement to a housing allowance. It must be used by commanding officers and SPOs in:
 - a. Determination of the relationship or dependency of dependents.
 - b. Certification of minimal support requirements.
 - c. Counseling members concerning their housing allowance on behalf of dependents.
 - d. Processing applications for a housing allowance.
 - e. Determining relationship or dependency for a housing allowance entitlement; the appropriate official must apply the rules in Figure 3-8.
2. Dependency Approval. Dependency must be determined before entitlement to a housing allowance is authorized. After initial dependency approval is made, adequate levels of internal audit to assure the legality, propriety, and correctness of all housing allowance payments must be maintained.
3. Certification of Dependents Status. Annually, beginning in October and not later than 30 November, members must validate their housing allowance entitlement by verifying their Direct Access BAH/Dependency Data report. The member should verify their BAH authorization posting on their Statement of Semi-Monthly Income (CG-5209-

ACT) to ensure their BAH authorization is appropriate with their BAH/Dependency Data report.

4. Fraudulent Claims. Any member who submits a claim for a housing allowance which contains false statements is subject to court-martial or criminal prosecution. Fraudulent acceptance of benefits may cause a civilian recipient to be subject to criminal prosecution. The law provides for severe penalties of imprisonment and a fine. For military personnel, it can include a dishonorable separation, total forfeitures, and confinement.
5. Lawful Spouse and Legitimate, Unmarried, Minor Children. A member's lawful spouse and legitimate, unmarried, minor children are always dependents for housing allowance purposes except under the situations in Sections 3.D.6, and 3.D.10 and 3.E.2.
6. No Authorization on Behalf of Certain Dependents. A member is not authorized a housing allowance for:
 - a. A minor child who is entitled to basic or cadet pay as a member on active duty in a Uniformed Service, including a minor child attending a military service academy.
 - b. A spouse who is on active duty in a Uniformed Service of the United States and entitled to Basic Pay and allowances. See Section 3.E (Member-to-Member) and Figure 3-9.
 - c. A dependent for which the member has been absolved of the requirement to provide support; e.g. desertion without cause.
 - d. A dependent whose whereabouts is unknown and whose absence or whereabouts cannot be explained.
 - e. A former spouse to whom the member is paying alimony.
 - f. A dependent who occupies Government quarters as a permanent residence without payment of a rental charge. See Section 3.D.20.
 - g. A child/children for whom the member pays child support, if the child/children is/are in another active duty member's custody (including a former spouse), who is assigned to Government owned/leased family-type quarters (does not include privatized quarters) or is in receipt of a with-dependent housing allowance on behalf of the child/children.
 - h. A child/children born out of wedlock to a military member-mother for whom the military member-father pays child support to the military member-mother. The custodial military member-mother normally claims the child/children for BAH purposes and is authorized a with-dependent housing allowance on behalf of the child/children or assigned to Government owned/leased family-type quarters. In

this case, the military member-father paying child support is not authorized a with-dependent housing allowance based on payment of child support, or BAH-DIFF if assigned to single-type Government quarters.

7. Dependent Spouse in Foreign Military Service. A member is entitled to a housing allowance for a spouse in a military service of a foreign Government. This applies even though the spouse is furnished quarters or paid a monetary allowance in lieu of quarters by that foreign Government.
8. Member's Marriage Status Determination. Any case where the validity of a member's marriage is questioned is considered a case of doubtful relationship.
 - a. Remarriage within Prohibited Period Following Divorce. Under the laws of some states, a marriage is not dissolved until a specified period has elapsed after granting of a divorce decree. Remarriage is prohibited within the specified period. Moreover, in all states that grant an interlocutory decree before they grant a final divorce decree, remarriage may not be contracted before the final decree is granted.
 - b. Marriage by Proxy. Proxy marriages are considered valid if performed in a jurisdiction recognizing common-law marriages and has no statute or judicial determination prohibiting proxy marriages.
 - c. Marriage by Telephone. A marriage by telephone will be recognized as entitling a member to BAH on behalf of a "lawful spouse" only if a statute or court decision authorizes or recognizes telephone marriages in the jurisdiction where the marriage was performed.
 - d. Common-Law Marriages. Under laws of certain states, a common-law marriage may be entered into by persons who do not obtain a license to marry or go through certain other formalities. Common-law marriages entered into in those states are considered valid if they are contracted in accordance with state law.
 - e. Foreign Nation Divorce. A divorce obtained in a foreign nation may or may not be recognized as valid in the United States depending on several factors. These factors include place of residence of the parties involved, whether they appeared in person to obtain the divorce, and applicable state laws. Any claim involving remarriage of a member following a foreign nation divorce and any claim by or on behalf of the spouse from whom the member has obtained a foreign nation divorce are cases of doubtful relationship. A claim based on a member's marriage to a person who has obtained a foreign nation divorce is also a doubtful case.
 - f. Purported Marriage.
 - (1) Void Marriage. If a member's marriage is void (because of a pre-existing marriage of the spouse, for example) the member has no lawful spouse and is not entitled to a housing allowance as a result of the purported marriage. When

invalidity of the marriage is discovered, no further housing allowance payments may be made for any period (see Figure 3-6). When validity of a marriage is questionable, submit the case to PPC (LGL) for a determination on validity of the marriage and, if necessary, validation of payments already made.

- (2) Annulled Marriage. If a member's marriage is annulled by court decree, no further housing allowance payments may be made for any period (see Figure 3-6). The member may retain payments received before the effective date of the decree. Since validation is required for retention of such payments in some annulment cases (based on legal factors), submit all annulment cases to PPC (LGL) for review and, if necessary, validation of payments made.

- g. Final Divorce Decree. A decree certified by the issuing court or a certified statement under seal from the clerk of the court establishing the exact date of the divorce from bond of matrimony.

NOTE: To avoid an erroneous BAH/OHA with-dependent payment due to pending issuance and receipt of appropriate court documents (i.e., legal separation, divorce decree, etc.), a member must submit a written statement to their SPO, via his or her command, indicating the effective date of his or her legal separation or divorce, a Dependency Worksheet (CG-2020), and a BAH/Housing Worksheet (CG-2025). Based on the type of quarters the member is assigned and whether or not the member pays child support, a housing allowance authorization for BAH/OHA with dependents based on payment of child support, BAH/OHA without dependents, BAH DIFF, or BAH-Partial, will be determined. Failure to submit appropriate documentation in a timely manner will result in a BAH/OHA and possibly COLA overpayment, which will be recouped.

- h. Determination and Validations. Submit requests for determination on validity of a marriage (doubtful cases) or for validation of payments to:

Commanding Officer (LGL)
Coast Guard Pay and Personnel Center
444 SE Quincy St.
Topeka, KS 66683-3591
(785) 339-3595
Email: ppc-dg-lgl@uscg.mil

9. Child of Legally Invalid Marriage. An unmarried minor child of an invalid marriage, or a marriage annulled as void or voidable, is a dependent for housing allowance purposes.

10. Dependent Support.

- a. Proof of Support. The statutory purpose of a housing allowance on behalf of a dependent is to at least partially reimburse members for the expense of providing private quarters for their dependents when Government quarters are not furnished, and not to pay a housing allowance on behalf of a dependent as a bonus merely for

the technical status of being married or a parent. Proof of support of a lawful spouse or unmarried, minor, legitimate child of a member is generally not required. However, when evidence (e.g., special investigation reports; record reviews; fraud, waste and abuse complaints; sworn testimony of individuals; statement by member) or complaints from dependents of nonsupport or inadequate support of dependents are received, proof of adequate support as stated in Section 3.D.10.e is required.

- b. Nonsupport. When support requirements are established as in Section 3.D.10.d., they will apply. If the support requirements are not established by court order or mutual agreement, the member must provide proof of support in an amount that is at least the lesser of the housing allowance received on behalf of the claimed dependents, or a reasonable amount requested by or on behalf of the dependents; however, in no case may the support contribution be less than the difference between the “with” and “without” dependents housing allowance rates applicable to the member’s grade. The amount of support required for entitlement to retain or receive a housing allowance on behalf of dependents does not necessarily mean that such amount is deemed adequate to meet the policy of the service concerned as to what constitutes adequate support in the absence of a written mutual agreement or court order. Refer to COMDTINST M1600.2, Discipline and Conduct, Chapter 2, Support of Dependents. A member who fails to support a dependent on whose behalf a housing allowance is received is not entitled to a housing allowance on behalf of that dependent. Recoupment will be effected for periods of nonsupport or inadequate support. Unless a period of nonsupport or inadequate support was caused as a result of mission requirements (e.g., remote assignment, deployed, limited access to administrative support and/or financial networks, etc.), or the actions of outside agencies (such as financial institutions, postal service, etc.) over which the member has no control, the subsequent payment of arrears of support does not entitle a member to a housing allowance on behalf of the dependent for the period of nonsupport or inadequate support. If a member is not entitled to a housing allowance for dependents under Sections 3.D.10.c through 3.D.10.i, consider authorization for without-dependents or BAH-Partial under Section 3.G.1. Note: A member does not avoid the legal responsibility to comply with a court order for support by forfeiting a housing allowance.
- c. Legal Separation Agreement or Court Decree, Judgment or Order Silent on Support, Not Stating Amount of Support, or Absolving Member of Support Responsibility. A legal separation agreement, court decree, judgment, or order that is silent on dependent support, does not state the amount of dependent support, or absolves the member of dependent support responsibility does not of itself affect a member’s housing allowance entitlement. This is true regardless of the jurisdiction in which the decree, agreement or order was issued or in which the dependent is domiciled. The member is entitled to a housing allowance on behalf of a dependent if the member contributes to the support of the dependents’ in an amount that is not less than the applicable BAH-DIFF rate.
- d. Legal Separation Agreement or Court Order Stating Amount of Support. If there is a court order or legal separation agreement stating the amount of support, a member

must contribute to the support of the dependents the amount specified therein, but in no case may the support payments be less than the applicable BAH-DIFF rate.

- e. Joint Legal Custody. When a member is divorced from a person who is not a Service member, and they share joint legal custody of a child, and the former spouse is awarded primary physical custody, then the member is a non-custodial parent for housing allowance purposes.
 - (1) When the member's court-ordered child support is less than the applicable BAH-DIFF rate and the member is not residing in, or assigned to, Government quarters, the member is only authorized a housing allowance at the without dependent rate.
 - (2) When a member not assigned to Government quarters pays additional support to the former spouse who has primary custody of the child so that the total child support provided is equal to or more than the BAH-DIFF rate, he or she is authorized a housing allowance at the with-dependents rate. See Figure 3-14.
- f. Temporary Custody. When a member has temporary custody of a child and they reside in a private-sector residence, the cost of maintaining the residence is not a factor in determining authority for the with-dependent housing allowance rate and may not be used instead of, or in addition to, child support to qualify for increased allowances. The dependent child must reside with the member on a non-temporary basis, which is a period of 91 or more consecutive days, for the member to qualify for the with-dependents housing allowance rate for the temporary period. The cost of maintaining a home may not be added to the child support to qualify for the increased allowances.
- e. Adequate Support. When a court order or legal separation agreement does not establish support requirements, a member must provide support that is not less than the BAH-DIFF rate applicable to the member's grade. The support amount required to retain or receive BAH on behalf of a dependent is not necessarily adequate to meet Service policies. The Service concerned may have additional requirements for support in the absence of a legal separation agreement or court order. See web site <http://www.defensetravel.dod.mil/> for BAH-DIFF rates.
- f. Increase in Support Required by Increase in BAH-DIFF Rates. Whenever BAH-DIFF rates increase, the minimum amount of dependent support required for housing allowances purposes increases to the new rate. A member receiving a housing allowance on behalf of a dependent must increase the amount of support within 60 days of the increase in order to continue receiving the housing allowance.
- g. Settlement Agreements.
 - (1) Property settlements made under a court order or written agreement are not considered support for BAH purposes.

- (2) Payments made under a settlement in place of support are considered support for the period expressly provided in the written agreement or court order.
 - (3) A lump-sum settlement in place of future support made under written agreement or court order is considered support for the period the lump sum would reasonably cover support of the dependent.
 - h. Interlocutory Decree of Divorce. If a provisional decree of divorce does not provide for support to the spouse, the member is not entitled to a housing allowance for the spouse after the date of the decree unless proof of support is furnished.
 - i. Doubtful Cases. Submit any doubtful cases involving support for determination to CG PPC (LGL). Pending a determination a housing allowance on behalf of a dependent is not authorized.
11. Secondary Dependents. An incapacitated child over age 21, a ward of the court, or an unmarried child over age 21 and under age 23 (full-time in college), requires an in fact dependency. Additionally, the child must be dependent upon the member for over one-half of the child's support.
- a. To be a dependent:
 - (1) The child's income, not counting the member's contributions, must be less than one-half of the child's living expenses, and
 - (2) The member's contribution must be more than one-half of the child's monthly living expenses.
 - b. To be a ward, the person must be an unmarried person who:
 - (1) was placed in the member's legal custody by order of a court of competent jurisdiction in the United States, Puerto Rico, or a possession of the United States for a period of at least 12 consecutive months (the 12-month period is measured from the date of the court order placing the person in the custody of the member whether such order was issued prior to or on after 1 Jul 94); and
 - (2) either has not attained the age of 21 or has not attained the age of 23 and is enrolled in a full time course of study at an institution of higher learning approved by the Secretary concerned, or is incapable of self support because of mental or physical incapacity that occurred after the person was first determined to be a dependent of the member; and
 - (3) is dependent on the member for over one-half of the person's support; and

- (4) resides with the member unless separated by the necessity of military service or to receive institutional care as a result of a disability or incapacitation or under such other circumstances as the Secretary concerned may by regulation prescribe; and is not a dependent of a member under any other part of this definition.
- 12. Dependent Child Adopted by a Third Party. A member is not entitled to a housing allowance for a child after the child is adopted by a third party and the final order or decree of adoption has been entered. Entitlement to a housing allowance continues after an interlocutory decree has been entered if the decree does not change the legal relationship between the child and the member, and the member supports the child.
- 13. Dependent Confinement in Penal or Correctional Institution.
 - a. Housing Allowance Payable. Confinement of a member's spouse or unmarried minor child (up to age 18) in a penal or correctional institution does not affect member's right to a housing allowance on the dependent's behalf, unless:
 - (1) The member refuses to support the dependent.
 - (2) The member has been absolved from supporting the dependent.
 - (3) The sentence is five years or more.
 - (4) The case is otherwise doubtful.
 - b. Do not pay a housing allowance on behalf of a dependent pending decision in cases involving a sentence that is five years or more, or cases considered otherwise doubtful. For determination in cases involving sentences of five or more years, or cases otherwise doubtful. Submit requests for determination on validity of payments to:

Commanding Officer (LGL)
Coast Guard Pay and Personnel Center
444 SE Quincy St.
Topeka, KS 66683-3591
(785) 339-3595
Email: ppc-dg-lgl@uscg.mil
- 14. Dependent Parent or Parent-in-law. Determination of dependency is made by PPC (LGL).
 - a. Determination Basis.
 - (1) PPC (LGL) determines dependency status of a parent or parent-in-law using a Parents Dependency Affidavit, Form 1758, submitted by the member. This affidavit will be mailed by PPC establishing that the parent is in-fact dependent

on the member for over one-half of the parent's support, and any other evidence required under applicable regulations. A legal guardian may complete the form for a mentally incompetent parent.

- (2) The period and amount of the member's contributions for a period no less than six consecutive months immediately prior to the date of the claim and the amount and method of the proposed monthly contribution, if the dependency arose before the member entered into the Service.
- b. Dependency Requirement. A member is entitled to a housing allowance on behalf of parents if the parents are dependent upon the member for over one-half of their support. This means:
 - (1) The parents income, not counting the member's contribution, must be less than one-half of their monthly living expenses, and
 - (2) The member's contribution must be more than one-half of the parent's monthly living expenses.
 - c. Change in Status of Dependent. A member is entitled to a housing allowance for any active duty period during which dependency of the parent is shown to exist, whether the dependency arose before or after the member entered service. If dependency arises due to changed circumstances, and the facts show the member has started to contribute over one-half of the parents' support, a housing allowance is authorized from the date the contribution began.
 - d. Stepparent. The relationship between a stepparent and a stepchild ends upon divorce from the blood parent, but not necessarily upon the death of the blood parent. A housing allowance on behalf of a stepparent may be established after death of the blood parent.

15. Dependency Determination Factors for Parents or Parents-in-law.

- a. Family Unit Rule. In determining dependency of a parent, the total income and expenses of the family unit of which the parent is a member must be considered. Normally, the member's contribution to the expenses of the unit must exceed one-half of the unit's total expenses before any one person in the unit can be considered dependent on him or her. For example, a mother cannot be considered a dependent if she is a member of a family unit in which her husband is supporting himself but is not providing sufficiently for the mother's individual needs.
- b. Equity and Good Conscience. When application of the family unit rule results in manifest injustice, any other available evidence of dependency is considered, and determination made according to principles of equity and good conscience.

- c. Charitable Contributions. Contributions made to parents by charitable organizations are considered income of the parent.
- d. Charitable Institution. Residence of a parent in a charitable institution, public or private, is not a bar to entitlement if the member claims a housing allowance on behalf of the parent and other conditions of entitlement are met.
- e. Social Security, Unemployment Compensation, and Pensions. Payments made to the parent from the Social Security Administration, unemployment compensation, and financial assistance from Governmental agencies, are considered income. Pensions and annuities received by the parent are also considered income.
- f. Capital Assets. Unliquidated capital assets are not considered income, and parents are not required to deplete their capital assets in order to establish dependency on a member for BAH purposes. However, proceeds derived from the liquidation of capital assets are considered income. Amounts placed in reserve for depreciation of property held for income normally are considered available for current living expenses of a parent, and are therefore, income.
- g. Rate of Return Rule. The income return on un-invested capital will be computed on the basis of 5.25 percent per annum.

16. Adopted, Illegitimate, and Stepchild(ren).

- a. General. Adopted children, including a child(ren) placed in the home of the member by a placement agency for the purpose of adoption, illegitimate children, and stepchild(ren) are primary dependents. As a result, a dependency determination is not longer required for these dependents.
- b. Proof of Parentage. A member who claims a housing allowance on behalf of an adopted child, step-child, or a child born out of wedlock (parents are not married to each other at the time of the child's birth) must provide proof of parentage as follows:
 - (1) for an adopted child, document showing the member is the child's legal parent.
 - (2) for a stepchild, a marriage license showing the member is married to the child's legal parent and documentation showing that the member's spouse is the parent of the child.
 - (3) For a child born out of wedlock, a birth certificate with the member's name cited is required. If the member's name is not stated on the birth certificate, or a court-order, obtain a signed statement of parentage from the member. If the illegitimate child(ren) is (are) not in the custody of the member-parent, the case is treated in accordance with the rules for BAH-Differential (BAH-DIFF). The

same BAH-DIFF rules in Section 3.B.6 apply to a member-mother not having custody.

Note: If the mother-parent and illegitimate child(ren) terminates their residency with the member-parent for which the member was receiving BAH/OHA at the with-dependents rate, and station allowance (COLA) at the with-dependents rate, the member will immediately inform their command and SPO to have their BAH (and COLA) entitlements re-evaluated. If residency is terminated but the member pays child support and resides in private sector quarters, the rules in Section 3.B.6 apply.

- c. Support Requirements. A member-parent may claim a dependent child(ren), adopted child(ren), illegitimate child(ren), and stepchild(ren) for housing allowance purposes. Proof of support for dependents is generally not required. The provisions of dependent support in Section 3.D.10.a. apply. The member is entitled to a housing allowance if the member contributes to the support of the dependent(s) and that support is not less than the BAH-DIFF. This includes a member authorized BAH-DIFF, and a member assigned to single-type quarters when the child(ren) is/are in the physical custody of another person.

17. Child(ren) Living With Former Spouse Remarried to Another Service Member.

- a. Child in Government Quarters. When a member's child(ren) resides in Government quarters not assigned to the divorced member parent, that member is not authorized a housing allowance for the child.
- b. Child Not in Government Quarters. A housing allowance for a child may not be paid to both the stepparent and a natural parent at the same time. The natural parent has priority to a housing allowance on behalf of that child if providing adequate support.

Note: See Sections 3.D.17, 3.D.18, 3.D.19, and 3.E.5 when former or estranged spouse is also a member.

- 18. Child(ren) Living With Former Spouse - Member Remarries. Section 3.G.2.a(2) does not apply in the case of a member who is required to support a child in the custody of a former spouse when the member remarries and is assigned to or occupies family Gov't quarters. The member is not authorized a housing allowance for the child living with the former spouse. See Section 3.E.6 when upon remarriage, the member marries a member.
- 19. Child(ren) Living With Former Spouse or Estranged Spouse Who is a Member Assigned to Family Quarters. When the member parent having custody of the child(ren) is assigned to, or occupies, adequate family-type Gov't quarters with the child(ren) while receiving child support, the member parent paying the child support is not authorized a housing allowance for the child(ren).

20. Child(ren) Living in Family Quarters With Former or Estranged Spouse Visit Member. When a child(ren) who normally resides in Government family quarters with a member's former or estranged spouse (custodial parent) visits the member in private quarters for more than 90 consecutive days, the visit is considered non-temporary and the member is entitled to a housing allowance on behalf of the child(ren) from the first day of the visit. If the visit is less than 90 consecutive days, a housing allowance on behalf of the child(ren) is not payable for any part of the visit.

E. BAH-Member Married to Member.

1. General. Per 37 U.S.C. 421, a dependent who is on active duty in a U.S. Uniformed Service and entitled to Basic Pay cannot be a dependent for housing allowance purposes. See Figure 3-9 for housing allowances when both spouses are entitled to basic pay. See Section 3.E.4 for member to member couples when one or both are serving on sea duty.
2. BAH or OHA When Both Husband And Wife Are Members And Separate Households Are Maintained. When both husband and wife are members and separate households are maintained at or in the vicinity of their PDS or PDS, each is individually authorized BAH or OHA. Only one member may receive BAH or OHA at the with-dependent rate if there are dependents involved (child(ren), parents, etc). If dependents are involved and one member is assigned to Government owned or leased family-type quarters, that member is not authorized BAH or OHA. If the other member resides in private sector quarters, that member is only authorized BAH or OHA without dependents. In no case may a spouse who also is a member of a uniformed service in receipt of Basic Pay be a dependent for allowance purposes in this Part, 37 U.S.C. 421.
3. Other Dependents.
 - a. Child(ren) from Previous Relationships and Dependent Parents. When one or both members are authorized housing allowances for a child(ren) from a previous relationship or on behalf of a dependent parent(s), and the members marry and are stationed in the same area, all children and dependent parents of either member are one (or the same) class of dependents. Therefore, only one housing allowance at the with-dependent rate (including BAH-DIFF) is payable. Any child(ren) born of their marriage, or adopted by them, is within the same class of dependents for housing allowances purposes. However, if the member elects to stop receiving a housing allowance at the with dependents rate, then the other member may claim the children for housing allowance purposes. A relationship determination is required, but ordinarily a dependency determination is not. In all instances of a member having a spouse on active duty, full details must be given showing the spouse's full name, social security number, duty station, and branch of Service. This does not apply to two members living together but not married. These members are each authorized a housing allowance based on each member's dependents.
 - b. Dependents of Marriage. When two members, with no other dependents, are married to each other, they may elect which member receives a housing allowance

for their adopted children or children born of their marriage. Both members must agree to the election. If the members cannot agree, the senior member is authorized a housing allowance for their children. Such elections may not be applied retroactively. The members may subsequently elect to transfer BAH entitlement from one member to the other. Changes are effective as of the date of election.

- c. Members Assigned to Different Locations. Effective 15 April 2003, when married members are assigned to different locations, pursuant to competent military orders, the authorization for a housing allowance at the with-dependent rate or to Government-furnished quarters should be determined separately, without regard to the general rule that all children and parents of the members are dependents of the same class for housing allowance entitlements. Each member is required to have physical custody of a dependent if both members are claiming a housing allowance authorization at the with-dependent rate.
 - d. Dependent Parents. When one of two members married to each other is receiving a housing allowance at the with-dependent rate, the class of dependents includes either member's parents and only one member is authorized a housing allowance at the with-dependent rate or BAH-DIFF for the one class of dependents when the members are assigned to the same or adjacent bases.
4. Duty Status Effects on BAH or OHA. Unless the member's pay grade, permanent duty station (PDS) assignment, and quarters assignment specifically preclude the authorization of a without dependent housing allowance or a with-dependent housing allowance based solely on the payment of child support, a married member-to-member couple who have no BAH-eligible dependents from their marriage are each authorized a housing allowance when residing in private-sector quarters. Effective 1 January 2013 a member in grade E-5 and/or below who is assigned to permanent sea duty, and is married to another Uniformed Service member, is authorized BAH or OHA. If one or both members are assigned to sea duty, the member(s) cannot occupy their shipboard quarters except when required (e.g., when on duty or underway) and receive a without dependent housing allowance or with dependent housing allowance based solely on the payment of child support. The member is occupying his or her shipboard quarters and is only authorized BAH Partial or if paying child support, BAH Differential (BAH DIFF). See Figure 3-11 for housing allowance entitlement if one or both members are paying child support.
 5. Dependent Support.
 - a. Divorce or Legal Separation. In addition to Section 3.D.10, the following rules apply when the divorced or separated parents are both members and the divorce or separation occurred, or the decree or agreement was amended after 30 June 1992. These rules apply only when neither member is assigned to family-type Government quarters, unless otherwise specified.

- (1) Unless the members agree to the contrary, the custodial parent is authorized a housing allowance for the child(ren) regardless of the child support amount received by that member. In addition to the court order, a separate notarized agreement between the members must be provided in order for the non-custodial member to receive a housing allowance for the child(ren).
 - (2) When the members each have legal and physical custody of one or more of the children of the marriage, they are each authorized a housing allowance for the children in their individual custody, regardless of child support payments from one member to the other.
 - (3) When the child(ren) of the marriage are in a third party's custody, only one member is authorized a housing allowance for the children, even if both members are paying sufficient child support to qualify for the entitlement. The senior member is authorized a housing allowance for the child(ren) when the two members do not agree on which person claims the entitlement. If the members are equal rank, date of rank determines which one receives a housing allowance for the child(ren).
 - (4) In joint legal custody (50/50 custody) cases, when physical custody changes from one parent to another, each parent is authorized a housing allowance for the child(ren) during those periods the child(ren) are actually in that parent's physical custody.
 - (5) When a non-custodial member pays child support to the custodial parent who also has another dependent who makes the member eligible for a housing allowance, there is a presumption that the custodial parent's entitlement is based on the dependent(s) other than the child(ren) of the marriage. The housing allowance authorization for the custodial and non-custodial parents is determined individually.
 - (6) When the dependents are no longer in one class, the housing allowance authorization for the custodial and non-custodial parents is determined individually. For example, if the non-custodial parent pays child support to a non-active duty parent for a child(ren) from a previous marriage or non-marriage relationship, the non-custodial parent may qualify for a housing allowance based solely on the basis of the member's child support for the child(ren). See Section 3.B.6.
- b. Children Living with Former or Estranged Spouse. See BAH-Dependency Sections 3.D.17 through 3.D.20, for housing allowance entitlements when the married members either separate or divorce and children are involved.
 - c. Voluntary Support Payments. Voluntary support payments must not be considered to determine housing allowance authorization unless there is a mutual agreement

between the member parents that the custodial member parent accepts the support payments.

6. Child(ren) Living With Former Spouse – Member Remarries Another Member.

- a. When Not Authorized a Housing Allowance. A member who is required to support a child in the custody of a former spouse when the member remarries another member and is assigned to or occupies Government family quarters is not authorized a housing allowance for the child living with the former spouse.
- b. When Authorized a Housing Allowance. If a member:
 - (1) Is required to support a child in the custody of a former spouse; and
 - (2) Is married to another member with children born of this marriage; and
 - (3) Lived in family-type Government quarters with member spouse and children; and
 - (4) Is assigned PCS to a different PDS outside commuting distance; and
 - (5) Current spouse (who is also a member) and child(ren) remain in Government quarters; and
 - (6) Government quarters assignment is in or transferred to the remaining member's name,

Then the member is authorized a housing allowance for the child(ren) for whom the member is paying child support (59 Comp. Gen. 681 (1980)). This is based on the rule that a member's housing allowance is determined independent of the uniformed spouse when the members are separated by orders and do not reside in the same household.

F. BAH-Government Quarters.

1. General. A housing allowance, other than BAH Partial or BAH-DIFF, is not authorized to a member who is assigned to Government quarters appropriate to the member's grade, rank, or rating and adequate for the member and dependents, if with dependents. BAH-DIFF (3.B.6) or BAH-Partial (3.B.7) may only be authorized if the member is assigned to single type Gov't Qtrs or a single type housing facility under a Uniformed Service and not authorized BAH or OHA.
2. Government Quarters (Gov't). To include:
 - a. Sleeping accommodation or family-type housing owned or leased by the U.S. Gov't;

- b. Lodgings or other quarters obtained by U.S. Gov't contract;
- c. Dormitories or similar facilities operated by cost-plus-a-fixed-fee contract;
- d. Sleeping or housing facilities furnished by a foreign Gov't on behalf of the U.S. Gov't;
- e. Quarters in a state-owned National Guard camp.

Gov't quarters for BAH purposes do not include transient facilities such as temporary lodging facilities, guest houses, hostess houses, or hotel-type accommodations built by and/or operated by non-appropriated fund activities (NAFA), or privatized housing. Gov't owned, non-NAFA transient quarters are Gov't quarters for BAH purposes.

- 3. Private Public Ventures. Family housing units specifically designated as Private Public Ventures (PPVs) are considered private sector quarters for the purposes of determining BAH entitlements. A member occupying PPV housing is authorized a housing allowance in the same manner as a member not assigned to Gov't Qtrs.
- 4. Rental Charge. A charge made on account of occupancy. It does not include service charges for linens, cleaning, maintenance, etc.
- 5. Responsibility For Assignment or Assignment Termination.
 - a. Assignment to Government Quarters. Administration of assignments is outlined in the Coast Guard Housing Manual, COMDTINST M11101.13 (series).
 - b. Quarters Assignment Date for Housing Allowance. A housing allowance continues to accrue through the day before the date a member is assigned Gov't Qtrs or begins to occupy Gov't Qtrs at the PDS.
 - c. Quarters Termination Date for Housing Allowance. Housing Allowance accrues from the date the assignment to Gov't Qtrs is terminated or the date that quarters are vacated as indicated in Figures 3-5, 3-9, 3-12, and 3-13.
- 6. Rental Quarters on a Government Installation. A member is authorized BAH while renting temporary quarters on the grounds of a Government installation.
- 7. Government Quarters Assigned or Occupied.
 - a. Adequacy of Government Quarters. Adequacy standards are outlined in OMB Circular A-11, OMB Circular A-45, and the Coast Guard Housing Manual, COMDTINST M11101.13 (series).

- b. Quarters Not Designated as Family-Type Quarters. A member who is neither assigned to nor occupies Gov't Qtrs is authorized a housing allowance for dependents even though the dependents occupy Gov't Qtrs not designated as family-type quarters. Examples of such quarters are:
 - (1) Dormitory quarters occupied by a member's child at a school for dependents of military personnel.
 - (2) A hospital room occupied by a dependent under the Dependents' Medical Care Act (P.L. 84-569, 70 Stat 250). However, a member is not authorized a housing allowance when a sole dependent is hospitalized in a Government or civilian hospital under the Dependents' Medical Care Act and the member is assigned to and occupies Gov't Qtrs (even though private quarters are maintained and occasionally occupied).
 - (3) Off-base housing, non-Gov't Qtrs, occupied by member's civilian spouse incident to employment overseas with Department of Defense Education Activity (DoDEA) as a schoolteacher. The member must be separated from the spouse by competent orders.
- 8. Quarters Furnished on Behalf of the U.S. A member is not authorized a housing allowance for dependents if the member and dependents are furnished adequate family quarters without rental charge. Examples of such quarters are:
 - a. Family quarters furnished a member in an official capacity by a foreign Government.
 - b. Family-type quarters furnished by a state, county, municipal, or privately owned hospital to an officer serving on active duty as an intern or resident physician.
 - c. Family-type quarters furnished by a college, university, or research facility as part of a fellowship, scholarship, or grant.
- 9. Quarters Occupied by Dependents. A member furnished single-type quarters is not authorized a housing allowance for:
 - a. A spouse who is a sole dependent and who is furnished quarters in kind as a civilian employee at a Government hospital.
 - b. A spouse who is a sole dependent and who is furnished Gov't Qtrs while serving with the American Red Cross overseas.
 - c. A sole dependent who is a student nurse in training at a Government hospital. However, a housing allowance is payable for a dependent who is a student nurse in training at a civilian hospital.

- d. A civilian spouse who is a sole dependent and who is furnished Gov't Qtrs while assigned overseas with Department of Defense Education Activity (DoDEA) as a school teacher.
 - e. Dependents evacuated from a danger area, who occupy Government housing facilities at a safe haven. See Section 3.F.12 for exception when member must continue to pay for private housing.
 - f. Any dependent(s), if one or more of the member's dependents occupy the quarters with the member on a permanent basis (i.e., for more than 90 days), unless other dependents are precluded by a competent order from residing with the member.
10. Rental Quarters (Other Than Inadequate Quarters). A member and dependents who occupy the following facilities on a rental basis are authorized a housing allowance.
- a. Any housing facilities, including trailers, under the Government's jurisdiction other than Gov't Qtrs constructed or designated for occupancy without charge. The member may sublease such quarters to a temporary sub-leasee with or without charge, and neither the sub-lessor or sub-leasee lose their right to a housing allowance.
 - b. Temporary quarters on a military installation.
 - c. Quarters furnished a member in connection with service in a capacity other than that of a member.
11. Quarters at Safe Haven Temporarily Occupied by Dependents. A member is authorized a housing allowance for dependents when:
- a. The member's dependents occupy Government-provided housing at a safe haven area after emergency evacuation from private sector housing at the permanent station; and
 - b. Due to conditions beyond the member's control, member is required to continue rent payment for the private housing in order to house furnishings and belongings and to have quarters available upon dependents' return.
- This authority continues until such time as a dependent(s) is authorized to return to member's PDS or the dependent(s) arrive at a designated place.
12. Lease on Private-Sector Rental or Leased Quarters. When a member makes a local move from private-sector rented or leased quarters to Government housing, a housing allowance is not payable for the remainder of the lease on the private-sector housing even though the member is required to honor the lease.

13. Limitation on Quarters Occupied by Member. When adequate quarters are not furnished for a member's dependents, the member may not occupy, either at the permanent or TDY station, Gov't Qtrs which exceed the minimum standards for the member's grade without dependents without affecting the right to BAH or OHA unless:
 - a. These quarters are the only quarters available, and
 - b. The quarters are not suitable for joint occupancy; or
 - c. If suitable for joint occupancy, the quarters are jointly occupied with other members permanently assigned to the PDS.
14. Quarters Occupied During Special Duty Assignment. A member, not accompanied by dependents, serving in a foreign location, in a duty assignment having official or diplomatic responsibilities involving officials of foreign Governments, may be assigned to quarters that exceed the minimum standards for the member's grade without dependents, without affecting the member's right to BAH or OHA. The local commander is the appropriate authority to decide whether an assignment entails "official or diplomatic" responsibilities involving officials of foreign Governments. However, such quarters must not be available on a continuing basis for single occupancy, if they are adequate for assignment as family housing to members of similar grade.
15. Quarters Designated as Inadequate.
 - a. Housing Allowance Authorization. A member with dependents may occupy quarters designated as inadequate on a rental basis without loss of BAH. This does not apply to bachelor officer quarters, visiting officer quarters, guest houses, and similar type facilities, or to assigned quarters undergoing ordinary repairs. An order stating that quarters were inadequate while repairs were being made cannot serve to authorize BAH during the period involved.
 - b. Effect of Subleasing Inadequate Quarters. The member may share the quarters with others or permit occupancy by others while on leave. The member may also sublet the quarters on a rental basis without loss of BAH or OHA, the amount of rent being immaterial.
 - c. Rental Charge for Inadequate (Sub-standard) Quarters. The authority controlling the inadequate (sub-standard) quarters establishes the procedures for collecting rent from the member (normally, by offset to the member's pay account). The quarters' rental charge must be the fair rental value, not to exceed 75 percent of the member's with-dependents BAH or OHA rate per 10 U.S.C. 2830. The rental charge is independent of the amount and type of BAH being paid to the member. See Section 3.F.15.g for occupancy of inadequate quarters to married member-to-member couples.

- d. Effective Date of BAH or OHA and Rental Charge. BAH and rental charge begin on the date of the member's occupancy to such quarters or on the date the determination of inadequacy is effective, whichever is later.
- e. Computation of BAH or OHA and Rental Charge. BAH and the rental charges are computed on a 30-day month basis and prorated at one thirtieth of the monthly rate for each day inadequate quarters are assigned. BAH is not paid for, nor is rent charged, for the 31st day of a month. Pay three days' BAH and charge three days' rent when inadequate quarters are occupied on the 28th of February. Rent is not charged for the day the occupancy is terminated; however, BAH accrues for the termination day.
- f. Inadequate Quarters Re-Designated Adequate. Rental charges and BAH eligibility cease on the date rehabilitated inadequate quarters are re-designated as adequate Gov't Qtrs. If a member's occupancy was continued during the rehabilitation period, the adequacy re-designation is effective as of the first day of the month following the month in which the rehabilitation was completed.
- g. Member Married to Member Couple. When a member married to member couple jointly occupies inadequate family quarters on a rental basis, use Figure 3-9 to determine their respective BAH rates. The rental charge for the quarters must be the assigned inadequate family-type quarters' fair rental value, but must never exceed 75 percent of the with dependents BAH rate which would be payable to a member of the same grade and rank as the member under whose eligibility the quarters are assigned. The BAH paid to the respective members does not affect the rent amount charged, even where a member is receiving BAH at the with dependents rate. BAH is collected in accordance with Service procedures. For inter-Service marriages, the rental charge is collected in accordance with the procedures of the Service furnishing the quarters.

G. BAH Assignment Situations.

1. Members Without Dependents.

- a. General. A member without dependents who is entitled to basic pay is entitled to BAH or OHA as set forth in Figure 3-12. A member without dependents residing in CG or DoD owned single-type quarters (i.e., shipboard or barracks) at his or her PDS, cannot claim BAH or OHA without dependents or BAH or OHA with-dependents housing based on the payment of child support when the member has a private sector quarters payment (i.e., rent, mortgage) for a residence he or she cannot occupy because it is not in the vicinity of their PDS. The member is assigned to Government quarters at his or her PDS and is only authorized BAH Partial or BAH DIFF if paying child support (see example below). When the SPO receives and processes the BAH/Housing Worksheet (CG-2025), to avoid entry of an incorrect BAH code and BAH payment, the SPO will verify the member's address entered on the CG-2025 with his or her actual quarters assignment.

Example: An E-6 is stationed at the Seventh Coast Guard District, Miami, FL, pays child support and resides on the economy. Their housing allowance is based on the payment of child support and the member is authorized BAH with dependents based on the payment of child support. The member owns and occupies their residence in Miami. The member receives a PCS order from CGD SEVEN to the CGC THETIS, Key West, FL. The member does not move their household goods from their Miami residence to Key West. Upon reporting to the ship the member does not establish a residence off the ship in Key West. The member resides aboard the ship. Because the member did not obtain and begin residing in their own private sector quarters in Key West, the member cannot submit a BAH/Housing Worksheet, form CG-2025, indicating “paying for private quarters” and be authorized the Key West, FL BAH with dependent rate based on payment of child support. The member is assigned to shipboard quarters and is authorized the E-6 BAH Differential (BAH DIFF) rate.

- b. Location Rate. Ordinarily a housing allowance is paid based on the member’s PDS or the home port for a member assigned to a ship or afloat unit. If a member is directed to report for duty at a location other than their PDS, a request will be sent to Commandant (CG-1332) to determine if it is inequitable to pay a housing allowance based on the new PDS. Effective on a member’s PCS reporting date, he or she has a responsibility to complete and submit to their SPO a PCS reporting worksheet and BAH/Housing Worksheets to report the actual type of quarters the member is assigned to at their PDS. The SPO has a responsibility to verify the type of quarters the member is assigned to at the PDS and correctly apply the correct BAH authorization. Contact Commandant (CG-1332) for a determination if there is doubt on the location where the member’s housing allowance is based.
- c. Ashore Permanent Duty Station; Member Without Dependents.
 - (1) In Grade E-7 or above. Members in grade E-7 and above may elect to not occupy Government quarters at their PDS and are authorized BAH or OHA, unless Commandant (CG-133) has determined, as requested by the member’s Commanding Officer or Officer in Charge, that the members exercise of this option would adversely affect a training mission, military discipline, force protection, or readiness purposes.
 - (2) In Grade E-6. Members in grade E-6 may elect to not reside in Government quarters if such facilities do not meet the minimum standards as prescribed in the Coast Guard Housing Manual, COMDTINST M11101.13 (series). These members are authorized BAH or OHA, unless CG PSC-PSD-fs has determined, as requested by the member’s Commanding Officer or Officer in Charge, that the member’s exercise of this election would adversely affect a training mission, military discipline, force protection, or readiness purposes.
 - (3) In Grade E-5 and Below. Members in grade E-5 and below may be authorized BAH or OHA at the without dependents rate only if there is no Coast Guard or

Department of Defense (DoD) UPH facility available.

- (4) In Grade E-4 and Above and Receives a PCS Order to Sea Duty. Members in grade E-4 and above, stationed ashore, receiving either BAH or OHA without dependents, or BAH or OHA with-dependents based on payment of child support, who receive a PCS order to a sea duty vessel home ported within the RCD standard to both the member's shore PDS and private sector residence, may be authorized by the vessel's commanding officer to continue receipt of BAH or OHA if the member continues to occupy their private sector quarters. If the member terminates their private sector quarters upon or after reporting to the vessel, and is assigned to CG or DOD owned quarters (i.e., shipboard or barracks), the member is only authorized BAH Partial or BAH-DIFF if paying child support. If assigned to CG-leased quarters the member is not authorized BAH, except for BAH-DIFF if paying child support.

d. Afloat Permanent Duty Station; Members Without Dependents.

- (1) In Grade E-6 or Above. Members in grade E-6 or above may elect to not reside in assigned shipboard quarters (except as required by duty or when underway), and are authorized BAH or OHA when the member obtains and reside in private sector quarters off the ship.
- (2) In Grades E-5 and E-4. Commanding officers may authorize BAH or OHA to members in grade E-5 and E-4 provided that a Coast Guard UPH or DoD UPH facility is not available meeting adequacy standards prescribed in the Safety and Environmental Health Manual, COMDTINST M5100.4 (series). In accordance with the Coast Guard Housing Manual, COMDTINST M11101.13 (series), a release from mandatory assignment to Government quarters must be obtained from the local housing authority before BAH or OHA without dependents is authorized.
- (3) In Grade E-4 or Above and Paying Child Support. Members in grade E-4 or above authorized by the Commanding Officer to reside in private sector quarters who pay child support in an amount that is equal to or greater than the BAH-Differential (BAH-DIFF) amount for their grade, are authorized a with dependent housing allowance based on payment of child support. Members who terminate their private quarters, and are assigned to CG or DoD owned quarters (i.e., shipboard or barracks) or Government leased quarters, terminate receipt of BAH or OHA at the with-dependents rate based on payment of child support, and are only authorized the BAH-DIFF rate on the effective date of assignment to quarters.
- (4) In Grade E-3 And Below. Members in grade E-3 and below are not entitled to BAH or OHA without dependents, BAH or OHA with dependents, or BAH or OHA with-dependents based on payment of child support. These members are authorized BAH Partial, or BAH-DIFF if paying child support. Members paying child support are authorized BAH-DIFF when assigned to UPH or UPLH quarters. If the member is issued a dependency determination from PPC (LGL) for authorization of a

housing allowance based on the payment of child support, the member is not authorized to be released from their UPH or UPLH quarters by either his or her command or the local housing officer. The member remains an E-3 or below without dependents assigned to sea duty, and remains assigned to Government owned or leased (UPH or UPLH) quarters. The member is authorized the BAH-DIFF rate effective on the authorization date by PPC (LGL).

- (5) Member Married To Member. Effective 1 January 2013, a Uniformed Service Member married to another member, who is in grade below E-6, is authorized BAH or OHA if assigned to permanent sea duty.

Note: If one or both members are assigned to permanent sea duty, and the members have no BAH eligible dependents, the member(s) cannot occupy their shipboard quarters except when required (e.g., when on duty or underway) and receive a without dependent housing allowance. The member(s) is/are occupying their shipboard quarters and are only authorized BAH Partial.

- e. Pay Grade Reduction from E-4 and Above to E-3 or Below. Members in pay grade E-4 and above assigned to a sea duty vessel and authorized to reside in private sector quarters who receive BAH or OHA at the without dependent rate, or BAH or OHA at the with-dependents rate based on payment of child support, and are reduced in rank to grade E-3 or below, are not authorized BAH or OHA without dependent rate, or BAH or OHA with dependents based on payment of child support, and effective the reduction date are only authorized BAH Partial, or if paying child support to a former spouse that is not an active duty uniformed service member, BAH-DIFF. If a member is paying child support to a former spouse that is an active duty member of a uniformed service and who is receiving BAH/OHA on behalf of the dependent, BAH-DIFF or BAH with-dependents is not authorized.

2. Members With Dependents.

- a. When Authorized BAH or OHA. Except for a member paying child support and assigned to Government quarters (authorized BAH DIFF), a member with dependents who is entitled to basic pay is authorized BAH or OHA at the rate prescribed for a member with dependents when:
- (1) Adequate Government quarters are not furnished for the member and dependents without a rental charge payment.
 - (2) Adequate Government quarters are not furnished for the member's dependents, or all of the member's dependents are prevented by competent authority from occupying such quarters, even though quarters are assigned for the member's occupancy. This does not apply to the provisions of Section 3.D.18.
 - (3) Dependents are not en route or do not accompany the member to the PDS, or the vicinity thereof, so as to preclude assignment of family quarters. Under

such circumstances, the mere availability of quarters which could have been assigned does not negate the right of a member to the BAH or OHA for dependents. See Section 3.G.2 and Figures 3-17, 3-19, 3-20, for the location to be used in determining the member's BAH or OHA authorization.

- (4) Effective 2 February 2005, a single or divorced member who maintains legal and physical custody of child(ren) before receipt of PCS orders to an unaccompanied tour may continue to be paid BAH at the with-dependents rate, for last PDS, or designated place for certain periods if the requirements of this subparagraph are met. The divorce decree must be specific on the time period(s) the member has legal and physical custody of the child(ren). BAH at the with dependents rate is authorized only for the time period the member would have the custody of the child(ren) if not serving on the unaccompanied tour. The member must, for military necessity, place the child(ren) in the physical custody of a relative or care giver designated by the member, to be entitled to BAH at the with dependents rate.
- b. Location Rate. Ordinarily a housing allowance is paid based on the member's PDS, or the home port for a member assigned to a ship or afloat unit. If a member is directed to report for duty at a location other than their PDS, a request will be sent to Commandant (CG-1332) to determine if it is inequitable to pay a housing allowance based on the new PDS. However, a member's PCS assignment to a PDS or the circumstance of that assignment may require the dependent(s) to reside separately. In accordance with the BAH rate protection policy in Section 3.C.5.a through 3.C.5.h, PSC-PSD-fs may authorize the housing allowance be based on the member's previous duty station location or dependent location. If the member's BAH protection request is not applicable to the BAH rate protection policy in Section 3.C.5.a through 3.C.5.h., the member will forward the request, through their chain of command, to Commandant (CG-1332) for a Secretarial Process determination.
 - c. Home Port Changes. Change the housing allowance to the new home port rate on the home port change effective date prescribed, if a member:
 - (1) Is currently assigned to a vessel with an announced home port change, or
 - (2) Is in receipt of a PCS order to a vessel with an announced home port change, and
 - (3) The dependents are authorized travel to the new home port,

Note: If the vessel is a designated unusually arduous sea duty vessel, and the member has no intention of relocating their dependents to the vessel's new home port location, the member may apply for BAH protection under Section 3.C.4.b.
 - d. Examples of Location Rate Changes Routinely Authorized/Approved: The member is:

- (1) Assigned to a PDS, or a PDS in a military housing area (MHA), that is a designated Critical Housing Area.
 - (2) Assigned to an unusually arduous sea duty vessel and the dependents reside at or relocate to a designated place in the United States.
 - (3) Assigned or is in receipt of a PCS order to a ship entering overhaul involving a homeport change and dependents are not relocated incident to the home port change.
 - (4) In receipt of PCS orders to a vessel with a promulgated change of home port and dependents relocate to the announced homeport (or designated place in the United States if an unusually arduous sea duty vessel) before the effective date of the homeport change.
 - (5) Transferred between PDSs in proximity to, or activities at, the same PDS, unless a short distance move is authorized under the JTR, par. 0519.
 - (6) Assigned to indeterminate TDY, or TDY pending further orders.
 - (7) Assigned to Professional Military Education (PME) or training course scheduled for duration of at least 20 weeks but less than 12 months.
- e. Other Circumstances. When a member's BAH protection request is not applicable to the CG-2025A or CG-2026, the member will submit a memorandum request through their chain of command to Commandant (CG-1332). Upon receipt a Secretarial Process determination will be made on the request. The request may be emailed to: HQS-DG-LST-CG-1332@USCG.Mil.
 - f. Multiple Dependent Locations. In instances of multiple dependent locations, the member must designate the primary residence of dependents. The housing allowance rate is based on this primary residence.
 - g. Entitlement during Leave, Travel Status, Separation, or Other Situations. See Figure 3-13.
3. Acquired Dependent.
- a. General Rules. When a member acquires a dependent (marriage, birth, adoption, etc.), a with-dependent housing allowance is authorized based on the:
 - (1) CONUS PDS to which the member is assigned. A member assigned at a CONUS PDS may request through the Secretarial Process a housing allowance based on the dependent's residence location. The member will submit a written request to Commandant (CG-1332) requesting the housing allowance be based on the dependent's residence location. The request may be emailed to:

HQS-DG-LST-CG-1332@USCG.Mil.

- (2) Dependent's location if the member is stationed at an OCONUS PDS and the dependent does not reside at or near the OCONUS PDS. If the dependent does reside at or near the OCONUS PDS, the housing allowance is based on the OCONUS PDS.
- (3) The dependent location if the member meets the PCS eligibility requirements of Sections 3.C.5.b, 3.C.5.c, or 3.C.5.d.

NOTE: If the member is assigned to Government owned or leased single-type quarters on the date the dependent is acquired, the member is authorized a with-dependent housing allowance.

- b. While in Transit. A member who acquires a dependent while in transit, effective the date the dependent is acquired a with-dependent housing allowance will be based on:
 - (1) The member's previous PDS location if in CONUS, Alaska or Hawaii (BAH payable areas).
 - (2) The BAH Transit Non-Locality rate for the member's pay grade if the previous PDS is in an OHA payable area.

Unless assigned to Gov't quarters, the member is authorized the applicable BAH without dependent rate or BAH without dependent non-locality rate from the effective PCS departure date to the date before the dependent is acquired.

- c. Family Separation Housing (FSH) Eligibility. Effective the date the dependent is acquired:
 - (1) If the dependent does reside in the OCONUS PDS vicinity, then a FSH is not authorized and the member is only authorized the with-dependent housing allowance based on the OCONUS PDS.
 - (2) If single-type Gov't Qtrs are not available for a member assigned to an OCONUS PDS, and the dependent does not reside in the PDS vicinity, then the with-dependent housing allowance is based on the dependent's location, and FSH is also authorized.
 - (3) If a member assigned to an OCONUS PDS is residing in private sector quarters, and single-type Gov't Qtrs are available at the member's OCONUS PDS, FSH is not authorized. Note: A member may not decline assignment to available single-type Government quarters at their OCONUS PDS, and the command may not release the member from assignment to single-type Government quarters for the purpose of gaining FSH authorization.

- (4) Dependents may visit the member at the outside CONUS PDS up to 90 days without changes to allowances. However, when the visit exceeds 90 days, it is no longer considered a visit and the dependents are deemed to be residing with the member. The with-dependent allowance is changed to the PDS location and FSH, if being paid, stops. If the dependents subsequently depart the member's PDS area after the with-dependent allowance is changed and FSH stopped, the member may request a determination from Commandant (CG-1332).
- (5) FSH is not authorized for a member assigned in CONUS unless member is assigned to a PDS where dependent travel is restricted by the Government per JTR par. 051205.

4. Members In Transit.

- a. General. A Transit housing allowance (BAH-Transit) is a temporary housing allowance paid while a member is in a travel or leave status between permanent duty stations, provided the member is not assigned Government quarters, including dependents who may be assigned to Government owned or leased family-type quarters. See Section 3.G.3.b when a member without dependents acquires a dependent while in transit. The Transit rate continues during proceed time and authorized delays en route, including TDY en route.

Note: If the member performs TDY en route at:

- (1) The new PDS, BAH or OHA for the new PDS begins the day of arrival in a "TDY" status at the new PDS.
 - (2) A location near, but outside the limits of, the new PDS or to the homeport of a ship, afloat staff, or afloat unit and per diem stops in accordance with JTR, par. 051203, BAH or OHA for the new PDS begins the day per diem stops.
- b. Previous PDS in 50 States and the District of Columbia (BAH Payable Locations). A member's previous PDS is the PDS for BAH purposes effective from the day the member departs the previous PDS through the day before the member reports to the new PDS in compliance with a PCS order. If the member has a BAH protection authorization from PSC-PSD-fs that authorizes BAH based on a previous PDS or dependent location, then that rate continues until the member reports to the new PDS. If the BAH protection authorization is for a dependent location in an OHA payable area, continue this OHA rate only if the dependents remain in their residence location. If the dependents terminate residency in the private quarters in an OHA payable area, start the BAH-Transit rate for the member's pay grade. If the member is assigned to Government quarters at the previous PDS, the member is authorized the BAH rate for the previous PDS effective on the date after Government quarters are officially vacated. See Figures 3-19, 3-21 and 3-22 for further guidance.

- c. Previous PDS outside the 50 States and the District of Columbia (OHA Payable Locations). When a member's previous PDS is outside the U.S., the member is authorized OHA (if not assigned to Government quarters) through the day before departing the OCONUS PDS. The day the member departs OHA is no longer authorized and the member is authorized the BAH-Transit rate if the member is not receiving a with-dependent housing allowance, as authorized by PSC-PSD-fs, for dependents residing separately. Effective on the member's PCS departure date from the previous PDS;
- (1) If the member has BAH authorization from PSC-PSD-fs receiving BAH or OHA with-dependents for a dependent location, or BAH for a previous PDS rate, as authorized by PSC-PSD-fs, that rate is the BAH-Transit rate until the member's effective PCS reporting date to the new PDS.
 - (2) If the member is receiving OHA with-dependents for their dependent's location (non-BAH payable location), this OHA rate serves as the member's BAH-Transit rate. This Transit rate continues while the member is in transit provided the dependent(s) remain at this location. If the dependents terminate their residence and also perform PCS travel effective upon or after the member's PCS departure date, then the applicable BAH-Transit rate is effective the termination date of the dependents from their residence.
 - (3) If the member and dependents are assigned to Government owned or leased family-type quarters, and the quarters assignment is terminated after the PCS departure date while the member is in transit to the new PDS, the member is authorized the BAH-Transit rate effective the date after Government quarters are terminated. This transit rate continues until the member's effective PCS reporting date to the new PDS, unless the member is assigned to Government family-type quarters prior to their PCS reporting date to the new PDS.
- d. New Accession. A member in the accession pipeline includes a:
- (1) Member who is undergoing initial entry training, to include an RC member undergoing Initial Active Duty for Training (IADT);
 - (2) Student (includes ROTC and OCS) without prior Military Service. See Note on the next page.
 - (3) Service academy graduates upon graduation, until arrival at the first PDS. See Note on the next page.

The member remains in the accession pipeline until:

- (1) The member arrives at a PDS; including a training location of 20 or more weeks; or

- (2) An RC member completes Initial Active Duty for Training (IADT) or arrives at a PDS; whichever occurs first.

(a) Member without a Dependent. A member without a dependent in the accession pipeline is authorized BAH-T when in a travel, leave en route, or proceed time status while transferring from the initial entry training location, between training locations and to the first PDS. For BAH authorization only (not locality rate), the training sites are defined as a PDS except for an RC member without a dependent. A member without a dependent is not authorized BAH (except BAH-Partial, or BAH DIFF if paying child support) while at the training location since **Gov't** quarters are assigned at the PDS. Effective 1 February 2008, a RC member without a dependent attending accession training is authorized BAH based on the primary residence location at the time called/ordered to active duty if the member maintains a residence and continues to be responsible for rent, or owns the residence. See Section 3.G.9.f. of this Manual.

Note: A Service academy and ROTC graduate without a dependent, who remains on active duty at the graduation/commissioning location following graduation and commissioning before proceeding to another duty station and are not assigned Government quarters, is authorized a housing allowance at the without-dependent rate for the graduation/commissioning location through the day prior to departure en route to the training location. If the officer acquires a dependent, the officer's housing allowance with-dependent rate becomes based on the dependent location effective the date the dependent is acquired.

(b) Member with a Dependent. The BAH rate for a new accession with a dependent is based on the dependent's location if the location is inside the U.S. If dependent is located outside the U.S., BAH is based on the training site location.

e. Retirement or Separation.

(1) From U.S. PDS. A member's previous PDS is the PDS for BAH purposes from the day the member departs the previous PDS through the separation or retirement date (if the member had been residing in Government quarters at the previous PDS, the member is entitled to BAH the date of termination of Government quarters provided the member is still on active duty). See Figure 3-19 for further guidance.

(2) From PDS outside the U.S.

(a) Remains outside the U.S. A member at a PDS outside the U.S. who is processing for retirement or separation or on leave after processing, and who intends to establish a residence in an OHA based area after retirement or separation is eligible for a housing allowance (OHA):

- (1) If the member continues to occupy private sector leased or owned housing at or in the vicinity of the PDS, OHA continues until the date of separation or day before retirement.
- (2) If the member occupies private sector housing after vacating Government quarters or moves to different private sector housing in the same country, OHA is authorized on the day the member obtains private sector housing and stops on the date of separation or day before retirement. In this case, OHA is based on the PDS rate.
- (3) If a member at an OCONUS PDS moves to a different country, which is an OHA area, to establish a residence prior to his or her separation/retirement, the member is eligible for a housing allowance based on the location of the residence. OHA is authorized on the day the member obtains private sector housing and stops on the date of separation or day before retirement. However, if the member is being paid a with-dependent rate OHA for dependents residing separately, that OHA rate continues provided the dependents remain at the OCONUS location.

To be paid OHA under any of the circumstances in Section 3.G.5.e.(2) above, the member must provide a lease and an Individual Overseas Housing Allowance (OHA) Report (DD Form 2367) that is completed and approved.

- (b) Returns to a U.S. Processing Station. A member separating/retiring at a PDS outside the U.S. who returns to the U.S. for retirement or separation processing, is authorized OHA (if not assigned Government quarters) through the day before departing the OCONUS PDS. The day the member departs the OCONUS PDS, OHA is no longer authorized and the member is authorized the BAH rate for the retirement/separation processing location if the member is not receiving a with-dependent housing allowance for dependents residing separately. If the member is being paid a with-dependent BAH for dependents residing separately, that BAH rate continues until the member separates or retires.
- (c) Returns to the U.S. After Completing Separation or Retirement Processing Overseas. A member retiring/separating at a PDS outside the U.S. who returns to the U.S. after completing retirement or separation processing at the overseas PDS, and who does not have a processing station within the U.S., is authorized OHA (if not assigned Government quarters) through the day before departing the OCONUS PDS. The day the member departs, OHA is no longer authorized and the member is authorized the BAH rate for the leave address provided as part of the final processing if the member is not receiving a with-dependent housing allowance for dependents residing separately. If the member is being paid a with-dependent rate BAH for dependents residing separately, that BAH rate continues until the

member separates or retires.

5. Member in a Missing Status. Members without dependents carried in a missing status are entitled to BAH at the without dependent rate. Pay PDS location-based without-dependent BAH for a member whose PDS is in the U.S. If the member had BAH protection authorization to receive a previous PDS-based BAH due to a no-entitlement PCS order, that authorization continues. Pay Home of Record (HOR) location-based without-dependent BAH for a member whose PDS is outside the U.S. If both the member's HOR and PDS are outside the U.S. then pay the without-dependent BAH-Transit rate. See Section 9.H of this Manual.
6. Member in Confinement. When a member who is serving a court-martial sentence to confinement is transferred to a confinement facility, then the BAH/OHA rate is based on the dependent's location if the member is authorized a housing allowance (other than partial BAH) while confined. See Chapter 2 of this Manual. If dependents are occupying Government quarters a housing allowance is not authorized. For a member without dependents who is sentenced to confinement pursuant to a court-martial, see Figure 3-12, rule 20, and Sections 3.B.7.b.(7) and (8) for BAH-partial rules. For a member in civil or foreign confinement, Figure 3-12, rule 20 and Sections 3.B.7.b.(7) and (8) do not apply. A member is not authorized a housing allowance unless authorized basic pay and all rules concerning whether a member in civil or foreign confinement (including pre-trial) is authorized Basic Pay are covered in Chapter 2 of this Manual.
7. Housing Allowance Following a Member's Death.
 - a. General. Surviving dependents of members on active duty are entitled to remain in Government quarters or receive continuation, or payment, of BAH or OHA for up to 365 days. BAH or OHA is paid to dependents of members who die, when on the date of the member's death the dependents:
 - (1) Are not occupying Government quarters; or
 - (2) Are occupying Government quarters on a rental basis; or
 - (3) Vacate Government quarters occupied within 365 days of the member's death;
 - b. Not Payable. The housing allowance is not payable to:
 - (1) A dependent who killed the member, unless there is evidence which clearly absolves the dependent of any felonious intent, and
 - (2) A surviving dependent of a Reserve Component member who dies while on inactive duty.
 - c. Priority of Payment. Payments to surviving dependents are made in the following order:

- (1) Current spouse, or
 - (2) If there is no current spouse, the lump sum housing allowance payment is divided equally between the dependents for which the deceased member was receiving a with-dependent housing allowance.
- d. Collection Action. Payments of housing allowances to the dependents are not subject to collection of any debts owed by the deceased member to the United States.
 - e. Payment to Deceased Member's Spouse Who is Also a Member (Surviving Member Spouse) (37 U.S.C. 403(1)). Effective 1 October 2006, the allowance in Section 3.G.8.a. may be paid to the spouse of the deceased member even though the spouse is also a uniformed service member entitled to basic pay. The allowance is paid to the surviving spouse in addition to any other pay and allowances to which the surviving spouse is authorized as a member. The provisions in Sections 3.G.7.a through 3.G.7.d apply.
8. Dependents Evacuation From PDS Location.
- a. OCONUS PDS - Command Sponsored (for COLA purposes) Dependents
 - (1) A member, whose command sponsored dependents are evacuated and who was authorized a with-dependents housing allowance on the evacuation date, continues to be paid such allowance while the member's PDS remains unchanged and the member continues to maintain private sector housing, as long as the command sponsored dependents are receiving evacuation per diem allowances.
 - (2) If return of dependents to the PDS is not authorized and they are directed to select a designated place, evacuation per diem continues until they establish a permanent residence. A member is authorized a with-dependent housing allowance based on the designated place beginning the day after evacuation allowance per diem terminates. OHA or BAH based on an OCONUS PDS stops on the day before the per diem terminates.
 - (3) If Government quarters are not available for the member at an OCONUS PDS, FSH based on the PDS starts on the same day as the with-dependent allowance based on the designated place starts.
 - b. OCONUS PDS - Non-Command Sponsored Dependents.
 - (1) If the evacuation occurs less than 90 days after dependents arrived at the member's OCONUS PDS and the member is still being paid a with-dependents allowance based on the dependents' permanent residence location and FSH-O or FSH-B based on the OCONUS PDS rate, no changes in housing allowances are required.

- (2) If the evacuation occurs 90 or more days after dependents arrived at the member's OCONUS PDS and the member is now being paid a with-dependents allowance based on the OCONUS PDS, see Section 3.G.4, reinstate OHA or BAH based on the dependents' permanent residence location on the dependents' departure day from the PDS. FSH is reinstated on the same day if Government quarters are not available for the member, and the OHA or BAH based on the OCONUS PDS is stopped on the day before.

c. CONUS PDS.

- (1) A member, whose dependents are evacuated and who was authorized a with-dependents BAH on the evacuation date, continues to be paid such allowance while the member's PDS remains unchanged and the member continues to maintain private sector housing, as long as the dependents are receiving evacuation per diem allowances.
- (2) If return of dependents to the PDS is not authorized and they are directed to select a designated place, evacuation per diem continues until they establish a permanent residence. A member is authorized a with-dependents allowance based on the designated place beginning the day after evacuation allowance per diem terminates and BAH based on the PDS stops the day before.

d. Member Without-Dependents. A member without dependents living on the economy prior to an evacuation, and subsequently returns to his or her PDS and is unable to occupy their private sector quarters, may continue to receive a housing allowance even though the member may be required to temporarily occupy Government quarters. When it is determined that the member will not be permitted to return to their private sector housing in the foreseeable future, due to extreme damage or general uninhabitability, the member should terminate their private sector housing arrangement at the earliest practical date. BAH and or OHA is no longer authorized effective the date private sector housing is terminated, and the member will be authorized Partial-BAH or BAH-DIFF, if paying child support.

9. Reserve Component (RC) Member.

- a. Order Duration. An RC member called or ordered to active duty for 30 or fewer days is authorized the RC rate (BAH-RC), see Non-Locality rates at: <http://www.defensetravel.dod.mil/site/bahCalc.cfm>, except for contingency operations. A RC member a member called or ordered to active duty for 31 or more days, except a member without a dependent during initial entry training, is authorized BAH or OHA. An RC member initially on a tour of 30 or fewer days who receives an order modification or assignment extension with a prospective, new active-duty period of 31 or more days, receives BAH or OHA on the modification date. If the new period is 31 or more days, BAH-RC stops the day before the amendment or modification and BAH or OHA based on the primary residence starts

on the modification date. Periods of active duty previously served may not be added together to meet the requirement for BAH or OHA that active duty exceeds 30 days. See Figures 3-21 and Section 3.G.9.e. See Section 3.G.12 regarding the BAH authorization for an RC member without a dependent attending Initial Active Duty for Training (IADT).

b. Primary Residence/Home of RC Member.

- (1) An RC member called or ordered to active duty, and the active duty order is not a PCS, the primary residence/home is the dwelling (i.e., house, townhouse, apartment, condominium, mobile home, houseboat, vessel, etc.) at which the RC member resides and from which the RC member commuted to work before being called or ordered to active duty. A RC member who changes his or her primary residence/home for any reason other than by a PCS order, upon or after starting ADT or ADOT orders, will continue to receive the primary residence/home BAH rate initially authorized.
- (2) An RC member can have only one primary residence location at any given time.
- (3) If the RC member relocates his or her primary residence/home during the active duty order period, and upon termination of the order is issued a new active duty order, the allowances under the new order are based on the new primary residence/home on the first active duty day.
- (4) The primary residence/home can only change if there is a break of active duty/service exceeding one full calendar day.

c. Contingency Operations. A RC member called or ordered to active duty in support of a Secretary of Defense (SECDEF) designated contingency operation is authorized primary residence/home based BAH/OHA rate beginning on the first active duty day. This rate is authorized even for duty of 30 or fewer days. If the RC member receives a PCS order authorizing HHG transportation, BAH/OHA is based on the new PDS. However, if the member is called or ordered to active duty and a PCS order is not issued, BAH/OHA is based and paid on the primary residence/home location at the time called or ordered to active duty.

d. Member Married to Member. Unless an RC member is assigned to a contingency operation, the RC member is authorized the RC rate (BAH-RC) without-dependent rate if he or she is not assigned to Government quarters and is married to another Service member on active duty without a dependent.. For such an RC member on active duty for 31 or more days, each Service member is authorized BAH or OHA at the without dependent rate. If a Service member in this situation has a dependent, BAH or OHA is

paid as for an active-duty member.

e. Location Where BAH or OHA is Based.

- (1) Called or Ordered to Active Duty for 30 or Fewer Days. If the RC member is called or ordered to active duty for 30 or fewer days and the duty is not in support of a contingency operation, then start BAH-RC on the first day of active duty. If the duty is in support of a contingency operation, then start BAH or OHA based on the primary residence at the time called or ordered to active duty beginning on the first day of active duty.
- (2) Called or Ordered to Active Duty for Other than Training or Active Duty for Training (ADT) for 31 or More Days. A RC member called or ordered to ADT for a period lasting between 31 and 139 days, receives BAH or OHA based on the primary residence at the time called or ordered to ADT beginning on the first day of active duty. An RC member called or ordered to active duty for other than training for a period lasting between 31 and 180 days, except if he or she is without dependent during initial entry training, is authorized BHA or OHA based on the primary residence beginning on the first day of active duty. This rate continues for the tour duration except as otherwise specified in this chapter. Unless an RC member without dependents meets the eligibility requirement in Section 3.G.9.f to be authorized BAH without dependents, or if paying child support, BAH with dependents based on the payment of child support, a RC member without dependents on Initial Active Duty for Training (IADT) is only authorized BAH Partial, or BAH-DIFF if paying child support.
- (3) Called/Ordered to ADT for 140 or More Days or Other Than Training for 181 or More Days and Authorized HHG Transportation. Except when supporting a contingency operation, the initial rate ends on the day before the RC member reports at the duty location specified in the active-duty order. Whether or not the duty is in support of a contingency operation, BAH or OHA based on the primary residence starts at the time called or ordered to active duty for training, beginning on the first day of active duty and continues through the day before arrival at the PDS. BAH or OHA based on the PDS location begins on the day the RC member reports at that location. An RC member called or ordered to ADT for 140 or more days at one location or other than training for 181 or more days is authorized BAH or OHA in the same manner as a Service member already on active duty. OHA or BAH is not authorized for an RC member assigned adequate Government quarters to his or her grade and dependency status at the PDS.
- (4) Called or Ordered to ADT for 140 or More Days but Not Authorized HHG Transportation. If the RC member is not authorized HHG transportation (e.g., duty is not performed for 140 or more days at one location), he or she receives BAH or OHA based on the primary residence at the time called or ordered to active duty, except as specified for an RC member OCONUS without a dependent. An RC member without a dependent authorized PCS allowances but

not HHG transportation to a location OCONUS and Government quarters are not available, receives BAH or OHA based on the primary residence, unless the rate at the PDS is authorized or approved through the Secretarial Process.

- (5) Called or Ordered to Active Duty Other than Training for 181 or More Days but not Authorized HHG Transportation. An RC member called or ordered to active duty for other than training for 181 or more days who is not authorized HHG transportation for a PCS receives BAH or OHA based on the primary residence, except as specified for an RC member OCONUS without a dependent in subpar A6 below. The member must be residing at any of the following locations at the time called or ordered to active duty.
 - a. At locations outside the local commuting distance of the RC member's primary residence and the duty is not for more than 180 consecutive days at one location.
 - b. At a location other than the RC member's primary residence but authorized TDY allowances as specified in the JTR, par. 030302.B.2.c.
 - c. At a location to which the RC member commutes from his or her primary residence.
 - d. At a location OCONUS for a prospective period of less than 12 months.
- (6) RC Member without Dependent OCONUS. An RC member without a dependent—or who has no dependents other than for whom he or she is paying child support—and who is not authorized FSH as specified in Section 3.G.11 receives BAH or OHA based on the primary residence. If the following conditions apply:
 - a. The RC member is authorized PCS allowances to a location OCONUS.
 - b. The RC member is not authorized PCS HHG transportation because the prospective period is less than 12 months. HHG transportation under a TDY order, as specified in Chapter 2, does not affect this housing allowance authority.
 - c. Government quarters are not available at the PDS.
 - d. A determination may be made that it is inequitable to pay a housing allowance based on the primary residence. A housing allowance based on the PDS may be authorized or approved through the Secretarial Process by submitting a request to COMDT (CG-1332). If Government quarters are available for assignment to the RC member at the PDS, he or she receives only BAH or OHA on the primary residence.
- (7) Called or ordered to Active Duty for Contingency. An RC member called or ordered to active duty in support of a contingency operation is authorized BAH

or OHA based on the primary residence beginning on the first day of active duty. This rate is authorized even for duty of 30 or fewer days. This rate continues for the duration of the tour unless the RC member is authorized PCS HHG transportation, in which case the rate for the PDS would apply on the day the RC member reports to the PDS.

- (8) RC Member Married to Service Member. Unless an RC member is assigned to a contingency operation when he or she is called to active duty for 30 or fewer days, the RC member is authorized the RC rate (BAH-RC) without-dependent rate if he or she is not assigned to Government quarters and is married to another Service member on active duty without a dependent. For such an RC member on active duty for 31 or more days, each Service member is authorized BAH or OHA at the without-dependent rate. If a Service member in this situation has a dependent, BAH or OHA is paid as for an active-duty member.
- (9) Effect of Assignment to or Occupancy of Government owned or Leased Family-Type Quarters. An RC member ordered to active duty:
 - (1) Whose primary residence/home is Government owned or leased family-type quarters at the time called to active duty, is not entitled to a housing allowance.
 - (2) Who is single and paying child support, and the child(ren) for whom the support is being paid are residing in Government owned or leased family-type quarters, is only authorized a housing allowance at the without dependent rate.
- (10) BAH Rate Protection. BAH for an RC member is rate protected in accordance with Section 3.C.1 provided the member does not have a break in active service of one or more calendar days. This includes beginning a new active duty order or order extension without a break in active service.
- (11) Location Where BAH is Based – RC Members Without Dependents Ordered to Initial Active Duty for Training (IADT). A RC member's rental or lease agreement made with friends or family members for a private, non-commercial residence is not sufficient for official housing documentation. A RC member who jointly occupies the same residence of a friend or relative may not have the friend or relative prepare a rent or lease agreement solely for the purpose of qualifying the RC member to receive BAH. This residence is not considered the RC member's residence for the purpose of paying rent or a mortgage. However, formal and legal leases for rental properties of a commercial nature (such as an apartment complex or house rented as a commercial venture), even if made with a friend or family member, is sufficient documentation. In questionable cases, contact Commandant (CG-1332) by email at: HQS-DG-lst-CG-1332@uscg.mil
 - (1) Supporting Documentation for Maintaining a Permanent Residence.

- (a) Proof of ownership (any of the following). Copy of the deed in the member's name. Address must be the same as listed by the member on the BAH/Housing Worksheet, Form CG-2025. Copy of the mortgage payment book/mortgage statement; copy of the dwelling's insurance policy for the address, showing the member as the owner.
 - (b) Proof of responsibility for rental payments. Copy of the lease or rental agreement. The lease or rental agreement must indicate the member as a tenant, and the property address must be the same as listed by the member on the BAH/Housing Worksheet.
- (2) Ordered to IADT. If the member maintains and occupies their primary residence at the time ordered to IADT, BAH without dependents may be authorized for his or her primary residence if the member is responsible for paying rent, or a mortgage if owned by the member. The SPO supervisor at the IADT location will certify the CG-2025 and proof of financial responsibility.
- (3) Ordered to IADT and Paying Child Support. If the member maintains and occupies their primary residence at the time ordered to IADT, BAH with dependents based on the payment of child support may be authorized for his or her primary residence if the member is responsible for paying rent, or a mortgage if owned by the member. The SPO supervisor at the IADT location will certify the CG-2025 and proof of financial responsibility.
- (4) Ordered to back-to-back IADT with an authorized delay. With an authorized delay between the completion of recruit training and the start of class "A" school, if the member maintains and occupies his or her primary residence during this period, BAH without dependents or BAH with dependents (if paying child support), may be authorized as determined from the BAH rate received in recruit training. Effective on the reporting date to the subsequent IADT location, BAH at the without dependents rate or BAH at the with-dependents rate based on payment of child support may be authorized for his or her primary residence if the member maintains this residence and continues to be responsible for rent, or owns the residence. The SPO supervisor at the IADT location will certify the CG-2025 and proof of financial responsibility.
- (5) Ordered to back-to-back IADT with no authorized delay. Without an authorized delay between recruit training and class "A" school, effective upon reporting to class "A" school, the member will be authorized BAH without dependents or BAH with-dependents based on payment of child support based on his or her primary residence/home if the member maintains this residence and continues to be responsible for rent, or owns the residence. The SPO supervisor at the IADT location will certify the CG-2025 and proof of financial responsibility.

- (6) Split-phase IADT Periods. The RC member will have his or her BAH entitlement determined separately upon reporting to each separate IADT period.
10. Early Return of Dependents. When permanently stationed OCONUS, submit The OCONUS Early Return of Dependents (ERD) – Request for TONO/LOA, CG-2026.
- a. At Government Expense.
- (1) When all of a member's dependents are returned from an OCONUS PDS (including Alaska and Hawaii) at Government expense, not in conjunction with the member's next ordered PCS, the member's housing allowance at the with-dependents rate is now based on the dependents' permanent residence location effective on the arrival day. If the dependents' location is in an OHA area, OHA is authorized on the date private sector housing is acquired.
 - (2) OHA, or BAH, at the with-dependents rate for the member's OCONUS PDS stops on the day prior to the dependents' arrival date at the permanent residence location. If Government quarters (i.e. shipboard or barracks) are not available to the member after his or her dependents departure, FSH-B or FSH-O for the member's PDS location is authorized effective on the same day that BAH at the with-dependents rate begins. If Government quarters are available to the member, the member cannot decline assignment to the Government quarters to gain an entitlement to FSH-B or FSH-O. The adequacy of the Government quarters is not a factor in determining availability.
- b. At Personal Expense. When all of a member's dependents are returned early from an OCONUS PDS at personal expense, the member is not authorized a second housing allowance, FSH-B or FSH-O, and the with-dependent housing allowance rate remains based on the OCONUS PDS without change (unless there is a OHA-related paperwork change). If the member vacates family-type Government quarters that were occupied by the dependents before their departure, the member is authorized a with-dependent housing allowance rate for the member's PDS (for OHA - starting with the paperwork date).
11. Family Separation Housing (FSH) Allowance.
- a. General. The FSH allowance is based upon a separation resulting from military/uniform orders. Once a member elects to serve an unaccompanied tour, dependent transportation to the PDS is not authorized at Gov't expense. FSH may be payable to a member with dependents for the added housing expenses resulting from separation from the dependents when a member is assigned to an OCONUS PDS on an unaccompanied/dependent restricted tour, or to a PDS in CONUS to which concurrent travel has been denied. General conditions are:
- (1) Dependent transportation to the PDS is not authorized at Government expense

under 37 U.S.C. 406;

- (2) Dependents do not reside in the PDS vicinity; and
- (3) Gov't Qtrs are not available for assignment to the member.

Note: Application for FSH is made by completing the Family Separation Housing Allowance Worksheet, Form CG-7220.

- b. Rates Payable. There are two types of FSH; FSH-B (BAH) is payable in a monthly amount equal to the without-dependent BAH rate applicable to the member's grade and PDS. FSH-O (OHA) is payable in a monthly amount up to the without-dependent OHA rate applicable to the member's grade and PDS.
 - (1) FSH - BAH Based Location (FSH-B) is payable for assignments at PDSs in Alaska and Hawaii or to a CONUS PDS to which concurrent travel has been denied and is based on the PDS location. Payment starts upon submission of proof that Government quarters are not available and the member has obtained private-sector housing.
 - (2) FSH - OHA Based Location (FSH-O) is payable for assignments at PDSs outside the United States (non-BAH payable location) and is based on the location of the PDS. Payment is under the same conditions as for OHA for a member without dependents. OHA rules for determining monthly rent, utility allowance, MIHA, and advances apply.
- c. When Not Payable. A member may not be paid FSH-B or FSH-O when the:
 - (1) Member's spouse or only dependent is a member of the uniformed services on active duty;
 - (2) Member has no dependents other than a dependent for whom the member is paying child support but does not have legal physical custody and control. This situation is fundamentally different from a member who has a spouse and/or child(ren). The member with spouse/child(ren) is authorized transportation of dependents under 37 U.S.C. 406, just not to the PDS because of the nature of the tour or the PDS location. The member who has a dependent solely by reason of child support is not eligible for any transportation of that dependent under 37 U.S.C. 406, because the member does not have physical custody and control. The ineligibility for transportation as opposed to a tour/location denial precludes payment of FSH; or
 - (3) Member is assigned to a CONUS PDS other than a PDS in CONUS to which concurrent travel has been denied.
 - (4) Member elects not to occupy available assigned Government quarters and resides in a private-sector residence for personal convenience.

- (5) Member is assigned to a career sea pay eligible vessel. Government quarters are available aboard the vessel.

d. Temporary Social Visits by Dependents.

- (1) FSH-B/FSH-O continues uninterrupted while the member's dependents visit at or near the member's PDS, but for no longer than 90 continuous days. Facts clearly must show that the dependents merely are visiting (not changing residence) and that the visit is temporary and not intended to exceed 90 days.
- (2) If, for unforeseen reasons (due to illness or other emergency) a bona fide social visit extends beyond 90 days, FSH-B/FSH-O stops at the end of the 90-day period. FSH-B/FSH-O is again authorized on the day that the dependents depart from the PDS.
- (3) If one or more (but not all) dependents visit for longer than 90 days and the member is authorized a with dependent housing allowance on behalf of the dependents who are not visiting the member or do not reside in the member's PDS vicinity, then the member is authorized FSH-O/FSH-B. FSH-O/FSH-B is not authorized if the dependent(s) who is not visiting is a student dependent because the residence of a student dependent is considered to be the member's PDS or the designated place of the other dependents (37 U.S.C. 475).

e. Dependents Reside in the Member's PDS Vicinity. FSH-B/FSH-O is not authorized if all of the member's dependents reside in the vicinity of the PDS. If some (but not all) of the dependents voluntarily reside near the PDS, FSH-B/FSH-O continues.

f. FSH in Situations Other Than an Unaccompanied Tour. FSH may be paid in situations for other than an unaccompanied tour. For situations and start-stop rules, see the JTR:

- (1) Acquired dependents – Par. 100903.
- (2) Delays Caused by the Government - Par. 100907.
- (3) Early return of dependents - Par. 100909.
- (4) Evacuation - Par. 100910.
- (5) PCS Travel Associated with an Evacuation and Safety - Par. 051205.

g. See Figure 3-23 for FSH conditions affecting authority.

12. Housing Allowance and Housing Assignment Flexibility for Certain Members With Dependents: Permanent Change of Station Within the United States.

- A. General. In accordance with 37 USC 403a, effective for permanent change of station (PCS) order departure dates on or after 1 October 2018, a member with dependents may be authorized certain housing allowance or housing assignment flexibility during the covered relocation period when executing a PCS order within the United States (including Alaska, Hawaii, and the District of Columbia).
- B. Covered Relocation Period. The covered relocation period begins 180 days before the date of the PCS, which is the member's official PCS departure date from their current permanent duty station (PDS), and ends 180 days after their PCS departure date. The Secretary Concerned may lengthen or shorten the covered relocation period through the Secretarial Process based on the needs of the Service.
- C. Eligibility. A member with dependents in receipt of a PCS order within the United States may be authorized housing allowance or housing assignment flexibility who has one of the following:
1. One or more dependents enrolled in the CG Special Needs Program.
 2. A spouse who is gainfully employed or enrolled in a degree, certificate or license granting program at the beginning of the covered relocation period.
 3. One or more dependents attending an elementary or secondary school at the beginning of the covered relocation period.
 4. An immediate family member with a chronic or long-term illness at the beginning of the covered relocation period for whom the member is caring.
- D. Housing Flexibility Options:
1. Continuation of housing for the spouse and other dependents. If a spouse or other dependent of a member whose request is approved resides in Government-owned or Government-leased housing at the beginning of the covered relocation period, the spouse or other dependent may continue to reside in such housing during the covered relocation period.
 2. Early housing eligibility. If a spouse or other dependent of a member whose request is approved is eligible to reside in Government-owned or Government-leased housing following the member's permanent change of station within the United States, the spouse or other dependent may commence residing in such housing at any time during the covered relocation period.
 3. Temporary use of Government owned or leased single-type housing intended for members without a spouse or dependent. If a spouse or other dependent of a member relocates at a time different from the member in accordance with an approved request, the member may be assigned to Government-owned or Government-leased housing intended for the permanent housing of members' dependents until the member's detachment date of the dependents' arrival date, but only if such

Government-owned or Government-leased housing is available without displacing a single member at such housing.

- E. Equitable Basic Allowance for Housing. When the PCS order is issued, the member's dependents may perform PCS travel at a different time than the member. Unless the member is otherwise authorized or approved to receive BAH for a dependent location or previous PDS the member's housing allowance is based on the PDS. However, an eligible member may request a housing allowance based on the dependents location. If authorized or approved for dependents who relocate in advance or after the member, a housing allowance under this paragraph may be based on one of the following:
 - 1. The new PDS.
 - 2. The dependent location when the member departs for their new PDS (only for the time the dependents reside in that area).
 - 3. The member's former PDS, but only if different than the dependents location.
- F. Eligibility Expiration. If the member's eligibility expires for any reason during the covered relocation period, that period is terminated and BAH is based at the PDS where the member is assigned at that time. If the member departs the former PDS, and the dependents that are the basis of the eligibility do not arrive at the new PDS within the covered relocation period, the housing allowance is paid at the new PDS location rate beginning the day after the relocation period ends.
- G. Requesting Housing Flexibility. A member will complete and submit to CG PSC-PSD-FS the family stability Act BAH/Housing Worksheet (CG-7220H). Unless there is evidence of significant error or policy misinterpretation, CG PSC-PSD FS decision are final and conclusive.
- H. Family Separation Allowance (FSA).
 - 1. Entitlement Provisions. Under the provisions of 37 U.S.C. 427, FSA is payable to members with dependents. FSA provides compensation for added expense incurred because of an enforced family separation under one of the conditions in Sections 3.H.3.a.(1) through (3). FSA is payable to qualified member serving inside or outside the United States. FSA is not authorized when a member performs duty at any station under administrative absence or humanitarian assignment, etc. FSA is comprised of FSA-R, FSA-S, and FSA-T, and is payable in addition to any other allowance or per diem to which a member may be entitled. A member, however, may not receive more than one FSA payment for the same period even though the member may concurrently qualify for FSA-R and FSA-S or FSA-T (47 Comp Gen 788). Effective 1 Oct 2002, FSA is payable in a monthly amount of \$250.
 - 2. Definition of Terms. For the purpose of this section the following definitions apply:

- a. Dependent. The term “dependents” has the same meaning as defined earlier in Chapter 3 and is further defined below:

- (1) Child. A dependent child(ren) is an unmarried child(ren) of the member who is in the legal custody of the member. Legal custody includes a circumstance in which the member has been awarded joint physical and legal custody of a dependent child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member on an equal basis (no less than 14 days during a month) as compared to the time the child(ren) reside(s) with the former spouse, and the member’s actual physical custody of the child(ren) is precluded due to an enforced family separation described in Section 3.H.3 of this Manual. Such a custody arrangement must be stipulated in the signed court order or divorce decree, subject to the review and verification by the member’s SPO, or CG PPC (LGL) if the SPO cannot accurately determine the custody arrangement as stipulated in the signed court order or divorce decree. See Section 3.H.5.c of this Manual.
- (2) Secondary-Parents. The natural father or mother, or father or mother through adoption. It also includes persons who have stood "in loco parentis" to a member. See Section 3.D.14 of this Manual for determination of dependency.

Note: Generally, a member of a Uniformed Service may not be paid an allowance (including FSA) for a dependent during any period for which the dependent is entitled to active duty Basic Pay. This does not negate an entitlement to FSA for a couple comprised of a member married to another member with no other dependents. Such a couple is entitled to FSA.

- (3) Spouse. An individual who is legally married to the Service member.
- b. Household. This term means the same as “home” or “family.” It applies to a collection of persons living under one roof, having one head or manager who controls and supervises the affairs of the family. For FSA purposes, this only applies to secondary dependents who reside in the member’s residence. Secondary parent dependents who maintain their own residence do not qualify as FSA dependents. (46 Comp Gen 148).
- 3. Conditions of Entitlement of FSA. FSA provides compensation for added expenses incurred because of an enforced family separation due to official orders (except permissive orders), under one of the below conditions in 3.H.3.a. See Section 3.H.4 of this Manual for rules concerning FSA entitlement for members married to members. See rules in Figures 3-24, 3-25, 3-26, and 3-27.
- a. When Payable. FSA is payable to a member serving in any grade as a member with dependents. A member must meet all general requirements and one of the following

conditions:

(1) FSA-R (Restricted).

- (a) Transportation of dependents, including dependents acquired after effective date of orders (see Figure 3-26, FSA Start Date, rules 8 and 9), is not authorized at Government expense and the dependents do not live in the vicinity of the member's homeport/permanent duty station. See Figure 3-24, rule 23, for married-member-to-member and the active duty spouse executes a PCS order away from their active duty spouse.
- (b) Transportation of dependents is authorized at Government expense, but member elects an unaccompanied tour of duty because a dependent cannot accompany the member to, or at that homeport/PDS due to certified medical reasons, regardless of the date on which the member first made the election to service an unaccompanied tour. Requests will be submitted in writing to Commandant (CG-1332).

(2) FSA-S (Ship). Is authorized when a member is permanently assigned to a ship, and the ship is away from its homeport continuously for more than 30 days. (44 Comp Gen 324, MS Comp Gen B-165122 dated 31 Jan 1969, and MS Comp Gen B-237554 dated 2 Nov 1990.) Refer to Section 3.H.11 for computation of the 30-day qualifying period. Effective 10 Feb 1996, dependents are no longer required to reside in the vicinity of the homeport.

Note: Under the Coast Guard's Mission Effectiveness Program (MEP), a vessel's crew who departs their vessel and temporarily serves aboard another vessel remain assigned to their vessel's PDS home port. If the vessel departs its official home port and makes a port call to the crew's PDS home port within 30 days of the departure date the crew returned to its PDS home port, are not considered away from their PDS home port for more than 30 continuous days.

(3) FSA-T (Temporary). The member is on temporary duty (TDY) (or temporary additional duty) away from the permanent duty station continuously for more than 30 days, and the member's dependents are not residing at or near the TDY station. This includes members who are required to perform a period of the TDY before reporting to their initial station of assignment. No social visit(s) occur between the member and any of their dependent(s) during the initial 30-day qualifying period. See Section 3.H.11 for computation of the 30-day qualifying period. Effective 10 Feb 1996, dependents are not longer required to reside in the vicinity of the permanent duty station.

Note: Members are entitled to FSA-T for TDY periods of over 30 continuous days if the member is assigned on an unaccompanied tour of duty and dependents do not reside at or near the TDY station and they do not reside near the PDS as defined in Section 3.H.7.

- b. Continuous Period of FSA Eligibility. Continuous FSA is payable to a member who performs the same type of FSA duty within 30 days (e.g., a member who qualifies for FSA-S, who within 30 days deploys for another qualifying period of FSA-S, is entitled to continuous FSA). The interim period starts the day after the initial deployment and ends the day prior to redeployment.

Examples (1) through (4):

- (1) An eligible member attached to a career sea pay eligible vessel departs its homeport on 1 Jul and returns to homeport on 15 Aug, the member is entitled to FSA-S payment for 44 days under Section 3.H.11. On 14 Sep, the vessel departs its homeport for a subsequent period of 35 days. Since the interim period of homeport was 29 days and the member was entitled to FSA-S for the initial and subsequent period away from homeport; the member is also entitled to FSA-S for the 28-day interim period.
- (2) An eligible member departs for a TDY period on 1 Mar and returns on 4 Apr. The member is entitled to FSA-T for 33 days under Section 3.H.10. On 6 May, the member departs for a subsequent TDY period of 35 days. The member is not entitled to FSA-T for the interim period because that period exceeded 30 days.
- (3) An eligible member is attached to a career sea pay eligible vessel, and that vessel departs its homeport on 1 Jun and returns to homeport on 1 Jul. The member is entitled to FSA-S for 30 days under Section 3.H.11. On 25 Jul, the vessel departs its homeport for a subsequent period of 20 days. Since no entitlement exists for the subsequent deployment, no entitlement is created for the interim period.
- (4) An eligible member is attached to a career sea pay eligible vessel, and that vessel departs its homeport on 1 Sep and returns to homeport on 1 Oct. The member is entitled to FSA-S for 30 days under Section 3.H.11. On 25 Oct, the member departs TDY ashore for a subsequent period of 35 days. Interim FSA is not payable due to different FSA conditions of entitlement.

4. Member Married to Member.

- a. FSA is payable to a married member-to-member couple regardless of whether the member has any non-active duty dependents, when all other general conditions are met and provided the members were residing together immediately before being separated by reason of execution of military orders (except permissive orders).
 - (1) Except as provided in Section 3.H.4.b, not more than one monthly allowance may be paid with respect to a married military couple for any month. Each member may be entitled to FSA within the same month, but both cannot simultaneously be

entitled. Payment must be made to the member whose orders resulted in the separation. If both members receive orders requiring departure on the same day, then payment will go to the senior member.

- (2) If a member meets the requirements for credit of FSA, but entitlement is precluded by an existing entitlement status of the spouse, then the second member may, if still qualified, immediately become entitled to FSA upon termination of the spouse's status. The couple may qualify for sequential entitlements to FSA provided military orders keep them continuously separated.
 - (3) In order to qualify for a subsequent entitlement to FSA, a married member couple, no longer separated by reason of military orders, must reestablish a joint household and reside together.
- b. Effective 1 Oct 2008, FSA is payable to both married members when they reside together with their dependents immediately before being separated from dependents, by competent orders, to assignments prescribed in Section 3.H.3. Each member's entitlement is determined individually based on assignment and separation from dependents. The dual allowance shall continue until one of the members is no longer assigned to one of those duty assignments. The other member shall continue to receive the allowance until no longer assigned to one of those duty assignments. This is true even when both members are assigned to the same duty location away from their dependents. Before initiating a FSA payment, the command and SPO will verify that each member meets the FSA eligibility requirements.
 - c. In the case of a member married to another member and the couple has a child/children that either parent can claim for Basic Allowance for Housing (BAH), one parent may claim the child/children for entitlement to BAH, and the other parent, when otherwise entitled, may claim the child/children for entitlement to FSA. The FSA entitlement may alternate between parents based on the same dependent; however, FSA may not be paid simultaneously to both members on behalf of the same dependent, except as provided in Section 3.H.4.b.
5. Dependents Separation Requirements. A member is not considered "a member with dependents" for FSA entitlement when:
 - a. The sole dependent is placed in an institution for a known period of over one year or for an indefinite period, which may be expected to exceed one year.
 - b. The sole dependent is a spouse legally separated or a child in the legal custody of another person. The exception occurs when the member has joint physical and legal custody of the child(ren) and the child(ren) otherwise would reside with the member at least 14 days each month but for the current assignment, the member shall be considered as a "member with dependents" for FSA entitlement.

- c. The member has been awarded joint legal and physical custody of the child(ren) as a result of a court ordered custody agreement or finalized divorce decree, which provides that the child(ren) physically reside with the member less than 14 days during the month.
 - d. The member's dependent parent does not reside in the home, which the member controls, supervises, and maintains for mutual use when circumstances permit (43 Comp Gen 44, 46, and 148).
6. Temporary Social Visits by Dependents.
- a. FSA-R. Credit continues to accrue while the member's dependents visit at or near his or her permanent station, but for no longer than 90 continuous days (3 months). Facts clearly must show that the dependents are visiting (not changing residence) and the visit is temporary and not intended to exceed three months. If, for unforeseen reasons (due to illness or other emergency), a bona fide social visit extends beyond 90 continuous days (3 months), then stop credit for FSA at the end of the three-month period. If the visit initially is intended to exceed 90 continuous days (3 months), then stop FSA credit the day before the dependents arrive at the member's PDS. Credit is again authorized on and after the day that the dependents depart from the PDS (3 Comp Gen 596). A member is entitled to FSA-R, even though one or more (but not all) dependents visit for longer than 90 continuous days (3 months) if the member is entitled on behalf of the dependents who are not visiting the member (43 Comp Gen 332).
 - b. FSA-S. Credit continues to accrue to the member whose dependents are visiting at or near his or her duty station (or any port) continuously for 30 days or less. Facts must show that the dependents merely are visiting. If the visit exceeds 30 days, then entitlement to FSA-S ends on the day preceding the date of dependent arrival, unless the visit is extended because of illness or other emergency. Under such circumstances, payment of FSA-S is limited to 30 days. Entitlement to FSA-S exists if one or more (but not all) of the dependents visit for longer than 30 days if the member otherwise is entitled to FSA-S on behalf of the dependents who are not visiting the member.
 - c. FSA-T. Credit continues to accrue to a member whose dependents visit at or near the temporary duty station continuously for 30 days or less. Facts must show that the dependents are merely visiting. If the visit exceeds 30 days, the member is not entitled to FSA-T for any part of the period of the visit, unless the visit is extended because of illness or other emergency. Under such circumstances, payment of the allowance is limited to 30 days. Entitlement of FSA-T resumes on the day that the dependents depart the temporary duty station, if the member's TDY extends for more than 30 days from that date. Entitlement to FSA-T exists if one or more (but not all) of the dependents visit for longer than 30 days if the member otherwise is entitled on behalf of the dependents who are not visiting the member (43 Comp Gen 332).

7. Dependents Residing at or Near the Duty Station. FSA is not authorized if all of the member's dependents reside at or near the duty station. If some (but not all) of the dependents voluntarily reside near the duty station entitlement may accrue for the dependents who do not reside at or near the member's duty station. Consider dependents as residing near a duty station if the member actually commutes daily, regardless of distance. Also consider dependents as residing at or near the duty station if they live within a reasonable commuting distance of the duty station, whether or not the member commutes daily. Using the Defense Table of Official Distances (DTOD) mileage calculation, a distance of 50 miles, one way, is normally considered to be within a reasonable commuting distance of a duty station, but the 50-mile rule is not inflexible. Unusual conditions may permit a determination that dependents do not live within a reasonable commuting distance, even though the distance involved is less than 50 miles one way. In a situation where the distance is less than 50 miles, but the time required to commute one way by commonly used route and methods of transportation would exceed one and a half hours, the dependents shall be considered as not residing near the member's duty station, unless the member actually commutes daily. If dependents are authorized concurrent travel with the member to the duty station and are subsequently authorized to reside at a point over 50 miles from the member's duty station for personal reasons, rather than as a result of military restriction on dependents' travel, then FSA entitlement does not accrue. These rules also apply to assignment situations regarding the distance between active duty member married-to-member couples who have no dependents. In questionable or unusual cases, commanders may submit requests to Commandant (CG-1332) for determination.
8. Ship Moves from Homeport (Homeport not Changed). When a ship moves from its homeport to another port within 50 miles of the homeport (or a two hour round trip travel time), those members permanently attached to the ship, whose dependents do not reside at or near the homeport under the criteria in Section 3.H.7, do not become entitled to FSA-S. However, those members permanently attached to the ship whose dependents do reside at or near the homeport and are over 50 miles (or less than 50 miles but over the two hour round trip travel time) from the physical location of the ship are entitled to FSA-S, provided they do not commute regularly (three times a week while vessel is in port). When a ship moves more than 50 miles or over a two hour round trip travel time from the homeport, FSA-S is payable if otherwise entitled.
9. Entitlement Incident to Permanent Change of Station (PCS) Reassignments.
 - a. Continental United States (CONUS) Assignments. This subsection applies to FSA entitlement incident to regular PCS reassignments and permissive PCS reassignments.
 - (1) Entitlement to FSA upon regular PCS is authorized only when movement of a member's dependents to the new permanent duty station is not authorized at

Government expense. Voluntary reassignments for the convenience of the Government do not qualify members for FSA. See Section 3.H.4 regarding married member-to-member.

- (2) Members are entitled to FSA-S when performing duty onboard a ship if the ship is away from the homeport for more than 30 continuous days. If, however, the ship arrives and remains at a port other than the homeport for a period of more than 30 days at a location where the member's dependents reside, then payment of the FSA-S is precluded if the member resides with the dependents. A member is entitled to FSA-S for redeployment if he or she returned to the homeport after the original deployment for a period of 30 days or less and redeployed for a period of more than 30 continuous days.
 - (3) Members are entitled to FSA-T for TDY periods of over 30 continuous days if the dependents did not reside at or near the TDY station. A member is entitled to FSA-T for redeployment if he or she returned to the PDS after the original TDY for a period of 30 days or less and redeployed for a period of more than 30 continuous days.
 - (4) A member who is otherwise entitled to transportation of dependents at Government expense, but who is enrolled in the Coast Guard Special Needs Program, and whose dependents cannot accompany the member to or at the homeport/PDS due to certified medical reasons, may be paid FSA-R. A Request for FSA under this provision will be sent to Commandant (CG-1332) for review and determination.
- b. Overseas Assignments. Dependents are permitted in some areas overseas and not permitted in others (dependent-restricted areas). A member selected for PCS overseas to an area where his or her dependents are permitted must elect to service either an unaccompanied or an accompanied tour.
- (1) A member electing to serve an unaccompanied tour, in lieu of an accompanied tour at a PDS where his or her dependents are permitted, is not entitled to FSA-R for such a tour. A member who is in receipt of accompanied tour orders, and subsequently requests to service an unaccompanied tour, to include a dependents-restricted tour, in lieu of an accompanied tour at a PDS where his or her dependents are permitted, is not entitled to FSA-R for such a tour. Commandant (CG-1332) may make a determination to authorize FSA-R when unusual family or operational circumstances exist.
 - (2) Refer to Figure 3-25 (FSA-R, Overseas Assignment) for FSA entitlement for otherwise eligible members assigned PCS overseas.
 - (3) A member who voluntarily is reassigned PCS (overseas) under permissive orders from the station where he or she already is entitled to FSA-R remains entitled if reassigned to an area overseas where dependents are not permitted

(dependent-restricted tour) or under circumstances authorized by secretarial waiver from Commandant (CG-1332).

- c. Unusual Family or Operational Circumstances. Commandant (CG-1332) may waive the provisions of Section 3.H.3.a.(1), (2), and (3), when it is in the best interest of the Government to permit payment to members who, through no fault of their own, must relocate in an unaccompanied status for reasons of equity in unusual family or operational circumstances. Request for FSA under this provision will be sent to Commandant (CG-1332) for review and determination.
 - d. Dependents Evacuated. Refer to Figure 3-26, rule 16. A member is entitled to FSA when his or her dependents are evacuated from a danger area and they temporarily occupy Government quarters at a safe haven area under conditions outlined in Section 3.F.11.a of this Manual.
 - e. Dependent's Travel Prohibited Under Immigration Laws. If a dependent is otherwise authorized transportation at Government expense but is not eligible under immigration laws for entry into the United States before a member reports to the new permanent station, entitlement to FSA-R does not accrue.
10. Family Separation Allowance during a Missing Status. FSA-T continues to accrue to a qualified member while in a missing status unless there is a change in the status of the dependents, which would terminate entitlement. See Figure 3-17 (Date to Stop FSA). A member may qualify for FSA-T while in a missing status if a continuous period of more than 30 days is completed after entry into the missing status.
11. Computation of Single or Multiple Periods of More Than 30 Days.
- a. FSA-T for Single Periods. FSA-T may not be applied until the member has been on TDY away from his or her PDS continuously for more than 30 days. Compute this period as follows:
 - (1) Count the actual number of days in the month, including the day the member departs the PDS on TDY and the day of return to the PDS. Include the 31st day of the month even though payment is made on a 30-day month basis. The 28th day of February is counted as only one day for computation and three days for payment. No payment is made for the day of return to the permanent station.

Example (1). A member departs the permanent duty station on TDY 25 Feb (non-leap year) and returns 29 Mar utilizing one day travel time each way and no leave en route. Member is entitled to FSA-T for 34 days. (4 days in February and 29 days in March = 33 days for computation; six days in February and 28 days in March = 34 days).

Example (2). A member departing the permanent duty station on TDY 25 Feb (non-leap year) and returning on 26 Mar is not entitled to FSA-T since the period of absence was not more than 30 days (4 days in February and 26 days in March = 30 days).

- (2) Include days of authorized travel time to and from the TDY station. When there is no delay enroute chargeable as leave, count the day of departure from the PDS and the day of return to the PDS. When delay enroute chargeable as leave is authorized, count the constructive day of departure and the constructive day of return. Compute these days as follows:
 - (a) Constructive day of departure from the PDS either is the actual date of detachment plus days of authorized leave, proceed time, and permissive travel days used or the first day of authorized travel, whichever is later.
 - (b) Constructive day of return to the PDS is the actual date of return minus number of days leave authorized and used, minus the number of permissive travel days actually used.

Examples:

- (i) The member permanently stationed at site A is ordered TDY to site B for training of approximately 30 days. Training to begin 1 Jun. The member is authorized travel by privately owned conveyance (POC) as more advantageous to the Government, and 5 days of leave enroute. The member departs from site A on 25 May and uses 5 days of leave enroute to site B. The member completes the training on 27 Jun, departs from site B on 28 Jun, and returns to duty at site A on 30 Jun. Constructive day of departure is 30 May. The period of absence is 32 days (30 May 30 – 30 Jun). If a member qualifies under 3.H.3, then entitlement exists to FSA-T for 30 days (i.e., there is no entitlement for 31 May and 30 Jun).
 - (ii) Circumstances are the same as in Example 1, except that the member uses 5 days of leave after completion of training. The member departs from site A on 30 May, completes training on 27 Jun, departs from site B on 28 Jun, and returns to duty at site A on 5 Jul. The constructive day of return is 30 Jun. The period of absence is 32 days, computed as in example (1). If the member otherwise qualifies, then entitlement exists to FSA-T for 30 days.
- (3) When TDY is authorized in conjunction with PCS, include days of authorized travel time to the TDY station and from the TDY station to the new duty station. When there is no delay enroute or proceed time involved, count the day of departure from the old duty station and the day of arrival at the new duty station. When delay enroute and proceed time are authorized and used, the day of departure from the old station and the day of arrival at the new station must be constructed in the manner indicated in Sections 3.H.11.a.(2)(a) and (b). Proceed time authorized and used must

be included with the delay when making the computation. Consecutive assignments to TDY in conjunction with PCS may be combined in determining the 30-day period.

- (4) Under specific circumstances, when travel in connection with TDY is performed by POC for the convenience of the traveler, payment based on actual travel expenses may be more economical to the government than payment based on constructive travel time over a usually traveled route. In that case, the Joint Travel Regulation (JTR) authorizes travel payment based on the actual mode of transportation. In computing the more than 30 days required for entitlement to FSA-T under these circumstances, ensure that the computation is based on the mode of transportation, which governed payment of a particular member's travel allowance. Computation for FSA-T entitlement under this subparagraph is not necessarily based on constructive travel time.
- (5) If a member's TDY status is interrupted, then do not combine days before the interruption with those after the interruption to compute a continuous period of more than 30 days. Periods of leave, hospitalization, military confinement in a pay status, or short visits to the PDS do not interrupt the period unless the member is relieved from the attachment to the TDY station. A member who returns to the PDS to assume a duty status (such as participation in official flights) does interrupt a period of TDY. If leave enroute is authorized after detachment from the TDY station, then add constructive travel time from the TDY station to the PDS to the period of TDY in determining the 30-day period. A period of compensatory absence, a return to the permanent station to perform duty, or a detachment from the TDY station, does interrupt the period of TDY (43 Comp Gen 755 and 44 Comp Gen 611).

Examples:

- (1) A member departs the permanent station on 25 May, at any time during the day, and uses five days leave en route to the TDY station. Travel via POC is authorized as more advantageous to the Government. The member departs from the TDY station on 27 Jun and returns to the permanent duty station on 29 Jun. Consider the constructive day of departure as 30 May. Member is entitled to FSA-T for two days in May and 29 days in June = 31 days.
 - (2) Member departs the permanent duty station on 1 Jul, completes TDY on 29 Jul, departs from TDY station on 30 Jul using 5 days leave en route, and returns to the permanent duty station on 6 Aug. Consider the constructive day of return as 1 Aug. Member is entitled to FSA-T for 31 days in Jul.
- b. FSA-T for Multiple Periods of Deployment. Provided the conditions of Section 3.H.3.a.(3) are met, the periods of FSA-T eligibility for multiple periods of TDY deployment, including the periods between such deployments, are calculated as follows:

- (1) Count. Although payment is made on a 30-day month basis, count the actual number of days in each applicable month, to include the 31st day of the month, as one of the actual days.
- (2) Computation. Calculate the FSA-T period of the initial TDY/TAD deployment to determine the initial deployment period as set forth in Section 3.H.11.
- (3) Interim and Redeployment Period.
 - (a) The interim period begins on the day after the initial deployment through the day prior to redeployment. The interim period must be 30 days or less.
 - (b) The redeployment period begins the day that the member departs the PDS and ends upon return to the PDS. The redeployment period must be more than 30 days and must be added to the interim period.

Examples:

- (1) The member permanently stationed at site A is ordered to perform TDY at site B for 45 days, with departure from PDS on 2 Jan and return to PDS on 15 Feb. The member departs from PDS on 18 Mar for redeployment of 35 days. Since the member qualified for FSA-T for the initial deployment, he or she is eligible for continued FSA-T for the total 65 days of interim/redeployment period (actual interim period of 30 days and redeployment of 35 days).
 - (2) The member permanently stationed at site A is ordered to perform TDY at site B for 60 days, with departure from PDS on 1 Mar and return to PDS on 29 Apr. The member departs from PDS on 31 May for redeployment of 40 days. Although the member qualified for the initial 60-day period deployment, he or she is ineligible for the interim period. The actual interim period is 31 days (30 Apr – 30 May). The member would be entitled to FSA-T for the actual redeployment period (40 days).
 - (3) The member permanently stationed at site A is ordered to perform TDY at site B for 31 days, with departure from PDS on 1 Jun and returns to the PDS on 1 Jul. The member departs from PDS on 2 Jul for redeployment of 41 days. Since the member qualified for FSA-T for the initial deployment of 31 days, he or she is eligible for the continued FSA-T for the interim/redeployment period (actual interim period is 0 days, actual redeployment period is 41 days).
- c. FSA-S For Single Periods. Credit for FSA-S may not be applied until the member has been on duty onboard a ship away from the homeport of the ship for a continuous period of more than 30 days. Periods of leave, TDY, hospitalization, military confinement in a pay status, or short visits by the member (not the ship) to

the homeport of the ship do not interrupt the qualifying period unless the member is detached (PCS) from the ship. Consecutive assignment to duty on board two or more ships away from the homeport may be combined to meet this requirement (43 Comp Gen 332 and 748 and 45 Comp Gen 838). See example (5). In computing the continuous period of more than 30 days, count the actual number of calendar days (including the 31st day of the month) that the member was on duty onboard a ship while it was away from its homeport. Include in this computation the day of departure onboard a ship from its homeport (or the day the member joins or rejoins a ship away from its homeport, if applicable) and the day of return onboard a ship to its homeport.

Examples (1) through (5) show how to compute the more-than-30-day period and the related amount of FSA-S payable:

- (1) A member onboard a ship that departs its homeport on 15 Jun and returns on 15 Jul is entitled to FSA-S in the amount of \$250 (actual period of 16 days in Jun and 15 days in Jul = 31 days; 16 days in Jun and 14 days in Jul = 30 days for payment).
 - (2) A member onboard a ship that departs its homeport on 5 Oct and returns on 4 Nov is entitled to FSA-S in the amount of \$241.83 (actual period of 27 days in Oct and 4 days in Nov = 31 days; 26 days in Oct and 3 days in Nov = 29 days for payment).
 - (3) A member onboard a ship that departs from its homeport on 25 Feb (non-leap year) and returns on 26 Mar is not entitled to FSA-S since the absence is not more than 30 days (actual period of 4 days in Feb and 26 days in Mar).
 - (4) A member who reports onboard a ship on 25 May while it is away from the homeport and returns with the ship to the homeport on 30 Jun is entitled to FSA-S in the amount of \$291.67 (actual period of 7 days in May and 30 days in Jun = 37 days; 6 days in May and 29 days in Jun = 35 days for payment).
 - (5) A member onboard ship A that departed from its homeport on 2 Aug was transferred (PCS) to ship B on 18 Aug (detached and attached the same day) while ship B was away from its homeport. A member remains aboard ship B until it returned to the homeport on 6 Sep. The member is entitled to FSA-S in the amount of \$283.33 (actual period of 30 days in Aug and 6 days in Sep = 36 days; 29 days in Aug and 5 days in Sep = 34 days for payment).
- d. FSA-S for Multiple Periods of Deployment. Provided the conditions of Section 3.H.11.a.(2) are met, the periods of FSA-S eligibility for multiple periods of TDY deployment aboard a ship, including the period between such deployments, are calculated as follows:
- (1) Count. Although payment is made on a 30-day month basis, count the actual number of days in each applicable month by including the 31st day of the month as one of the actual days.

(2) Computation. Calculate the FSA-S period of the initial deployment aboard a ship as set forth in Section 3.H.11.c.

(3) Interim and Redeployment Period.

(a) The interim period begins on the day after the initial deployment through the day prior to redeployment. The interim period must be 30 days or less.

(b) The redeployment period begins on the day that the member departs the ship's homeport and ends upon returning to the homeport. The redeployment period must be more than 30 days and must be added to the interim period.

12. Restrictions. The following restrictions apply to FSA-S and FSA-T:

- a. The 30-day requirements to qualify for FSA-S or FSA-T are separate, the periods of temporary duty and duty aboard ship while away from homeport may not be combined for the purpose of FSA entitlement (43 Comp Gen 333). However, when the member has previously qualified for either FSA-S or FSA-T (met the "more than 30 day" rule) a change in status from FSA-T to FSA-S or vice versa, does not disqualify the member to the entitlement for the entire period of separation from dependents.
- b. Periods of hospitalization or TDY for more than 30 days by the member at a place residing with his or her dependents may not be included when calculating whether the 30-day requirement was met.

Examples:

- (1) A member on board a ship departing its homeport on 11 Jun for a 15 day patrol (ship returns 26 Jun) will have no entitlement to FSA-S. If on 23 Jun, the same member departs the ship, at other than the ships homeport, for TDY ashore for 20 days and returns to the ship on 13 July will have no entitlement to FSA-T, even though the total period is over 30 days.
- (2) A member on board a ship and the ship departs its homeport on 1 Jul, departs the ship at other than the ships homeport on 7 Jul for TDY ashore and returns to the ship on 29 Jul, then the ship returns to homeport on 6 Aug. The member is entitled to FSA-S for the entire period. There is no entitlement to FSA-T, and this is not combining FSA-S with FSA-T, this is FSA-S only.

I. Clothing Allowance for Officers.

1. Authority. Under the provisions of 37 U.S.C. 415 and Public Law 96-513, all officers are entitled to an initial uniform allowance upon their first appointment as an officer (Temporary or Regular) or as a permanent warrant officer.

2. Entitlement Restrictions. Regular officers who received this uniform allowance while serving as a regular officer in any service are not entitled to a subsequent uniform allowance.
3. Civilian Clothing Allowance. Under the provisions of 37 U.S.C. 419, officers assigned to a permanent duty station outside of the United States may be paid a civilian clothing allowance if the officer is required by competent authority to wear civilian clothing all or a substantial portion of the time (more than 50 % of the time is considered substantial) in the performance of their official duties.
4. Who May Authorize the Civilian Clothing Allowance.
 - a. Coast Guard Activities Europe and Coast Guard Far East Section. Commanding Officers of CG Activities Europe and the CG Far East Section are authorized to approve and monitor the civilian clothing allowance payments for officers under their command who are required to wear civilian clothing (50 percent or more of the time) in the performance of their official duties.
 - b. All Other Officers. All other officers will submit the Civilian Clothing Monetary Allowance Worksheet (CG-5150) to Commandant (CG-1332) via their respective program manager. Submission instructions are on the CG-5150.
 - c. Civilian Clothing Monetary Allowance Rates and Conditions. See web site: <http://www.dcms.uscg.mil/ppc/mas/cca>.

J. Clothing Allowances for Enlisted Members.

1. Authority. 37 U.S.C. 418 authorizes the quantity and kind of clothing, or cash allowance in lieu thereof, to be furnished to enlisted members.
2. Definition of Terms. The terms “Continuous Active Duty” and “Continuously on Active Duty,” as used in this section, include an interim of three months or less between the dates a member is separated and the date reenlisted or recalled to active duty.
3. Clothing-in-Kind Issue to Enlisted Members. An initial or partial initial clothing-in-kind issue will be made to all enlisted members upon reporting for recruit training or Reserve Enlisted Basic Indoctrination (REBI).
4. Types of Clothing Allowances. These types of clothing allowances are authorized for Coast Guard enlisted members:
 - a. Civilian – Section 3.J.5
 - b. Supplementary – Section 3.J.6

- c. Maintenance – Section 3.J.7
5. Civilian Clothing Allowance. Authorized for enlisted members who are required to wear civilian clothing more than 50% of the time in the performance of their duty at their permanent duty station. Members who are merely permitted to wear civilian clothing, rather than required, are not entitled to this allowance. The command will complete and submit the Civilian Clothing Allowance Worksheet (CG-5150) to Commandant (CG-1332).
- a. Coast Guard Activities Europe and Coast Guard Far East Section. Commanding Officers of CG Activities Europe and the CG Activities Far East are authorized to approve and monitor the civilian clothing allowance payment for enlisted members serving under their command who are required to wear civilian clothing (50% or more of the time) in the performance of their official duties.
 - b. All Other Enlisted Members. Submit the CG-5150 to Commandant (CG-1332) using the submission instructions on the CG-5150.
 - c. Coast Guard Investigative Service (CGIS). In accordance with the Investigations Manual, COMDTINST M5527.1 (series) this clothing allowance is authorized to enlisted members assigned to duty as Special Agents with the Coast Guard Investigative Service (CGIS). CGIS agents are required to wear civilian clothes during their CGIS assignment. See note B on the CG-5150 for submission instructions.
 - d. Civilian Clothing Allowance Rates and Conditions of Entitlement. See web site: <http://www.dcms.uscg.mil/ppc/mas/cca>.
6. Enlisted Supplementary Clothing Allowance. In addition to any other clothing allowance authorized, an enlisted member may become entitled to an Enlisted Supplementary Clothing Allowance. This allowance may be authorized only for an enlisted member assigned to duty in a special organization or detail where the nature of the duty necessitates that he or she have, as a military requirement, additional quantities or special items of individual uniform clothing normally not required for most enlisted members in the same Service. An enlisted member who is entitled to this allowance will complete the Enlisted Supplementary Clothing Allowance Worksheet (CG-5155A). For rates and conditions see web site: <http://www.dcms.uscg.mil/ppc/mas/suppcma>.
7. Clothing Maintenance Allowance. This allowance provides for the maintenance and replacement of required uniform clothing.
- a. Types of Clothing Maintenance Allowance. See Figures 3-27 and 3-28 for the types and conditions under which clothing maintenance allowances are payable.
 - b. Allowance Rates. See web site: <http://www.dcms.uscg.mil/ppc/mas/cma>.

K. Uniform Allowances for Reserve Officers.

1. Authority. The statutory authority for payment of uniform allowances to Reserve Officers is 37 U.S.C. 415, 416, and 417. A reserve officer may become entitled to two different allowances for purchase or maintenance of required uniforms as provided in this section.
2. Initial Uniform Allowance.
 - a. This allowance is payable to a Reserve officer when he or she:
 - (1) First reports for active duty (other than training) for a period in excess of 90 days including authorized travel time;
 - (2) Completes not less than 14 days of active duty;
 - (3) Completes 14 periods, of not less than two hours duration each, of inactive duty training in Ready Reserve status; or
 - (4) Upon appointment or transfer from another Reserve component of the Armed Forces where a different uniform was required.
 - b. Amounts Payable. Officers commissioned or appointed in the Reserve component are authorized \$400.00, regardless of the source of commission or previous enlisted status.
 - c. This allowance is not payable to a Reserve officer who;
 - (1) has received an initial uniform reimbursement or allowance in any amount as an officer under any law other than 37 U.S.C. 415 (32 Comp Gen 260), or
 - (2) has previously received or was entitled to the initial uniform allowance as an officer of the Coast Guard Reserve, or
 - (3) was entitled to an initial uniform allowance as a Regular Officer of any armed force upon initial appointment as a Reserve officer of any armed force.
3. Additional Active Duty Uniform Allowance. A Reserve Officer is entitled to an allowance of \$200 as reimbursement toward the purchase of additional uniforms and equipment as follows:
 - a. Payable each time a reserve officer enters on active duty of more than 90 days duration (including authorized travel time). A reserve officer who is ordered to active duty and whose orders anticipate a tour of less than 90 days may not be paid this allowance until the 91st day of duty. The orders to duty are not restricted to a single order requiring service in excess of 90 days but may be comprised of a series of orders that require

continuous service for a period in excess of 90 days (33 Comp Gen 250 and 42 Comp Gen 550).

b. This allowance is not payable:

- (1) If the officer has received an initial uniform allowance of more than \$400 during the current tour of active duty, or within 2 years prior to entering the current tour; or
 - (2) When the tour of duty for which payment is being considered began within 2 years after the end of a previous period of active duty, or active duty for training of more than 90 days. This applies whether or not a uniform allowance was paid for the previous tour of duty. It applies only if the prior service was performed as a Coast Guard Reserve Officer; or
 - (3) If the officer enters on active duty within two years after completing a previous period of active duty of more than 90 days as a Coast Guard Reserve Officer (32 Comp Gen 264, 42 Comp Gen 50, and 43 Comp Gen 265).
4. Periods of Duty Not Counted. Only periods of duty requiring the wearing of the uniform are counted for entitlement to any of the above uniform allowances.

L. Personal Money Allowance.

1. Authority. 37 U.S.C. 414(a) authorizes certain officers and the Master Chief Petty Officer of the Coast Guard (MCPO-CG) to receive a Personal Money Allowance. This allowance is in addition to any other pay or allowance authorized. The allowance is payable while serving in the grade of Vice Admiral or above, and as the MCPO-CG. When the allowance is based on a specific duty assignment, it does not accrue before the date the officer or MCPO-CG starts, or after the date of release from such duty assignment.
2. Who Is Authorized. An officer and the MCPO-CG are authorized a Personal Money Allowance while serving as:
 - a. Commandant of the U.S. Coast Guard.
 - b. Admiral (O-10) or Vice Admiral (O-9) of the U.S. Coast Guard.
 - c. Master Chief Petty Officer of the U.S. Coast Guard.
3. Rates Payable. Personal Money Allowance is payable at the following monthly rates:

Commandant: \$333.33, Admiral: \$183.33*, Vice Admiral: \$41.67, MCPOCG: \$166.67
*Except when serving as Commandant

4. Taxability and Withholding Tax. Personal Money Allowance is subject to Federal and State income tax and withholding.

M. Family Subsistence Supplemental Allowance (FSSA).

1. Authority. Under the provisions of 37 U.S.C. 401 and 402, FSSA is a voluntary, non-taxable monthly supplemental allowance designed to bring a member's household income to 130 percent of the federal poverty line, thereby removing a member's eligibility for the Supplemental Nutrition Assistance Program (SNAP). Prior to 1 October 2009 the entitlement may not exceed \$500 per month. Effective 1 October 2009, the entitlement may not exceed \$1,100 per month. Eligibility is based on a member's monthly household income and size.
2. Members Eligible for FSSA. Created as an additional subsistence entitlement, a FSSA payment may be authorized to members of the armed forces who would normally be eligible to receive SNAP. Effective 1 Oct 2016, FSSA is only applicable to Active duty and reserve component members and their families serving outside the United States, the Commonwealth of Puerto Rico, the United States Virgin Islands, or Guam. Members do not have to participate in SNAP in order to apply. Although benefits are intended to supplement a member's subsistence allowance, there are no restrictions on how the benefits are used. Any member of the Coast Guard serving on active duty may participate in the program. Reserve component members on active duty for any period of time are eligible for FSSA. Reserve component members on active duty for less than 181 days must re-apply for FSSA each time that the member is ordered to active duty. A eligible reserve component member scheduled for more than one period of non-consecutive duty within a 30-day period may make a single application for FSSA for all active duty within that period. An application must be submitted within 30 days after completion of the active duty period. Reserve component members are subject to the same rules and procedures as regular members, provided they meet the established criteria.
3. Members Not Eligible for FSSA.
 - a. Recruit attending Basic Military Training (BMT).
 - b. A reservist performing inactive duty training (IDT) drills.
 - c. Member attending officer training (Officer Candidate School, Officer Training School) or Reserve Officer Candidate Indoctrination (ROCI) who do not have continuous prior active duty or reserve enlisted service (i.e., were not in an active duty or ready reserve status immediately prior to receiving orders to OCS or ROCI). Enlisted members (active or reserve) with no break in service prior to assignment to OCS or ROCI, remain eligible.
 - d. Member in excess leave status (37 U.S.C. 502).

- e. Member in an absent without leave status, unless the absence is excused as unavoidable (37 U.S.C. 503).
 - f. Member on approved educational leave of absence not exceeding two years (10 U.S.C. 708).
 - g. Member with no dependents training for, attending or participating in Pan American games, Olympic games, or other specifically authorized international amateur sport competitions and subsisted during that period by a sponsoring agency (37 U.S.C. 420).
 - h. Member serving a court martial sentence that includes an approved (by the convening authority) forfeiture of pay and allowances (10 U.S.C. 857).
4. Household Income Computed for Reserve Component Members. A reserve component member's household income is computed by adding the member's military income received while on active duty to any other household income that is received during the same calendar month the member is on active duty. If the active duty period spans more than one calendar month, the entitlement will be based on the month during which the most active duty days are performed. Reserve component members must be entitled to 1/30th of one month's FSSA for each day of duty performed for periods of active duty of less than a full month. In no case will a reserve component member's household income for a month be deemed to be less than that member's military income were that member to be on active duty for an entire month.
5. Application Process. To become eligible to receive a FSSA payment, members must apply for and be certified by the Coast Guard Pay and Personnel Center (MAS), Topeka, KS. Members will complete the Family Subsistence Supplemental (FSSA) Application (CG-2075) declaring that all provided information is accurate. Members may obtain the application from the following sources:
- a. CG PPC web site: <http://www.uscg.mil/hq/cg1/psc/forms/> Form CG-2075, or
 - b. Contact PPC customer service at (866)772-8724 and request a form be mailed or faxed. Applicants may e-mail the completed application form to PPC-DG-CustomerCare@uscg.mil
6. FSSA Calculation. FSSA is a monthly entitlement and will be paid in whole dollars. If a member is eligible for less than a full month, the payment will be prorated for the number of days eligible during the month at a rate of 1/30th of one month's FSSA. FSSA is calculated by:
- a. Adding the service member's gross household monthly income (military and civilian, from others in the household) together for a total gross;

- b. Comparing household's gross monthly income with the U.S. Department of Agriculture food stamp gross income limit table available through either application web site discussed above in Paragraph 5 or at <https://www.fns.usda.gov/fsp/Government/cola.htm>. Three USDA gross income limits exists depending on location: 48 states, Alaska, or Hawaii. If the member is in a location other than those listed, utilize the 48 states Figures.
 - c. If the member's household monthly gross income is less than the amount set in the USDA gross income limits based on the number of individuals in the household (including the service member), the member will be entitled to the difference between the gross income limit and member's household income.
- 7. FSSA Relationship to the Supplemental Nutrition Assistance Program (SNAP). FSSA eligible members are encouraged to contact their respective work-life staffs for counseling with regard to the impact that the FSSA payment may have on other assistance programs. FSSA income may affect participation of the household in certain programs for which eligibility is based on income, such as subsidized school lunch programs, the women, infant and children (WIC) program, day care programs, and earned income tax credit (EITC). Members should consider total benefits from assistance programs before applying for FSSA. Members who receive FSSA payments must notify those assistance programs of the additional income as required by law. Each of those programs has penalties for not reporting changes to income. The member may be subject to prosecution for failing to report the income.
- 8. Definition of Household. In accordance with the Food Stamp Act of 1977, a household is:
 - a. An individual who lives alone or who, while living with others, customarily purchases food and prepares meals for home consumption separate and apart from others, or
 - b. A group of individuals who live together and customarily purchase food and prepare meals together for home consumption. Spouses who live together, parents and their children 21 years of age or younger who live together (includes dependents under age 23 if enrolled in full-time course of study in an institution of higher learning), and children (excluding foster children) under 18 years of age who live with and are under the parental control of a person other than their parent, together with the person exercising parental control, must be treated as a group of individuals who customarily purchase food and prepare meals together for home consumption even if they do not do so. In the case of a member who has joint custody of a child, that child may be counted as part of the member's household during any month the child spends 50 percent or more of the time with the member.
 - c. A member's household does not require the inclusion of dependents to be eligible for FSSA unless the household being claimed for FSSA is separate from the member (e.g., dependent restricted/unaccompanied tours, geo-bachelor, or TDY periods).

9. Definition of Household Income.

- a. Include the total gross income (before any taxes or other deductions) received by all members of the household from both military and civilian sources.
 - (1) The following sources of income are included in calculating gross income for FSSA purposes: Military income (Basic Pay, basic allowance for subsistence (BAS), overseas housing allowance (OHA) or value of (if assigned to family quarters), and all bonuses (see 3.M.9.a.(2) below), special and incentive pays except as noted below, wages, earnings, salaries, commissions, tips, self employment income (minus cost of producing this income), supplemental security income (SSI), disability insurance (DIS), temporary assistance for needy families (TANF), interest or dividend income, rental income, alimony, child support, annuities, veterans benefits, unemployment or workers compensation, pensions and other retirement benefits, or any other direct payments from any source, unless excluded below.
 - (2) Bonuses must be converted to a monthly income. Prorate the bonus over the period of time for which the bonus is applicable. Disregard the initial payment and installment payments. Take the entire bonus amount and divide this amount by the total months for the period of time the bonus is applicable. Example: A \$4,800 SRB bonus amount for a four-year enlistment would be divided by 48 months (4 years x 12 months) equals a \$100 monthly bonus amount.
 - (3) The value of OHA for the area is included in the income calculation even if the member resides in Government owned or leased housing. BAS or the value of BAS at the ENL BAS rate is also included even if the member is assigned essential station messing (ESM). Members on ESM must choose the ENL BAS rate. Other gross monthly income prior to taxes or deductions for all members (including applicant's secondary income if applicable) in household must be used. For members in an OHA locale, the actual monthly OHA amount being paid must be considered military income for members residing in civilian quarters. For members residing in Government quarters, the monthly OHA rental ceiling plus the monthly utility/recurring maintenance allowance amount must be used.
 - (4) Sporadic or seasonal income will be counted only during the month or months in which received. If sporadic or seasonal income causes a member's household income to increase by \$100 or more per month, the member must report this to PPC (MAS) and be re-certified.
 - (5) Any household income received in foreign currency must be converted to U.S. dollars using the prevailing rate of exchange.

- b. The following are not to be included as household income: Military CONUS/OCONUS COLA (cost of living allowance), Imminent Danger Pay, Family Separation Housing (FSH) allowance, all travel and transportation related allowances and entitlements, clothing allowances, earned income of a student attending an elementary or secondary school who is under 18 years old, loans, grants, income tax refunds, scholarships for post-secondary students, insurance settlements, payments from federal earned income tax credits, federal energy assistance payments (except those made under TANF), HUD utility reimbursements, reimbursements for expenses such as medical or dependent care (providing they do not exceed actual expenses), or the value of SNAP.

10. Certification.

- a. PPC (MAS) is designated as the certifying authority for payment of all FSSA applications and must publish specific guidance regarding payment procedures. PPC (MAS) must review each application for accuracy, verify information provided, and certify FSSA for payment.
- b. Entitlement may not be retroactive. Entitlement is effective on the date of official receipt of an application by PPC (MAS).
- c. Payments are subject to re-certification in the five instances listed below. If the member submits a new application within 30 days of such instance, and is eligible to receive FSSA, entitlement will be restored the day following the last day of previous certification. If the member does not submit a new application within 30 days, the entitlement will be effective the date the application is received by PPC (MAS):
 - (1) Annually during the month of February. PPC must terminate all FSSA payments on 31 January. The member must submit a new application by 2 March in order to have FSSA restored effective 1 February.
 - (2) Upon promotion to the next pay grade. The automated payroll system will automatically terminate FSSA the day prior to promotion/advancement. If eligible, members must re-apply.
 - (3) Upon reporting PCS. The automated payroll system will automatically terminate FSSA the day prior to reporting PCS. If eligible, members must re-apply.
 - (4) When the member's monthly household income increases or decreases by \$100 or more.
 - (5) When there is a decrease in the member's household size. If during re-certification it is determined that the amount of a member's entitlement will decrease due to an increase in the member's household income, FSSA

recoupment for the previous period of eligibility will not be made so long as the \$100 income threshold was not exceeded.

- d. Members are responsible for statements made on a application. Failure to report all income, number of eligible household members, etc. may result in disciplinary action under the UCMJ. Any changes to income (plus or minus \$100 or more) or household size must be reported to PPC (MAS) for re-certification. Overpayments are subject to collection in accordance with Chapter 11 of this Manual. When a member is in a non-pay status for any reason, the member is not eligible for FSSA during that non-pay period.
11. PPC Verification. PPC (MAS) must utilize the automated personnel, pay and DEERS systems to verify a member's entitlement. In routine cases, PPC (MAS) will be able to initiate the payment based solely on these sources along with a faxed/e-mailed application form. If the member is currently receiving SNAP, a copy of the award letter showing the member's SNAP entitlement must be sent to PPC (MAS) before FSSA can be initiated. PPC (MAS) will contact the member if additional documentation is needed to certify entitlement.

N. Cost-of-Living Allowance (COLA)

1. CONUS COLA. Is authorized by 37 U.S.C. 403b. Regulations implementing CONUS COLA and conditions of entitlement for the Uniformed Services are contained in the Joint Travel Regulations (JTR), Chapter 8. For CONUS COLA calculation refer to the Defense Travel Management Office (DTMO) web site:
<https://www.defensetravel.dod.mil/site/conusCalc.cfm>
2. Station Allowance (COLA). Regulations implementing COLA and conditions of entitlement for the Uniformed Services are contained in the JTR, Chapter 9. For Overseas COLA Calculation refer to the DTMO web site:
<https://www.defensetravel.dod.mil/site/conusCalc.cfm>

| OFFICER BAS – SPECIFIC CONDITIONS FOR ENTITLEMENT AND NON-ENTITLEMENT | | | |
|---|---|--|------------------------------------|
| R U L E | A | B | C |
| | When an officer is | and the | then the officer is |
| 1 | in a travel status | officer is entitled to mileage, travel per diem allowance, or to other monetary allowances | entitled to BAS |
| 2 | on leave | | |
| 3 | in excess leave status | | not entitled to BAS |
| 4 | hospitalized | | entitled to BAS |
| 5 | subsisted in a Government mess or on behalf of the Government | | entitled to BAS (NOTE 1) |
| 6 | absent without authority for more than 24 hours at any one time | | not entitled to BAS (NOTE 2) |
| 7 | training for, attending or participating in Pan-American games, Olympic games or other international amateur sports competition | officer is subsisted during that period by the sponsoring agency | not entitled to BAS |
| 8 | at home or other nonmilitary place awaiting orders in connection with Physical Evaluation Board proceedings | | entitled to BAS |
| 9 | serving on field duty or temporary field assignment, essential unit messing, group travel, sea duty or temporary afloat assignment while underway | | entitled to BAS (NOTES 1, 3 and 4) |
| 10 | absent without authority for more than 24 hours at any one time | absence is not categorized as unavoidable | not entitled to BAS |
| 11 | in confinement, awaiting trial by court-martial (CM), serving court-martial sentence to forfeit basic pay but not allowances, serving court-martial sentence which includes total forfeitures but sentence is set aside | | entitled to BAS |
| 12 | serving a court-martial sentence that includes an approved (by the convening authority) forfeiture of pay and allowances. | | not entitled to BAS |

Notes:

1. Officers will pay for their meals as indicated at the Per Diem web site:
<http://perdiem.hqda.pentagon.mil/perdiem/perdiemrates.html>.
2. An officer is not entitled to BAS for the same number of days that Basic Pay is forfeited.
3. Meals provided from closed or private messes (e.g., traditional wardroom mess) will be paid by the officer at the rate prescribed by the mess treasurer.
4. Field duty is all duty under orders with troops operating against an enemy, actual or potential; or serving with troops participating in maneuvers, war games, field exercises, or similar types of operations.

FIGURE 3-1

| ENLISTED MEMBERS BAS ENTITLEMENT - PERMANENT DUTY STATION | | | |
|---|--|---|---|
| R U L E | A | B | C |
| | When an enlisted member is | and is in the following status | the BAS entitlement is |
| 1 | permanently or temporarily assigned to a unit with an Appropriated Fund (APF) dining facility | sea duty | ENL BAS minus the CG Standard Meal Rate (CGSMR) (NOTES 1 and 2) |
| 2 | | field duty | |
| 3 | | essential unit messing (EUM) (e.g., deployed Port Security Unit, Class "A" School, Officer Candidate School) (NOTE 3) | |
| 4 | | essential station messing (ESM) (E-6 and below assigned to single type Gov't Qtrs required by the commanding officer to subsist at the APF dining facility) | |
| 5 | | not sea duty, field duty, essential unit messing, or essential station messing | ENL BAS (NOTE 4) |
| 6 | permanently assigned to a unit with no Appropriated Fund (APF) dining facility | | ENL BAS (NOTE 4) |
| 7 | at home or other non-military place | awaiting orders in connection with Physical Evaluation Board proceedings (NOTE 5) | ENL BAS (NOTE 6) |
| 8 | serving a court-martial sentence that includes an approved (by the convening authority) forfeiture of pay and allowances | | none |
| 9 | in recruit training, or a non-prior service member attending officer candidate school (OCS) | | none |
| 10 | on duty at a permanent station and assigned to single-type (unaccompanied) Gov't Qtrs which do not have adequate food storage or preparation facilities, and where a Government mess is not available and the Government cannot otherwise make meals available | | BAS-II (NOTE 7) |

Notes:

1. If assigned duties or dining facility exigencies prevent Government furnished meals from being provided, CG Standard Meal Rate charges will be credited back to the member for affected meals.
2. Essential Station Messing (ESM) is terminated while the member is on leave, in permanent change of station (PCS), hospitalized, or TDY (except to sea duty, field duty, EUM, or group travel).
3. If a member is ordered to OCS or ROCI who had continuous prior active duty or reserve enlisted service immediately prior to receiving orders, and had no break in service prior to beginning training, the member is entitled to receive ENL BAS and will be charged for meals at the CG Standard Meal Rate while undergoing training. No other OCS or ROCI personnel are entitled to BAS.

FIGURE 3-2

ENLISTED MEMBERS BAS ENTITLEMENT - PERMANENT DUTY STATION

Figure 3-2 Notes (cont'd):

4. If the member uses an APF dining facility, the CG Standard Meal Rate must be charged the member for meals consumed.
5. A member so ordered is required to have the leave account charged to the extent possible.
6. Entitlement begins on the member's departure date from the permanent unit.
7. BAS-II requests will be submitted in writing to Commandant (CG-1332). The BAS-II rate is not authorized when the member is in a travel status en route to their initial permanent duty station (PDS), in transit between permanent duty stations or TDY locations, is assigned TDY, is hospitalized, or is on any type of leave, compensatory absence, or permissive duty.

FIGURE 3-2 (cont'd)

| ENLISTED MEMBERS BAS ENTITLEMENT - TRAVEL STATUS, LEAVE, HOSPITALIZATION, AND OTHER SPECIAL CIRCUMSTANCES | | | |
|---|--|--|--|
| R U L E | A | B | C |
| | When an enlisted member is | and is | then the rate of BAS is |
| 1 | in a regular TDY travel status (NOTES 1, 2, 3 & 4) | not required by regulation to be subsisted in kind at no cost | ENL BAS |
| 2 | in a PCS travel status, including travel time, proceed time, or leave (NOTES 2 and 4) | | |
| 3 | under orders for temporary field assignment, temporary afloat assignment, essential unit messing, essential station messing, or group travel | directed to use meals or rations made available by or on behalf of the Government without charge to the member | ENL BAS minus the CG Standard Meal Rate (NOTES 4, 5, and 6). |
| 4 | training for, attending or participating in Pan American games, Olympic games, or other specifically authorized international amateur sport competitions | subsisted during that period by sponsoring agency | none |
| 5 | on proceed time | | ENL BAS |
| 6 | on authorized leave, including delay en route chargeable as leave | | ENL BAS (NOTE 2) |
| 7 | hospitalized | | ENL BAS |
| 8 | in excess leave status | | none |
| 9 | in a missing status | | ENL BAS |
| 10 | in an unauthorized absence status | | none |
| 11 | confined in a guardhouse, brig, correctional barracks, or penal institution | | none (NOTE 7) |
| 12 | assigned to sea duty, field duty, Essential Unit Messing (EUM), or Essential Station Messing (ESM) | on authorized leave | ENL BAS (NOTE 7) |
| 13 | not assigned to sea duty, field duty, Essential Unit Messing (EUM), or Essential Station Messing (ESM) | | ENL BAS |

Notes: (2 - 7 continued on next page)

- Members are entitled to BAS at the rate authorized at their permanent duty station for the periods of authorized travel in connection with hospitalization and convalescent leave.

FIGURE 3-3

ENLISTED MEMBERS BAS ENTITLEMENT – TRAVEL STATUS, LEAVE,
HOSPITALIZATION, and OTHER SPECIAL CIRCUMSTANCES

Figure 3-3 Notes (cont'd)

2. If Government meals are provided while traveling, the member must pay cash for meals provided. Mandatory meal collections (at the CG Standard Meal Rate) will be suspended during leave periods. Members entitled to BAS-II at the permanent duty station are entitled to ENL BAS during periods of leave.
3. Includes TDY under permissive orders.
4. Meals or rations provided by or on behalf of the Government will be paid for by cash or collection from pay or per diem at the rate specified by the USD (Comptroller). See Figure 3-4. Enlisted members receiving ENL BAS will be charged for all meals and rations available, whether eaten or not, when under orders for temporary field or temporary afloat assignments, essential unit messing, group travel, or when use of meals provided by or on behalf of the Government is direct by the commander or commanding officer. An enlisted member who is not entitled to BAS is furnished meals without charge.
5. No CG Standard Meal Rate deductions will occur when an Appropriated Fund (APF) dining facility is not at the TDY site.
6. Members ordered TDY to U.S. Navy or other U.S. Government vessels as other than passengers, or to a foreign Government navy vessel, ESM charges will be suspended and members will settle their messing charges on a PAYGO basis.
7. If the sentence to confinement is later disapproved or set aside, ESM is applied for the period of confinement because the member was subsisted at Government expense.

FIGURE 3-3 (cont'd)

| MEAL COLLECTION RATES | | | |
|-----------------------|--|----------------------------------|---|
| R U L E | A | B | C |
| | When a member is assigned to | and the meal rate charged is the | see the Per Diem web site for the daily rate |
| 1 | sea or field duty, EUM, ESM, or group travel | Standard | http://perdiem.hqda.pentagon.mil/perdiem/perdiemrates.html |
| 2 | a unit other than sea or field duty, EUM, ESM, or group travel | Full | |

FIGURE 3-4

| DATE TO START BAH OR OHA – MEMBERS WITH DEPENDENTS | | |
|--|---|---|
| R U L E | A | B |
| | If member | then BAH or OHA at the with dependent rate begins on the date (NOTE 1) |
| 1 | enlists, or is called to extended active duty (EAD) | date of enlistment or entry on active duty, if member is not assigned Gov't Qtrs for member and dependents on that date. |
| 2 | is appointed to commissioned or warrant officer status | active duty pay begins, if member is not assigned Gov't Qtrs for member and dependents on that date. |
| 3 | occupies Gov't Qtrs with dependents and quarters assignment is terminated or member and dependents physically depart permanent station pursuant to PCS orders | of termination of quarters assignment or date of PCS departure, unless dependents continue to occupy the quarters. If definite assignment of quarters was not required, then BAH or OHA begins the date quarters are vacated. |
| 4 | occupies Gov't Qtrs with dependents and the quarters are declared inadequate | on which designation of inadequacy of quarters is effective, if member and dependents continue to occupy such quarters. |
| 5 | acquires a dependent (marriage, birth, adoption, etc.) (NOTE 2) | the dependent is acquired, if member is not assigned Gov't Qtrs for member and dependent(s) on that date (NOTE 3). See Figure 3-16. |
| 6 | acquires a dependent while in an unauthorized absence status | member is returned to a pay status after apprehension or surrender, if member is not assigned Gov't Qtrs for member and dependents on that date (NOTE 4). |
| 7 | claims dependent parent | date determined or approved by authority shown in Figure 3-8. |
| 8 | claims doubtful dependent | |

Notes:

1. Payment of OHA requires a lease agreement or verifiable purchase price.
2. Includes a dependent acquired while member is on authorized leave.
3.
 - a. Applies to the sole dependent of an officer or enlisted member.
 - b. Applies to any dependent on whose behalf a member is entitled to increased BAH or OHA.
 - c. BAH or OHA starts with date of member's marriage even though the marriage occurs on same date as divorce from another member.
 - d. When the biological parents of an illegitimate child(ren) marry, the child(ren) becomes a legitimate dependent for BAH or OHA purposes.
4. If there has been any change in the status of dependents on whose behalf BAH existed on the date an unauthorized absence commenced, a member must re-establish the right to BAH or OHA.

FIGURE 3-5

| DATE TO STOP HOUSING ALLOWANCES – CHANGES IN DEPENDENCY STATUS | | |
|--|--|---|
| R U L E | A | B |
| | If the sole dependent | then stop with-dependent housing allowance at midnight of the date |
| 1 | dies | of death. |
| 2 | is divorced | of the final decree of divorce (NOTE 1). |
| 3 | is a spouse in a voidable (not void) marriage which is dissolved by final annulment decree | before date of the decree. No payment of BAH may be made on or after date of the decree, regardless of credits accrued and not paid; BAH paid before the date of decree may be retained (NOTES 2 and 3). |
| 4 | is a spouse in an invalid (void) marriage | before discovery of invalidity of the marriage. (No payment of BAH may be made on or after date of discovery, regardless of credits accrued and not paid.) (NOTES 4 and 5). |
| 5 | becomes of age (except a child who is incapable of self-support because of mental or physical incapacity) | before the child's 21 st birthday (or 23 rd birthday if a full-time student) (NOTE 6). |
| 6 | marries (regardless of age, or mental or physical incapacity) | of the child's marriage. (Applies even though child's marriage is to a Service member who is also entitled to BAH on child's behalf for that date.) |
| 7 | is adopted by a third party by interlocutory order or decree which has effected a changed legal relationship | before date of adoption (NOTE 3). |
| 8 | is adopted by a third party and a final order or decree has been entered | before date of adoption. |
| 9 | enters active military service | before date of entry into service. |
| 10 | is one who must be "in fact" dependent on the member, and such dependency ceases | before date dependency ceases. |

Notes:

1. Applies also when an affinitive relationship between a member and step-child ceases because of divorce from the child's parent.
2. Applies also when an affinitive relationship between a member and step-child ceases because of annulment of marriage.
3. The member is not entitled to BAH thereafter even though the member may be required to pay alimony for the support of the member's former spouse. When the member is divorced and remarried on the same date, the member is entitled to BAH on behalf of the former spouse only on that date. If the divorced spouse, on date of final decree of divorce, marries another member who becomes entitled to receive BAH on account of a lawful spouse, both members are entitled to BAH on the spouse's account for that date (37 Comp Gen 451).
4. Pending a determination from the CG Pay and Personnel Center (PPC), no checkage will be made for BAH received prior to the effective date of the annulment decree nor will the payment of BAH be made after that date regardless of credits accrued and not paid.
5. No BAH payment may be made on or after date of discovery, regardless of credits accrued and not paid. The CG Pay and Personnel Center (PPC) will advise the Servicing Personnel Office (SPO) of adjustments required for prior BAH credits.
6. See section 3.D.11 of this Manual regarding dependents over age 21.

FIGURE 3-6

| DATE TO STOP BAH OR OHA – OTHER THAN DEPENDENCY STATUS CHANGES | | |
|--|--|--|
| R U L E | A | B |
| | If member | then stop BAH or OHA at 2400 hours of the day: |
| 1 | is furnished Gov't Qtrs at the permanent station, adequate for the member and dependents | before the day quarters are assigned (or before day occupancy begins, if definite assignment was not made) (NOTE 1). |
| 2 | is furnished quarters (cash or in kind) on behalf of the United States, adequate for the member and dependents | before day quarters are furnished. |
| 3 | and dependents occupy inadequate quarters which are rehabilitated and designated as adequate quarters | before the effective date of re-designation as adequate quarters. |
| 4 | is absent without leave | see Figure 3-13. |
| 5 | is discharged or released from active duty | of discharge or release. |
| 6 | is retired | before the retirement effective date. |
| 7 | dies | of death. |

Note:

1. When dependents are prevented from occupying the assigned quarters because of an order from a competent authority, BAH or OHA continues until transportation is arranged for household goods (HHG) and is available for the dependents (if prompt application is made), plus the normal travel time for dependents to reach the member's station via a direct route.

FIGURE 3-7

| WHO DETERMINES HOUSING ALLOWANCE DEPENDENCY RELATIONSHIP | | | | | | |
|--|--|---|---|--|--------------------------------|---------------|
| R U L E | A | B | C | D | E | |
| | If dependent claimed is | and | and | and | then determination is made by | |
| | | | | | Commanding Officer (NOTE 1) | PPC (LGL) |
| 1 | any person who can qualify as a dependent | | | | | X |
| 2 | a spouse | marriage is legal, unquestionable | | | X | |
| 3 | | | neither member has been previously married | marriage was contracted within the various states or territories by legal, civil, or religious ceremony | X (NOTE 1) | |
| 4 | | marriage is of doubtful legality (NOTE 2) | | | | X |
| 5 | unmarried child | child is under age 21 | dependent child is of present or former spouse (NOTE 2) | | X (NOTE 3) | |
| 6 | | | child of member is illegitimate | member-father has physical custody of child (NOTE 4) | X | |
| 7 | | | | member-father does not have physical custody of child (NOTE 5) | | X |
| 8 | | | child of member- father was illegitimate, and is legitimated by court order | | X | |
| 9 | | | child of mother is illegitimate | member mother has custody of child | X | |
| 10 | a combination of any of the dependents in rules 2 through 9 | child is under age 21 | | | X | |
| 11 | a child, married | | marriage is terminated by divorce, annulment or death of spouse | | X | |
| 12 | a child, unmarried | child is over age 21 | child is mentally challenged or physically incapacitated (NOTE 6) | | | X (NOTE 7) |
| 13 | | | child is under 23 years of age | child is a full-time student | X (NOTE 7) | |
| 14 | an unmarried stepchild or adopted child | child's dependency relationship is not doubtful | | | X | |
| 15 | unmarried legitimate, illegitimate, adopted, stepchild or ward | child is over age 21 | | | | X (NOTE 8) |
| 16 | a stepchild | | | | X | |

Rules 17 - 18 and Notes continued on next page.

FIGURE 3-8

| WHO DETERMINES HOUSING ALLOWANCE DEPENDENCY RELATIONSHIP | | | | | | |
|--|--|-----|-----|-----|--------------------------------|---------------|
| R U L E | A | B | C | D | E | |
| | If dependent claimed is | and | and | and | then determination is made by | |
| | | | | | Commanding Officer (NOTE 1) | PPC (LGL) |
| 17 | an adopted child or a child placed with a member for the purpose of adoption | | | | | X |
| 18 | parent, parent-in-law, parent in loco parentis, step-parent, parent by adoption | | | | | X (NOTE 7) |

Notes:

1. This same rule applies when either member or spouse has been previously married, if the previous marriage was dissolved by death, Final decree of divorce (other than foreign), or by annulment (not prohibiting remarriage).
2. For BAH purposes, children will be considered as legitimate on and after the date of marriage of the biological parents.
3. Includes common-law wives; those married by proxy or telephone or within a prohibited period following divorce, or a divorce granted by a foreign country; and annulled marriages.
4. A member-father having physical custody of an illegitimate child(ren) implies that the member-father, the child(ren), and usually the child(ren)'s (non-active duty) mother, are all residing as a family unit in the same residence/household at the member's PDS. If the family unit is not applicable and the child(ren) is/are not residing in the member's residence, the member will report this to his command/SPO to have a new determination made on his housing allowance.
5. A member-father who has physical custody of their illegitimate child(ren) and is in receipt of a with-dependent housing allowance, and executes a PCS order and does not relocate their illegitimate child(ren) to their new permanent duty station (PDS), and resides separately from their illegitimate child(ren), will upon reporting to the new PDS have a determination made to their housing allowance for a member paying child support. On the Dependency Worksheet, Form CG-2020, under member-father does not have physical custody, the member will complete and submit the required worksheets and documentation to their SPO for forwarding to PPC(LGL). Pending a determination from PPC(LGL) the member is only authorized a without-dependent housing allowance.
6. Incapable of self-support because of a mental or physical incapacity that occurred while the person was considered a dependent of the member.
7. Must be, in-fact, dependent on service member for over one-half of support.
8. Claims of dependency for BAH entitlement by member-mothers who do not have physical custody of their illegitimate child will be treated the same as rule 7.

FIGURE 3-8 (cont'd)

| BAH OR OHA ENTITLEMENT AT PERMANENT DUTY STATIONS FOR SPOUSES IN A UNIFORMED SERVICE - FAMILY-TYPE QUARTERS NOT ASSIGNED (NOTES 1 - 9 APPLY FOR ALL RULES) | | | | | | | | | |
|--|--|---|--|---|----------|---|---------------------------------------|--|---------------------------------------|
| R U L E | A | B | C | D | | E | | F | |
| | When member A has dependents other than spouse | and member B has dependents other than spouse | and members acquire a child(ren) (See section 3.E.2) | and single-type Government quarters are assigned to (NOTE 10) | | then member A is entitled to BAH or OHA as a member | | and member B is entitled to BAH or OHA as a member | |
| | | | | Member A | Member B | With a dependent | Without a Dependent (NOTES 11 and 12) | With a dependent | Without a dependent (NOTES 11 and 12) |
| 1 | No | No | No | | | | X | | X |
| 2 | No | No | No | X | X | | | | |
| 3 | No | No | No | X | | | | | X |
| 4 | No | No | No | | X | | X | | |
| 5 | No | No | Yes | | | X (NOTE 13) | | | X |
| 6 | No | No | Yes | X | X | X (NOTE 13) | | | |
| 7 | No | No | Yes | X | | X (NOTE 13) | | | X |
| 8 | No | No | Yes | | X | X (NOTE 13) | | | |
| 9 | Yes | No | No | | | X (NOTE 14) | | | X |
| 10 | Yes | No | No | X | X | X (NOTE 14) | | | |
| 11 | Yes | No | No | X | | X (NOTE 14) | | | X |
| 12 | Yes | No | No | | X | X (NOTE 14) | | | |
| 13 | Yes | No | Yes | | | X | | | X |
| 14 | Yes | No | Yes | X | X | X | | | |
| 15 | Yes | No | Yes | X | | X | | | X |
| 16 | Yes | No | Yes | | X | X | | | |
| 17 | Yes | Yes | No | | | X (NOTE 15) | | | X |
| 18 | Yes | Yes | No | X | X | X | | X | |
| 19 | Yes | Yes | No | X | | X | | X | |
| 20 | Yes | Yes | No | | X | X | | X | |
| 21 | Yes | Yes | Yes | | | X (NOTE 15) | | | X |
| 22 | Yes | Yes | Yes | X | X | X | | X | |
| 23 | Yes | Yes | Yes | X | | X | | X | |
| 24 | Yes | Yes | Yes | | X | X | | X | |

Notes 1 – 15 on next two pages.

FIGURE 3-9

BAH OR OHA ENTITLEMENT AT PERMANENT STATIONS
FOR SPOUSES IN A UNIFORMED SERVICE –
FAMILY-TYPE QUARTERS NOT ASSIGNED (NOTES 1 – 9 APPLY FOR ALL RULES)

Figure 3-9 Notes:

1. When the members jointly occupy family-type quarters, neither member is authorized BAH or OHA, even though the dependents do not reside in the quarters, unless the dependents are prevented by a military order from occupying quarters.
2. When husband-wife members are stationed at the same duty station or adjacent duty stations, each member is usually authorized BAH or OHA at the appropriate rate when the members are not assigned to family-type quarters, notwithstanding the availability of adequate single-type quarters for either or both members.
3. Members are considered to be stationed at the same or adjacent duty stations when they are not precluded by distance from residing together, or they actually commute on a regular basis, regardless of distance.
4. When husband-wife members have no other dependents and are precluded by distance from living together, each is usually treated as a member without dependents for BAH or OHA entitlement purposes. See Figure 3-12.
5. When husband-wife members, who are both authorized BAH or OHA at the same or adjacent duty stations, are separated geographically by competent orders, and one member remains assigned to their duty station, that member ordinarily is authorized BAH or OHA continuation notwithstanding the availability of adequate single quarters for assignment to either member.
6. BAH at the without-dependents rate is authorized during travel status after departure from the old PDS, or during a period of leave, delay en route, or proceed time between old and new PDS, provided the members are not in receipt of BAH for other dependents, and are not assigned to Gov't Qtrs.
7. When one or both of the dependents in columns A and B are dependent parents of the members, both members may not receive with-dependent rate BAH or OHA, if otherwise authorized. Also, when married members no longer share a common residence due to competent military orders, their authorization for increased allowances or to Government-furnished quarters should be determined separately, without regard to the general rule that all dependents of members are members of the same class for the purpose of determining housing allowance authorizations. Refer to sections 3.D.10, 3.E.5 of this Manual, and Figure 3-15 for BAH or OHA for divorced or legally separated members.
8. A member in grade E-5 or below, who is assigned to permanent sea duty, and is married to another Uniformed Service member, and is maintaining and residing in private sector quarters off the ship, is authorized BAH or OHA.

Notes 9 - 15 continued on next page.

FIGURE 3-9 (cont'd)

Figure 3-9 Notes (cont'd):

9. Prior to the effective date of marriage of two members, if one or both members were in receipt of a housing allowance at either the with-dependents rate, the with-dependents rate based on payment of child support, or the BAH-DIFF rate, then on their marriage date all of their dependents are considered as one class of dependents for housing allowance purposes. One member is authorized a with-dependents housing allowance and the other member is authorized a without-dependents housing allowance. See section 3.E.3.c of this Manual when members are assigned to different locations.
10. If either column in column D is blank, that member is not assigned to single-type Gov't Qtrs.
11. See Figure 3-12 for BAH or OHA authorization when a member is on field or sea duty.
12. When one member enters a non-pay status, the other member may claim the member not entitled to pay and allowances as a dependent and be authorized to draw BAH or OHA at the with-dependent rate for the duration of the non-pay status if otherwise authorized. For exception, see section 3.D.13 of this Manual.
13. For purposes of this table, the members have agreed that member A is to receive BAH or OHA at the with-dependent rate. See section 3.E.2 of this Manual.
14. When the dependents in column A, rules 9 through 12, are children from a prior marriage or illegitimate children of member A, the members may elect for member B to receive BAH or OHA for stepchildren in accordance with section 3.D.16 of this Manual, and for member A to receive without-dependent rate BAH or OHA when not occupying single quarters.
15. Members must elect which one is to receive the with-dependent rate BAH or OHA. If they cannot agree as to the election, the senior member receives the with-dependent rate. Elections cannot be retroactive.

FIGURE 3-9 (cont'd)

| MEMBER MARRIED-TO-MEMBER; ENTITLEMENT TO BAH OR OHA WITH-DEPENDENTS BASED ON PAYMENT OF CHILD SUPPORT | | | | |
|--|--|--|---|--|
| R U L E | A | B | C | D |
| | Member married-to-member | the couple have no dependents and | and | then |
| 1 | one receives BAH or OHA with dependents based on payment of child support, one receives BAH or OHA without dependents | they reside together in the same private sector quarters | the couple acquires a dependent(s) | one member receives BAH or OHA with dependents and the other member receives BAH or OHA without dependents (NOTE 1). See section 3.E.3.b of this Manual. |
| 2 | reside together in Government owned or leased family-type quarters | one or both members have a child support payment | | neither member is authorized BAH. |
| 3 | one receives BAH or OHA with dependents based on the payment of child support, and one receives BAH or OHA without dependents, and each member has a child support payment | one or both members receive a military PCS order which separates the couple | the couple occupies separate private sector quarters at their PDS | one member receives BAH or OHA with dependents based on the payment of child support, and member receives BAH or OHA without dependents. See section 3.E.3.c of this Manual. |
| 4 | one receives BAH or OHA with dependents based on payment of child support, and one receives BAH or OHA without dependents. | the member receiving BAH or OHA with dependents based on payment of child support receives a PCS order | Government owned quarters (i.e. shipboard or barracks), or Government leased quarters are separately assigned to each member at their new PDS | BAH-DIFF is authorized. |
| 5 | | the member receiving BAH or OHA without dependents receives a PCS order | | BAH-Partial is authorized if assigned to single-type Government owned quarters (i.e., shipboard or barracks). BAH-Partial is not authorized if assigned to single-type Government leased quarters. |

Note:

1. The member in receipt of the with-dependent allowance based on payment of child support terminates this allowance the date before their dependent(s) is acquired.

FIGURE 3-10

| MEMBER-MARRIED-TO-MEMBER IN GRADE E-5 OR BELOW ASSIGNED TO SEA DUTY; ENTITLEMENT TO BAH OR OHA | | | |
|---|--|--|--|
| R U L E | A | B | C |
| | Member-married-to-member in pay grade E-5 or below | and | then |
| 1 | are both assigned to sea duty vessels and they reside in the same private sector quarters | the couple have no dependents | both members are authorized BAH or OHA without-dependents. |
| 2 | | the couple have no dependents from their marriage and one member pays child support | one member is authorized BAH or OHA with dependents based on payment of child support and the other member is authorized BAH or OHA without dependents. |
| 3 | are both assigned to sea duty vessels in different home ports that do not allow the couple to reside in the same private sector quarters. Each member is authorized to reside in private sector quarters. | the couple have no dependents from their marriage | each member is authorized BAH or OHA without dependents. |
| 4 | | the couple have no dependents from their marriage and both have a child support payment | one member is authorized BAH or OHA with dependents based on the payment of child support and the other member is authorized BAH/OHA without dependents. |
| 4 | are both assigned to sea duty vessels | the couple have no dependents and both are assigned to Government owned single-type (i.e., shipboard or barracks) quarters | each member is authorized BAH Partial. |
| 5 | | each member has a child support payment and is separately assigned to either Government-owned (i.e., shipboard or barracks) quarters | each member is authorized BAH-DIFF. |
| 6 | | each member has a child support payment and reside together in Government owned or leased family-type quarters | the members are not authorized BAH. |
| 7 | one member is assigned to sea duty and one member is assigned to shore duty, and they reside in private sector quarters | the couple have no dependents | effective 1 Jan 2013, the member assigned to sea duty is authorized BAH/OHA without dependents. The member assigned to shore duty is authorized BAH/OHA without dependents. |

FIGURE 3-11

| BAH AND OHA - MEMBER WITHOUT DEPENDENTS, ENTITLED TO BASIC PAY | | | |
|--|---|---|---|
| R U L E | A | B | C |
| | If a member is | then BAH or OHA accrues | BAH or OHA does not accrue |
| 1 | assigned to a PDS | if Gov't Qtrs or housing facilities are not assigned (NOTES 1 and 2) | if member is assigned or occupies Gov't Qtrs suitable and adequate for the member's grade (NOTE 3). |
| 2 | | while on short period of special alert duty during which the member is furnished sleeping accommodations at the PDS at which Gov't Qtrs are not available for assignment. | |
| 3 | | while on short training periods during which, due to military necessity, the member is furnished sleeping accommodations at the PDS at which Gov't Qtrs are not available for assignment. | |
| 4 | ordered to report for TDY in connection with the fitting out or conversion of a ship and permanent duty aboard when the ship is placed in commission | if per diem allowance is not authorized for the period of TDY (NOTE 4) | if quarters are available or member is entitled to per diem allowance for the period of such duty. |
| 5 | ordered PCS to a career sea pay eligible vessel (permanent duty station) and the vessel(s) is or are in the home port upon reporting. | if the member(s) is/are: a. In grade E-6 and above and elects not to occupy Gov't Qtrs (including shipboard quarters) (NOTE 5) b. In grade E-4 or E-5, and prior to start of BAH, receives written: (1) CO or OIC authorization to reside in private sector quarters, and (2) Release from mandatory assignment to Gov't Qtrs from the local military housing authority. c. In grade E-4 and above and authorized to continue receipt of BAH under section 3.G.1.c(4) of this Manual. d. A member married-to-member without dependents, in grade E-5 or below, and each member is assigned to sea duty (Effective 1 Jan 2013). | If the member(s) is/are: a. In pay grade E-4 and above and is occupying their shipboard quarters, or b. In pay grade E-3 or below. See sections 3.G.1.a and 3.G.1.d of this Manual. |
| 6 | ordered PCS to a career sea pay eligible vessel (permanent duty station) and upon arriving at the vessel's homeport the vessel is deployed. Member(s) reports to the nearest Coast Guard command. | if the member(s) is/are: a. In grade E-6 and above and elects not to occupy Gov't Qtrs (including shipboard quarters) (NOTE 6) b. In grade E-4 and E5 and authorized by the vessel's commanding officer to reside ashore under section 3.G.1.d.(2) of this Manual. c. In grade E-4 and above, the homeport of the vessel is at the same location as the member's previous duty station, continues to reside in private quarters, and upon reporting is authorized by the vessel's commanding officer to continue receipt of BAH or OHA.. d. A member married to member without dependents, and both members are assigned to sea duty regardless of grade. | if the member(s) is/are a. E-4 and above and is occupying their shipboard quarters. b. Assigned to Government-owned or leased quarters. c. In grade E-3 or below. d. Not receiving BAH or OHA without dependents at their previous duty station located in the same geographic location as the vessel's homeport. Rule 5 applies upon return of the vessel to the homeport. |
| 7 | on field duty, PCS not involved (see section 3.G.4 for transit rules) | if receiving BAH or OHA at the PDS | if assigned to or occupying Gov't Qtrs at the permanent duty station. |
| 8 | assigned PCS to a unit on field duty | if the commander certifies that the member was required to procure quarters at personal expense at the initial field duty site | for the initial field duty in progress at time of PCS, unless the member is required to procure quarters at personal expense at field duty site. |
| 9 | on excess leave | | for any period of time. |

Rules 10 - 19 continued on next page.

FIGURE 3-12

| BAH AND OHA - MEMBER WITHOUT DEPENDENTS, ENTITLED TO BASIC PAY | | | |
|--|---|---|--|
| R U L E | A | B | C |
| | If a member is | BAH or OHA accrues | BAH or OHA does not accrue |
| 10 | On authorized leave in connection with release from active duty or discharge (PCS not involved) | if receiving BAH or OHA at the PDS or assigned quarters are terminated incident to separation, and the member(s) is/are: a. Presently in receipt of BAH or OHA without dependents at the permanent duty station. b. Assigned ashore, effective the date CG-leased or CG/DOD-owned single quarters (barracks) are properly terminated with housing officials. c. Assigned afloat, in grade E-4 and above, and shipboard quarters are properly terminated with no intention of occupying shipboard quarters during leave period. d. A member married to member couple with no dependents. | if the member(s) is/are: a. Occupying assigned CG-owned single quarters (shipboard or barracks) during leave period. BAH-Partial continues to last date of active duty. b. Occupying assigned CG/DOD leased single quarters during leave period (BAH-Partial is not authorized). c. In grade E-3 and below assigned afloat, and CG/DOD leased quarters are properly terminated. BAH-Partial authorized effective the date CG/DOD leased quarters are terminated through separation date. BAH or OHA without dependents is not authorized to single E-3 and below assigned to sea duty. |
| 11 | inpatient or on sick leave (PCS not involved) | if receiving BAH or OHA at the PDS (NOTE 1) | if assigned quarters at the PDS. |
| 12 | being treated at hospital TDY enroute PCS; or assigned PCS direct to hospital for treatment | if not assigned quarters. | if assigned quarters in the hospital. |
| 13 | on TDY (PCS not involved), or TDY, including such duty on transport or under a permissive travel authorization (NOTES 2 and 6) | if receiving BAH or OHA at the PDS | if assigned quarters at the PDS. |
| 14 | in travel status on PCS, including non-travel status under excused administrative absence authorization, TDY en route, leave en route and proceed time; or is assigned PCS and is on authorized leave or duty at the old or new PDS | if member is not assigned Gov't Qtrs while at the old or new PDS. See section 3.G.4 to determine which rate is payable. | if member is assigned Gov't Qtrs while at the old or new PDS. |
| 15 | assigned PCS and is on authorized leave or duty at the old or new PDS | if member is not assigned Gov't Qtrs while at the old or new PDS. | for the Gov't Qtrs occupancy period not incident to a PCS. OHA cannot be paid if there is no lease or mortgage expense. |
| 16 | initially assigned to active duty and is TDY at other than indoctrination or basic training location pending receipt of an order designating a PDS to which the member is to report upon TDY completion | when Gov't Qtrs are not available for assignment and per diem is not payable | |
| 17 | in the accession pipeline (attending a Military Service Academy, Officer Candidate School (OCS), or basic military training) | between initial TDY and initial PDS. See section 3.G.4 of this Manual. | |
| 18 | ordered home or to a place other than a military organization awaiting further orders in connection with Physical Evaluation Board proceedings | on and after date of departure from hospital or old station through date of discharge, or date prior to effective date of retirement. | |
| 19 | training for, attending or participating in Pan Am or Olympic games, or other international amateur sports competition | if not furnished quarters by the Government or by an agency sponsoring the member's participation | if furnished quarters by the Government, or by an agency sponsoring participation. |

Rule 20 and Notes 1 - 8 continued on next page.

FIGURE 3-12 (cont'd)

| BAH AND OHA - MEMBER WITHOUT DEPENDENTS, ENTITLED TO BASIC PAY | | | |
|--|---|--|--|
| R U L E | A | B | C |
| | If a member is | BAH or OHA accrues | BAH or OHA does not accrue |
| 20 | in confinement in a guardhouse, brig or correctional barracks pursuant to a court-martial (does not include pretrial confinement/pretrial restraint other than confinement or an adjudged sentence of restriction alone (NOTE 7)) | if the sentence is set aside or disapproved and member is otherwise authorized to receive BAH. | while confined pursuant to a court-martial and the sentence is effective or approved (NOTE 8), or, when the member was not receiving BAH or OHA on the date before the date of confinement and Gov't Qtrs assignment was not terminated before or during confinement. Service procedures must prescribe how and by whom Gov't Qtrs termination must be certified. |

Notes:

1. When not assigned to Gov't Qtrs at the PDS, BAH or OHA accrues while in a duty or authorized leave status not incident to PCS. BAH or OHA is not forfeited if temporary Gov't Qtrs are occupied.
2. A member away from PDS may occupy Gov't Qtrs designated for a member without dependents at the member's TDY station without affecting the member's right to receive BAH or OHA or assignment of quarters, if any, at the member's PDS. Under such circumstances, a member may not occupy Gov't Qtrs which exceed the minimum standards for a member of that grade without dependents, as prescribed by the Secretary Concerned, unless the only quarters available (a) exceed the minimum standards, and (b) are made available for joint occupancy with other members.
3. Government quarters in fact occupied without payment of rental charges are deemed assigned as appropriate and adequate quarters.
4. BAH or OHA accrues from the reporting date through the date before the date the ship is placed in full commission, reduced commission, or in service not in commission, whichever occurs first. See sections 3.G.1 and 3.G.1.d of this Manual for a member on sea duty.
5. A member in grade E-6 or above is authorized to receive BAH after reporting to a deployed ship or afloat unit. A member TDY to the ship or afloat unit is also authorized BAH/OHA after reporting to the deployed ship or afloat unit if in receipt of BAH or OHA at the PDS before beginning TDY. A member in grades E-4 or E-5 without dependents assigned to sea duty may be authorized BAH/OHA if appropriate considering the availability of quarters. Effective 1 Jan 2013, a member in grade E-5 or below assigned to permanent sea duty and married to another member is authorized BAH/OHA. See section 3.E.4 of this Manual.
6. For a member below grade E-7, authorization does not exist during TDY if quarters are assigned or furnished at the PDS, even though the quarters are vacated at the beginning of the TDY.
7. Neither pretrial confinement/pretrial restraint (which is not punishment) other than confinement nor an adjudged court-martial sentence that includes restriction alone (which is not confinement) affects a member's BAH authorization. This rule does not address a member's entitlement to a housing allowance when the member is confined by civil or foreign authorities. See section 3.G.6 of this Manual.
8. Confinement imposed pursuant to a court-martial sentence begins to run from the date the sentence is adjudged. (10 U.S.C. 857(a), (b)).

FIGURE 3-12 (cont'd)

| BAH OR OHA – MEMBER WITH DEPENDENTS, ENTITLED TO BASIC PAY | | | |
|--|--|---|---|
| R U L E | A | B | C |
| | If member is | and is authorized BAH or OHA at the PDS | then BAH or OHA authorization |
| 1 | in a duty status or on authorized leave status | yes | continues. |
| 2 | not incident to PCS (NOTE 1) | no | does not exist. |
| 3 | on excess leave | yes | does not exist (NOTE 2). |
| 4 | in a duty, travel or leave status incident to PCS (includes TDY en route) (NOTES 1 and 3) | | exists unless permanent Gov't Qtrs are assigned or occupied. See section 3.G.4 of this Manual to determine the rate. |
| 5 | on TDY, not incident to PCS (NOTES 1 and 3) | yes | continues as long as the PDS remains unchanged, except as restricted by section 3.F.14 of this Manual. |
| 6 | | no | does not exist. |
| 7 | AWOL, not excused as unavoidable | | does not exist. |
| 8 | absent due to illness (as distinguished from | yes | continues. |
| 9 | injury) from alcohol or drugs, causing loss of pay | no | does not exist. However, if quarters assignment at the PDS is terminated during an absence, BAH or OHA accrues on and after the termination date. |
| 10 | home on PCS awaiting further orders in connection with physical evaluation board proceedings | | continues until member's retirement or discharge. |

Notes:

1. The phrase "incident to PCS" refers to whether or not the member is en route to a new PDS under a PCS order.
2. BAH or OHA does not accrue during excess leave if member is not to continue in service after leave expires. Example: A member released from the disciplinary barracks on commandant's parole, and placed in excess leave status until the sentence is ordered to be executed.
3. Include such status under authorized administrative absence periods per the Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series).

FIGURE 3-13

| BAH OR OHA WITH-DEPENDENTS BASED ON PAYMENT OF CHILD SUPPORT; FORMER SPOUSE OR OTHER PARENT IS NOT AN ACTIVE DUTY UNIFORMED SERVICE MEMBER | | | |
|---|--|--|--|
| R U L E | A | B | C |
| | When a member is | and the member | then BAH or OHA accrues |
| 1 | stationed in CONUS, Alaska, or Hawaii, residing in private sector quarters, receiving BAH with dependents and gets divorced | pays child support that is equal to or exceeds the BAH-DIFF amount for their pay grade | effective the final divorce date BAH at the with-dependents rate stops. Effective the next date BAH at the with dependent rate based on the payment of child support starts (NOTE 1). |
| 2 | stationed OCONUS (non-BAH payable location), residing in private sector quarters, receiving OHA with dependents and gets divorced | | effective the final divorce date OHA at the with-dependents rate stops. Effective the next date OHA at the with dependent rate based on the payment of child support starts (NOTE 1). |
| 3 | stationed in CONUS, Alaska, Hawaii, or OCONUS, residing in private sector quarters, and receiving BAH or OHA with dependents based on payment of child support | terminates their child support payment (NOTE 2) | at the without dependent rate effective the date after the date child support payment terminates. |
| 4 | stationed in CONUS, Alaska, Hawaii, or OCONUS, residing in single type Gov't Qtrs (barracks or shipboard), and receiving BAH-DIFF | | at the BAH-Partial rate effective the date after the date their child support payment terminates. |
| 5 | stationed in CONUS, Alaska, Hawaii, or OCONUS, residing in Government leased quarters or family quarters converted to single-type Gov't Qtrs, and receiving BAH-DIFF | | to the date child support terminates. Members assigned to Government leased quarters or family type Gov't Qtrs converted to single-type quarters are not authorized a housing allowance. |
| 6 | stationed in CONUS, Alaska, or Hawaii, residing in Government owned or leased quarters and receiving BAH-DIFF | executes a permanent change of station (PCS) to a duty station in CONUS or OCONUS | at the in transit rate (BAH with dependents based on payment of child support) for their previous in CONUS duty station location, or Alaska or Hawaii duty station, while en route to the new duty station. Effective upon their PCS reporting date, their housing allowance entitlement will be determined according to their quarter's assignment. |
| 7 | stationed OCONUS (non-BAH payable location) residing in Government owned or leased quarters and receiving BAH-DIFF | executes a permanent change of station (PCS) to another OCONUS duty station (non-BAH payable location) | at the BAH with-dependent non-locality in transit rate while en route to the new duty station. Effective upon their PCS reporting date to the new OCONUS duty station, their housing allowance entitlement will be determined according to their quarter's assignment. |
| 8 | stationed OCONUS (non-BAH payable location) residing in private sector quarters, and receiving OHA with dependents based on payment of child support | executes a permanent change of station (PCS) to another OCONUS (non-BAH payable location) duty station | at the BAH with-dependent non-locality in transit rate while en route to the new OCONUS duty station. Effective upon their PCS reporting date to the OCONUS duty station, their housing allowance entitlement will be determined according to their quarter's assignment. |
| 9 | stationed OCONUS (non-BAH payable location) residing in private sector quarters, and receiving OHA with dependents based on payment of child support | executes a permanent change of station (PCS) to a duty station in CONUS, Alaska, or Hawaii | at the BAH with dependent non-locality in transit rate while en route to the new duty station. Effective upon their PCS reporting date, their housing allowance entitlement will be determined according to their quarter's assignment. |

Rules 10 - 18 continue on next page.

FIGURE 3-14

| BAH OR OHA WITH-DEPENDENTS BASED ON PAYMENT OF CHILD SUPPORT; FORMER SPOUSE OR OTHER PARENT IS NOT AN ACTIVE DUTY UNIFORMED SERVICE MEMBER | | | |
|---|---|---|--|
| R U L E | A | B | C |
| | A member is | and the member | Then BAH or OHA accrues |
| 10 | residing in private sector quarters, and receiving BAH or OHA with dependents based on payment of child support | acquires a dependent(s) (marriage, adoption, other legal means) (NOTE 3) | if in CONUS, BAH with dependents for the PDS effective the date their dependency status changes. BAH with dependents based on payment of child support terminates the date before. If OCONUS (non-BAH payable location): a. OHA with dependents if dependent(s) reside with the member; or b. BAH with-dependents for the dependents location (if a BAH payable location) (NOTE 4). |
| 11 | stationed in Alaska or Hawaii and receiving BAH with dependents based on payment of child support | | a. BAH with-dependents for the duty station location if dependents residing with member; or b. BAH with-dependents (if BAH payable location) for the dependent's location if dependents are not residing with the member (NOTE 4). |
| 12 | receiving BAH with dependents based on payment of child support and receives a PCS order without PCS allowances. Member requests and is approved by CG PSC-PSD-fs to receive the BAH rate for their previous duty station | the member has no intentions of relocating their current residence either prior to or after reporting to the new duty station | for their previous duty station location until the member; a. executes a PCS from the new duty station; b. their child support payment terminates; c. terminates their private sector quarters and is assigned to single type Gov't Qtrs (BAH-DIFF); d. relocates their residence out of the Military Housing Area (MHA) boundary located in (BAH reverts to current PDS rate); whichever action above occurs first (NOTE 4). |
| 13 | receives a PCS order from an in CONUS, Alaska, or Hawaii duty station, to an OCONUS (non-BAH payable location) duty station | is receiving BAH with dependents based on payment of child support | authorized the transit BAH with dependents based on payment of child support rate for old PDS while in transit to new OCONUS PDS. Effective upon PCS reporting to the OCONUS PDS, new housing allowance entitlement will be determined (NOTE 5). |
| 14 | in basic military training receiving BAH-DIFF | completes basic military training and is en route to their first duty station | at the with-dependent in transit BAH rate based on payment of child support while en route to their first duty station. Effective upon the members PCS reporting date, their housing allowance entitlement will be determined based upon the members quarters assignment. |
| 15 | assigned to single-type Gov't Qtrs (barracks or shipboard) | pays child support that is equal to or exceeds the BAH-DIFF amount for their pay grade | at the BAH-DIFF rate for their pay grade. |
| 16 | assigned to Coast Guard or DOD leased quarters without charge | | |
| 17 | the parent of an illegitimate child(ren), member residing in private sector quarters | is paying child support | as described in section 3.D.16 of this Manual. |
| 18 | the parent of an illegitimate child(ren), member is assigned to Gov't Qtrs | | |

Notes 1 – 4 on next page

FIGURE 3-14 (cont'd)

BAH OR OHA WITH-DEPENDENTS BASED ON PAYMENT OF CHILD SUPPORT;
FORMER SPOUSE OR OTHER PARENT IS NOT AN ACTIVE DUTY UNIFORMED SERVICE MEMBER

Figure 3-14 Notes:

1. See section 3.C.4.d for a change in location where BAH is based when a member is in receipt of a BAH protection memorandum and experiences a dependency status change due to divorce or experiences a dependency status change from with dependents to without dependents.
2. Members are responsible for reporting the termination or adjustment of their child support payments. Members who fail to report the termination or adjustment of their child support payment will be subject to recoupment of any BAH overpayments.
3. When a member acquires a dependent(s), all the dependent(s) (including the dependent(s) for which BAH or OHA with dependents based on payment of child support, or BAH-DIFF was being paid), are now considered all one class of dependents for housing allowance payment purposes.
4. A member receiving BAH with dependents based on payment of child support is not authorized to receive BAH for the location of a dependent(s) for which child support is being paid.
5. A member in pay grade E-3 and below reporting on a permanent change of station to a career sea pay eligible vessel is not authorized BAH or OHA with dependents based on payment of child support. The member is authorized the BAH-DIFF rate.

FIGURE 3-14 (cont'd)

| DIVORCED MILITARY MEMBER PAYING CHILD SUPPORT TO A FORMER ACTIVE DUTY SPOUSE; BAH OR OHA ENTITLEMENT (NOTES 1 AND 2) | | | | | |
|---|--|--|---|---|---|
| R U L E | A | B | C | D | |
| | A military member | and the member paying child support | and the member-parent having physical custody of the child(ren) | the member with the child support payment | the member-parent having physical custody of the child(ren). |
| 1 | has a child(ren) from a former marriage to another active duty Uniformed Service member and pays child support | resides in private sector quarters | resides in private sector quarters | is <u>only</u> authorized BAH or OHA without dependents | is authorized BAH or OHA with dependents. |
| 2 | | is assigned to single-type Gov't Qtrs (UPH or shipboard) | is assigned to Government owned or leased family-type quarters | is authorized BAH-Partial | is not authorized a housing allowance due to their quarters assignment. |
| 3 | | re-marries (new spouse is not an active duty member) | is not married | is now a member with dependents. | remains a member with dependents. |
| 4 | | has their child(ren) visit and reside with the member for <u>more than 90 consecutive days</u> | remains assigned to Government owned or leased family quarters while the child(ren) are visiting | is authorized BAH or OHA with dependents only if the child(ren) visit the member for more than 90 days See section 3.D.20 of this Manual. | is not authorized a housing allowance. |
| 5 | | has their child(ren) visit and reside with the member for <u>90 consecutive days or less</u> | | is only authorized BAH or OHA without dependents See section 3.D.20 of this Manual. | |
| 6 | | resides in private sector quarters | resides in private sector quarters and gets married (new spouse is not a active duty military member) | is authorized BAH/OHA with dependents based on the payment of child support (NOTE 3) | is authorized BAH or OHA with dependents on behalf of the new spouse. |

Notes:

1. In a former member-married-to-member divorce situation, the member with a child support payment to a former active duty (AD) spouse may become entitled to a BAH or OHA with dependents based on payment of child support, or BAH-DIFF, when their former spouse has a child(ren) from a previous marriage or relationship, and they have a child(ren) from their former marriage. If the member pays child support to their former AD spouse for a child(ren) from their former marriage, then the member may be authorized a housing allowance based solely on the payment of child support for that child(ren). The member's former AD spouse receives BAH on behalf of the child(ren) from their previous marriage or relationship. If the members did not have a child(ren) during their marriage, then the active duty member is not authorized a housing allowance based on the payment of child support when their former spouse is on active duty and is either receiving a with-dependent housing allowance or is assigned to Government owned or leased family-type quarters.
2. Includes reserve component members on active duty (including active duty for training (ADT)).
3. BAH/OHA with dependents based on the payment of child support is effective on the former spouse's marriage date.

FIGURE 3-15

| HOUSING ALLOWANCE CHANGES WHEN MEMBER ACQUIRES DEPENDENT (NOTE 1) | | | | | |
|--|---|---|--|---|--|
| R U L E | A | B | C | D | E |
| | Member Stationed | Acquired Dependents Located | Dependents Located At or Near the PDS | Government Quarters Available for the Member (includes shipboard quarters) | Then |
| 1 | Outside CONUS | In CONUS, Alaska, or Hawaii (BAH payable area) | Yes | Yes | Start BAH at the with-dependents rate based on the duty station as of date acquired. |
| 2 | | | | No | Stop BAH at the without-dependents rate the date before dependents are acquired. |
| | | | Start BAH at the with-dependents rate based on the duty station as of date acquired. | | |
| 3 | | | No | Yes | Start BAH at the with-dependents rate based on the dependent's location as of date acquired. |
| | | | | No | Stop the without-dependents allowance as of date before acquired. |
| Start BAH at the with-dependents rate based on the dependent's location as of date acquired. | | | | | |
| Start FSH-B or FSH-O based on the duty station as of date acquired. | | | | | |
| 5 | | Outside CONUS, Alaska or Hawaii (OHA area) | Yes | Yes | Start OHA based on the duty station as of the date acquired. |
| No | | | | Start OHA at the with-dependents rate based on the duty station as of date acquired. | |
| | | | Stop the without-dependents allowance as of date before acquired. | | |
| 7 | | | No | Yes | Start OHA at the with-dependents rate based on the dependent's location as of date acquired. |
| No | | | | Start OHA at the with-dependents rate based on the dependent's location as of date acquired. | |
| | Stop the without-dependents allowance as of date before acquired. | | | | |
| | | Start FSH-B or FSH-O based on the duty station as of date acquired. | | | |
| 9 | In CONUS | In CONUS, Alaska, or Hawaii (BAH area) | Yes | Yes | Start BAH at the with-dependents rate based on the duty station as of date acquired. |
| No | | | | Stop BAH at the without-dependents rate as of date before acquired. | |
| | | | Start BAH at the with-dependents rate based on the duty station as of date acquired. | | |
| 11 | | No | Yes | Start BAH at the with-dependents rate based on the duty station as of date acquired (Note 1). | |
| 12 | | | No | Stop the without-dependents allowance as of date before acquired. | |
| | Start BAH at the with-dependents rate based on the duty station as of date acquired (NOTE 2). | | | | |

Rules 13 - 16 continue on next page.

FIGURE 3-16

| HOUSING ALLOWANCE CHANGES WHEN MEMBER ACQUIRES DEPENDENT (NOTE 1) | | | | | |
|---|--------------------|---|---|--|--|
| R U L E | A | B | C | D | E |
| | Member Assigned | Acquired Dependents Located | Dependents Located At or Near the PDS | Government Quarters Available for the Member (includes shipboard quarters) | Then |
| 13 | In CONUS | Outside CONUS, Alaska or Hawaii (OHA Area) | Yes | Yes | Start BAH based on the duty station as of the date acquired |
| 14 | | | | No | Start BAH at the with-dependents rate based on the duty station as of date acquired |
| 15 | | | No | No | Stop the without-dependents allowance as of date before acquired |
| 16 | | | | | Start BAH at the with-dependents rate based on the duty station as of date acquired (NOTE 2) |
| | | | | No | Start BAH at the with-dependents rate based on the duty station as of date acquired (NOTE 2) |
| | | | | | Stop the without-dependents allowance as of date before acquired |

Notes:

1. Before a BAH or OHA change is authorized, completion of a Dependency Worksheet, Form CG-2020 and any other applicable worksheets and documentation is required by the member.
2. In unusual circumstances, the member may request a Secretarial Process determination to base BAH or OHA on the dependents location. Submit a written request to Commandant (CG-1332) for determination.

FIGURE 3-16 (cont'd)

| HOUSING ALLOWANCE ENTITLEMENTS FOR MEMBERS WITH-DEPENDENTS SERVING AN UNACCOMPANIED/DEPENDENT RESTRICTED OR UNUSUALLY ARDUOUS SEA DUTY TOUR | | | |
|---|---|---|---|
| R U L E | A | B | C |
| | If a member | and | then the payable BAH or OHA rate (for a member authorized BAH or OHA) is that which is prescribed for (NOTE 1) |
| 1 | is assigned to an unaccompanied/dependent restricted tour at a OCONUS PDS | dependents retain their permanent residence in the U.S. | If dependents residence is located in the same military housing area (MHA) as the member's previous PDS, BAH may be based on the dependent location as authorized by CG PSC PSD-fs. |
| | | | If dependent's residence is not in the vicinity of the previous PDS, start BAH based on the dependent's location as authorized by CG PSC PSD-fs. |
| | | | If dependents are at a U.S. location other than the previous PDS and other than a location for which the member had received an authorization from CG PSC-PSD-fs, stop BAH based on the previous PDS the date before member's departure. Pay the in transit housing allowance from the member's departure date until the date prior to the member's report date at the new OCONUS PDS. Start BAH based on the dependent's location the date member reports at new OCONUS PDS. Member must have CG PSC-PSD-fs authorization to receive BAH for dependent's location. |
| 2 | | dependents retain their permanent residence outside the U.S. | If dependents remain at member's old PDS continue to pay OHA based on dependents location as authorized by CG PSC-PSD-fs. |
| | | | If dependents are at an OCONUS location other than the old PDS and are receiving OHA based on that location as authorized by CG PSC-PSD-fs, continue the OHA previously paid. |
| | | | If dependents are at an OCONUS location other than the old PDS and other than a location for which the member had a Secretarial waiver, stop OHA the date before the member's departure. Pay Transit Housing Allowance from the member's departure date until the date prior to the member's report date at the new PDS. Start OHA based on the dependents' location the date member arrives at new OCONUS PDS. |
| 3 | | dependents relocate their permanent residence at Government expense from the U.S. to another location in the U.S. | If dependents travel in advance of the member, start BAH based on the dependents' location the date one or more dependents arrive at the new residence location (the BAH rate based on the old PDS or the Transit Housing Allowance continues through the date before the dependents' arrival date). |
| | | | If dependents travel with the member, start BAH based on the dependents' location the date one or more dependents arrive at the new residence location and stop the Transit Housing Allowance the date before the dependents' arrival date. |
| | | | If dependents travel after the member, stop BAH based on the member's old PDS the date prior to the member's departure. Start the Transit Housing Allowance on the member's departure date through the date prior to the member's report date at the new PDS. Start the BAH rate based on member's old PDS the date member reports to the new PDS until the date prior to the dependents arrival at the new residence location. Start BAH based on the dependents location on the date one or more dependents arrive at the new residence location. |

Rules continued on next page.

FIGURE 3-17

| HOUSING ALLOWANCE ENTITLEMENTS FOR MEMBERS WITH-DEPENDENTS SERVING AN UNACCOMPANIED/DEPENDENT RESTRICTED OR UNUSUALLY ARDUOUS SEA DUTY TOUR | | | |
|---|---|---|--|
| R U L E | A | B | C |
| | If a member | and | then the payable BAH or OHA rate (for a member authorized BAH or OHA) is that which is prescribed for (NOTE 1) |
| 4 | is assigned to an unaccompanied/dependent restricted tour at a OCONUS PDS | dependents relocate their permanent residence at Government expense from outside the U.S. to the U.S. | <p>If dependents travel in advance of the member, start BAH based on the dependents' location the date one or more dependents arrive at the new residence location (OHA based on the old PDS or the Transit Housing Allowance continues through the date before the dependents' arrival date).</p> <p>If dependents travel with the member, stop OHA the date prior to member's departure. Start the Transit Housing Allowance the date member departs the old PDS through the date prior to the dependents arrival date at the new location. Start BAH based on the dependents' location the date one or more dependents arrive at the new residence location.</p> <p>If dependents travel after the member, stop OHA based on the member's old PDS the date prior to the member's departure. Start the Transit Housing Allowance on the member's departure date through the date prior to the member's report date at the new PDS. Start OHA based on member's old PDS the date member reports to the new PDS until the date prior to the dependents departure. Start BAH based on the dependents location on the date one or more dependents arrive at the new residence location.</p> |
| 5 | | | <p>If dependents travel in advance of the member, start OHA based on the dependents' location the date dependents incur permanent lodging costs at the new residence (OHA based on the old PDS or the Transit Housing Allowance continues through the date before.)</p> <p>If dependents travel with the member, stop OHA based on the member's PDS the date prior to member's departure. Start the Transit Housing Allowance the date member departs the old PDS. Start OHA based on the dependents' location the date dependents incur permanent lodging costs at the new residence location and stop the Transit Housing Allowance the date before.</p> <p>If dependents travel after the member, stop OHA based on the member's old PDS the date prior to the member's departure. Start the Transit Housing allowance on the member's departure date through the date prior to the member's report date at the new PDS. Start OHA based on member's old PDS the date member reports to the new PDS until the date prior to dependents' departure. Start OHA based on the dependents location on the date dependents start incurring permanent lodging costs at the new residence location.</p> |

Rules continued on next page.

FIGURE 3-17 (cont'd)

| HOUSING ALLOWANCE ENTITLEMENTS FOR MEMBERS WITH-DEPENDENTS SERVING AN UNACCOMPANIED/DEPENDENT RESTRICTED OR UNUSUALLY ARDUOUS SEA DUTY TOUR | | | |
|---|---|--|--|
| R U L E | A | B | C |
| | If a member | and | then the payable BAH or OHA rate (for a member authorized BAH or OHA) is that which is prescribed for (NOTE 1) |
| 6 | is assigned to an unaccompanied/dependent restricted tour at a OCONUS PDS | the dependents relocate their permanent residence at Government expense from the U.S. to a location outside the U.S. | If dependents travel in advance of the member, start OHA based on the dependents' location the date dependents incur permanent lodging costs at the new residence location (BAH based on the old PDS or the Transit Housing Allowance continues through the date before.) |
| | | | If dependents travel with the member, stop BAH based on the member's PDS the date prior to member's departure. Start the Transit Housing Allowance the date member departs the old PDS. Start OHA based on the dependents' location the date dependents incur permanent lodging costs at the new residence location and stop the Transit Housing Allowance the date before. |
| | | | If dependents travel after the member, stop BAH based on the member's old PDS the date prior to the member's departure. Start the Transit Housing allowance on the member's departure date through the date prior to the member's report date at the new PDS. Start BAH based on member's old PDS the date member reports to the new PDS. Start OHA based on the dependents location on the date dependents start incurring permanent lodging costs at the new residence location and stop the old PDS BAH rate the date before. |
| 7 | is assigned to an unaccompanied/dependent restricted tour at a OCONUS PDS | dependents relocate the residence at personal expense while the member is serving an unaccompanied/dependent restricted tour | Pay the rate for the location in rules 1 and 2 through the day before one or more dependents arrive at the new permanent location if the dependent moves to an OHA area. OHA authority at the rate applicable to the new permanent residence location begins on the date one or more dependents arrive at that location. |
| | | | If the dependent relocates between BAH locations, continue BAH based on the rate for the previously authorized location (either old PDS or dependent location) before the move. |
| | | | If the dependent relocates from a designated place outside the U.S. (OHA area) to a U.S. location, discontinue previously authorized location – based OHA the day prior to the dependent's departure. Start new permanent residence location-based BAH on the day one or more dependents arrive at that location. |

Rule 10 and Notes continued on next page.

FIGURE 3-17 (cont'd)

| HOUSING ALLOWANCE ENTITLEMENTS FOR MEMBERS WITH-DEPENDENTS SERVING AN UNACCOMPANIED/DEPENDENT RESTRICTED OR UNUSUALLY ARDUOUS SEA DUTY TOUR | | | |
|---|--|--|---|
| R U L E | A | B | C |
| | If a member | and | then the payable BAH or OHA rate (for a member authorized BAH or OHA) is that which is prescribed for (NOTE 1) |
| 8 | is assigned to an unaccompanied/dependent restricted tour at a OCONUS PDS and the member is required to perform a TDY anywhere in the world, incident to a transfer to another unaccompanied/dependent restricted tour | dependents continue to reside at same location | The dependents' permanent residence location. |
| 9 | is assigned to an unaccompanied/dependent restricted tour at OCONUS PDS and the member is required to perform TDY incident to a transfer to the United States | dependents continue to reside at same location | The dependents' permanent residence location through the date before the date the member reports to the new PDS. Authorization for BAH or OHA at the rate for the new PDS begins on the date the member reports at that PDS. |
| 10 | is assigned to a unusually arduous sea duty vessel in the U.S. | the dependent is not residing with the member at the vessel's U.S. home port | The vessel's U.S. home port-based rate unless the member requests BAH protection at the previous PDS-based rate (if the dependent remained in the residence shared with the member before PCS) or dependent's location. See NOTE 2. |

Note:

1. A housing allowance may not be paid if the member is assigned adequate family-type Gov't Qtrs at the PDS. Do not start the housing allowance until the member terminates the family-type Gov't Qtrs assignment and the servicing personnel office receives official termination notification.
2. A member with dependents who executes dependent travel to the vessel's U.S. home port and is receiving BAH for the home port, and later relocates the dependents from the vessel's U.S. home port, is not authorized to submit a CG-2025A to CG PSC-PSD-fs and request BAH for their dependent location. The member's BAH remains based on the vessel's U.S. homeport port.

FIGURE 3-17 (cont'd)

| CHANGES WHEN A MEMBER WITH A DEPENDENT SERVES AN UNACCOMPANIED/DEPENDENT RESTRICTED TOUR AND DEPENDENTS VISIT | | | | | |
|--|--|--|--|--|---|
| R U L E | A | B | C | D | |
| | Member on an Unaccompanied/Dependent Restricted Assignment | Government Quarters Available | Dependents Visit for More Than 90 Days | Then | |
| 1 | In Alaska or Hawaii (BAH Area) | Yes | No | No action required. | |
| 2 | | | Yes | Yes | Stop with-dependents allowance based on dependent location on day 90. |
| | | | | | Start with-dependents allowance based on PDS on day 91. |
| | | | | | If the dependent departs the PDS after day 91, to take up residence elsewhere, reinstate the dependent location-based with-dependent allowance as of the departure day. |
| 3 | | No | No | Start PDS-based FSH-B as of the date private sector housing is acquired at the PDS (NOTE 1). | |
| 4 | | | Yes | Stop the dependent location-based with-dependents allowance on day 90. | |
| | | | | Stop FSH-B on day 90. | |
| | | | | Start with-dependents PDS BAH on day 91. | |
| | | | If the dependent depart the PDS after day 91, to take up residence elsewhere, reinstate the dependent location-based with-dependent allowance and FSH-B as of the departure day. | | |
| 5 | | Outside the United States (OHA Area) | Yes | No | No action required. |
| 6 | Yes | | | Stop the dependent location with-dependent allowance on day 90. | |
| | | | | Start PDS-based with-dependent OHA on day 91. | |
| | | | | If the dependent depart the PDS after day 91, to take up residence elsewhere, reinstate the dependent location-based with-dependent allowance as of the departure day. | |
| 7 | No | | No | Start PDS-based FSH-O on the date private sector housing is acquired (NOTE 1). | |
| 8 | | | Yes | Stop the dependent location-based with dependent allowance on day 90. | |
| | | | | Stop FSH-O on day 90. | |
| | | | | Start PDS-based with-dependent OHA as of day 90. | |
| | | | If the dependent depart the PDS after day 91, to take up residence elsewhere, reinstate dependent location-based with-dependent allowance and FSH-O as of the departure day. | | |

Notes:

1. Requires completion and approval of the Family Separation Housing Worksheet, Form CG-7220.

FIGURE 3-18

| HOUSING ALLOWANCE ENTITLEMENT FOR MEMBERS IN TRANSIT | | | |
|--|--|---|---|
| R U L E | A | B | C |
| | If member | and | then (NOTES 1 and 2) |
| 1 | is en route PCS | from a PDS in the U.S. (including Alaska (AK) and Hawaii (HI)) | continue BAH based on the old PDS through the date before the date the member reports to the new PDS, to include TDY en route. New PDS-based BAH or OHA authority begins on the date the member reports to the new PDS. |
| 2 | | from a PDS outside the U.S. (OHA payable location) | start the BAH-Transit rate beginning the date the member departs an OHA area through the date before the date the member reports to the new PDS, to include TDY en route. New PDS-based BAH or OHA authority begins on the day the member reports to the new PDS. |
| 3 | is en route PCS but was not paid BAH or OHA at the old PDS because Gov't Qtrs were assigned | from a PDS in the U.S. (including AK and HI) | start BAH based on the old PDS beginning the date the member terminates Gov't Qtrs and the new PDS the date the member reports to the new PDS. |
| 4 | | from a PDS outside the U.S. (OHA payable area) | start the Transit rate the date the member departs the old PDS through the date before the member reports to the new PDS. Start new PDS-based BAH beginning the date the member reports to the new PDS. |
| 5 | new accession – newly inducted, enlisted, reenlisted, or an officer candidate | the member has dependents located in the U.S. (including AK and HI) | start BAH based on the rate for the dependents' location beginning the date of enlistment, entry on active duty or date active duty pay begins through the date before the date the member reports to the first duty station other than for training. Start the PDS rate beginning the date the member reports to the first PDS. |
| 6 | | the member has dependents located outside the U.S. (OHA payable location) | start BAH based on the rate for the training site location beginning the date of enlistment, entry on active duty or date active duty pay begins through the date before the date the member reports to the first duty station other than for training. Start the PDS rate beginning the date the member reports to the first PDS. |
| 7 | new accession in the training pipeline in a travel status, leave en route or proceed time while transferring from the initial training location, between training locations and to the first PDS | the member is without dependents. | start the Transit rate when the member is in a travel status between duty/training stations and the new PDS rate the date the member reports to the new PDS. |
| 8 | | the member is with dependents. | for dependents located in the U.S., continue BAH based on the location of the dependents through the date before the date the member reports to the new PDS and the first PDS rate beginning the date the member reports to the first PDS. For dependents located outside the U.S., continue BAH based on the location of the training site through the date before the date the member reports to the new PDS and the first PDS rate beginning the date the member reports to the first PDS |
| 9 | is in leave status away from a PDS in the U.S. (including AK and HI) awaiting discharge | | continue BAH (if currently entitled) based on the old PDS rate through the date of discharge. |

Rules 10 - 14 and Notes continue on next page.

FIGURE 3-19

| HOUSING ALLOWANCE ENTITLEMENT FOR MEMBERS IN TRANSIT (CONT'D) | | | |
|---|--|--|---|
| R U L E | A | B | C |
| | If member | and | then |
| 10 | is processing for separation or retirement | from a PDS in the U.S. (including AK and HI) | continue BAH (if currently entitled) based on the old PDS through the date of separation or date before effective date of retirement. |
| 11 | | from a PDS outside the U.S. with a processing station in the U.S. | start BAH based on the retirement/separation processing station beginning the date the member departs the PDS through the date of separation or date before effective date of retirement. If the member has been previously authorized by PSC-PSD-fs to receive BAH based on their dependents' location, continue that BAH rate for that location up through the separation/retirement date. |
| 12 | is processing for separation or retirement | from a PDS outside the U.S. and returns to U.S. after processing OCONUS | start BAH based on the leave address provided as part of the final out processing beginning the date the member departs the PDS through the date of separation or date before effective date of retirement. If the member is receiving BAH based on their dependents location, continue that BAH rate up through the separation/retirement date. |
| 13 | | from a PDS outside the U.S. and remains at the PDS outside U.S. | continue OHA based on the PDS outside the U.S. provided the member continues to occupy private sector leased/owned housing. |
| 14 | | from a PDS outside the U.S. and member remains OCONUS but moves to a different country | stop OHA based on the PDS when the member stops paying rent or when the member departs the PDS area and start OHA based on the OCONUS location the member moves to establish a residence on the date the member obtains private sector housing. Continue OHA through the date of separation or date before effective date of retirement. If the member is being paid an OHA based on dependents location, continue that OHA rate through separation or retirement date provided the dependents remain at the OCONUS location. |

Notes:

1. A member is not authorized BAH/OHA if assigned Government owned or leased quarters adequate for the member and dependents (if with dependents). If old PDS is in a BAH payable location, start BAH for the old PDS location effective the date after quarters are terminated. If old PDS is in an OHA payable location, start the non-locality BAH transit rate effective the date after quarters are terminated.
2. If a member with dependents has a BAH protection memo from PSC-PSD-fs authorizing BAH for his or her previous PDS or dependent location, that BAH rate continues until their effective PCS reporting date to their new PDS. If BAH protection is based on a dependent location in an OHA payable area, continue this OHA rate up until the member's PCS reporting date to their new PDS only if the dependents are verified as remaining at this residence. If the dependents terminate their residence at the OHA location while the member is in transit, the member will be authorized the non-locality BAH transit rate effective the date after the dependents terminate the residence. OHA terminates effective the date the dependents terminate the residence.

FIGURE 3-19 (cont'd)

| HOUSING ALLOWANCE ENTITLEMENT DUE TO DEATH OF MEMBER | | | |
|--|--|---|--|
| R U L E | A | B | C |
| | If a member with dependents | and | the entitlement is |
| 1 | dies on active duty while assigned to a PDS in the United States | the dependents reside in private sector quarters | the member's present BAH rate for 365 days. |
| 2 | dies on active duty while assigned to a PDS outside the United States (non BAH payable area) | | the OHA rate until dependents relocate (paid monthly). If the dependents reside outside the U.S. their housing allowance will be based on the local OHA rate. If the dependents reside in the U.S. their housing allowance will be based on their residence location. Entitlement exists for 365 days after member's date of death. |
| 3 | dies on active duty while assigned to a PDS in the United States | the dependents reside in Gov't Qtrs on the date of the member's death | the dependents may continue to reside rent free in the quarters for 365 days. If the dependents vacate Gov't Qtrs and relocate, their housing allowance will be based on the member's PDS. Entitlement exists for 365 days after member's date of death. |
| 4 | dies on active duty while assigned to a PDS outside the United States (non BAH payable area) | | The dependents may continue to reside rent free in the quarters for 365 days. If the dependents relocate outside the U.S. their housing allowance will be based on the local OHA rate. If the dependents relocate in the U.S. their housing allowance will be based on their residence location. Entitlement exists for 365 days after member's date of death. |

FIGURE 3-20

| RESERVE COMPONENTS; ORDERED TO ACTIVE DUTY (AD) OR ACTIVE DUTY FOR TRAINING (ADT) | | | | |
|--|---|---|--|---|
| R U L E | A | B | C | D |
| | If member is (NOTE 1) | PCS HHG Transportation Authorized | Duty in Support of Contingency Operation | Then (NOTE 2) |
| 1 | Called/Ordered to Active Duty for Training (ADT) for more than 30 but fewer than 140 days | No | No | start primary residence-based BAH/OHA at the time called/ordered to ADT beginning on first active duty day. |
| 2 | Called/Ordered to Active Duty for Other Than Training (ADOT) for more than 30 but for 180 or fewer days | | | start primary residence-based BAH/OHA at the time called/ordered to ADT beginning on first active duty day. |
| 3 | Called/ordered to ADT for more 140 or more days or ADOT for more than 180 days | Yes | No | start primary residence-based BAH/OHA at the time called/ordered to active duty/active duty for training beginning on first active duty date through the date before arrival date at PDS. PDS location- based BAH/OHA begins on the date the member reports to the PDS (NOTE 3). |
| 4 | | Yes | Yes | start primary residence-based BAH/OHA at the time called/ordered to active duty/active duty for training beginning on first active duty date through the date before arrival date at PDS. PDS location- based BAH/OHA begins on the date the member reports to the PDS (NOTE 3). |
| 5 | | No (NOTE 4) | No | start primary residence-based BAH/OHA at the time called/ordered to active duty beginning on first active duty day. |
| 6 | | No | Yes | start primary residence-based BAH/OHA at the time called/ordered to active duty beginning on first active duty day. |
| 7 | ordered to active duty for 30 or fewer days | No | No | start BAH-RC beginning on first active duty day. |
| 8 | ordered to active duty for 30 or fewer days | No | Yes | start primary residence- based BAH/OHA based on primary residence at time called/ordered to active duty beginning on first active duty day. |
| 9 | issued a Notice of Eligibility (NOE) for authorized medical treatment following service on active duty to document eligibility for medical care as a result of an injury, illness, or disease incurred or aggravated in the line of duty. See section 6.I, Reserve Policy Manual, COMDTINST M1001.28 (series) (NOTE 5) | | | start BAH or OHA for the member's primary residence beginning on the day the member becomes entitled to Incapacitation Pay. See Reserve Policy Manual, COMDTINST M1001.28C, section 6.K, for claims for incapacitation pay (NOTE 6). |

Notes 1 - 6 on next page.

FIGURE 3-21

RESERVE COMPONENTS; ORDERED TO
ACTIVE DUTY (AD) OR ACTIVE DUTY FOR TRAINING (ADT)

Figure 3-21 Notes:

1. If the RC member receives an order modification or amendment extending the assignment, the prospective (new) active duty period determines entitlements. If the prospective new period is more than 30 days BAH-RC would stop the day before the amendment or modification and BAH or OHA based on the primary residence would start on the modification date. If the prospective period is 140 or more days for training or over 180 days and PCS HHG are authorized, the BAH-RC or BAH or OHA based on the primary residence would stop the day before the modification or amendment and PDS based BAH/OHA would begin on the modification date.
2. Payment of OHA requires a lease agreement or mortgage.
3. BAH or OHA is not authorized to members assigned adequate (to member's grade and dependency status) Gov't Qtrs at the PDS.
4. In accordance with the Coast Guard Supplement to the Joint Travel Regulations, section 7600.C, when the active duty for other than training in a TDY status is for more than 180 days, authorization or approval is required from Commandant (CG-1332).
5. The condition must be a result of an injury, illness, or disease incurred or aggravated:
 - (a) In line of duty while performing active duty;
 - (b) In line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course or attendance in an inactive status at an education institution).
6. In accordance with the Reserve Policy Manual, COMDTINST M1001.28C, section 6.I.5, in cases where a member is projected to remain incapacitated for more than six months, the member must be referred to the Physical Disability Evaluation System, unless the member is designated TLD status, in accordance with the Physical Disability Evaluation System, COMDTINST M1850.2 (series).

FIGURE 3-21 (cont'd)

| HOUSING ALLOWANCE ENTITLEMENT INCIDENT TO EARLY RETURN OF DEPENDENTS (ERD) (NOTE 1) | | | |
|--|---|---|--|
| | A | B | C |
| R U L E | Dependents Returned from OCONUS PDS | Member Assigned to Family Gov't Qtrs qtrs at OCONUS PDS | Then (NOTES 2 and 3) |
| 1 | Return is at Gov't expense (NOTE 1) | Yes | if the dependents' location is in a BAH payable area, start with-dependent BAH based on the dependent residence location as of the dependent's arrival date there. If the dependents' location is in an OHA payable area, start OHA effective the date private sector housing is acquired for the dependents (as noted on the relevant paperwork). If the member later terminates Gov't family-type quarters assignment, start FSH effective on the termination date or the date private sector housing for the member is acquired (based on the paperwork for OHA), whichever is later, if single type Gov't Qtrs are not available (i.e., not offered). |
| 2 | | No | if the dependents' location is in a BAH payable area, start with-dependent BAH based on dependent residence location as of dependent's arrival date there. If the dependents' location is in an OHA payable area, start OHA effective the date private sector housing is acquired (based on the paperwork). Stop the with-dependents rate based on the PDS on the date before dependent's location allowance starts. Start FSH-O/FSH-B the day dependent location allowance rate starts if single-type Gov't Qtrs are not available (i.e., are not offered). If single-type Gov't Qtrs are not available at the duty station, start FSH-O or FSH-B the date dependent's location allowance starts. |
| 3 | Return is Not at Gov't Expense | Yes | no housing allowance changes required. When the member terminates Gov't Qtrs assignment: If in a BAH area, start with-dependent BAH based on the PDS as of the termination date. If in an OHA area, start with-dependent OHA based on the PDS as of the date (based on the paperwork) private sector housing is acquired or the termination date, whichever is later. |
| 4 | | No | no housing allowance changes required. |

Notes:

1. Submit the OCONUS Early Return of Dependents (ERD) – Request for TONO/LOA, Form CG-2026 to CG PSC-PSD-fs.
2. Submit the FSH Worksheet, Form CG-7220 to CG PSC-PSD-fs.
3. FSH is not authorized when the PDS is a career sea pay eligible vessel. Gov't Qtrs are available aboard ship.

FIGURE 3-22

| FAMILY SEPARATION HOUSING (FSH); CONDITIONS AFFECTING AUTHORITY | | |
|---|--|--|
| | A | B |
| R U L E | When an eligible member | Then FSH |
| 1 | arrives at PDS outside the CONUS | starts when OCONUS private sector housing is acquired (NOTES 1 and 2). |
| 2 | departs upon reassignment from an OCONUS PDS | continues through the day before the date the member departs PCS or the day the member's lease terminates, whichever occurs first. |
| 3 | no longer has eligible dependent(s) | continues through the day before the date member no longer has an eligible dependent(s). |
| 4 | is assigned Gov't Qtrs | continues through the day before the day Gov't Qtrs become available for assignment. |
| 5 | enters a non-pay status for any reason | continues through the day before the date member enters non-pay status. |
| 6 | is on TDY away from member's PDS, including TDY within the U.S. | continues for 60 or fewer days without certificate from the member. |
| 7 | is hospitalized at or away from PDS, including hospitalization within the U.S. | |
| 8 | is on authorized leave (accrued or advance) at, or away from, PDS, including leave within the U.S. | |
| 9 | is in military confinement or otherwise restricted by military authority | |
| 10 | continues in status covered by rules 6 through 9 for more than 60 days | continues (NOTE 3). |

Notes:

1. FSH is not authorized when the PDS is a career sea pay eligible vessel. Gov't Qtrs are available aboard the ship.
2. Upon reporting, FSH authorization will be determined by the member completing the Family Separation Housing Worksheet, Form CG-7220. The member must have a BAH protection memo from CG PSC-PSD-fs basing BAH on a dependent location, or if eligible, a previous duty station.
3. Payment must be supported by member's certification that the member maintained private sector housing at the PDS.

FIGURE 3-23

| FSA CONDITIONS OF ENTITLEMENT | | | | |
|-------------------------------|--|---|---|---|
| R U L E | A | B | C | D |
| | If a member | and | and | then |
| 1 | is on TDY, including TDY within the United States | is entitled to FSA-R when entering such status and meets the requirements of section 3.H.3 of this Manual | the permanent duty station remains unchanged | FSA-R continues during TDY. |
| 2 | is hospitalized at or away from member's permanent duty station including hospitalization in the United States | | | FSA-R continues during period of hospitalization. |
| 3 | is in military confinement or otherwise restricted by military authority | | | FSA-R continues during period confined or restricted. |
| 4 | is on authorized leave (accrued or advance) at or away from member's permanent duty station | | | FSA-R continues during leave. |
| 5 | is on authorized leave (accrued or advance) at member's residence where member's dependents reside | | member's leave is followed by a period of temporary duty (any number of days) within commuting distance of residence where member's dependents reside | FSA-R continues during leave but is suspended during period of TDY. |
| 6 | is on any status covered by rules 1 through 4, or enters such status | | member's permanent duty station changes | FSA-R stops (NOTE 1). |
| 7 | is reassigned PCS from a permanent duty station in the United States to a hospital for observation or treatment | the member's application for transportation of dependents to the hospital is disapproved by the hospital commander upon determination that prolonged treatment is not expected (NOTE 2) | member meets requirements in NOTE 1 | the member is entitled to FSA-R. |
| 8 | enters any status covered by rules 2, 3, and 4 | the member is entitled to FSA-T when entering such status | | the member continues to receive FSA-T (43 Comp Gen 332). |
| 9 | is ordered to a hospital as a patient in attached status | | | the member is not entitled to FSA-T. |
| 10 | is on TDY for more than 30 days from the permanent duty station | the member does not qualify for FSA-R at permanent duty station | the permanent duty station remains unchanged | the member is entitled to FSA-T for authorized travel time to and from TDY location and for duty at that station (NOTE 3). |
| 11 | is performing recruit/basic training, school, Officer Candidate School (OCS), travel or TDY enroute to initial permanent duty assignment/station | The member is entitled to FSA-R at new permanent duty assignment/station (NOTE 3) | | The member is entitled to FSA-R for recruit/basic training, school, OCS, travel or TDY and authorized travel period (NOTE 3). |
| 12 | is on TDY for more than 30 days en route to a new permanent duty station | member does not qualify for FSA-R at this new station | | the member is entitled to FSA-T for authorized travel time to and from the TDY location and while TDY (NOTE 3). |

Rules 13 - 24 continue on next page.

FIGURE 3-24

| FSA CONDITIONS OF ENTITLEMENT | | | | |
|-------------------------------|--|---|---|---|
| R U L E | A | B | C | D |
| | If a member | and | and | then |
| 13 | is on TDY | is entitled to FSA-S when entering such status and meets the requirements of section 3.H.3 of this Manual | remains assigned to duty aboard a ship which is away from its homeport | FSA-S accrues during entire period of TDY (NOTE 4). |
| 14 | is hospitalized away from the ship | | | FSA-S accrues during period of hospitalization (NOTE 4). |
| 15 | is on authorized leave | | | FSA-S accrues during period of leave (NOTES 4 and 5). |
| 16 | is in military confinement on or away from the ship or otherwise restricted by military authority from performing duty | | | FSA-S accrues during period member is confined or restricted. |
| 17 | is on or enters any status covered by rules 13 through 16 | | the ship returns to homeport | FSA-S entitlement ends on date before ship returns to homeport. |
| 18 | | | is detached from ship while it is away from homeport | FSA-S entitlement ends on date of detachment from ship (NOTE 5). |
| 19 | | | is detached from ship while it is away from homeport and is later reassigned to ship while it is away from its homeport | FSA-S accrues from date of reassignment to ship provided ship does not return to home port in less than 31 days (NOTE 5). |
| 20 | is on a TDY redeployment of more than 30 days | following earlier TDY deployment of more than 30 days which qualified member for FSA-T | period between deployment is 30 days or less | entitlement to FSA-T continues. |
| 21 | is on board a ship redeployed for more than 30 days | following earlier deployment of more than 30 days which qualified member for FSA-S | | entitlement to FSA-S continues. |
| 22 | meets the qualifying requirements of any of the rules 1 through 21 | member is married to another active duty member | the couple was residing together immediately before being separated by reason of military orders | the member is entitled to FSA under the specific rule. |
| 23 | executes a PCS order causing a separation from the member's spouse | | | the member is entitled to FSA-R under the specific rule (NOTE 6). |
| 24 | meets the qualifying requirements of any of the rules 1 through 21 | the member is married to another active duty member and the couple has dependents | the couple and dependents were residing together immediately before each member is separated by reason of military orders | each member is entitled to FSA under the specific rule (NOTE 7). |

Notes:

1. A new determination of entitlement is required if member's permanent duty station changes. Refer to Figure 3-27, rule 2, for date to stop FSA.
2. More than 90 days is prolonged hospitalization.
3. Members are not entitled to FSA-R or FSA-T during authorized leave en route or proceed time (Figure 3-26, rules 1 and 2). See Figure 3-27, rule 7, for date to stop FSA.

FIGURE 3-24 (Cont'd)

FSA CONDITIONS OF ENTITLEMENT

4. If dependent's residence is within commuting distance of the place where member is in such status, FSA-S will continue for 30 days only.
5. Does not apply if member is detached and attached to the same or another ship away from its home-port (45 Comp Gen 838).
6. If both members execute a PCS order away from each other, the FSA-R authorization will be paid to the senior member. If both members are the same pay grade, the members will decide who is authorized the FSA-R. Both member are not authorized FSA-R. If the member receiving FSA-R receives and executes a subsequent PCS order that will continue to keep the member separated from his or her active duty by military orders, that member remains eligible for FSA-R upon reporting to their new PDS.
7. Not more than one monthly allowance may be paid with respect to a married military couple for any month. The dual allowance shall continue until one of the members is no longer assigned to one of those duty assignments. The other member shall continue to receive the allowance until no longer assigned to one of those duty assignments.

| FSA-R, OVERSEAS ASSIGNMENT | | | | |
|----------------------------|--|---|---|--|
| R U L E | A | B | C | D |
| | If an eligible member is | and | and | then the member('s) |
| 1 | selected for PCS overseas | the accompanied tour is not authorized | | is entitled to FSA-R for entire unaccompanied tour (NOTES 1 and 2). |
| 2 | | elects the unaccompanied tour instead of the authorized accompanied tour | | is not entitled to FSA-R for the length of such tour, including tour extensions (NOTE 3). |
| 3 | | elects the accompanied tour | concurrent travel is authorized and dependents travel with member | is not entitled to FSA-R. |
| 4 | | is assigned to an automatic concurrent travel area or an advance application area | application for concurrent travel has been approved by the area commander | is entitled to FSA-R if dependents do not travel with the member for Government reasons (NOTES 4 and 5). |
| 5 | | in status covered by rule 4 | dependents arrive at member's overseas station | FSA-R stops the day before date dependents arrive. |
| 6 | selected for PCS overseas to an advance application area | application for concurrent travel is disapproved by area commander | | is entitled to FSA-R until dependents arrive at overseas station. (This rule is qualified by rules 7 and 8.) |
| 7 | | | member fails to comply with area regulations for entry of the dependents | FSA-R is stopped when timely action is not taken under applicable regulations (NOTE 6). |
| 8 | | | there is a delay of more than 60 days in dependent's arrival (60-day period begins on date of orders) | entitlement to FSA-R continues through day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the Government (NOTE 5). |

Rules 9 - 14 on next page.

Figure 3-25

| FSA-R, OVERSEAS ASSIGNMENT | | | | |
|----------------------------|--------------------------|--|--|--|
| R U L E | A | B | C | D |
| | If an eligible member is | and | and | then the member('s) |
| 9 | assigned overseas | one or more of the dependents live at or near the overseas station | member qualifies for FSA-R for the dependents who are not authorized to travel to the overseas station | is entitled to FSA-R. |
| 10 | | after arrival at overseas station, an accompanied tour is authorized (previously unavailable) and member elects the accompanied tour | | entitlement to FSA-R continues through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the Government (NOTE 5). |
| 11 | | after arrival at overseas station, an accompanied tour is authorized (previously unavailable) and member does not elect the accompanied tour | | entitlement to FSA-R continues based on original assignment under rule 1. |
| 12 | | has previously elected the accompanied tour, but concurrent travel is not performed | reelects the unaccompanied tour before dependents depart CONUS | is not entitled to FSA-R on and after the date reelection is approved (NOTE 3). |
| 13 | | has failed to make a tour election before arrival at new duty station | makes unaccompanied tour election after arrival at the overseas station | is not entitled to FSA-R for the entire unaccompanied tour (NOTE 3). |
| 14 | | | elects accompanied tour after arrival at the overseas station | period starting with the date the tour is approved through the day before dependents arrive at overseas station, not to exceed 60 days from date transportation of dependents is authorized, unless additional delay is caused by the Government (NOTE 5). |

Notes 1 - 6 on next page.

Figure 3-25 (cont'd)

Notes:

1. In all cases entitlement exists only if dependents do not live at or near the duty station. See section 3.H.7 of this Manual. In areas where dependents are not permitted, member does not have to apply for transportation of dependents or elect a tour type.
2. This includes dependent-restricted tours and situation where the member is not authorized to serve an accompanied with-dependents tour in those location where such tours are authorized.
3. Commandant (CG-1332) may waive the provision in this rule to authorize FSA-R in cases where unusual family or operational circumstances exist for the member. See section 3.H.9.c of this Manual for conditions subject to waiver.
4. Where dependents' travel delay is not due to Government reasons, but the member is required to perform TDY enroute, family separation for period of TDY is considered to be due to military requirements and member is entitled to FSA-R under Figure 3-24, rule 11.
5. Delays due to Government reasons include:
 - a. lack of transportation facilities.
 - b. disapproved by CONUS commanders.
 - c. disapproval for reasons of health (pregnancy of wife, etc)
 - d. insufficient service retainability or time remaining in the overseas tour.
6. FSA-R continues if member acted timely to apply for transportation of the dependents and the application was disapproved because of the lack of service retainability or time remaining in the overseas tour.

FIGURE 3-25 (cont'd)

| FSA START DATE | | | |
|------------------|--|--|--|
| R U L E | A | B | C |
| | When an eligible member | and | then FSA entitlement |
| 1 | departs the PDS on PCS (not authorized FSA-R at previous permanent duty station), or TDY in conjunction with PCS (NOTE 1) | is not authorized proceed time or leave en-route | starts on date of detachment from old station. (NOTE 1). |
| 2 | | is authorized proceed time or leave en route | starts on the constructive date of detachment from the previous permanent duty station either the actual date of detachment plus days of authorized leave and/or proceed time or the first date of authorized travel, whichever is later (NOTE 1). |
| 3 | departs homeport aboard ship, including a ship in an inactive status | remains in this status continuously for more than 30 days | starts on the date of departure (NOTE 2). |
| 4 | joins or rejoins a ship away from homeport | remains on duty on board a ship away from its homeport continuously for more than 30 days | starts on first date that member boards ship away from its homeport (NOTE 2). |
| 5 | acquires an initial dependent after the date of departure from previous PDS en route to PCS overseas, but no later than the effective date of the PCS order (FSA-R) (NOTES 3 and 4) | meets conditions of Figure 3-24, rule 1 | starts on date member acquires the dependent. |
| 6 | | meets conditions of Figure 3-24, rule 5, note 2, or rule 6 | (if any) starts according to Figure 3-24, rule 5, note 2, or rule 6. |
| 7 | acquires an initial dependent after the date of departure from previous PDS en route to PCS overseas (member is not entitled to FSA-R at the overseas station), but no later than the effective date of the PCS order (NOTE 3) | is on TDY en route with 30 days or more remaining after the date dependent is acquired, and the member is not accompanied by the dependent | starts on the date the member acquires dependent (FSA-T) (NOTE 1). |
| 8 | a. acquires a dependent after the effective date of the PCS order (NOTE 6), but before member's date of departure on subsequent reassignment PCS, and | is not on TDY | starts on date member acquires dependent. |
| 9 | | is on leave (co-resident with dependent or not) | |
| 10 | | is on TDY not within commuting distance of dependent's residence | |
| 11 | | is on TDY within commuting distance of dependent's residence | starts on member's date of return to permanent duty station. |
| 12 | b. dependent does not live at or near member's permanent duty station (FSA-R) | is on TDY with 30 days or more remaining after the date dependent is acquired, and not within commuting distance of dependent's residence | for the period of TDY starts on the date that the member acquires a dependent (FSA-T) (NOTE 1). |
| 13 | | remains away from home port aboard ship for more than 30 days after the date the dependent is acquired | starts on the date that the member acquired a dependent (FSA-S) (NOTE 1). |

Rules 14 - 17 and Notes continue on next page.

FIGURE 3-26

| FSA START DATE | | | |
|------------------|--|--|--|
| R U L E | A | B | C |
| | When an eligible member | and the member | then FSA entitlement |
| 14 | has newly acquired dependent who joins member at duty station at member's expense | confirms whether dependent is making change of residence or temporary social visit | is based on section 3.H.6 (temporary social visit) or section 3.H.7 of this Manual (change of residence). |
| 15 | | relocates dependent away from duty station at member's expense | starts on the date a dependent's departure from the duty station (NOTE 5). |
| 16 | has dependent depart overseas duty station at Government expense because of authorized evacuation (other than medical), under determination of the Secretary concerned as being in national interest, or for other emergency reasons not personal or caused by dependent's misconduct (NOTE 3) | | starts on the 31 st day of a dependent's departure from the duty station. |
| 17 | reports to a ship with a planned home port change and the dependents have relocated to the new home port location prior to the effective home port change date | | starts on the date of the ship's effective home port change to the date before the ship arrives at the new home port (NOTE 6). |

Notes:

1. Do not pay FSA-T or FSA-S until member has been on TDY or on duty aboard ship away from home port continuously for more than 30 days (or, if applicable, for more than 30 days after the date that a dependent is acquired). In computing the amount payable, the 31st day of any month should be excluded from the computation and February should be treated as if it actually had 30 days. See section 3.H.11 of this Manual.
2. Does not apply if ship is in a port (other than its homeport) located within commuting distance of the residence of the member's dependents continuously for more than 30 days. Also see section 3.H.8 of this Manual.
3. The effective date of PCS orders is the date a member is required to begin travel from the old permanent duty station (PDS) or the last temporary duty station, in order to arrive at the new PDS on the date authorized by the mode of transportation authorized. See JTR, Appendix A, Effective Date of PCS Order.
4. A member who acquired initial dependent after the date of departure from old station en route PCS to CONUS from overseas or en route PCS within CONUS, but no later than the effective date of the PCS order, is entitled to travel for dependent at Government expense based on JTR, Chapter 5; therefore, the member is not entitled to FSA-R. (In this case, no tour election provision exists to overcome the travel provision.)
5. If already started under section 3.H.5 of this Manual, entitlement continues upon departure of dependents from the duty station.
7. FSA-R does not accrue if member was on board ship when the change in homeport was declared, except under section 3.H.8 of this Manual.

FIGURE 3-26 (cont'd)

| FSA STOP DATE | | |
|------------------|---|---|
| R U L E | A | B |
| | If a member | then FSA terminates |
| 1 | has a dependent(s) who arrives at the member's PDS and establishes a residence | the day before dependent(s) arrive. See section 3.H.6 for temporary social visits with dependents. |
| 2 | on next reassignment, arrives at a station where member does not qualify for FSA | the day before date of the member's return from TDY (TAD) (NOTE 1). |
| 3 | returns from TDY of more than 30 days | the day before member returns from TDY (NOTE 2). |
| 4 | is in a non-pay status for any period | the day before the date entering such status, except as provided in section 3.H. |
| 5 | has sole dependent in an institution, and if the stay in the institution continues | the day before 1-year from the date that the member's sole dependent entered an institution (NOTE 3). |
| 6 | is on board a ship away from its homeport | the day before ship returns to homeport or date of detachment from ship, whichever is earlier (NOTE 4). |
| 7 | reports on board a ship after a change of homeport has been declared | the effective date of the change of homeport. |
| 8 | has only secondary dependents who reside with relatives or friends | the day before the date the dependents move to home of relatives or friends. |
| 9 | completes period of TDY of more than 30 days in conjunction with PCS | the day before the date the member arrives at the new station (NOTE 5). |
| 10 | has dependent(s) who return to the PDS after departing in conjunction with authorized or ordered evacuation | the day before the date dependent(s) return. |

Notes:

1. If a delay enroute and or proceed time is authorized and used, then use a constructive date of arrival. Constructive date will be computed by deducting the number of days leave, compensatory absence and or proceed time authorized and used from the actual date of arrival.
2. If delay en-route and or proceed time is authorized, use constructive date. See section 3.H.11 of this Manual.
3. Applies when the stay in the institution is initially not expected to exceed -1- year.
4. FSA-S continues if member is detached and attached the same date to another ship away from its homeport.
5. If delay enroute and/or proceed time is authorized, then use the constructive date. See Section 3.H.11.a.

FIGURE 3-27

| CLOTHING MAINTENANCE ALLOWANCE ENTITLEMENT, BASIC MAINTENANCE ALLOWANCE (BMA), AND STANDARD MAINTENANCE ALLOWANCE (SMA) | | | |
|---|--|--|--|
| R U L E | A | B | C |
| | When an enlisted member | and is not | then member is entitled to a monthly |
| 1 | completes six months of active duty after last entitlement to an initial or partial or partial initial clothing-in-kind issue (NOTES 1, 3 and 4) | missing, missing-in- action, captured, or detained in a foreign country; or forfeiting total pay; or in confinement under sentence | BMA commencing on the date following the date of completion of 6 months active duty. |
| 2 | enlists, reenlists or reports for active duty within three months from date of discharge or release from active duty from the Coast Guard or Coast Guard Reserve | providing a punitive discharge; or terminated from the status for which the clothing monetary allowance was awarded; or serving as a temporary officer (even though receiving "Saved Pay") | BMA or SMA, commencing on the first date on active duty in a pay status (NOTE 2). |
| 3 | completes 36 months of active duty after last entitlement to clothing-in-kind issue (NOTES 1, 3, and 4) | | SMA commencing on the date following date of completion of 36 months of active duty. |

Notes:

1. The time period is computed without regard to lost time.
2. The maintenance allowance to be paid these members depends on the period that has elapsed since the member's last entitlement to an initial clothing issue (e.g., on and after six months but before completion of 36 months active duty (AD) – BMA, after completion of 36 months AD – SMA).
3. A discharged member who reenlists more than 90 days after their discharge date, or a retiree who is recalled after more than six months of retirement, is entitled to:
 - a. A full uniform issue upon reenlistment or recall; then
 - b. No CMA for the first six months after reenlistment or recall date; then
 - c. BMA commencing on the date following completion of six months active duty; and then,
 - d. SMA commencing on the date following completion of 36 months of active duty.

For an Active Duty member, the recruiting office will forward the Uniform Distribution Center (UDC), Woodbine, NJ, DC a Direct Shipper Uniform Order Form (no form number) and a copy of the member's orders signed by the Recruiter.

For a Reservist the recruiter will contact the appropriate official in the Director of Reserve and Military Personnel. This official will forward the UDC a Receipt for Clothing and Small Stores, Form CG-3019 and a signed copy of the member's orders.

4. If a reserve component (RC) member was on active duty prior to integrating into the Regular Coast Guard, the RC member's clothing entitlement upon integration is:
 - a. None if the RC member has six months or less continuous active and reserve service.
 - b. BMA if the RC member's continuous active and reserve service is over six months but less than 36 months.
 - c. SMA if the RC member's continuous active and reserve service is 36 months or more.

FIGURE 3-28

| RESERVE COMPONENT CLOTHING MAINTENANCE ALLOWANCE ENTITLEMENT RESERVE BASIC (RBMA) OR RESERVE STANDARD (RSMA) | | | |
|---|---|--|--|
| R U L E | A | B | C |
| | When a reserve component (RC) enlisted member | and is not | then the RC enlisted member is entitled to a |
| 1 | has three or more years of cumulative Coast Guard selected reserve (SELRES) service, or is an active duty enlisted member released from active duty (RELAD) and is now a member of the Coast Guard SELRES | missing, missing-in-action, captured, or detained in a foreign country; or forfeiting total pay; or in confinement under sentence providing a punitive discharge; or terminated from the status for which the clothing monetary allowance was awarded; or serving as a temporary officer (even though receiving "Saved Pay") | per drill allowance RSMA commencing on the date following a release from active duty (RELAD) (NOTE 1). |
| 2 | has less than three years cumulative Coast Guard service in the Coast Guard SELRES | | per drill allowance RBMA commencing on the date the member affiliates with the SELRES (NOTE 1). |
| 3 | enters into an active duty contract of a duration of 30 or more consecutive days | | BMA (was in receipt of RBMA) or SMA (was in receipt of RSMA), in accordance with active duty clothing maintenance allowance entitlements (NOTE 2). |
| 4 | enlists, re-enlists, or reports for inactive duty within three months from date of discharge or release from Coast Guard active duty | | RBMA or RSMA commencing on the first period of inactive duty in a pay status. |

Notes:

1. Breaks in service of three months or less, and assignments to the inactive ready reserve (IRR), do not have an effect on RSMA entitlement. If a member has a break in service of over three months, the member will have to begin over with a RBMA.

2. A RC enlisted member who is receiving a clothing allowance and accepts active duty orders must receive the active duty clothing maintenance allowance (CMA) equivalent.

Example: A RC member in receipt of RSMA or RBMA and accepts an active duty order of 30 consecutive days or more. The RC member will be eligible to receive either the Standard Maintenance Allowance (SMA) or Basic Maintenance Allowance (BMA) in accordance with the active duty clothing maintenance allowance.

FIGURE 3-29

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CHAPTER 4

SPECIAL PAY

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CHAPTER 4. SPECIAL PAY

A. Hardship Duty Pay.

1. Authority. Under 37 U.S.C. 352, a member entitled to basic pay may be paid Hardship Duty Pay (HDP) at a monthly rate while the member is performing duty designated by the Secretary of Defense as Hardship Duty. The Secretary of Defense has prescribed regulations for the provision of HDP, including monthly rates payable. The Secretary of Defense has established that HDP will be paid to members: (a) performing specific missions or, (b) when assigned to designated locations. The approved missions, designated locations, and applicable HDP rates are provided in this Chapter. Except as noted under restrictions, HDP is payable in addition to all other pays and allowances.
2. Hardship Duty Pay for Mission Assignment (HDP-M). Presently the Coast Guard does not utilize HDP-M for any specific mission or designated location.
3. Hardship Duty Location Pay for Designated Areas (HDP-L(DA)). Hardship Duty Pay for Location Assignment (HDP-L(DA)) is payable to members for either permanent change of station duty or temporary/deployed/attached duty of over 30 days duration in designated areas. It is payable to both officer and enlisted members, regardless of pay grade, under the conditions set forth in Figure 4-1 when assigned to duty in the areas designated on and at the rates shown on the website:
http://comptroller.defense.gov/FMR/vol7a_chapters.aspx (Chapter 17)
4. Restrictions on Payment. The maximum HDP (HDP-L (DA)) that may be paid to an individual member in any one month is \$150.
5. Location Assignment Restrictions.
 - a. HDP-L (DA) is payable to officers and enlisted, active and reserve components alike, during assignment to designated Hardship Duty Locations. HDP-L (DA) is payable in addition to all other pay and allowances to which a member is entitled (to include in addition to HDP-Mission). However, no more than \$300 is payable to a member in HDP (HDP-L plus HDP-M) in any one month.
 - b. Only land areas (or an installation/activity located on an ice shelf) outside the continental United States (CONUS) must be designated for HDP-L (DA). Areas designated are those in which it has been determined that the living conditions experience by service members assigned in the area are substantially below the standard most members on duty in CONUS would experience. HDP-L (DA) is payable at either \$50, \$100, or \$150 a month. The Assistant Secretary of Defense (FMP)(ASD)(FMP)) must establish the rate payable based on the quality-of-life (QOL) hardship level in the area.
 - c. U.S. Service members on permanent duty orders in a designated area, or serving in a temporary duty or deployed status for over 30 consecutive days in the area, must

receive HDP-L (DA). Members on permanent reassignment to the area are eligible for HDP-L (DA) at the established location rate from the day of arrival at the new permanent duty station. Members performing temporary duty in a designated area are not eligible for HDP-L (DA) during the first 30 days of consecutive service at designated location. On the 31st day, HDP-L (DA) is payable to the member retroactive to the date the member reported for duty at the location.

- d. Members on duty in an unaccompanied status and in a designated area who leave the area for a temporary period of more than 30 consecutive days must have HDP-L (DA) terminated on the 31st day. HDP-L (DA) must restart when the member is again assigned and performing duty in that same area (payable on the same basis as upon initial assignment in the area on a permanent or temporary basis) or upon performance of official duty in a different HDP-L designated area. Entitlement to HDP-L upon permanent reassignment from the area will terminate the day the member departs the station. A member who qualifies for HDP-L in an area and is sent to temporary duty over 30 days to another designated area, are entitled to the higher of the two HDP-L rates during the first 30 days at the new location. Under no circumstance is more than \$150 payable to a member in HDP-L in a given month.
6. Requesting Addition to the List of Designated Hardship Duty Locations. A request to be added to the list of HDP-L (DA) locations, or to be considered for a higher HDP-L (DA) rate than presently established, must be submitted in writing and supported by a Hardship Duty Location Assessment Questionnaire, available upon request from Commandant (CG-1332). Designation and rate determinations must be based primarily on information in the assessment questionnaire, which describes the living conditions in the area, broken down into the following categories:
 - a. Physical environment, including physical isolation, climate, social isolation;
 - b. Living conditions, including sanitation and disease, medical and hospital facilities, housing, food, recreational facilities, community facilities;
 - c. Personal security and related factors, including political violence, crime, political harassment.
 7. Questionnaire Instructions.
 - a. Guidance for completion and submission and the channels through which requests are to be forwarded are found in the "overview" to the questionnaire. All Coast Guard Assessment Questionnaire submissions must be sent through Commandant (CG-1332). Requests will be consolidated and processed for determination on a biannual basis in October and March of each year. In conjunction with the biannual update of designated areas, the list of designated hardship duty locations for uniformed personnel will be updated to reflect changes issued in the interim by Department of State to their hardship differential list for federal civilian employees. Changes to the hardship duty location list will normally be effective on the first day of the month

after the Assistant Secretary of Defense for Force Management Policy (ASD (FMP)) announces the designation. All designations must apply prospectively from the effective date of designation.

- b. Each factor in a submitted assessment questionnaire will be analyzed and evaluated against an established standard. If reported conditions meet the criteria standard, the appropriate point weight will be assigned. The total score will be used in determining whether the area should be designated as a hardship duty location, and if so, the level of HDP-L appropriately payable. Because the living conditions experienced by most members in the area must be substantially more severe than experienced by most members in CONUS, credit will be given only in those circumstances. Furthermore, a significant number of weights representing hardship factors must be accumulated before the minimum rate level threshold is reached, and for that reason, installations may report a number of difficult living conditions but not qualify for even the \$50/mo. rate level.
- c. In the case of short-notice operations where U.S. uniformed members will enter into an area with little or no established U.S. or allied military presence, and a known condition of the mission will be that the members will live under very arduous circumstances, in the interest of expediency, a request for immediate designation at the \$150/mo. rate level may be submitted. For joint operations, the request should be forwarded through the chairman of the joint chiefs of staff to the ASD (FMP). For other than joint operations, a request for an emergency designation may be submitted through Commandant (CG-1332) to the ASD (FMP). Emergency designations will be in force for no more than 180 days, as established by the ASD (FMP) in each case. Designation for any longer period must be supported by a fully completed hardship duty location assessment questionnaire (per instructions therein), and will be considered in the next subsequent scheduled biannual update of areas designated as hardship duty locations.

Hardship Duty For Location Pay; Conditions Of Entitlement For Duty In Designated Areas

| R U L E | A | B | C | D |
|------------------|---|----------------------------------|--|--|
| | When an enlisted member or officer | and | and | then hardship duty location pay for a designated area (NOTE 1) |
| 1 | is assigned to permanent duty in a designated location as a hardship duty area | | reports PCS to the designated area | starts on day of arrival for duty. |
| 2 | | | departs PCS from the designated area | continues through day of departure. |
| 3 | | | is discharged and immediately re-enlists at the same duty station | continues to accrue. |
| 4 | | | is on authorized leave and remains within the designated area | |
| 5 | | official status is accompanied | leaves the designated area temporarily to perform more than 30 days of operational flight duty, of TDY, or of hospitalization in one or more designated areas | accrues at the higher area rate during the temporary assignment until return to the PDS (NOTES 2 & 3) |
| 6 | | official status is unaccompanied | | accrues at the higher area rate during the first 30 days at the temporary assignment and then at the temporary area rate until return to the PDS (NOTES 2 & 3) |
| 7 | | official status is accompanied | leaves the designated area temporarily for reasons other than to perform more than 30 days of operational flight duty, of TDY, or of hospitalization in a designated area (Note 4) | continues to accrue. |
| 8 | | official status is unaccompanied | | continues for first 30 days. |
| 9 | is not assigned to permanent duty in a location designated as a hardship duty area | | is on operational flight duty, TDY, or hospitalized in one or more designated areas for a continuous period of more than 30 days (including date of arrival and date of departure) | accrues at the applicable area rate retroactive from the date of arrival through date of departure (NOTE 4). |
| 10 | is entitled to hardship duty location pay for temporary assignment in an area designated under rule 9 above | | leaves the designated area to perform more than 30 days of operational flight duty, of TDY, or of hospitalization in one or more designated areas | accrues at the higher area rate during the first 30 days at the follow-on assignment and then continues at the follow-on area rate until return to the original temporary area or through day of departure, if not returning (NOTES 2 & 3) |

Rules 11 – 14 & Notes continued on next page.

FIGURE 4-1

Hardship Duty For Location Pay; Conditions Of Entitlement For Duty In Designated Areas

| R U L E | A | B | C | D |
|------------------|--|-----|--|---|
| | When an enlisted member or officer | and | and | then hardship duty location pay for a designated area (NOTE 1) |
| 11 | is entitled to hardship duty location pay for temporary assignment in an area designated under rule 9 above | | leaves the designated area for reasons other than to perform more than 30 days operational flight duty, TDY, or for hospitalization in another designated area | continues through day of departure. |
| 12 | is otherwise entitled to hardship duty location pay for assignment in an area designated as a hardship duty area | | is in confinement awaiting trial by court-martial and is acquitted or has charges dismissed | accrues retroactive to first day of confinement. |
| 13 | | | is in confinement awaiting trial by court-martial and is convicted | does not accrue from first day of confinement through the day before the date restored to full duty (NOTE 5). |
| 14 | | | is in confinement as result of court-martial sentence | |

Notes:

1. If already in a location when it is designated a hardship duty area, the day of designation starts pay for those on permanent duty and begins the count towards the 30-day entitlement criteria for those on temporary duty. Absences from a designated location of less than 24 hours do not break continuity.
2. If executing a PCS move or TDY in transit, travel time or leave will accrue hardship duty location pay at the PDS/initial area rate. Hardship Duty Pay terminates if more than 30 days pass before a member (other than a member with accompanied status at their PDS) reports for duty in a designated temporary area.
3. If time from more than one area is combined to meet the 30-day criteria, pay the rate for the area at which the greatest time was earned.
4. Rule 2 applies when a medical evacuee has been reassigned on PCS from the designated place for medical treatment.
5. Non-judicial punishment does not result in loss of hardship duty pay.

FIGURE 4-1 (cont'd)

B. Career Sea Pay.

1. Authority. Career Sea Pay (CSP) is authorized under 37 U.S.C. 352 as a special pay for active duty members (including Reservists on active duty for training) that are entitled to Basic Pay and performing sea duty. CSP is intended to compensate service members for the additional arduousness of sea duty as compared to normal duties ashore and is payable in addition to any other authorized pay & allowances, if otherwise eligible.
2. Definition of Sea Duty. Duty performed by a member while permanently or temporarily assigned to a ship (see section 4.B.4.a) and (1) while serving on a ship the primary mission of which is accomplished while under way; or (2) while serving as an off-cycle crewmember of a multi-crewed ship. This includes while serving as part of a rotational crew unit which the primary duty is to deploy aboard a single class of ship, the primary mission of which is accomplished while under way (e.g. WMSL rotational crew).
3. Sea Duty Exclusions. The following is not considered sea duty for CSP eligibility or CST accrual purposes:

- a. Continuous periods of temporary duty aboard CSP-eligible vessels that:
 - (1) are less than 24 hours duration; or
 - (2) do not span at least two calendar days.
- b. Temporary duty performed by cutter support or maintenance assistance team personnel when the cutter to which assigned is in-port.

Note: Temporary duty performed aboard ship and underway by cutter support or maintenance assistance team personnel that exceed the exclusion limits in Section 4.B.3.a. of this Manual is creditable for CSP and CST accrual purposes.

- c. Permanent or temporary duty as a caretaker crew of a CSP-eligible vessel, whether in commission or not, when aboard that vessel while it is in-port on a long-term basis with no immediate intention of being made ready for sea.
 - d. While permanently assigned to a single-crew CSP-eligible vessel but absent from that vessel or, if the vessel is undergoing shipyard or maintenance work, absent from the immediate vicinity of the vessel for any period exceeding 30 days.
 - e. Assignment to other U.S. Armed Forces units that have been designated as sea duty for CSP purposes but operate or deploy to vessels that do not meet the U. S. Coast Guard definition in Section 4.B.4.a. as CSP-eligible.
4. Definition of a CSP-Eligible Vessel.
 - a. The term “CSP-eligible vessel” means a U. S. Coast Guard cutter, U. S. Government ship, or a ship contracted by the U. S. Coast Guard or other Federal Government agency for the performance of operational missions underway that:
 - (1) is self-propelled; and
 - (2) performs its primary mission underway; and

- (3) is at least 65 feet in length; and
 - (4) is in commission (any status) or under contract to the U.S. Government; and
 - (5) is equipped with crew berthing and messing facilities that are regularly used for the intended purpose.
- b. U.S. Navy, U.S. Army, and National Oceanic and Atmospheric Administration (NOAA) vessels designated by those Services as CSP eligible vessels must meet the U. S. Coast Guard definition in Section 4.B.4.a. for CSP-eligibility to be treated as such for Coast Guard personnel performing sea duty aboard them.
- c. Foreign military vessels and contracted vessels that meet the definition of CSP-eligible vessels per Section 4.B.4.a. may be treated as CSP-eligible. Commandant (CG-1332) will make determinations regarding CSP-eligibility of foreign military and contracted vessels.
- 5. Cumulative CST. Cumulative CST accrues for CSP purposes if the member is entitled to Basic Pay and CSP. Refer questionable cases concerning computation of cumulative CST to PPC (ADV).
- 6. Mobile Units. A Coast Guard mobile unit for CSP and CST accrual purposes is a unit or unit element so designated by Commandant (CG-133) whose members perform the unit's primary mission while on sea duty under TDY orders to CSP-eligible vessels for days away from their units and of such deployment durations as to closely approximate permanent sea duty aboard an unusually arduous sea duty vessel.
 - a. Unusually arduous sea duty is defined in 57 Comp. Gen. 266 (B-190340) as sea duty aboard a class of CSP-eligible vessels that averages more than 50% of each year away from home port (e.g., 183 DAFHP/year).
 - b. Eligible mobile unit members are authorized CSP and CST accrual under the same conditions as permanent crew of CSP-eligible vessels with regard to temporary absences from sea duty (see Figure 4-5).
 - c. Mobile units must be identified by Direct Access Department ID and OPFAC number.
 - d. A Coast Guard member assigned to a mobile unit staff billet who performs command cadre or administrative duties is not entitled to CSP except when actually deployed to a CSP-eligible vessel. These billets will be identified when the mobile unit is designated.
 - e. Designated mobile units must maintain records available for audit for all periods of service aboard CSP-eligible vessels for each member claiming CSP and/or cumulative CST. Record documentation will be retained by the unit or staff in accordance with the Information and Life Cycle Management Manual, COMDTINST M5212.12 (series).
 - f. Commandant (CG-13) designates Coast Guard mobile units for CSP purposes. Mobile unit status must be annually re-validated in a process managed by

Commandant (CG-133). Designated mobile units will be announced by annual ALCOAST message.

7. Rates Payable. CSP is payable to eligible members who perform sea duty under orders issued by competent authority subject to the conditions in Figures 4-3, 4-4, and 4-5. CSP is payable in amounts listed in Figure 4-2. CSP is pro-rated for periods of duty less than one calendar month, but in any event may not exceed the monthly amounts listed in Figures 4-2, as applicable.
8. Periods Not Payable. Members are not entitled to CSP or CST accrual:
 - a. For the 31st day of the month unless the period of service (total period of active duty, i.e., 12 day active duty orders) is less than 30 continuous days. In this case, include the 31st day of a calendar month in the same manner as Basic Pay.
 - b. During periods en route to and from CSP-eligible vessels (except as authorized in Figures 4-3 & 4-4).
 - c. While onboard any ship for transportation as a passenger.
 - d. For the period of time over 30 days when a CSP-eligible vessel is in a shipyard more than 50 miles from its home port and a permanent crew member is away from that vessel during the period that exceeds 30 days.
 - e. On any day for which per diem is authorized per the Joint Travel Regulations (JTR).
 - f. During periods of sea duty as a service academy or ROTC cadet or midshipman.
 - g. Though the 31st day of a month is included for the purposes of the “30-day rule” in Rule 1 of Figures 4-3 and 4-4 and Rule 3 of Figure 4-5, no entitlement accrues on that day.
 - h. E-1 through E-3 and O-1 through O-3 (in the case of commissioned officers with less than 3 years of sea service) who served aboard CSP-eligible vessels prior to 01 Oct 2001 were not eligible for CSP but did accrue CST.
 - i. When departing a vessel in connection with an approved order for PCS transfer, release from active duty, discharge, or retirement, CSP and CST accrual will stop on the day after the member leaves. CSP and CST accrual will not resume for any short returns to the vessel.

Example 1. A member is retiring on 1 September. The member departs the vessel, which is on deployment, on 18 July and returns to the homeport TDY to a shore command. CSP stops on 18 July.

Example 2. A member is being discharged on 19 May. The vessel is moored in its homeport or is underway. The member commences 14 days leave on 6 May. CSP stops on 6 May.

Example 3. A member is retiring on 1 September and has 70 days accrued leave in addition to 20 days excused absence for job hunting and 15 days TDY to a

retirement processing point. The member leaves the vessel on 28 May incident to retirement. CSP and CST accrual is not authorized for any return to the vessel for any period of time between 29 May to 31 August, unless the retirement order is cancelled and the member is ordered back to active duty aboard a CSP-eligible vessel.

9. Temporary Absence From Sea Duty by Permanent Crew and Mobile Unit Members. When temporary duty, excused absence, or other circumstances causes members to not be present for duty aboard their CSP-eligible duty station (e.g., not performing sea duty), the question arises as how to reasonably treat these situations and remain in compliance with the conditions of eligibility. When the CG issued new CSP regulations after the authorizing statute was amended in 2001 to its present form, the previous law's authorization for CSP continuation for up to 30 days' absence from sea duty (A.K.A. "30-Day Rule") was retained in policy as a reasonable accommodation of the need to limit CSP when members are not performing sea duty and the administrative burden of starting and stopping CSP for very short temporary absences from sea duty. The 30-Day Rule was determined to be the best way to achieve the reasonable balance between continuation of CSP for short periods of absence from sea duty and the appropriate point after which CSP payment should be suspended when on an extended absence from sea duty. The 30-Day Rule is not intended to continue CSP/CST accrual when a member returns to short periods of sea duty after and before resuming extended absences from sea duty.
10. CSP-Eligible Coast Guard Vessels Not In Commission. CSP and CST accrual is only authorized for members assigned to sea duty aboard a CSP-eligible Coast Guard vessel that is not in commission when that vessel is actually underway. It is not payable for duty aboard an out-of-commission CSP-eligible vessel when that vessel is moored or at anchor.

Monthly Career Sea Duty Pay Rates

Level 1 Table: Level 1 cutters and assignments will consist of inland buoy tenders (WLI), small harbor tugs (WYTL) and deployed aviation detachments.

| Level 1 Table 01 JAN 2017 | | | | | | | | | | | | | | | | | | |
|------------------------------|----|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| WLI, WYTL, ATO's | | | | | | | | | | | | | | | | | | |
| Cumulative years of sea duty | | | | | | | | | | | | | | | | | | |
| Pay Grade | <1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 14 | 16 | 18 | 20 | |
| O-6 | 50 | 75 | 75 | 100 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| O-5 | 50 | 75 | 75 | 100 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| O-4 | 50 | 75 | 75 | 100 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| O-3 | 50 | 75 | 75 | 100 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| O-2 | 50 | 75 | 75 | 100 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| O-1E | 25 | 50 | 75 | 75 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| O-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| W-4 | 50 | 75 | 75 | 100 | 150 | 200 | 250 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| W-3 | 50 | 75 | 75 | 100 | 150 | 200 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| W-2 | 50 | 75 | 75 | 100 | 150 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| E-9 | 50 | 75 | 75 | 100 | 150 | 200 | 250 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| E-8 | 50 | 75 | 75 | 100 | 150 | 200 | 250 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| E-7 | 50 | 75 | 75 | 100 | 150 | 200 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| E-6 | 50 | 75 | 75 | 100 | 150 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| E-5 | 50 | 75 | 75 | 100 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| E-4 | 50 | 75 | 75 | 100 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| E-3 | 25 | 50 | 75 | 75 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| E-2 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| E-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

Level 2 Table: Level 2 cutters and assignments will consist of icebreaking tugs (WTGB), patrol boats (WPB), inland construction tenders (WLIC), river buoy tenders (WLR), and coastal buoy tenders (WLM).

| Level 2 Table 01 JAN 2017 | | | | | | | | | | | | | | | | | | |
|---|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| WTGB, 87' WPB, 110' WPB, WLIC, WLR, WLM | | | | | | | | | | | | | | | | | | |
| Cumulative years of sea duty | | | | | | | | | | | | | | | | | | |
| Pay Grade | <1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 14 | 16 | 18 | 20 | |
| O-6 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 450 | 450 | 450 | 450 | 450 | 475 | 475 | 500 | 500 | 500 | 500 |
| O-5 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 450 | 450 | 450 | 450 | 450 | 475 | 475 | 500 | 500 | 500 | 500 |
| O-4 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 450 | 450 | 450 | 450 | 450 | 475 | 475 | 500 | 500 | 500 | 500 |
| O-3 | 50 | 75 | 125 | 175 | 250 | 350 | 400 | 400 | 400 | 400 | 425 | 425 | 425 | 425 | 450 | 450 | 450 | 450 |
| O-2 | 50 | 75 | 125 | 175 | 225 | 300 | 325 | 325 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| O-1E | 50 | 75 | 125 | 150 | 175 | 200 | 225 | 250 | 275 | 275 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| O-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| W-4 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 475 | 475 | 500 | 500 | 525 | 525 | 525 | 550 | 550 | 550 | 550 |
| W-3 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 450 | 450 | 450 | 450 | 450 | 475 | 475 | 500 | 500 | 500 | 500 |
| W-2 | 50 | 75 | 125 | 175 | 250 | 350 | 400 | 400 | 400 | 400 | 425 | 425 | 425 | 425 | 450 | 450 | 450 | 450 |
| E-9 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 525 | 550 | 550 | 550 | 575 | 600 | 625 | 625 | 625 | 625 | 625 |
| E-8 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 475 | 475 | 500 | 500 | 525 | 525 | 525 | 550 | 550 | 550 | 550 |
| E-7 | 50 | 75 | 125 | 175 | 250 | 400 | 450 | 450 | 450 | 450 | 450 | 450 | 475 | 475 | 500 | 500 | 500 | 500 |
| E-6 | 50 | 75 | 125 | 175 | 250 | 350 | 400 | 400 | 400 | 400 | 425 | 425 | 425 | 425 | 450 | 450 | 450 | 450 |
| E-5 | 50 | 75 | 125 | 175 | 225 | 300 | 325 | 325 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| E-4 | 50 | 75 | 125 | 150 | 175 | 200 | 225 | 250 | 275 | 275 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 |
| E-3 | 35 | 50 | 75 | 75 | 100 | 100 | 125 | 125 | 150 | 150 | 175 | 175 | 175 | 175 | 175 | 175 | 175 | 175 |
| E-2 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| E-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

FIGURE 4-2
Monthly Career Sea Duty Pay Rates (Effective 01 Jan 2017)

Level 3 Table: Level 3 cutters and assignments will include the Great Lakes icebreaker (WLBB), seagoing buoy tenders (WLB), fast response cutters (WPC), and deployed TACLET units.

| Level 3 Table 01 JAN 2017 | | | | | | | | | | | | | | | | | |
|---|----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| WLBB, WLB, WPC, TDY aboard non-USCG CSP-Eligible Vessels, TACLET* | | | | | | | | | | | | | | | | | |
| Cumulative years of sea duty | | | | | | | | | | | | | | | | | |
| Pay Grade | <1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 14 | 16 | 18 | 20 |
| O-6 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 575 | 575 | 575 |
| O-5 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 575 | 575 | 575 |
| O-4 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 525 | 525 | 525 | 525 | 525 | 550 | 550 | 550 |
| O-3 | 50 | 75 | 175 | 200 | 300 | 425 | 425 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| O-2 | 50 | 75 | 175 | 200 | 250 | 350 | 375 | 375 | 375 | 375 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| O-1E | 50 | 75 | 150 | 175 | 200 | 275 | 300 | 300 | 300 | 300 | 325 | 325 | 325 | 325 | 325 | 325 | 325 |
| O-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| W-4 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 575 | 575 | 575 |
| W-3 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 525 | 525 | 525 | 525 | 525 | 550 | 550 | 550 |
| W-2 | 50 | 75 | 175 | 200 | 300 | 425 | 425 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| E-9 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 550 | 550 | 600 | 600 | 600 | 625 | 625 | 625 |
| E-8 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 575 | 575 | 575 |
| E-7 | 50 | 75 | 175 | 200 | 300 | 425 | 500 | 525 | 525 | 525 | 525 | 525 | 525 | 525 | 550 | 550 | 550 |
| E-6 | 50 | 75 | 175 | 200 | 300 | 425 | 425 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| E-5 | 50 | 75 | 175 | 200 | 250 | 350 | 375 | 375 | 375 | 375 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| E-4 | 50 | 75 | 150 | 175 | 200 | 275 | 300 | 300 | 300 | 300 | 325 | 325 | 325 | 325 | 325 | 325 | 325 |
| E-3 | 35 | 50 | 75 | 75 | 100 | 100 | 125 | 125 | 150 | 150 | 175 | 175 | 175 | 175 | 175 | 175 | 175 |
| E-2 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| E-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

Level 4 Table: Level 4 cutters and assignments will include Coast Guard Barque Eagle, non-Alaskan medium endurance cutters (WMEC), non-Alaskan high endurance cutters (WHEC), non-Alaskan offshore patrol cutters (WMSM), PATFORSWA, deployed PATFORSWA cutter support teams and permanent duty aboard sea pay-eligible non-Coast Guard vessels.

| Level 4 Table 01 JAN 2017 | | | | | | | | | | | | | | | | | |
|--|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| EAGLE WIX, WMEC, WHEC (except AK homeported WMEC & WHEC), WMSM (except AK homeported WMSM), PATFORSWA WPB & Cutter Support Team, Permanent Duty on CSP-Eligible vessels ICW USN Exchange & Foreign Navy Assignment Programs. | | | | | | | | | | | | | | | | | |
| Cumulative years of sea duty | | | | | | | | | | | | | | | | | |
| Pay Grade | <1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 14 | 16 | 18 | 20 |
| O-6 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| O-5 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 675 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| O-4 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 675 | 675 | 675 | 675 | 675 | 675 | 675 | 675 |
| O-3 | 75 | 125 | 200 | 275 | 350 | 500 | 525 | 525 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| O-2 | 75 | 125 | 200 | 275 | 300 | 425 | 425 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| O-1E | 75 | 125 | 175 | 200 | 225 | 325 | 325 | 325 | 325 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| O-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| W-4 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 675 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| W-3 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 675 | 675 | 675 | 675 | 675 | 675 | 675 | 675 |
| W-2 | 75 | 125 | 200 | 275 | 350 | 500 | 525 | 525 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| E-9 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| E-8 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 675 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| E-7 | 75 | 125 | 200 | 300 | 350 | 525 | 600 | 625 | 650 | 675 | 675 | 675 | 675 | 675 | 675 | 675 | 675 |
| E-6 | 75 | 125 | 200 | 275 | 350 | 500 | 525 | 525 | 525 | 525 | 550 | 550 | 550 | 550 | 550 | 550 | 550 |
| E-5 | 75 | 125 | 200 | 275 | 300 | 425 | 425 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| E-4 | 75 | 125 | 175 | 200 | 225 | 325 | 325 | 325 | 325 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| E-3 | 35 | 75 | 75 | 100 | 125 | 125 | 125 | 125 | 150 | 150 | 175 | 175 | 200 | 200 | 200 | 200 | 200 |
| E-2 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| E-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

FIGURE 4-2 (cont'd)
Monthly Career Sea Duty Pay Rates (Effective 01 Jan 2017)

Level 5 Table: Level 5 cutters and assignments will include heavy icebreakers (WAGB), national security cutters (WMSL) and Alaska-based medium endurance cutters, high endurance cutters and offshore patrol cutters.

| Level 5 Table 01 JAN 2017 | | | | | | | | | | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| WAGB, WMSL, Kodiak, AK homeported: WHEC, WMEC, WMSM | | | | | | | | | | | | | | | | | |
| Cumulative years of sea duty | | | | | | | | | | | | | | | | | |
| Pay Grade | <1 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 14 | 16 | 18 | 20 |
| O-6 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 725 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| O-5 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 700 | 700 | 725 | 725 | 725 | 725 | 725 | 725 | 725 |
| O-4 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 700 | 700 | 725 | 725 | 725 | 725 | 725 | 725 | 725 |
| O-3 | 100 | 150 | 225 | 325 | 400 | 575 | 600 | 600 | 600 | 600 | 625 | 625 | 625 | 625 | 625 | 625 | 625 |
| O-2 | 100 | 150 | 225 | 300 | 375 | 475 | 500 | 500 | 500 | 500 | 525 | 525 | 525 | 525 | 525 | 525 | 525 |
| O-1E | 75 | 150 | 225 | 225 | 250 | 375 | 375 | 375 | 375 | 375 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| O-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| W-4 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 725 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| W-3 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 700 | 700 | 725 | 725 | 725 | 725 | 725 | 725 | 725 |
| W-2 | 100 | 150 | 225 | 325 | 400 | 575 | 600 | 600 | 600 | 600 | 625 | 625 | 625 | 625 | 625 | 625 | 625 |
| E-9 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 725 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| E-8 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 725 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| E-7 | 100 | 150 | 225 | 325 | 400 | 650 | 700 | 700 | 700 | 700 | 725 | 725 | 725 | 725 | 725 | 725 | 725 |
| E-6 | 100 | 150 | 225 | 325 | 400 | 575 | 600 | 600 | 600 | 600 | 625 | 625 | 625 | 625 | 625 | 625 | 625 |
| E-5 | 100 | 150 | 225 | 300 | 375 | 475 | 500 | 500 | 500 | 500 | 525 | 525 | 525 | 525 | 525 | 525 | 525 |
| E-4 | 75 | 150 | 225 | 225 | 250 | 375 | 375 | 375 | 375 | 375 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| E-3 | 50 | 75 | 100 | 100 | 125 | 125 | 150 | 150 | 175 | 175 | 200 | 200 | 225 | 225 | 250 | 250 | 250 |
| E-2 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| E-1 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

FIGURE 4-2 (cont'd)

Career Sea Pay; Conditions Of Entitlement – Sea Duty as Permanent Crew Members

| R U L E | A | B | C |
|------------------|--|--|--|
| | When an eligible member | and | Career Sea Pay (CSP) |
| 1 | reports for permanent duty defined as sea duty | | starts on date of reporting. |
| 2 | is detached from permanent duty defined as sea duty | | accrues through day of departure. (NOTE 2) |
| 3 | is discharged while on sea duty | immediately reenlists on board | continues to accrue provided member is otherwise entitled. |
| 4 | is TDY, temporarily based, or hospitalized ashore under orders from permanent duty defined as sea duty | | accrues for 30 days past the date of the departure. (NOTES 1 & 2) |
| 5 | is on authorized absence from permanent duty defined as sea duty | | accrues for up to 30 days past the date of the commencement of authorized absence if otherwise entitled. (NOTES 1 & 4) |
| 6 | is TDY to another CSP eligible vessel | | continues at the level applicable to the class of vessel to which temporarily assigned. |
| 7 | is suspended or otherwise removed from duty or confined awaiting trial by courts-martial | is acquitted or charges are dismissed | accrues retroactively from first day of confinement, suspension or removal from duty, if member is otherwise entitled. |
| 8 | is suspended or otherwise removed from duty or confined awaiting trial by courts-martial | is convicted | does not accrue on first day of confinement, suspension or removal from duty through date prior to day of return to duty from any status above. (NOTE 3) |
| 9. | is confined as a result of courts-martial | | stops on first day of confinement through date prior to date of release from confinement. (NOTE 3) |
| 10 | Is assigned to a CSP-eligible vessel that is undergoing alterations or repairs | is absent from that vessel for more than consecutive 30 days | stops after the 30 th consecutive day of absence. (NOTE 2) |
| 11 | vessel is undergoing inactivation processing | | stops when the ship reverts to inactive status. |
| 12 | departs vessel in conjunction with separation or retirement | | accrues through day of departure. |

Notes:

1. The 30-day rule starts at 0001 of the first full day the member is TDY away from the CSP-eligible vessel. CSP and CST accrual terminates at 2400 the 30th actual day the member is TDY away from the CSP-eligible vessel.
2. Periods of leave taken before, after, or between two periods of TDY by members permanently assigned to a CSP-eligible vessel must be considered when computing the 30 day period. Members are entitled to CSP and CST accrual for all periods of excused absence and TDY up to 30 days - See 4.B.8.i. CSP will not restart until member reports back to a CSP-eligible vessel.
3. When the sentence is changed to restriction to a ship and the member performs duty, CSP resumes. Non judicial punishment does not result in the loss of CSP.
4. Authorized absence includes, but is not limited to, annual leave, sick leave, or any kind of excused absence.

FIGURE 4-3

Career Sea Pay; Conditions Of Entitlement – Mobile Unit Duty

| R U L E | A | B | C |
|------------------|--|--|--|
| | When a member is ordered to or currently aboard a mobile unit and | and | Career Sea Pay |
| 1 | reports for permanent duty | duties are <u>not</u> administrative in nature | starts at the authorized rate on date of reporting for TDY to first CSP eligible vessel for deployment. (NOTE 1) |
| | | duties are administrative in nature | is payable only while the member is actually assigned TDY to a vessel in accordance with Figure 4-2 . |
| 2 | member remains ashore and does not deploy to a career sea pay eligible vessel | time not on sea duty is less than 30 days (NOTE 2) | accrues for the entire period between TDY on sea duty. |
| | | time not on sea duty exceeds 30 days (NOTES 2 & 3) | accrues for first 30 days following detachment from TDY on CSP-eligible vessel (NOTE 3). |
| 3 | is discharged while aboard the vessel | immediately reenlists on board | continues to accrue provided member is otherwise entitled. |
| 4 | departs from permanent duty | | accrues through day of departure |
| 5 | is on authorized leave | | accrues for the period of leave NTE 30 days if otherwise eligible. |
| 6 | is suspended or otherwise removed from duty or confined awaiting trial by courts-martial | is acquitted or charges are dismissed | accrues retroactively from first day of confinement, suspension or removal from duty, if member is otherwise entitled. |
| 7 | is suspended or otherwise removed from duty or confined awaiting trial by courts-martial | is convicted | does not accrue on first day of confinement, suspension or removal from duty through date prior to day of return to duty from any status above (NOTE 4). |
| 8 | is confined as a result of courts-martial | | does not accrue on first day of confinement through date prior to date of release from confinement (NOTE 4). |

Notes:

1. See Figure 4-2 for appropriate CSP rate.
2. The 30-day rule starts at 0001 of the first full day the member is ashore.
3. CSP and career sea time accrual terminates at 2400 on the 30th actual day. CSP and career sea time accrual will resume when the member resumes duty onboard a CSP eligible vessel, and must then run continuously until such time as the member again remains away from sea duty for a period exceeding 30 days.
4. When the sentence is changed to restriction to a ship and the member performs sea duty, CSP resumes. Non-judicial punishment does not result in the loss of CSP.

FIGURE 4-4

Career Sea Pay; Conditions of Entitlement – Permanent Duty Ashore

| | A | B | C |
|---|---|--|---|
| | When a member whose permanent duty station is ashore and is ordered TDY to a CSP eligible vessel, and | and | Career Sea Pay |
| 1 | reports aboard | utilizes government messing & government quarters on board cutter. | accrues effective the date of reporting. |
| 2 | reports aboard | Has TDY orders that authorize Per Diem for commercial lodging and commercial meals during same period aboard CSP-eligible vessel. (NOTE 2) | Does not accrue. |
| 3 | completes the duty and departs the vessel | | accrues through date of departure. |
| 4 | is discharged while aboard the vessel | immediately reenlists on board | continues to accrue provided member is otherwise entitled. |
| 5 | while aboard the vessel | is TDY, temporarily based, or hospitalized ashore under orders. (NOTE 3) | accrues for 30 days past the date of the member's departure. (NOTE 4 & 5) |
| 6 | is authorized leave while aboard the vessel | | accrues for the period of leave if otherwise entitled. |
| 7 | the vessel is undergoing alterations or repairs | vessel remains in an active status (in-commission or in-service) | continues to accrue. |
| 8 | the vessel is undergoing inactivation processing | | stops the date the vessel reverts to inactive status. |

Notes:

1. CSP accrues at the rate applicable to the vessel class (see Figure 4-2).
2. In accordance with Paragraph 4110 (B) of the Joint Travel Regulations, per diem is not authorized when assigned TDY to a Government vessel.
3. Member must spend more than 24 hours embarked aboard a CSP-eligible vessel to be credited for CSP and CSP-time. One-day visits to CSP-eligible vessels are not creditable for sea duty or CSP purposes.
4. Further TDY ashore from the ship will not interrupt career sea pay entitlement for the first 30 days the member is in such a status provided the member is otherwise entitled and returns to the vessel. If member returns to PDS, rule 3 applies.
5. The 30-day rule starts at 0001 of the first full day the member is TDY away from the career sea pay eligible vessel. Career sea pay and time terminates at 2400 the 30th actual day the member is TDY away from the career sea pay eligible vessel.

FIGURE 4-5

C. Career Sea Pay Premium.

1. Authority. Career Sea Pay Premium (CSP PREM) is a special pay authorized under 37 U.S.C. 352.
2. Entitlement. Enlisted members, E4 through E9, and officers who are entitled to CSP, and have served 36 consecutive months of sea duty are entitled to CSP PREM for the 37th consecutive month and each subsequent consecutive month of sea duty.
3. Rate Payable. The monthly rate of CSP PREM is \$100. The portion of the month in which CSP PREM starts or stops will be prorated. The 31st day of a month is not countable under any circumstances. CSP PREM is subject to Federal and State income tax, but not FICA tax.
4. Career Sea Time (CST) for CSP PREM. CST will be credited for CSP PREM during the periods when a member is assigned to sea duty under the conditions listed in Figures 4-3, 4-4, & 4-5.
5. Neutral Time for CSP PREM. For purposes of CSP PREM, sea time will normally start when a member reports for permanent or temporary duty to a CSP eligible vessel. The following periods are treated as neutral time for CSP PREM purposes, and will cause the consecutive CST counter to temporarily stop without re-setting when the member:
 - a. Is assigned to a mobile unit and is not entitled to CSP.
 - b. Is on proceed time, travel time, temporary duty (TDY), and/or leave while between two CSP eligible vessels. This includes transfer from a CSP eligible vessel or mobile unit to a pre-commissioning unit preparing a CSP eligible vessel for placement in an active (in commission or in service) status, and a transfer from a career sea pay eligible vessel to a decommissioning unit preparing a vessel for deactivation.
 - c. Is TDY for more than 30 days from a CSP eligible vessel and not otherwise entitled to CSP.
 - d. Is temporarily assigned ashore from a CSP eligible vessel to limited duty, humanitarian assignment, hospitalization, or sick leave.
 - e. Incurs deductible time due to unauthorized absence, confinement, nonperformance of duty (e.g., civil arrest), or absence due to misconduct.
 - f. Is on one or more PCS school assignments with a total duration of less than one year, and between permanent assignments of two CSP eligible vessels if the training is necessary for the follow-on sea duty assignment. Examples of pipeline schools which qualify as neutral time are enlisted "A" and "C" schools and OCS. PCS school assignments, which are oriented towards personal professional development,

rather than providing preparation for a follow-on sea tour, are not considered neutral time. Examples of school assignments which do not qualify as neutral time are undergraduate and post-graduate training, and staff or war college curricula. A determination request for neutral time entitlement will be submitted to Commandant (CG-1332) when a member's PCS school assignment(s) between CSP-eligible vessel assignment(s) exceeds one year.

D. Responsibility Pay (RSPLTY PAY).

1. Authority. 37 U.S.C. 352 authorizes the Coast Guard to identify the position of commanding officer of each vessel of the Coast Guard as a position of unusual responsibility, which is of a critical nature to the Coast Guard.
2. Effective 1 Jul 1973, Responsibility Pay is authorized to commanding officers of Coast Guard vessels who are entitled to Basic Pay.
3. Responsibility Pay is paid at these monthly rates:

| <u>Pay Grade</u> | <u>Rate of Pay</u> |
|------------------------------|--------------------|
| LCDR (O4) and below. | \$50 |
| CDR (O5) | \$100 |
| CAPT (O6) | \$150 |

Note: The pay will be prorated on a daily basis based on a 30-day month. No pay accrues for the 31st day of the month.

4. Conditions Affecting Entitlement.
 - a. Start Date. Pay accrues from date of actual assumption of command.
 - b. Stop Date. Pay will stop on the day of relief from duty as commanding officer. At no time will RSPLTY PAY be paid concurrently to more than one officer assigned the same vessel, except for the assumption date and relief date.
 - c. Promotion. An officer becomes entitled to the higher rate of RSPLTY PAY on the same day the officer becomes entitled to the pay of the higher grade.
 - d. Tax. RSPLTY PAY is subject to Federal and State income tax withholding, but not FICA tax.
 - e. Effect On Other Computations. RSPLTY PAY is not an item of basic pay or an allowance. Therefore, it is not used to compute lump-sum leave payments or severance pay.
5. Acting Commanding Officer. An officer serving as acting commanding officer for a period of less than 30 days is not entitled to RSPLTY PAY. However, when it is known that the commanding officer will be absent for more than 30 days, authorization may be

requested from Commandant (CG-1332) to pay RSPLTY PAY to the acting commanding officer.

E. Enlistment and Reenlistment Bonuses.

1. Authority. Under the provisions of 37 U.S.C. 331(a)(1), a person who enlists in an Armed Force may be paid an Enlistment Bonus (EB). Under the provisions of 37 U.S.C. 331(a)(3), an enlisted member may be paid a Selective Reenlistment Bonus (SRB).
2. Conditions of Eligibility. Requests for determination of eligibility for a EB or SRB must be forwarded to Commandant (CG-1331). Refer to the Coast Guard Military Bonus Programs Manual, COMDTINST M7220.2 (series), Chapter 1 for additional guidance.

F. Recoupment of Enlistment or Reenlistment Bonus. Determinations involving recoupment of a bonus will be made by Commandant (CG-1331).

1. Legal Requirements. Recoupment of unearned portions of an enlistment or selective reenlistment bonus is required when a member voluntarily, or because of misconduct, does not complete the term of reenlistment, extension or enlistment, or anniversary year for which the bonus was paid.
2. Reasons to Recoup. Refer to Coast Guard Military Bonus Programs Manual, COMDTINST M7220.2 (series).

G. Diving Duty Pay.

1. Authority. Special Pay for Diving Duty is authorized under 37 U.S.C. 353(a) to members who are entitled to Basic Pay and are:
 - a. Assigned by orders to diving duty;
 - b. Are required to maintain proficiency as a diver by frequent and regular dives; and
 - c. Are performing diving duty.
2. Who May Receive Diving Pay. Special pay for diving duty is payable to members who qualify and are issued orders for duty involving diving under the provisions of Coast Guard Diving Policies and Procedures Manual, COMDTINST M3150.1 (series). These members are entitled to receive this special pay provided they maintain their status as qualified divers. In time of war, the President may suspend Diving Duty Pay.
3. Periods Payable. Refer to Figure 4-6 for specific conditions of entitlement.
4. Rates Payable. Members assigned to and performing diving duty are entitled to receive Diving Duty Pay as follows:

| Classifications | Monthly Rate |
|--|--------------|
| Officer | |
| Ship Salvage Diving Officer/Basic Dive Officer (SSDO) | \$240 |
| Diver Second Class (DV-2) | \$165 |
| Officer with SCUBA training only(DV) | \$165 |
| Officer performing diving duty at school under instructions in a course above "Diver Second Class" (DUI) | \$150 |
| Enlisted | |
| Master Diver (MDV) | \$340 |
| Diver First Class (DV-1) | \$215 |
| Diver Second Class (DV-2) | \$150 |
| SCUBA Diver (DV) | \$150 |
| Medical deep-sea diving technician (DV-M) | \$215 |
| Enlisted member performing diving duty under instruction unless entitled to higher rate (DUI) | \$150 |

5. Restrictions on Payment.

- a. Lapsed Qualifications. No member must be entitled to receive Diving Duty Pay after diving qualification has lapsed. Upon re-qualification, payment will not be made for the period of lapsed qualification.
- b. Dual Payment. When assigned by orders to both diving duty and hazardous duty for the same period, a member may be paid special pay for diving duty and two hazardous duty pays along with Diving Pay.

Special Pay for Diving Duty – Conditions Of Entitlement

| R U L E | A | B | C |
|------------------|---|---|--|
| | When a member is assigned or detailed to diving duty and | and | then diving pay |
| 1 | maintains diving status and current qualifications under the provisions of COMDTINST M3150.1 (series) | | continues. |
| 2 | is hospitalized as a result of a diving accident | | continues for 90 days after hospitalization. (NOTE 1) |
| 3 | is hospitalized not as a result of a diving accident | | continues for first 30 days. (NOTE 1) |
| 4 | is on leave in a pay status | | |
| 5 | is on Temporary Duty (TDY) | TDY is for other than diving duty | continues for first 30 days into the TDY. |
| 6 | | TDY is for diving duty | continues. (NOTE 2) |
| 7 | does not maintain diving qualification | diving qualification lapses | ceases on date of lapse. |
| 8 | is in confinement awaiting trial by courts-martial | is acquitted or charges are dismissed | continues retroactively to date of confinement. |
| 9 | | is convicted | does not continue from first day of confinement through day before date restored to full duty. |
| 10 | is in confinement under sentence of court-martial | | |
| 11 | reassigned permanent change of station (PCS) and no TDY is required en route to new duty station | is ordered to and actually performs diving duty at the new duty station | continues. (NOTES 1 & 3) |
| 12 | | is not ordered to diving duty at the new duty station | continues through date of detachment from previous duty station. |
| 13 | ordered PCS, and TDY is required en route to the new duty station | the PCS order requires diving duty at the TDY station <u>and</u> new duty station, and performs diving duty | continues. (NOTES 1 & 3) |
| 14 | | the PCS order require diving duty at the TDY station but <u>not</u> the new duty station | continues through the date of detachment from the TDY station. (NOTES 1 & 3) |
| 15 | | the PCS order does not require diving duty at TDY station | continues through date of detachment from previous duty station. |
| 16 | is a member of the Coast Guard Reserve on active duty | is released from active duty | ceases not later than date member departs for home from last duty station. |
| 17 | is removed from diving duty | | ceases on date of removal. |
| 18 | is discharged and immediately reenlists at the same unit without a break in service | diving duty orders are not specifically terminated | continues. |
| 19 | | diving duty orders are specifically terminated | terminates on the date specified on the orders. |

Notes:

1. If the member is removed from diving duty or the member's qualifications lapse during this period, the entitlement to diving pay terminates on the date removed from diving duty or the date qualifications lapse.
2. The TDY order must specify duty involving diving in order for diving pay to accrue.
3. If a member is ordered on a PCS and takes leave en route, diving duty pay will continue to accrue up to 30 days after the effective departure date, if the member has otherwise met the requirements for diving duty pay.

FIGURE 4-6

H. Special Pay - Duty Subject to Hostile Fire or Imminent Danger (HF/IDP).

1. Background. Imminent Danger Pay (IDP) is a special pay to compensate uniformed service members who perform duty in a foreign area designated by the Secretary of Defense (SECDEF) as duty in which members are subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions. Hostile Fire Pay is a special pay to compensate uniformed service members that have been subjected to hostile fire or explosion of hostile mines or were killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile actions.
2. Authority. Under the provisions of 37 U.S.C. 351(a)(1) and 351(a)(3) and regulations prescribed by the SECDEF, members who meet the conditions of this section are entitled to special pay for duty subject to Hostile Fire or Imminent Danger (HF/ID). This special pay is in addition to any other pay and allowances to which a member may be entitled.
3. Hostile Fire Pay (HFP). This entitlement is paid at the rate of \$225 per month when, as certified by the member's commanding officer, a member is:
 - a. Subjected to hostile fire or explosion of a hostile mine; or
 - b. On duty in an area in close proximity to a hostile fire incident and the member is in danger of being exposed to the same dangers actually experienced by other Service members subjected to hostile fire or explosion of hostile mines; or
 - c. Killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile action.
4. Imminent Danger Pay (IDP). An entitlement payable to members who, as certified by the member's commanding officer, perform duty in a foreign area designated by SECDEF as an imminent danger area for the purposes of IDP. The maximum monthly amount of IDP payable to a member for any month is \$225.
 - a. Prior to 01 Jan 2012, the monthly HFP/IDP rate was \$225 payable as a monthly entitlement to members who performed duty in a foreign area designated by SECDEF as an imminent danger area for the purposes of IDP for all or any part of a calendar month.
 - b. Effective 01 Jan 2012 IDP is payable in the amount equal to one-thirtieth of the maximum monthly amount for each day or portion of a day in which a member was entitled to Basic Pay or Inactive Duty For Training (IDT) Pay and:
 - (1) On duty in a foreign area designated by SECDEF as an imminent danger area for the purposes of IDP, or
 - (2) For a period not to exceed three months following date of admission:
 - (a) Hospitalized due to a wound or injury caused by a hostile fire or a hostile mine explosion event, or
 - (b) Hospitalized due to a wound, injury, or illness incurred in the line of duty while in a combat operation or combat zone designated by SECDEF and

hospitalization takes place outside of the theater of the combat operations or the combat zone.

- (c) The term hospitalized means receiving medical care while in an in-patient status in a military treatment facility or other in-patient health care facility. A member is no longer considered hospitalized for IDP or HFP purposes when receiving out-patient medical care.

5. Limitations on HFP/IDP. The combination of HFP and IDP shall not exceed \$225 for any calendar month.

6. Designated Hostile Fire or Imminent Danger Areas. See DoD website (DoD Financial Management Regulation Vol. 7A, Chapter 10) for current locations and rates: http://comptroller.defense.gov/Portals/45/documents/fmr/Volume_07a.pdf.

Note: The designation of a land area encompasses all internal waters, unless otherwise noted. For HF/IDP purposes, the term “internal waters” is defined as waters landward of the baseline drawn in accordance with international law. If only the land area is designated for HF/IDP purposes, the crewmembers of a vessel which anchors in the harbor are not eligible for HF/IDP because the harbor is considered to be in coastal waters. Boat crew members whose official duties require them to make land fall and actually set foot on the soil (not a pier or other waterfront facility attached to the land) qualify for HF/IDP.

7. Conditions of Entitlement. Refer to Figure 4-7 for specific conditions of entitlement and Section 4-H-9 as a guide in determining entitlement under various conditions.
8. Determinations of Fact. Determinations of fact regarding qualification of entitlement for HFP/IDP will be made by commanding officers under the criteria prescribed in this section. Any determinations of fact made in the administration of this section are conclusive. Such determinations are not subject to review by any officer or agency of the Government, unless there has been fraud or gross negligence. Such determinations may be changed on the basis of new evidence or for other good cause.
9. Members in a Captured or Missing Status. The pay account of any member eligible for IDP will continue to be credited with IDP while the members is in a status of missing, missing-inaction, Duty Status – Whereabouts Unknown (DUSTWUN), interned by a foreign country, or captured by a hostile force.
10. Determination of Entitlement.
- a. A member who is entitled to Basic Pay or inactive duty pay (subject to the restrictions in Section 2.B.2.g, CG Reserve Policy Manual, COMDTINST M1001.28 (series)) is entitled to IDP/HFP as authorized in this section during any month in which the member either:
- (1) is on official duty in a foreign designated area, or
 - (2) is subject to hostile fire or explosion of hostile mines, or
 - (3) is killed, injured, or wounded by hostile fire, explosion of a hostile mine, or any other hostile actions.

- b. Refer to Figure 4-7 for specific conditions of entitlement.
- 11. Procedure for Payment. Procedures for paying HFP/IDP are found in the Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

Hostile Fire or Imminent Danger (HFP/IDP) – Conditions of Entitlement

| R U L E | A | B | C |
|------------------|--|--|---|
| | When a member who is entitled to Basic Pay | and | then IDP/HFP accrues |
| 1 | is permanently assigned to a designated area or performs assigned duties in a designated area (Notes 1, 2 & 3) | is entitled to Basic Pay or IDT Pay | for each day in designated area. (Note 4) |
| 2 | | the area designation for that country is terminated on a date other than the last day of the month | for each day in designated area prior to date termination of the designation became effective. |
| 3 | is on duty in a non-designated area | is subject to hostile fire or explosion of hostile mines while on duty. (Notes 4, 5, & 6) | for the entire month in which the hostile fire occurred. |
| 4 | is killed | death, injury, or hospitalization results from hostile fire, explosion of a hostile mine, or other hostile action (Note 7) | for the entire month. |
| 5 | is wounded or injured. | | for the entire month in which the wound or injury occurred. |
| 6 | is hospitalized outside a designated area | | through the date hospitalization is terminated or for 3 months after the month in which the wound or injury occurred, whichever is earlier. |
| 7 | is confined in a designated area as a result of court-martial sentence | pay is subject to total forfeiture | Through the day prior to date forfeiture of pay is effective. |

Notes:

- Includes a reserve member on any type of active duty with Basic Pay.
- When airspace is specifically included in the area designation, personnel who only fly through the space are eligible for payment. When airspace is excluded in the area designation, aviation personnel who only fly through the airspace are not eligible for payment (they must land in the designated area to be eligible).
- Service members who are present in a designated area for their own personal convenience (such as leave) must not be considered to have “performed duty” in a designated area and are not eligible for payment.
- Consider a member as having been “subject to hostile fire” if close enough to the trajectory or point of impact or explosion of hostile ordnance to have been in danger of being wounded, injured, or killed.
- Eligibility for payment includes all members serving on the same vessel or aircraft which was the subject of hostile fire or explosion of hostile mines and those serving on a vessel or aircraft that was in such close proximity that members were in danger of being wounded, injured, or killed. In the case of land forces, only those of the unit which were in the immediate vicinity of the trajectory or point of impact or explosion of hostile ordnance and were placed in danger of being wounded, injured, or killed from such causes are entitled to payment.
- The certification of eligibility for payment must be made at the lowest level of command that includes all of the vessels, aircraft, or units that are subject to hostile fire or explosion of hostile mines. For example, in the case of a single vessel that is subject to hostile fire or explosion of hostile mines, the vessel’s commanding officer is authorized to certify payment for all members on board the vessel.
- It is not necessary that death, injury, or wound occur in a designated area.

FIGURE 4-7

I. Special Duty Pay (SDP).

1. Authority. Under 37 U.S.C. 352, SDP is authorized and may be paid to enlisted members entitled to Basic Pay under 37 U.S.C. 204 or compensation under 37 U.S.C. 206 (IDT pay) and performing duties which are designated as requiring special skills. Conditions of entitlement and detailed instructions for maintenance, retention, and termination of SDP status are prescribed in COMDTINST 1430.10(series).
2. Relation to Other Pays. SDP is:
 - a. in addition to any pay, allowance, special pay, incentive pay, or any other monetary benefit to which the member might otherwise be entitled.
 - b. taxable income for federal and state tax purposes but not subject to FICA Tax.
 - c. not included in the computation of lump sum leave, reenlistment bonus or severance pay.
3. Start Date. This pay starts on the authorization date. SDP may not be paid retroactively.
4. Stop Date. SDP stops when a member is:
 - a. no longer assigned to a billet or duties entitled to SDP.
 - b. discharged or released from active duty.
 - c. confined as a result of a court-martial sentence.
 - d. absent without leave.
 - e. TDY to an assignment where the member is not performing the duties qualifying for SDP. Such a member is entitled to SDP through the 90th day of TDY.
 - f. Departing on a PCS order (in which case SDP stops the day prior to the date of departure from the special duty assignment).
 - g. Departing a unit with no expectation of return prior to separation or retirement (e.g., leave or administrative absence).
5. Missing or Hospitalization Status. SDP continues while a member is in a missing or hospitalized, unless SDP is withdrawn or decreased while the member is in such status. Entitlement while hospitalized must not exceed 12 months. There is no entitlement to SDP if hospitalization is due to disease resulting from intemperate use of alcohol or habit-forming drugs.
6. Additional Criteria. Commandant (CG-13) may publish additional start and stop criteria during the announcement ALCOAST message that authorizes SDP.

7. Tax. SDP is subject to withholding of federal and state income taxes, but not FICA tax.
8. Rate Payable. The monthly rates of SDP are:

| <u>Level....Rate</u> |
|----------------------|
| SD-1....\$75 |
| SD-2....\$150 |
| SD-3....\$225 |
| SD-4....\$300 |
| SD-5....\$375 |
| SD-6....\$450 |

J. Board Certified Pay (BCP) for Physician Assistants (PA).

1. Entitlement. Coast Guard officers and Coast Guard Reserve officers on Active Duty for Training (ADT) or active duty for another purpose, who are designated by Commandant (CG-112) as Physician Assistants are entitled to Board Certified Pay (BCP) for Physician Assistants (PA) in equal monthly amounts when entitled to Basic Pay. Entitlement to this pay is in addition to any other pay and allowances. For Reserve officers, this pay is not received during periods of Inactive Duty for Training (IDT drills).
2. Eligibility. To be eligible for special pay under this section, a Physician Assistant must:
 - a. Have a post baccalaureate degree in the officer's clinical specialty.
 - b. Be certified by the National Commission of Certification of Physician Assistants.
 - c. Make application and be authorized in writing for this special pay by Commandant (CG-112).
 - (1) Eligible officers must apply by letter submission to Commandant (CG-112) through their administrative chain of command. Applications must include sufficient documentation to ascertain completion of eligibility requirements as a Physician Assistant.
 - (2) Commandant (CG-112) will ensure that applicants have completed all eligibility requirements and authorize payment of the special pay in a reply to the applicant. Approved applicants will receive an authorization letter from CG Headquarters. A copy of the letter will be forwarded to PPC. The authorization letter will indicate the effective date this pay is authorized.
3. Reserve Officer Performing ADT. When a period of ADT is performed by the reservist, PPC (MAS) will initiate action to credit the reservist with Board Certified Pay for Physician Assistant for the ADT period.
4. Rate Payable. Effective 05 Nov 2010, the BCP monthly rate payable is \$500.00 to all qualified Physician Assistants, not to exceed \$6,000 annually. The monthly rate must be prorated for eligible periods of active duty of less than one month.

5. Tax. Board Certified Pay for Physician Assistants is subject to withholding of federal and state income taxes, but not FICA tax.

K. Foreign Language Proficiency Pay (FLPP):

1. Background. Foreign Language Proficiency Pay is authorized and may be paid under 37 U.S.C. 353(b) not to exceed \$1,000.00 per month to a member entitled to Basic Pay under 37 U.S.C. 204 or compensation under 37 U.S.C. 206 (IDT pay).
2. Eligibility. Force Readiness Command's Training Division (FC-T), determines eligibility criteria for linguists and interpreters.
3. Definitions.
 - a. Interpreters. Members with a validated working level foreign language proficiency. Interpreting is a collateral duty at units where an operational requirement exists.
 - b. Linguists. Members with a certified higher level of foreign language proficiency and assigned to a specific billet associated primarily with intelligence and attaché duties.
4. Rates Payable. Effective 1 Jan 2018 the monthly rates of FLPP are:

| CG FOREIGN LANGUAGE PROFICIENCY PAY (FLPP) LEVELS | | |
|---|---------------------|----------------------|
| | DLPT or OPI Score | FLPP Monthly Rate |
| Interpreter Note 1 | 1+/1+ | Interpreter 1: \$100 |
| | 1+/2 or 2/1+ | Interpreter 2: \$125 |
| | 2/2 or 2+/2 or 2/2+ | Interpreter 3: \$150 |
| | 3/2 or 2/3 or 2+/2+ | Interpreter 4: \$200 |
| Linguist Note 2 | 3/2+ or 2+/3 | Linguist 1: \$250 |
| | 3/3 | Linguist 2: \$300 |

Notes:

1. FLPP for Foreign Language Speakers (FLS) is limited by the type of allocation assigned to a unit. A member in an Interpreter Allocation is limited to the highest authorized level for an Interpreter with the maximum monthly rate of \$200.00.
2. A member in a Linguist Allocation is entitled to FLPP based on their DLPT score and is authorized to collect FLPP at the lower Interpreter rates.

Date to Start and Stop Foreign Language Proficiency Pay

| RULE | A | B |
|------|---|---|
| | If a member | then FLPP |
| 1 | is qualified, reports PCS to a unit with designated interpreter billets and is designated a unit interpreter by the command | starts the date he or she is designated a unit interpreter by the command. |
| 2 | is qualified and reports PCS to a linguist billet | starts the date he or she reports for duty (prorated). |
| 3 | departs PCS | stops the date prior to PCS departure (prorated). |
| 4 | in receipt of FLPP departs on TDY | continues. |
| 5 | is qualified, reports TDY to a unit specifically to provide interpreter or linguist support (i.e., in response to critical solicitation for foreign language speaker) | starts the date he or she is designated a unit interpreter by the command and stops the date prior to conclusion of TDY (prorated). |

FIGURE 4-8

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CHAPTER 5

INCENTIVE PAY

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CHAPTER 5 – INCENTIVE PAY

A. Aviation Career Incentive Pay (ACIP) For Rated and/or Designated Officers.

1. Authority. 37 U.S.C. 301a, as added by Public Law 93-294 enacted 31 May 1974, and implemented by Executive Order 11800, dated 17 Aug 1974, authorizes payment of ACIP effective 1 Jun 1974, for rated/designated officers and officers in flight training. 37 U.S.C. 301a was further amended by Public Law 101-189 effective 1 Oct 1991, Public Law 104-106 effective 10 Feb 1996, and again by Public Law 105-261 effective 17 Oct 1998. The Management and Administration of Aviation Incentive Pays, COMDTINST 7220.39 (series), prescribes detailed policies and procedures for the management and administration of aviation career incentive pay (ACIP) for Coast Guard members assigned duties involving aerial flight. Effective 1 Jan 2018 ACIP and Aviation Continuation Pay in accordance with 37 U.S.C. 334(a) and 334(b) will no longer be authorized. ACIP will become Aviation Incentive Pay (AvIP). AVIATION INCENTIVE PAY (AvIP) AND BONUS (AvB) PROGRAM, COMDTINST M7220.20 (series), establishes policies, assigns responsibilities, and prescribes procedures concerning eligibility and requirements for receipt of AvIP in accordance with 37 U.S.C. 334, 371, and 374.
2. Entitlement. Officers qualified for aviation service under regulations prescribed by the Secretary concerned are entitled to ACIP at the rates and under the conditions prescribed by this section.
3. Conditions of Entitlement Effective 1 Jun 1974 Through and Including 30 Sep 1991. These conditions do not apply to flight surgeons or other medical officers. An officer qualified for aviation service:
 - a. is entitled to continuous ACIP starting when the officer enters flight training leading to the original rating or when appointed an officer, whichever is later, and continues until the officer completes 12 years of aviation service.
 - b. has performed at least six years of operational flying duty upon completion of 12 years of aviation service, is entitled to continuous ACIP for the first 18 years of aviation service, subject to the 25 year limitation as indicated in 5.A.3.d.
 - c. has performed nine or more years but less than 11 years of operational flying duty upon completion of 18 years of aviation service is entitled to continuous ACIP for the first 22 years of officer service.
 - d. has performed at least 11 years of operational flying duty upon completion of 18 years of aviation service, is entitled to continuous ACIP for the first 25 years of officer service. Such entitlements cease after 25 years of officer service.
4. Conditions of Entitlement Effective 1 Oct 1991 until 17 Oct 1998. These conditions do not apply to flight surgeons or other medical officers. An officer qualified for aviation service:
 - a. is entitled to continuous ACIP starting when the officer enters flight training

leading to the original rating or when appointed an officer, whichever is later, and continues until the officer completes 12 years of aviation service.

- b. has performed at least eight years of operational flying duty upon completion of 12 years of aviation service, is entitled to continuous ACIP for the first 18 years of aviation service, subject to the 25 year limitation as indicated in 5.A.4.d (For the period 1 Oct 1991 through 9 Feb 1996, officers were required to have performed nine years of operational flying duty upon completion of 12 years of aviation service.)
 - c. has performed 10 or more years but less than 12 years of operational flying duty upon completion of 18 years of aviation service is entitled to continuous ACIP for the first 22 years of officer service.
 - d. has performed at least 12 years of operational flying duty upon completion of 18 years of aviation service, is entitled to continuous ACIP for the first 25 years of officer service. Such entitlement ceases after 25 years of officer service.
 - e. who, on 1 Oct 1991, has at least six years but less than 12 years of aviation service and less than six years of operational flying duty and subsequently completes six years of operational flying duty of the first 12 years of aviation service and nine years of operational flying duty of the first 15 years of aviation service and the member reaches 15 years aviation service then the member is entitled to continuous ACIP through 18 years of officer service.
 - f. who, on 1 Oct 1991, has at least 12 years but less than 18 years of aviation service and less than nine years of operational flying duty and subsequently completes nine years of operational flying duty of the first 18 years of aviation service and the member reaches 18 years aviation service then the member is entitled to continuous ACIP through 22 years of officer service.
 - g. who, on 1 Oct 1991, has at least 12 years but less than 18 years of aviation service and less than 11 years of operational flying duty and subsequently completes 11 years of operational flying duty of the first 18 years of aviation service and the member reaches 18 years aviation service then the member is entitled to continuous ACIP through 25 years of officer service.
 - h. who, on 1 Oct 1991, has completed six or more years of aviation service and meets the operational flying duty requirements in Sections 5.A.3.b, c, or d, is entitled to receive continuous ACIP under those requirements.
5. Conditions of Entitlement Effective on 17 Oct 1998 until 31 Dec 2017. Public Law 105-261, effective 17 Oct 1998, provided that termination of aviation career incentive pay would be based on aviation service. This law modified the preceding paragraphs as follows:
- a. Paragraph 5.A.3.c. An officer who meets the conditions of Paragraph 5.A.3.c. is entitled to continuous ACIP for the first 22 years of aviation service.

- b. Paragraph 5.A.3.d. An officer who meets the conditions of Paragraph 5.A.3.d. is entitled to continuous ACIP for the first 25 years of aviation service.
 - c. Paragraph 5.A.4.c. An officer who meets the conditions of Paragraph 5.A.4.c. is entitled to continuous ACIP for the first 22 years of aviation service.
 - d. Paragraph 5.A.4.d. An officer who meets the conditions of Paragraph 5.A.4.d. is entitled to continuous ACIP for the first 25 years of aviation service.
 - e. Paragraph 5.A.4.e. An officer meeting the conditions of Paragraph 5.A.4.e is entitled to continuous ACIP for the first 18 years of aviation service.
 - f. Paragraph 5.A.4.f. An officer meeting the conditions of Paragraph 5.A.4.f. is entitled to continuous ACIP for the first 22 years of aviation service.
 - g. Paragraph 5.A.4.g. An officer meeting the conditions of Paragraph 5.A.4.g. is entitled to continuous ACIP for the first 25 years of aviation service.
 - h. The Commandant may permit, on a case-by-case basis, an officer to continue receiving continuous monthly incentive pay despite the failure of the officer to perform the prescribed operational flying duty requirements during the prescribed periods of time, so long as the officer has performed those requirements for not less than six years of aviation service. The Commandant may not delegate this approval authority.
6. Officers Qualified for Aviation Service Not Entitled to Continuous ACIP. An officer qualified for aviation service, who is not entitled to continuous ACIP under Sections 5.A.3, 5.A.4, or 5.A.5, and who is required by competent orders to perform operational or proficiency flying duties, and a flight surgeon or other medical officer who is qualified for aviation service and required by competent orders to perform operational flying duties, is entitled to monthly ACIP for the performance of the minimum flight requirements prescribed in Section 5.A.10.
 7. Officer Not Qualified for Aviation Service. Officers not qualified for aviation service, who are required by competent orders to perform regular and frequent aerial flights, are not entitled to ACIP but may be entitled to monthly hazardous duty pay under the provisions of Section 5.B.
 8. Rates Payable. See Figure 5-1 for monthly ACIP rates.
 9. Definitions. The special terms used in this section are defined as follows:
 - a. Aerial Flight. “Aerial flight” is defined in Section 5.B.3.
 - b. Aviation Accident. “Aviation accident” is defined in Section 5.B.3.
 - c. Excess Flying. “Excess flying hours” is defined in Section 5.B.3.

- d. Aviation Service Date (ASD). Aviation Service as an officer or Aviation Cadet after 13 Nov 1986, for purposes of Figure 5-1, begins on the day, month and year an individual first reports on competent orders to the aviation facility having the aircraft in which the officer will receive actual military flight training (not ground school) leading to the award of an aeronautical rating or designation, and continues to accumulate from that date without exception as long as the flight rating remains in effect. Any civilian flight school training preceding military aviation ground school is not the basis for ASD establishment.
 - e. Operational Flying (DIFOPS). Flying performed by members in training that leads to the award of an aeronautical rating or designation, and flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills, as determined by the Secretary concerned, normally are maintained in the performance of assigned duties.
 - f. Proficiency Flying (DIFPRO). Flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills, as determined by the Secretary concerned, normally are not maintained in the performance of assigned duties.
 - g. Not Flying (DIFDEN). Duty under orders currently in effect that do not involve flying.
 - h. Officer Service Date (OSD). All service, active and inactive, as a commissioned officer.
10. Flight Requirements. An officer entitled to monthly ACIP under 5.A.6 must perform the minimum aerial flights prescribed below in order to be entitled to ACIP.
- a. Minimum Flying Time Each Month.
 - (1) During one calendar month – four hours of aerial flight. However, if an officer does not fly four hours in any month, hours flown during the last five preceding months, which have not already been used to qualify for ACIP may be applied to meet this four hour requirement.
 - (2) During two consecutive calendar months when the requirements of 5-A-10.a.(1) have not been met – eight hours of aerial flight.
 - (3) During three consecutive calendar months when the requirements of 5.A.10.a.(2) above have not been met – 12 hours of aerial flight.
 - b. Fractions of a Calendar Month. For fractions of a calendar month, calculate what percentage the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. Refer to Figure 5-2.

- c. Fractions of Two Consecutive Calendar Months. For fractions of two consecutive calendar months, consider the period in question as a unit. Calculate what percentage the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. Refer to Figure 5-2.
- d. Application of Hours Flown. Hours flown in any month apply, to the extent of hours available:
 - (1) First, to meet flight requirements for that month.
 - (2) Next, if the officer has entered a grace period for meeting flight requirements, to the prior month or months, as applicable.
 - (3) Next, in order, to the first, second, third, fourth, and fifth, succeeding months, but only to the extent that the officer fails, during each such month, to fly the required four hours (such hours available to meet requirements of later months are referred to as “excess” flight time). Refer to Figures 5-3 and 5-4 for examples.

11. Determination of a Three Calendar Month “Grace Period.”

- a. When Three-Month Period Begins and Ends. The three-month calendar period in which flight requirements must be met begins with the first month in which flight requirements are not met. If an officer entitled to monthly ACIP under 5.A.5 flies enough time in the second month to cover the first and second months, the period ends with the second month. If not, the period extends through the third month.
- b. Deficiencies for Fraction of a Month. If an officer entitled to monthly ACIP under 5.A.6, fails to qualify for a fraction of a month (because flying status or active duty began on an intermediate day of the month), the three-month period ends on the last day of the second full month following the fractional month.
- c. When Next Three Month “Grace Period” Starts. A new three-month period starts with the first month in which flight requirements are not met following a month in which flight requirements were met. For a new three-month period to begin immediately after a prior three-month period, flight requirements must have been met for the entire prior three-month period, not merely for the last month (i.e., the full 12 hours must have been flown in the last month, not just the four monthly hours). If the requirements for the entire prior three-month period were not met, a new period does not begin until flight requirements are met for at least one month after the prior three-month period. After such a month when flight requirements are met, a month in which flight requirements are not met begins a new three-month period. A new period may not start with the second or third month in which flight requirements are not met; nor may a new period start with the fourth month in which flight requirements are not met. There must be at least one month in which requirements are met before a new three month period begins. See

Figures 5-3 and 5-4 on how the above rules apply.

12. Entitlement To Pay When No Flights Are Performed In the First Month of A Three-Month Period. Assume for the purposes of 5.A.12.a., b., and c. that the officer is entitled to monthly ACIP under 5.A.6 and had no excess flight time from prior months.

- a. Second Month. If such officer performs no aerial flights during the first month of a three month period, and in the second month performs at least four hours, but less than eight hours, the officer is entitled to pay for the second month only.

Example: In January no aerial flights were performed; in February, five hours of aerial flights were performed. ACIP is payable for February.

- b. Third Month. If such officer performs no aerial flights during the first two months of a three month period, the officer must perform 12 hours of aerial flight in the third month to be entitled to ACIP for all three consecutive months.

Example: If flight requirements are met for January and the officer performs no flights during the months of February and March, the officer must perform at least 12 hours in April to be entitled to receive the ACIP for the period 1 February to 30 April. If the officer performs four or more hours, but less than 12 hours in April, the officer is entitled to ACIP only for April.

- c. First and Third Months. If the officer performs no aerial flights during the first month, and in the second month performs only sufficient flights to qualify for the second month, the officer must perform enough hours of flight to make a total of 12 hours during the third month to qualify for ACIP for the first and third month of the three-month period.

Example: In January no aerial flights are performed; in February, five hours of aerial flights are performed. The deficiency in January must be made up in March; that is, if at least seven hours are accomplished in March, ACIP for January and March is payable. If only six hours are flown in March, ACIP is payable for only March (payment for February having previously been made) and no ACIP in January.

13. Injury Or Incapacity As A Result Of Performance Of Flying Or Other Hazardous Duty.

When an officer, entitled to monthly ACIP under 5.A.6, in a flying status is injured or otherwise incapacitated as a result of performance of flying or other hazardous duty to which ordered, the officer is considered to have met flight requirements during the incapacity, but for not longer than three months. Appropriate medical authority determines the cause of the incapacity and date of recovery.

- a. Flight Requirements Previously Met. If the officer has met flight requirements for the month in which the incapacity occurs, the three month period begins the first day of the following month and entitlement to ACIP continues for the succeeding three months.

- b. Flight Requirements Not Previously Met. If the officer has not met flight requirements for the month in which the incapacity occurs, the three month period begins the first day of the month in which the incapacity occurs and entitlement to ACIP continues for the succeeding two months.
- c. Flight Requirements Prior To The Month Of The Accident. The free period of entitlement does not relieve the officer from the performance of flights necessary to qualify for ACIP prior to the month in which the incapacity occurred.
- d. Return To Duty Within “Free” Period. If the officer returns to flying duty within the three-month period prescribed in 5.A.13.a. and b., the officer’s “free” entitlement to ACIP automatically stops. The officer must meet minimum flight requirements beginning on the date the officer returns to flying duty.
- e. Return to Duty After “Free” Period. If the officer returns to flying duty after the three-month period has expired, the officer is entitled to ACIP for the second three month period provided minimum flight requirements are met. If the officer does not meet flight requirements during the second three month period, or if the officer returns to flying duty after the second three month period has expired, the officer is not entitled to ACIP until the officer meets flight requirements for a subsequent month. In this case, entitlement to ACIP is lost from the end of the initial “free” three-month period to the time flight requirements are subsequently met.
- f. Change of Station For Medical Treatment. When an officer, in receipt of ACIP under Sections 5.A.13.a. and b., and is ordered to a medical facility on PCS, TD, or TAD orders, the officer is entitled to ACIP for the period of incapacity. But not longer than three months, notwithstanding the change of station, provided continued flying status is not terminated.
- g. Incapacity Due to Shock, Derangement, Or Exhaustion. As determined by appropriate medical authority, an officer entitled to monthly ACIP under 5.A.6, who becomes incapacitated for flying duty by reason of shock, derangement, or exhaustion of the nervous system, which can be attributed to an aviation accident or the performance of aerial flights, is deemed to have met the flight requirements for not more than three months following the date of the incapacity, as determined by appropriate medical authority. The three-month period is determined under the provisions of 5.A.13.a. and b. See also 5.A.9.a. and b.
- h. Officer Hospitalized After “Free” Period. If an officer, entitled to monthly ACIP under 5.A.6, is not hospitalized until after the three month period has expired, the officer is not entitled to the additional “free” entitlement time even though hospitalization is directly attributed to the aviation accident.
- i. Flying Duty for Stated Period. If an officer, entitled to monthly ACIP under 5.A.6 has been placed on flying status for a definite period and is entitled to ACIP while incapacitated as a result of performance of flying duty, ACIP is not normally payable

beyond the ending date of the duty period stated in the orders. However, when there is evidence that the officer would have continued in a flying status had it not been for the incapacity, ACIP may be paid beyond the ending date of the duty.

- j. Officers Not Required To Meet Flight Requirements. An officer entitled to continuous ACIP is entitled to the maximum of five months of ACIP that could accrue under Sections 5.A.13.a., b., f., and g.
14. Incapacity Not the Result of Performance of Flying Duty. The right of an officer, entitled to monthly ACIP under 5.A.6 to ACIP during incapacity which is not the result of performing hazardous duty depends on fulfillment of flight requirements under 5.A.10.
15. Entitlement When Officers Required to Meet Flight Requirements Are Incapacitated for Flying (Excess Flight Hours). Officers entitled to monthly ACIP under 5.A.6 who become incapacitated, are entitled to ACIP during a period of incapacity under the following principles:
- a. Entitlement exists for up to five months following the month of incapacity. This is the maximum period for which flights can be applied prospectively under Section 5.A.10. It includes the three-month period provided in Section 5.A.13 when the incapacity is a result of performing flying duty.
- Example 1: Officer is physically incapacitated for flying 10 January, not as the result of the performance of flying duty. Assuming the officer was administratively grounded for three months, effective 1 February, the officer remained physically incapacitated for flying through April, and was suspended from flying status 1 May. The officer is entitled to ACIP each month through April. The officer is physically re-qualified for flying duty and the suspension removed 1 July. Pay for the months of May and June after the suspension is removed (or terminated).
- Example 2: Officer is physically incapacitated for flying 10 January, as a result of performance of flying duty to which ordered. The officer is entitled to ACIP each month while grounded February through June. This is the five months provided in 5.A.10.d.(3). It also includes the three months provided in 5.A.13 (February through April). The three-month period provided by 5.A.10.a. starts 1 July. Officer is suspended from flying status 1 August. The suspension is not removed. Entitlement to ACIP ceases 30 June.
- b. Entitlement may also exist for an additional three months provided the officer is again physically qualified for flying duty before the end of the eighth month of incapacity. This applies to either of the three month periods provided in 5.A.10.a. and 5.A.13.

Example: Officer is physically incapacitated for flying 10 January due to the performance of a hazardous duty. The officer is entitled to ACIP each month through

June (the five months authorized in 5.A.10.d.(3), also including the three months authorized in Section 5.A.12, February through April). Officer is suspended from flying status 1 August. The officer is physically requalified for flying duty and the suspension is removed (or terminated) 20 September. Officer then becomes entitled to ACIP for July, August, and September (the three-month period authorized in this section), provided flying time is met.

- c. ACIP will stop, in any case, upon suspension from flying status. ACIP is paid for the period of suspension if the officer becomes physically qualified for flying and the suspension is removed or terminated within the period provided in 5.A.15.b. Also, restore ACIP after the suspension is removed or terminated, for that part of a suspension period to which excess hours provided in 5.A.10.d.(3) could be applied (fourth and fifth months, 5.A.15.a. Example 1 on page 5-8) for those officers who have to meet flight requirements.

Example: Officer is physically incapacitated for flying 10 January, not as a result of the performance of a hazardous duty to which ordered. The officer was administratively grounded for three months effective 1 February and was suspended 1 May. The officer is entitled to ACIP each month through April. The officer is physically requalified for flying duty and suspension is removed or terminated 20 December. Officer may then be paid for the months of May and June, and ACIP would be started again on 20 December, the date the suspension was removed or terminated.

16. Right to Flying Pay Under Certain Conditions. See Figure 5-5 for examples of entitlements to flying pay or ACIP under certain conditions.
17. Determinations Affecting Entitlement to Aviation Career Incentive Pay (ACIP).
 - a. ACIP from Date of Reporting For Duty. An officer entitled to monthly ACIP under 5.A.6 is entitled to ACIP on and after the date of reporting an entry upon duty under competent orders, subject to meeting flight requirements. An officer in a non duty status (such as leave, sick, etc.) at the time flying status orders are issued is not entitled to ACIP for any period prior to reporting for duty under such orders.
 - b. Excess Flight Time. When authorized under 5.A.10, flight time in excess of the time required or sufficient to qualify for a particular month may be applied against a later month in which minimum requirements are not met.
 - c. Death.
 - (1) Death Due to Aviation Accident. If the death of officer entitled to monthly ACIP is under 5.A.6, the ACIP accrues to include the date of death. However, if death occurs after the three-month period has expired, ACIP is not authorized for any day after the expiration of such period. ACIP for the month or period before the month in which the accident occurred is not authorized unless flight

requirements were met for that period.

- (2) Death Due to Other Causes. If the death of officer entitled to monthly ACIP under 5.A.6 occurs from causes other than an aviation accident, ACIP is payable to and including the date of death if the officer has met prorated flight requirements for the month of death and was in a flying status.

18. Suspensions From Flying Status-Affect on ACIP.

- a. ACIP for Period of Suspension. Except under 5.A.18.b. and c., an officer entitled to monthly ACIP under 5.A.6 or to continuous ACIP under 5.A.3 through 5.A.5, is not entitled to ACIP for a period of suspension from flying status. An officer is considered as in a flying status on the day the suspension is removed or terminated. Payment for a period of suspension cannot be made in any case until the suspension has been removed or terminated.

b. Suspension for Other Than Physical Incapacity.

- (1) Officer Required to Perform Minimum Flight Requirements. Officer entitled to monthly ACIP under 5.A.6 is entitled to ACIP for a period of suspension from flying status, provided the suspension is removed and the officer meets flight requirements as prescribed in Section 5.A.10. If an officer has excess flight hours performed before suspension, the grace period in 5.A.10 would begin the first month of the period of suspension not covered by excess flight hours.

Example: Officer suspended from flying status 1 February. The officer had 16 hours excess flying time 31 January. ACIP is stopped 31 January. Suspension is removed (or terminated) 30 June. The officer flew 12 hours 1-31 July. After removal of suspension, pay ACIP for 1 February through May on basis of the 16 excess hours accumulated in the five months before 1 February. The grace period authorized by 5.A.10 started 1 June. Hours flown in July qualified the officer for ACIP for June and July.

- (2) Officer Not Required to Perform Minimum Flight Requirements. An officer entitled to continuous ACIP under 5.A.3 through 5.A.5 is entitled to the maximum entitlement that could exist under 18.b.(1) above for officers required to meet flight requirements. If the suspension is removed before the end of the eighth month after the month of suspension the officer is entitled to ACIP for the entire period of suspension. If the suspension is removed after the end of the eighth month, the officer is entitled to ACIP for only the first five months of the suspension, and ACIP begins again on the date suspension is removed or terminated.
- (3) Entitlement to ACIP for a Period of Suspension Changed to Disqualified. ACIP (continuous or monthly) to which an officer would otherwise be entitled is stopped during a period of suspension starting on the effective date of suspension. If the suspended status is resolved so that the officer is disqualified

for aviation service (flight status terminated), no entitlement to ACIP exists for the period of disqualification. The effective date for disqualification and suspension must be the same.

c. Suspension for Physical Incapacity.

- (1) Officer Subject to Minimum Flight Requirements. Officers entitled to monthly ACIP under 5.A.6 are entitled to ACIP during a period of grounding due to physical incapacity, if flight requirements of 5.A.10.a. are met. They are also entitled during a period of suspension, if the suspension is removed or terminated and flight requirements prescribed in 5.A.9.a. are actually met. (There are no flight requirements during the first three months of a period of incapacity incurred as the result of performance of an assigned hazardous duty. Refer to 5.A.13.
- (2) Officers Not Subject to Minimum Flight Requirements. Officers entitled to continuous ACIP under 5.A.3 through 5.A.5 are entitled to ACIP during a period of grounding due to physical incapacity, without regard to the flight requirements prescribed in Section 5.A.10, and for the entire period of suspension, if the suspension is removed or terminated before the end of the eighth month following the month of incapacity. If the suspension is removed or terminated after the end of the eighth month following the month the officer was incapacitated, the officer is entitled to ACIP for only the first five months of the suspension and ACIP begins again on the date the suspension is removed or terminated.

d. Suspension Removed or Terminated. If a suspension is removed or terminated after the officer can no longer qualify for ACIP under 5.A.18.b. or c., the officer loses ACIP for any period that is not covered by 5.A.10 or 5.A.15. ACIP accrues after the suspension is removed or terminated as follows:

- (1) For officers required to meet minimum flight requirements – from the date of reporting for flying duty after the suspension is removed or terminated, if flight requirements are met.
- (2) For officers not required to meet minimum flight requirements—from the date the suspension is removed or terminated.

19. Entitlement to ACIP During Periods of Disqualifications.

- a. Medically incapacitated officers entitled to continuous ACIP under 5.A.3 through 5.A.5, or monthly ACIP under 5.A.6, will be considered qualified for aviation service through the twelfth month following the month of incapacitation. However, the provisions of 5.A.10, 13, and 14 are still applicable in the case of officers entitled to monthly ACIP under 5.A.6.

- b. Officer who are medically incapacitated officers will be disqualified for aviation service on the first day of the thirteenth month following the month of incapacitation. An officer entitled to continuous ACIP under 5.A.3 through 5.A.5 will be entitled to that pay for the period from date of incapacitation through the day prior to the date of disqualification. However, an officer entitled to monthly ACIP under 5.A.6 who is medically incapacitated will not be entitled to that pay for any month in which the officer does not meet the requirements of Sections 5.A.10, 12, and/or 13, regardless of the fact that the officer has not, at that point in time, been disqualified for aviation service.

Example: An officer entitled to monthly ACIP under 5.A.6 was medically incapacitated in January (incapacitation not the result of performance of flying or other hazardous duty). The officer was not again medically qualified for aviation service until 1 March, the subsequent year. The officer had sufficient excess flight hours to cover only the months of January and February. The officer was disqualified for aviation service on 1 January (first day of the thirteenth month following the month of incapacitation). The officer was not entitled to ACIP for the months of March, April, May, June, or July, August, September, October, November, and December, since the officer did not have sufficient excess flight hours to cover those months. The officer was not entitled to ACIP for the months of January and February since the officer was disqualified during that period. Entitlement to ACIP for the month of March was contingent on the officer meeting the flight requirements of 5.A.10 for that month.

- c. ACIP is not authorized for any period during which an officer is disqualified for aviation service. Therefore, ACIP is forever lost during the period an officer is disqualified for aviation service. After a period of disqualification, entitlement to ACIP will commence as follows:
 - (1) Officer entitled to continuous ACIP under 5.A.3 through 5.A.5, entitlement commences the date the officer is again medically qualified for aviation service.

Example: An officer re-qualified on 20 June is entitled to 11 days of ACIP for the month of June.

- (2) Officer entitled to monthly ACIP under 5.A.6, entitlement commences on the date the officer is again medically qualified for aviation service, and is contingent on the officer meeting flight requirements of Section 5.A.10.

Example: Officer is qualified on 16 June and flies two or more hours, the officer is entitled to 15 days of ACIP for the month of June, under Section 5.A.10.b.

- d. Suspension of flight status is not synonymous with disqualification for aviation service. Suspension of flight status is an administrative action which may be taken, under certain circumstances, to prevent an officer entitled to ACIP under 5.A.3

through 5.A.6 from receiving such pay. An officer entitled to ACIP may, under the provisions of 5.A.18, receive such pay for all or part of the period of suspension. The officer will never be entitled to ACIP during a period of disqualification.

Example: An officer entitled to monthly ACIP under 5.A.6 was medically incapacitated in January (incapacitation not the result of performance of flying or other hazardous duty). The officer had sufficient excess flight hours to cover the months of January and February. The officer was suspended from flying on 1 March. The suspension was removed during May and the officer flew 12 hours during May. Assume that this same officer was not medically qualified for aviation service until 1 August vice May, and that during August, the officer flew 12 hours. The officer was not entitled to ACIP for the months of March, April, May, or June (refer to Section 5.A.12). On 1 July, the officer was disqualified for aviation service (first day of the sixth month following the month of incapacitation) and consequently had no entitlement to ACIP during that month. The officer was again medically qualified for aviation service on 1 August and flew 12 hours. The officer was entitled to ACIP for August (eight of the 12 hours flown in August were excess flight hours).

- e. Once an officer entitled to monthly ACIP under 5.A.6 is disqualified for aviation service, ACIP is not recoverable. ACIP is lost during a period prior to that disqualification.

Example: An officer entitled to monthly ACIP under 5.A.6 was medically incapacitated during January (incapacitation not the result of performance of flying or other hazardous duty). The officer had sufficient excess flight hours to cover the months of January, February, March, April, and May. The officer was disqualified for aviation service on 1 January (first day of the thirteenth month following the month of incapacitation). The officer was again medically qualified for aviation service on 1 March and flew 12 hours. The officer was not entitled to ACIP for the months of June to February since the officer was disqualified in January. The officer was entitled to ACIP for March (8 of the 12 hours flown in March were excess flight hours).

20. Missing Status.

- a. An officer, who is receiving ACIP at the beginning of a period of missing status, is entitled to ACIP during the entire period of absence. And if applicable for the period not to exceed one year, required for hospitalization and rehabilitation after missing status ends.
- b. Entitlement to continuous ACIP upon termination of the period of absence, or the termination of any period, not to exceed one year, that is required for hospitalization and rehabilitation, is contingent only upon continued eligibility under 5.A.2 and the applicable flight requirement provisions.

B. Flight Duty Hazardous Duty Pay (HAZPAY) for Enlisted Members and Non-rated or Non-designated Officers.

1. Authority. Flight Pay under 37 U.S.C. 351(a) is authorized and may be paid to members who are entitled to Basic Pay under 37 U.S.C. 204 and under orders by competent authority to participate in regular and frequent aerial flights as crew or non-crew members, and who otherwise meet the requirements of this section. Officers qualified for aviation service are not entitled to hazardous duty pay, but may be entitled to aviation career incentive pay under the provisions of Sections 5-A. The Management and Administration of Aviation Incentive Pays, COMDTINST 7220.39 (series), prescribes detailed policies and procedures for the management and administration of hazardous duty pay for Coast Guard members assigned duties involving aerial flight.
2. Rates Payable. Monthly rates for members eligible under this section:
 - a. Crew Members - Refer to Figure 5-1.
 - b. Non-crew Members (Officer and Enlisted) - \$150
3. Definitions. Special terms used in this section are defined as:
 - a. Flight Pay. Incentive pay for flying duty payable to a member who has received flight orders and fulfills flight requirements as prescribed in this section.
 - b. Flight Orders. Orders issued in accordance with the CG Military Assignments and Authorized Absences Manual, COMDTINST M1000.8 (series), that require a member to participate in regular and frequent aerial flights as a crew or non-crew member.
 - c. Crew Member. The following are classified as crew members:
 - (1) Aviation Pilots.
 - (2) A member who is assigned an aviation coded billet, (orders for Chief Warrant Officers in AVI and ELC specialties will state DIFTECH), is air crew member qualified, and has received flight orders currently in effect.
 - d. Non-crew Member. Any member not included in 5.B.3.c., who is detailed to duty involving flying.
 - e. Technical Observer. An officer, other than aviators, ordered to duty involving flying because of special knowledge, experience, or skill, when these qualifications are required in flight to more effectively accomplish Coast Guard missions.
 - f. Aerial Flight. Flight in military and Government aircraft and also flight in non-military aircraft when required by competent orders to operate in such aircraft. A flight begins when the aircraft first moves forward on its take-off run (or, in the case

of rotary wing aircraft, when it takes off from its point of support) and ends when the aircraft next comes to a complete stop with the engines off. The elapsed time between these instances is defined as aircraft flying time.

- g. Aviation Accident. Any mishap in which a member who is required to participate frequently and regularly in aerial flights is injured or otherwise incapacitated as the result, as attested by the appropriate medical authority of the Uniformed Service concerned, of participation in any duly authorized aerial flight or other aircraft operation. Such term also means an incapacity incurred as the result, as certified by appropriate medical authority, of performance of flying duty, even though such incapacity is not the result of the actual aviation accident.
 - h. Excess Flying Hours. Hours flown which are not used to meet flight requirements for the current month, or current and prior months if a grace period is involved. They are, therefore, available for use in the next five months to make up flight deficiencies. Excess flying hours accumulated under temporary flight orders may be available for use only during the specific period of such orders (not to exceed five months).
4. Flight Orders. The basic types of flight orders used in the Coast Guard are permanent and temporary.
- a. Permanent Flight Orders. Orders are issued by Commandant, or by such other officer as the Commandant may designate, to crew members. The orders are permanent in nature and continue in effect until terminated or suspended. They are not affected by transfer between stations, nor, in the case of enlisted pilots, by discharge and immediate reenlistment. Particular attention must be given Figure 5-5, rules 10 and 11.
 - b. Temporary Flight Orders. The rules governing the issuance of this type of orders are contained in the CG Military Assignments and Authorized Absences, COMDTINST M1000.8 (series). These orders are temporary in nature and cover a specific period of time. They generally will be terminated when the member is permanently transferred between duty stations. They may be terminated sooner upon completion of a specific assignment, request of the member, or by the commanding officer. Particular attention must be paid to Figure 5-5, rules 10 and 11.
5. Flight Requirements. A member in receipt of flight orders must perform the minimum aerial flights in Section 5.B.5.a. in order to be entitled to hazardous duty pay.
- a. Minimum Flying Time Each Month.
 - (1) During one calendar month - four hours of aerial flight. However, if a member does not fly four hours in any month, hours flown during the last five preceding months which

have not already been used to qualify for flight pay may be applied to meet this four hour requirement.

- (2) During two consecutive calendar months when the requirements of Section 5.B.5.a. have not been met - eight hours of aerial flight.
- (3) During three consecutive calendar months when the requirements of Section 5.B.5.b. have not been met - 12 hours of aerial flight.

Note: In addition, the aerial flight hours not used to qualify for aviation incentive pay for the month in which flown may be used in the next five months to make up flight deficiencies.

- b. Fractions of a Calendar Month. For fractions of a calendar month, figure the percentage that the period in question is of the calendar month. The flying time required is that same percentage of the aerial flight time required for a full calendar month. Refer to Figure 5-2.
 - c. Fractions of Two Consecutive Calendar Months. For fractions of two consecutive calendar months, consider the period in question as a unit. Figure what percentage the period in question is of the calendar month. The flying time required is the same percentage of the aerial flight time required for a full calendar month. Refer to Figure 5-2.
 - d. Application of Hours Flown. Hours flown in any month apply to the extent of hours available:
 - (1) First, to meet flight requirements for that month.
 - (2) Next, if the member has entered a grace period for meeting flight requirements, to the prior month or months, as applicable.
 - (3) Next, in order, to the first, second, third, fourth, and fifth succeeding months, but only to the extent that the member fails, during each such month, to fly the required hours (such hours available to meet requirements of later months are referred to as excess flight time). Refer to Figures 5-3 and 5-4.
6. Determination of a Three Calendar-Month Period (Grace Period).
- a. When Three-Month Period Starts and Ends. The three-month period in which flight requirements must be met begins with the first month in which flight requirements are not met. If the member flies enough time in the second month to cover the first and second months, the period ends with the second month. If not, the period extends through the third month.

- b. Deficiencies for Fraction of a Month. If a member fails to qualify for a fraction of a month (because flying status or active duty began on an intermediate day of the month), the three-month period ends on the last day of the second full month following the fractional month.
 - c. When Next Three Month “Grace Period” Starts. A new three-month period starts with the first month in which flight requirements are not met following a month in which flight requirements were met. For a new three-month period to begin immediately after a prior three-month period, flight requirements must have been met for the entire prior three-month period, not merely for the last month (i.e., the full 12 hours must have been flown in the last month, not just the four monthly hours). If the requirements for the entire prior three-month period were not met, a new period does not begin until flight requirements are met for at least one month after the prior three-month period. After such a month when flight requirements are met, a month in which flight requirements are not met begins a new three-month period. A new period may not start with the second or third month in which flight requirements are not met; nor may a new period start with the fourth month in which flight requirements are not met. There must be at least one month in which requirements are met before a new three-month period begins. See Figures 5-3 and 5-4 on how the above rules apply.
7. Entitlement to Pay When No Flights Performed in First Month of Three Month Period. For the purposes of 5.B.7.a., b., and c. assume that the member had no excess flight time from prior months.
- a. Second Month. If a member performs insufficient aerial flights during the first month of a three-month period and in the second month performs at least four hours but less than eight hours, the member is entitled to pay for the second month only.

Example: In January no aerial flights were performed and in February five hours of aerial flights were performed. Incentive pay is payable for February.
 - b. Third Month. If a member performs no aerial flights during the first two months of a three-month period, the member must perform 12 hours of aerial flight in the third month to be entitled to incentive pay for all three consecutive months.

Example: If flight requirements are met for January, and a member performs no aerial flights during the months of February and March, the member must perform at least 12 hours in April to be entitled to receive the incentive pay for the period 1 February to 30 April. If the member performs four or more hours, but less than 12 hours in April, the member is entitled to incentive pay for April only.
 - c. First and Third Months. If a member performs no aerial flights during the first month, and in the second month performs only sufficient flights to qualify for the second month, the member must perform enough hours of flights to make a total of 12 hours during the third month of the three month period.

Example: In January no aerial flights are performed and in February five hours of aerial flights are performed. The deficiency in January must be made up in March; that is, if a least seven hours are accomplished in March, flying for January and March is payable. If only six hours are flown in March, flying pay is payable for March only (payment for February having previously been made) and incentive pay for January is lost.

8. Injury or Incapacity as a Result of Performance of Hazardous Duty. When a member under flight orders currently in effect, who is required to perform minimum flight requirements is injured or otherwise incapacitated as a result of performance of flying or other hazardous duty to which ordered, the member is considered to have met flight requirements during the incapacity, but for not longer than three months. Appropriate medical authority determines the cause of the incapacity and the date of recovery.
 - a. Flight Requirements Previously Met. If the member has met flight requirements for the month in which the incapacity occurs, the three month period begins the first day of the following month and entitlement to aviation pay continues for the succeeding three months.
 - b. Flight Requirements Not Previously Met. If member has not met flight requirements for the month in which the incapacity occurs, the three month period begins the first day of the month in which the incapacity occurs and entitlement to aviation pay continues for the succeeding two months.
 - c. Flight Requirements Prior to Month of Accident. The free period of entitlement does not relieve the member from the performance of flights necessary to qualify for aviation pay prior to the month in which the incapacity occurred.
 - d. Return to Duty Within “Free” Period. When a member returns to flying duty within the three month period prescribed in Sections 5.B.8.a. and b., the “free” entitlement to aviation pay automatically stops. The member must meet the minimum flight requirements beginning on the date of return to flying duty.
 - e. Return to Duty After “Free” Period. When a member returns to flying duty after the three month period has expired, the member is entitled to aviation pay for the second three month period provided minimum flight requirements are met. If the member does not meet flight requirements during the second three month period, or if the member returns to flying duty after the second three month period has expired, there is no entitlement to aviation pay until flight requirements for the subsequent month are met. In this case, entitlement to aviation pay is lost from the end of the initial “free” three month period to the time flight requirements are subsequently met.
 - f. Change of Station for Medical Treatment. When a member in receipt of flying pay under the terms of 5.B.8.a. is ordered to a medical facility on PCS or TDY order, the member is entitled to flying pay for the period of incapacity, but not longer than

three months, notwithstanding the change of station, provided the flight orders remain in effect.

- g. Incapacity Due to Shock, Derangement, or Exhaustion. A member who becomes incapacitated for flying duty by reason of shock, derangement, or exhaustion of the nervous system, which can be attributed to an aviation accident or the performance of aerial flights, is deemed to have met the flight requirements for not more than three months following the date of the incapacity, as determined by appropriate medical authority. The three-month period is determined under Sections 5.B.8.a. and b. Refer to Section 5.B.3.g.
- h. Member Hospitalized After “Free” Period. If a member is not hospitalized until after the three-month period has expired, the member is not entitled to additional “free” entitlement time even though hospitalization is directly attributed to the aviation accident.
- i. Hazardous Duty for Stated Period. If a member is placed under flight orders for a definite period and entitled to flying pay while incapacitated as a result of performance of flying duty, flying pay is not normally payable beyond the ending date of the duty period stated in the orders. However, when evidence is furnished that the member’s flight orders would have been continued had it not been for the incapacity, flying pay may be paid beyond the ending date of the duty.
- 9. Incapacity not the Result of Performance of Hazardous Duty. The right of a member under flight orders currently in effect to flying pay during incapacity which is not the result of performing hazardous duty depends on fulfillment of flight requirements under Section 5.B.5.
- 10. Right to Flying Pay Under Certain Conditions. See Figure 5-5 for examples of members entitlement to flying pay or Aviation Career Incentive Pay under certain conditions.
- 11. Determinations Affecting Entitlement to Flying Pay.
 - a. Flying Pay from Date of Reporting for Duty. A member is entitled to flying pay on and after the date of reporting for and entering upon duty under competent orders, subject to meeting flight requirements. A member in a non-duty status (such as leave, sick, etc.), at the time flight orders are issued, is not entitled to flying pay for any period before reporting for and entering on duty under such orders.
 - b. Excess Flight Time. When authorized under Section 5.B.5, flight time in excess of the time required or insufficient to qualify for a particular month may be applied against a later month in which minimum requirements are not met provided that the orders under which flying time was logged remain in effect.
 - c. Change of Designation – Non-crew Member to Crew Member or Vice Versa. A member whose status changes from non-crew member to crewmember, or vice

versa within a month/unit period may not combine time flown in both categories for pay purposes. The member is entitled to flying pay as a non-crew member for the period of time the member held that status if the member met the pro rata requirements as a non-crew member. The member is entitled to flying pay as a crew member for the period of time the member held that status, if the member met the pro rata requirements as a crew member.

- d. Change From One Crew Member Status to Another Crew Member Status. Flights as one type of crewmember may be combined with flights as another type of crewmember if the member remains on continuous active duty and continuous flight orders. Total requirements may be met in either crew member status or a portion may be met in each status.
- e. Missing Status. A member is entitled to flying pay when carried in a missing status and for the period of required hospitalization and rehabilitation, not to exceed one year after termination of missing status (refer to Section 5.B.14). Members continued under flight orders are entitled to flying pay after termination of the period authorized under Section 5.B.14, only if they meet flight requirements in Section 5.B.5.a. A new three month grace period does not start when the period authorized under Section 5.B.5.a. ends; it starts with the month of deficiency, even though the member was in a missing status at that time. Hence, if the missing status goes beyond the three month grace period, the member must meet one month's flight requirements to become entitled to flight pay after the period authorized under Section 5.B.14 ends. If the member does not meet flight requirements after the period authorized in Section 5.B.14, the member is entitled to pro rata flying pay through the date of such authorized period.
- f. Death.
 - (1) Death Due to Aviation Accident. If death occurs on the date of the aviation accident, flying pay accrues to include the date of death. However, if death occurs after the three month period has expired, flying pay is not authorized for any day after the expiration of such period. Flying pay for the month or period before the month in which the accident occurred is not authorized unless flight requirements were met for that period.
 - (2) Death Due to Other Causes. If death occurs from causes other than an aviation accident, flying pay is payable to and including the date of death if the member has met pro rata flight requirements for the month of death and was under flight orders.

12. Effect of Suspensions of Flight Orders on Flying Pay.

- a. Flying Pay for Period of Suspension. Except under 5.B.12.b. and c., a member is not entitled to flying pay when flight orders have been suspended. A member is considered suspended on the effective date of suspension. The member is

considered under flight orders on the date the suspension is removed or terminated. Payment for a period of suspension cannot be made in any case until the suspension has been removed or terminated.

- b. Suspension for Other Than Physical Incapacity for Members Required to Perform Minimum Flight Requirements. Such members are entitled to flying pay for a period of suspension when under flight orders, provided the suspension is removed or terminated and they meet flight requirements as prescribed in 5.B.5. If such members have excess flights performed before suspension, the grace period in 5.B.5 would begin the first month of the period of suspension not covered by excess flights.

Example: Member's flight orders suspended 1 February. Member had 16 hours excess flying time 31 January. Flying pay is stopped 31 January. Suspension is removed/terminated 30 June. Member flew 12 hours 1-31 July. After removal of suspension, flying pay for 1 February through May on basis of the 16 excess hours accumulated in the five months before 1 February. Grace period authorized by 5.B.5 started 1 June. Hours flown in July qualified member for flying pay for June and July. After removal of suspension, 1 February through May on basis of the 16 excess hours accumulated in the five months before 1 February. Grace period authorized by 5.B.5 started 1 June. The hours flown qualified member for flying pay for June and July.

- c. Suspension for Physical Incapacity of Members Subject to Minimum Flight Requirements. Members are entitled to flying pay during a period of grounding due to physical incapacity, if flight requirements of 5.B.5 are met. They are also entitled during a period of suspension, if the suspension is removed or terminated and flight requirements are actually met. In 5.B.8, there are no flight requirements during the first three months of a period of incapacity incurred as the result of performance of an assigned hazardous duty.
 - d. Suspension Removed or Terminated. If a suspension is removed or terminated after the member can no longer qualify for flying pay under 5.B.12.b. or c., the member loses pay for any period that is not covered by 5.B.5. Flying pay accrues after the suspension is removed or terminated for members required to meet minimum flight requirements from the date of reporting for flying duty after the suspension is removed or terminated, if flight requirements are met.
13. Payment of Flying Pay and Incentive Pay for Other Hazardous Duty. Members qualifying for flying pay and incentive pay for one or more other types of hazardous duty may receive the flying pay and incentive pay for only one other hazardous duty for the same period. Dual incentive pay is limited to those members required by orders to perform specific multiple hazardous duty necessary for successful accomplishment of the mission of the unit to which assigned.
- a. Entitlement. The hazardous duties for which dual incentive pay is made must be interdependent and performed by the member either simultaneously or in rapid

succession while carrying out the duties required to accomplish the mission of the unit involved. Members must meet the minimum requirements for each of the hazardous duty pay as required for entitlement to a single hazardous duty pay, except when injury or incapacity due to performance of hazardous duty is involved.

- b. Types of Duties that Do Not Qualify Members for Dual Payment of Incentive Pay. The following examples are types of duties not performed interdependently and for which dual incentive payments are not authorized:

- (1) Flying and parachute duties performed by forward air controllers.

- (2) Flight surgeons on paramedic teams.

- (3) Flying and parachute duties performed by pararescue team members.

- (4) Members who perform duty in a pressure chamber who are also required to meet minimum flight requirements.

- c. Injury or incapacity as a Result of Performance of Hazardous Duty-Dual Duties. If a member required to perform more than one hazardous duty is injured or otherwise incapacitated as a result of any one of the duties, the member is entitled to dual incentive pay during the incapacity, but for no longer than three months. If the member was not entitled to dual incentive pay at the time of the incapacity, the member is entitled to the type of pay being received at the time of the incapacity. The beginning date of the three-month period must be determined separately for each type of incentive pay.

- 14. Missing Status. A member receiving flying pay who enters a missing status is entitled to flying pay during the period of absence, not to exceed one year, required for hospitalization and rehabilitation after termination of missing status.

- a. Entitlement. The member's entitlement to flying pay upon termination of the required period of hospitalization and rehabilitation or the one year period after the date of return from missing status, whichever is earlier, will be contingent on a determination of continued eligibility under 5.B.1 and the applicable flight requirements of this Chapter.

**MONTHLY AVIATION CAREER INCENTIVE PAY RATES
EFFECTIVE 17 OCT 1998 FOR ALL OFFICERS**

| YEARS OF AVIATION SERVICE (INCLUDING FLIGHT TRAINING) AS AN OFFICER | |
|---|-------|
| 2 or less..... | \$125 |
| Over 2 | \$156 |
| Over 3 | \$188 |
| Over 4 | \$206 |
| Over 6 | \$650 |
| Over 14 | \$840 |
| Over 22 | \$585 |
| Over 23 | \$495 |
| Over 24 | \$385 |
| Over 25 | \$250 |

Notes:

1. A rated officer above pay grade O-6 may not be paid incentive pay after completion of 25 years of aviation service.
2. A rated officer in pay grade O-7 may not be paid incentive pay at a rate greater than \$200 per month.
3. A rated officer in pay grade O-8 or above may not be paid incentive pay at a rate greater than \$206 per month.

CREW MEMBER FLYING INCENTIVE PAY RATES EFFECTIVE 1 OCT 1998

| Pay Grade | Monthly Amount | Pay Grade | Monthly Amount | Pay Grade | Monthly Amount |
|-----------|----------------|-----------|----------------|-----------|----------------|
| O-10 | \$150.00 | W-4 | \$250.00 | E-9 | \$240.00 |
| O-9 | \$150.00 | W-3 | \$175.00 | E-8 | \$240.00 |
| O-8 | \$150.00 | W-2 | \$150.00 | E-7 | \$240.00 |
| O-7 | \$150.00 | W-1 | \$150.00 | E-6 | \$215.00 |
| O-6 | \$250.00 | | | E-5 | \$190.00 |
| O-5 | \$250.00 | | | E-4 | \$165.00 |
| O-4 | \$225.00 | | | E-3 | \$150.00 |
| O-3 | \$175.00 | | | E-2 | \$150.00 |
| O-2 | \$150.00 | | | E-1 | \$150.00 |
| O-1 | \$150.00 | | | | |

FIGURE 5-1

TIME OF AERIAL FLIGHT REQUIRED FOR FRACTIONAL PART OF MONTH

| Days | Active Duty |
|------|-------------|
| 1 | .2 |
| 2 | .3 |
| 3 | .4 |
| 4 | .6 |
| 5 | .7 |
| 6 | .8 |
| 7 | 1.0 |
| 8 | 1.1 |
| 9 | 1.2 |
| 10 | 1.4 |
| 11 | 1.5 |
| 12 | 1.6 |
| 13 | 1.8 |
| 14 | 1.9 |
| 15 | 2.0 |
| 16 | 2.2 |
| 17 | 2.3 |
| 18 | 2.4 |
| 19 | 2.6 |
| 20 | 2.7 |
| 21 | 2.8 |
| 22 | 3.0 |
| 23 | 3.1 |
| 24 | 3.2 |
| 25 | 3.4 |
| 26 | 3.5 |
| 27 | 3.6 |
| 28 | 3.8 |
| 29 | 3.9 |
| 30 | 4.0 |
| 31 | 4.0 |

FIGURE 5-2

FLIGHT EXAMPLES INVOLVING BASIC 3-MONTH GRACE PERIODS

| Month | Example 1 | | Example 2 | | Example 3 | | Example 4 | | Example 5 | | Example 6 | | Example 7 | |
|----------------|-----------|-------------|-----------|-------------|-----------|--------------|-----------|--------------|-----------|--------------|-----------|------------------|-----------|---------------|
| | Hrs | Entitled | Hrs | Entitled | Hrs | Entitled | Hrs | Entitled | Hrs | Entitled | Hrs | Entitled | Hrs | End |
| Jan (notes) | 4 | Yes (1) | 4 | Yes (1) | 4 | Yes (1) | 4 | Yes (1) | 4 | Yes (1-7) | 2 | Yes (7-9) | 0 | Yes (5) |
| Feb (notes) | 0 | No (2) | 0 | No (2) | 0 | Yes (2-5) | 0 | Yes (2-6) | 0 | Yes (9) | 0 | Yes (9) | 0 | Yes (5) |
| Mar (notes) | 4 | Yes (1) | 0 | No | 0 | Yes (5) | 8 | Yes (1) | 0 | Yes (9) | 0 | Yes (9) | 12 | Yes (1) |
| Apr (notes) | 0 | No (3) | 4 | Yes (1) | 12 | Yes (1) | 0 | Yes (2-5) | 0 | Yes (9) | 0 | No (2) | 4 | Yes (1) |
| May (notes) | 0 | No (4) | 0 | No (4) | 0 | Yes (2-5) | 0 | Yes (5) | 0 | Yes (2-5) | 0 | No (8) | 0 | No (2-8) |
| Jun (notes) | 4 | Yes (1) | 0 | No | 0 | Yes (5) | 12 | Yes | 0 | Yes (5) | 7 | Yes (1-10-11) | 0 | No (2-8) |
| Jul (notes) | 4 | Yes (1) | 4 | Yes | 12 | Yes (1) | | | 12 | Yes (1) | | | 11 | Yes (1-11) |
| Aug (notes) | 0 | No (2-8) | 0 | No (2-8) | 0 | No (2-8) | | | | | | | 5 | Yes (1-11) |

Notes:

1. Entitled to incentive pay based on that month's flights.
2. Begins a three-month period.
3. New three-month period does not begin, since this is the last month of first three-month period.
4. New three-month period does not begin, since flight requirement were not met for previous entire period.
5. Entitled to incentive pay based on three-month period.
6. Entitled to incentive pay based on two-month period
7. Injured in aircraft accident.
8. Not entitled to incentive pay, unless sufficient flights performed in following one or two month period.
9. Free entitlement period.
10. Two unused hours from January lost.
11. With excess hours available for application in five succeeding months as required.

FIGURE 5-3

FLIGHT EXAMPLES INVOLVING 3-MONTH PERIODS AND EXCESS TIME

| Month | Hours Flown | Entitlement | Based on Hours Flown During | Excess and Unused Hours | | Pertinent Factors |
|-----------|-------------|-------------|-----------------------------|-------------------------|-------------|--|
| | | | | That month | Accumulated | |
| 16-31 Jan | 3.3 | Yes | Jan | 1.3 | 1.3 | Placed on flying status 16 Jan |
| Feb | 0 | Yes | Jan 1.3; Mar 2.7 | 0 | 0 | |
| Mar | 6.7 | Yes | Mar | 0 | 0 | |
| Apr | 9 | Yes | Apr | 5 | 5 | |
| May | 5.5 | Yes | May | 1.5 | 6.5 | |
| Jun | 0 | Yes | Apr | 0 | 2.5 | |
| Jul | 1.5 | Yes | Jul 1.5; Apr 1; May 1.5 | 0 | 0 | |
| Aug | 2 | No | (note 1) | 2 | 2 | |
| Sep | 4 | Yes | Sep | 0 | 2 | |
| Oct | 5 | Yes | Oct | 1 | 3 | |
| Nov | 0 | No | (note 2) | 0 | 3 | |
| Dec | 3 | Yes | Dec 3; Aug 1 | 0 | 2 | |
| Jan | 10 | Yes | Jan | 6 | 8 | |
| Feb | 0 | Yes | Jan 3; Oct 1 | 0 | 3 | |
| Mar | 0 | Yes | Jan 3; May 1 | 0 | 0 | |
| Apr | 0 | Yes | May 4 | 0 | 0 | |
| May | 10 | Yes | May | 1 | 1 | |
| Jun | 0 | Yes | Aug 3; May 1 | 0 | 0 | |
| Jul | 0 | Yes | Aug 4 | 0 | 0 | |
| Aug | 17 | Yes | Aug | 6 | 6 | Suspended 1 Dec |
| Sep | 0 | Yes | Aug 4 | 0 | 2 | |
| Oct | 2 | Yes | Oct 2; Aug 2 | 0 | 0 | |
| Nov | 12 | Yes | Nov | 8 | 8 | |
| Dec | 0 | Yes | Nov 4 (note 3) | 0 | 4 | |
| Jan | 0 | Yes | Nov 4 (note 3) | 0 | 0 | Suspension ended 1 May |
| Feb | 0 | No | (note 4) | 0 | 0 | |
| Mar | 0 | No | | 0 | 0 | |
| Apr | 0 | No | | 0 | 0 | |
| May | 4 | Yes | | 0 | 0 | |
| Jun | 30 | Yes | Jun | 26 | 26 | 20 Jun Physically Incapacitated Suspended 1 Oct |
| Jul | 0 | Yes | Jun 4 | 0 | 22 | |
| Aug | 0 | Yes | Jun 4 | 0 | 18 | |
| Sep | 0 | Yes | Jun 4 | 0 | 14 | |
| Oct | 0 | Yes | Jun 4 | 0 | 10 (note 3) | |
| Nov | 0 | Yes | Jun 4 | 0 | 6 (note 3) | |
| Dec | 0 | No | | 0 | 0 | |
| Jan | 0 | No | | 0 | 0 | |
| Feb | 0 | No | | 0 | 0 | |
| Mar | 0 | No | | 0 | 0 | |
| Apr | 9 | Yes | Apr | 5 | 5 | Suspension ended 1 Apr |

Notes:

1. No excess hours available from previous five months, and deficiency not made up within the two following months.
2. Insufficient excess hours available from previous five months. New three-month period does not begin since requirements were not met for entire three month period of August through October.
3. Payment made after the suspension ended.
4. The three-month grace period expired before suspension ended.

FIGURE 5-4

RIGHT TO FLYING PAY OR ACIP UNDER CERTAIN CONDITIONS

| R U L E | A | B | C | D |
|------------------|---|---|--|--|
| | When a member under current flight orders | and | and | then flying pay |
| 1 | sick in the line of duty | flight orders remain in effect | member meets or has met flight requirements or flight requirements do not apply | continues for the period of illness. |
| 2 | on authorized leave in a pay status | | | continues for the period of leave. (Note 1) |
| 3 | on TAD | | | continues for the TAD period. |
| 4 | in a travel status (including authorized delay en-route on change of station) | | | continues for the period of travel. |
| 5 | in arrest or confinement | | | continues for the period of arrest or confinement. (Note 2) |
| 6 | a reservist released from active duty of more than 30 days | orders are not issued directing relief from all assigned duties | member has met flight requirements | continues for the period of allowable travel time to home. (Note 3) |
| 7 | discharged and immediately reenlists at the same station without a break in service | flight orders are not specifically terminated | | entitlement is determined as if there had been no discharge. |
| 8 | | flight orders are specifically terminated | | ceases on the date stated in the orders |
| 9 | incapacitated as a result of performance of flying duty | | | is payable. |
| 10 | an enlisted crewmember whose flight orders include a termination date | is involuntarily removed from flying duty (note 4) | was given less than 120 days advance notice of removal from flying duty (note 5) | continues either for 120 days after the date notified of such removal or until the original flight orders termination date, whichever occurs first, without regard to the flight requirements. |
| 11 | an enlisted crewmember whose flight orders do not include a termination date | | | continues for 120 days after the date on which notified of such removal without regard to the flight requirements. |

Notes:

1. Do not count flights performed while on leave for pay purposes.
2. If flight orders are suspended at the time of arrest or confinement, and the suspension is removed or terminated within the three month period, the member is entitled to flying pay if flight requirements are met.
3. Do not pay flying pay beyond the last day of the calendar month for which requirements are met.
4. A member is not considered to be involuntarily removed from flying duty upon separation, confinement, relief for cause, reduction in grade, medical unfitness, absence without leave or transfer to ground duty at own request.
5. Advance notice of removal from flying duty must be issued by competent authority in writing. Advance notice may be provided verbally if a suitable memorandum for the record is made and is later followed by written notification.

FIGURE 5-5

C. Flight Deck Hazardous Duty Pay (HAZPAY-FD).

1. Authority. Under 37 U.S.C. 351(a)(2), payment of HAZPAY-FD is authorized and may be paid to members entitled to Basic Pay under 37 U.S.C. 204 who are assigned to duty involving frequent and regular participation in flight operations on the flight deck of an aircraft carrier or a ship other than an aircraft carrier from which aircraft are launched.
2. Entitlement.
 - a. Effective 1 Jan 1984, a member is entitled to HAZPAY-FD when the member:
 - (1) Is a ship crewmember, assigned temporarily or permanently, from which aircraft are launched or an aviation unit operating from such ships. Eligible ships are: WMSL's, 378' WHEC's, 282' WMEC's, 270' WMEC's, 210' WMEC's, and WAGB's, and members of Helicopter Interdiction Tactical Squadron (HITRON) when HITRON aircraft are deployed aboard non-Coast Guard vessels and required to provide flight deck crew.
 - (2) Is designated by the commanding officer (CO) for HAZPAY-FD positions in writing by letter or on form CG-3307, Administrative Remarks. This authority may not be delegated.
 - (3) Participated in a single evolution of launch, recovery or helicopter in-flight refueling on at least four separate days during a calendar month, or a total of 16 evolutions in a calendar month, even if achieved in less than four days.
 - b. Effective 1 Oct 1990, a member is entitled to HAZPAY-FD when the member:
 - (1) Is a ship crewmember, assigned temporarily or permanently, from which aircraft are launched or an aviation unit operating from such ships and assigned to a hot refueling team. Eligible ships are: WMSL's, 378' WMEC's, 282' WMEC's, 270' WMEC's, 210' WMEC's, and WAGB's.
 - (2) Is designated by the CO for HAZPAY-FD positions in writing by letter or on form CG-3307, Administrative Remarks. This authority may not be delegated.
 - (3) Participated in a single evolution of hot refueling on at least four separate days during a calendar month, or a total of eight evolutions in a calendar month, even if achieved in less than four days.
3. Number of billets Authorized.
 - a. WMSL, WHEC and WMEC: Two Landing Signal Officers and 10 crewmembers.
 - b. WAGB: Two Landing Signal Officers and 10 crewmembers. The CO is authorized to increase the number of billets to three Landing Signal Officers and 15 crewmembers during periods of constant and intense flight operations (around the clock) that exceed three days, such as re-supply and mammal surveys.

- c. HITRON: As required, NTE 10 crewmembers.
 - d. Hot refueling team, three members (two hose handlers and one rescue crewmember).
 - e. Individuals performing in a training capacity and in a HAZPAY-FD position are participating in qualifying flight operations and the number of personnel eligible to receive HAZPAY-FD remains limited as above.
4. Eligible Personnel. Eligible personnel are those assigned to the following flight deck positions and meet this criteria:
- a. Landing Signal Officer (LSO).
 - b. Landing Signal Officer (LSO) phone talker. LSO phone talker must meet the same qualifications as the LSO.
 - c. Tie-down crew.
 - d. Hot refueling team.
 - e. The above positions may be filled by qualified personnel, officer or enlisted, including personnel assigned to ships in a temporary duty (TD) or temporary additional duty (TAD) status.
5. Dual Payments. No member may receive HAZPAY-FD and any other hazardous duty pay for the same period. However, a member can receive HAZPAY-FD while receiving ACIP since ACIP is considered an incentive pay vice hazardous duty pay.
6. Rates Payable. HAZPAY-FD is payable at the following monthly rate:
- a. Officer & Enlisted - \$150
 - b. HAZPAY-FD will be prorated for the days of the calendar month during which the orders are in effect, providing the full month participation requirements are met.

D. High-Pressure Chamber Hazardous Duty Pay (HAZPAY-HP).

- 1. Authority. Under 37 U.S.C. 351(a)(2), payment of HAZPAY-HP is authorized and may be paid to members entitled to Basic Pay under 37 U.S.C. 204 who serve inside a high-pressure chamber as a qualified inside instructor-observer.
- 2. Entitlement. Effective 8 Apr 1994, officer and enlisted members are entitled to HAZPAY-HP if the member:
 - a. Is a qualified Coast Guard Diver serving under DUID (duty involving diving) orders; and

- b. Is physically inside the hyperbaric chamber with another person(s) during hyperbaric treatment or required pressure testing; and
 - c. Is observing the other individual(s) for symptoms of diving injuries/illnesses and providing appropriate treatment.
- 3. Payments are made on a monthly basis and the member must re-qualify for this incentive payment each month it is to be received. Under the conditions listed above, at least one hyperbaric chamber dive during the calendar month is required to qualify for this incentive payment that month.
- 4. Dual Payments. A member entitled to this HAZPAY-HP along with Diving Duty Pay is not authorized to draw an additional hazardous duty pay for the same period.
- 5. Rates Payable. HAZPAY-HP is payable at the following monthly rate.
 - a. Officer and Enlisted - \$150
 - b. Members must qualify for HAZPAY-HP on a monthly basis. The authorization must be applied for each month the diver is entitled to the pay.
- E. Hazardous Duty Pay for Visit, Board, Search and Seizure Boarding Teams (HAZPAY-VB)
 - 1. Authority. Under the authority of title 37 U.S.C. 351(a)(2), the Coast Guard may pay HAZPAY-VB for certain boarding team duties. Effective 1 Aug 2004, Coast Guard Boarding Team and Boat Crew personnel entitled to Basic Pay under 37 U.S.C. 204 who meet the Maritime Interdiction Operations Boarding Team eligibility requirements contained herein are eligible for HAZPAY-VB.
 - 2. General. Maritime boarding operations are consistent with core Coast Guard competencies, and therefore should not be addressed with HAZPAY-VB. However, there are limited circumstances in which Coast Guard personnel should be authorized this special pay. For Coast Guard HAZPAY-VB purposes, maritime interdiction operations boardings are those which take place within designated combat theatres of operations. Commandant (CG-133) provides guidance on which theatres of operation qualify for combat designation. Boardings in support of homeland security, narcotics interdiction, boating safety, marine safety, search and rescue, alien migration interdiction, enforcement of U.S. laws and treaties, and other traditional Coast Guard peacetime missions must not be creditable for HAZPAY-VB purposes.
 - 3. Eligibility Requirements. A minimum of three operational HAZPAY-VB boarding evolutions per calendar month must be performed in order for a boarding team and boat crew members to be eligible for HAZPAY-VB pay that month.
 - a. An evolution consists of a boarding mission conducted by a boarding team. Training evolutions that involving boardings do not count.

- b. Insertion or extraction of the boarding team may be via boat, helicopter, or both.
 - c. Boat crews must maintain station for safety and security reasons while the boarding is in progress to be eligible for HAZPAY-VB, and should be comprised of the minimum personnel necessary for mission requirements. Operations where the boat crew is used only to embark and disembark the boarding team do not qualify as a HAZPAY-VB evolution for the boat crew.
 - d. Cutters are authorized no more than two boat crews and two boarding teams eligible for HAZPAY-VB. Each eligible boat crew must be comprised of no more than three persons. Each eligible boarding team must consist of persons trained and qualified in accordance with current boarding team policy. Embarked Naval Special Warfare (NSW) or Coast Guard LEDET, MSST, MSRT, PSU boarding forces do not count against the maximum number of HAZPAY-VB team quotas.
 - e. Competent authority must assign personnel to an authorized HAZPAY-VB eligible billet.
 - f. Personnel must be assigned for the entire month. If less than one month, HAZPAY-VB will not be paid.
4. Boarding Team Quotas. Quotas should reflect the unit's normal established WQSB boarding team HAZPAY-VB assignments as closely as possible. HAZPAY-VB boarding team assignments must not be rotated for the sole purpose of expanding HAZPAY-VB eligibility to members who perform occasional HAZPAY-VB duties. The number of personnel entitled to HAZPAY-VB is subject to the numbers listed in Figure 5-6, except:
- a. Personnel on leave or under Temporary Duty (TDY) orders may be retained under orders to an HAZPAY-VB billet. These members will not count against the monthly assignment limitation during periods of leave or TDY unless they qualify for HAZPAY-VB during the period of absence. However, to receive HAZPAY-VB, eligible personnel must participate in the minimum number of boarding evolutions for the month concerned.
 - b. Personnel injured or incapacitated as a result of performance of HAZPAY-VB eligible duty will not count against the monthly assignment limitation from the date of disability.
 - c. Orders for replacement personnel will not become effective until the date their predecessors depart on leave or TDY, or become disabled. Personnel at any eligible command on TDY, or reservists on active duty (including ADOS and ADT), may be ordered to HAZPAY-VB eligible billets and are eligible for HAZPAY-VB at the established rates for the period during which they perform such duty.
5. Injury or Incapacitation. When a HAZPAY-VB eligible member, in the performance of eligible boarding team duties, is injured or otherwise incapacitated as determined by an appropriate medical authority, he or she is considered to have met the requirements for

that duty during the incapacity, but for no longer than three months. Appropriate medical authority must determine the cause of the incapacity and the dates thereof.

- a. If the member already participated in the required number of VBSS evolutions for the month of incapacitation, the three-month VBSS eligibility period commences the first day of the month following the incapacitation.
 - b. If the member has not participated in the required number of VBSS evolutions, the HAZPAY-VB entitlement commences the first day of the month in which the incapacity occurred.
 - c. The entitlement continues for three months under conditions described in this section unless the member is reassigned under permanent change of station (PCS) orders to an activity other than one in which the member was injured.
 - d. Eligibility for HAZPAY-VB during periods of injuries incurred in the performance of HAZPAY-VB eligible duties terminates when an appropriate medical authority returns the member to full duty.
6. Rates Payable. Members must perform a minimum of three operational boardings during a calendar month to be eligible.
- a. The monthly rate is \$150.
 - b. Members must qualify and be certified for HAZPAY-VB by their commanding officer on a monthly basis. The authorization for payment must be submitted by the servicing SPO each month the member is eligible for HAZPAY-VB.
 - c. The monthly HAZPAY-VB rate will not be pro-rated except in months where a member's HAZPAY-VB terminate during the month. For example, if a member is eligible during the month of September, and the member is PCS transferred on 20 September, the member will be entitled to \$100 HAZPAY-VB for the month.
7. Competent Authority for Orders. Orders issued by competent authority to a HAZPAY-VB eligible boarding team billet will be accomplished in writing by the member's commanding officer and will be tracked using local methods. Annotation of being assigned to a HAZPAY-VB billet on individual or group TDY orders may also serve as orders by competent authority, but does not relieve the command who originated the TDY orders of the requirement to maintain its own tracking record upon the member's return.
8. Tracking Requirements. Commands may develop local tracking methods, however the established methods must be auditable. For audit purposes, the records will be retained in accordance with the Information and Life Cycle Management Manual, COMDTINST M5212.12 (series). Logging the number of daily evolutions for an individual member need only be recorded until the qualification criteria for the month have been met.

Authorized HAZPAY-VB Boarding Team Quotas by Activity

| Cutter/Class/Activity | Officers & E7 thru E9 | E2 thru E6 | Notes |
|-----------------------------------|-----------------------|------------|-------|
| WPB/WLI/WLM/WTGB/WYTL/WLR/WPC/FRC | 1 | 7 | 1, 5 |
| WAGB/WLB/WIX | 1 | 14 | 1, 5 |
| WHEC/WMEC/WMSM/WMSL | 2 | 28 | 2, 5 |
| TACLET/LEDET/MSRT/MSST/PSU | Varies | Varies | 3 |
| Shore Based Boat Forces | TBD | TBD | 4 |

NOTES:

1. Those commands that desire to use an officer, CWO or E-6 to E-9 as the assistant boarding officer vice a more junior enlisted may so designate two officers, CWO, E-6 to E-9 and 13 enlisted vice one officer and 14 enlisted.
2. Those commands that desire to use an officer, CWO or E-6 to E-9 as the assistant boarding officer vice a more junior enlisted may so designate four officers, CWO, E-6 to E-9 and 26 enlisted vice two officers and 28 enlisted.
3. All specialized forces personnel deployed overseas to a designated combat theatre of operations conducting maritime interception operations are eligible. Commanding officers will verify that other requirements outlined in this section are met before authorizing HAZPAY-VB payment.
4. PSU HAZPAY-VB eligible boarding team membership will be based on mission requirements as determined by unit commanding officers.
5. Under unusual and compelling circumstances of high op tempo missions, cutter commanding officers may request approval from Commandant (CG-133) to temporarily designate more quotas than listed above. Requests for quota increases must state the period for which the increase is requested and be appropriately endorsed by the cutter's operational commander. Approval will be coordinated with appropriate CGHQ program managers.

FIGURE 5-6

F. Career Status Bonus (CSB)

1. Authority. Under the authority of title 37 U.S.C. 354, the Coast Guard must pay a \$30,000 Career Status Bonus (CSB) to an eligible member who elects to receive the bonus and remain eligible to execute a written agreement to remain continuously on active duty to complete 20 years of active duty service prior to them reaching 15 years of active creditable service. The CSB is given in exchange for:
 - a. Five years obligated service.
 - b. An agreement to retire under the Military Retirement Reform Act of 1986 (MRRA, also known as "REDUX") retired pay system (see Section 16.A.2.b. of this Manual).
2. General. Subtitle D (Sections 641 through 644), title VI, National Defense Authorization Act for Fiscal Year 2000 (Public Law 106-65, 5 Oct 1999) reformed the MRRA retirement system as it applies to members of a Uniformed Service with a Date of Initial Entry to Military/Uniformed Service (DIEMS) on or after 1 Aug 1986. Under this law, these members, who would have previously retired under the MRRA retired pay system will retire under the High-3 retired pay system (see Section 16.A.3 of this Manual), unless they elect the option of receiving a \$30,000 Career Status Bonus (CSB) when they reach 15 years active duty. The CSB is an active duty bonus and is not military retired pay. It is not subject to division under the Uniformed Services Former Spouses Protection Act. Members who elect the CSB are subject to a reduced retired pay multiplier and reduced cost of living adjustments (COLADJ), with a one-time catch-up at age 62. Payment of a CSB will also result in reduced annuities and premiums under the Survivor Benefit Plan (SBP).
3. Identification Of Eligible CSB Members. The National Defense Authorization Act for Fiscal Year 2016 has amended Title 37 U. S. Code, Section 354, removing the authority to pay any new CSBs after 31 Dec 2017 incident to the implementation of the Modernized Retirement System (Blended Retirement System).
 - a. Service members who have an active duty base date after 31 Dec 2002 will not receive notification from Coast Guard Pay and Personnel Center (PPC) concerning eligibility to elect the CSB, as these members will not reach 15 years of creditable active duty prior to 1 Jan 2018.
 - b. Service members with an active duty base date of 31 Dec 2002 or earlier must receive notification of eligibility to elect the CSB provided they meet all four of the following conditions on their 15th year anniversary:
 - (1) Be on active duty
 - (2) Complete 15 years of active duty service
 - (3) Have a DIEMS of 1 Aug 1986 or later

- (4) Qualify under Coast Guard regulations or policy for retention to 20 years of active duty service. A member with any administrative or punitive action pending that may result in separation (e.g. resignation, AWOL, desertion, confinement, medical issues, or any probationary program) is ineligible for the CSB.
4. Notification Of Members. PPC will notify all members having a DIEMS of 1 Aug 1986 or later of their eligibility or ineligibility to elect a CSB. This notification will take place approximately six months prior to the member reaching 15 years of active creditable service. Members will use the Form CG-2426 (Career Status Bonus (CSB) Election) to elect \$30,000 CSB and MRRA retired pay system, reject the CSB and keep the High-3 retired pay system, or acknowledge they are not eligible for the CSB.
 5. Effective Date of Election. A CSB election is considered effective on the date the member has served on active duty for 15 years, provided that the member remains eligible. The CG-2426 must be completed and witnessed before the day the member reaches fifteen years active service (or no later than six months after issuance of the form CG-2426) in order for the member to receive the CSB. If the member does not complete the form or has the form witnessed on or after their 15th year anniversary date, the member will not receive the CSB and will automatically fall under the High-3 retired pay system. However, if the notice of eligibility to elect a CSB is not provided six months prior to the member's fifteenth active duty anniversary date, the member will have until the date that is six months after the notice of eligibility is issued to submit a CSB election.
 6. Changing Elections. A CSB election may be changed anytime before the effective date, but once it is effective, it may not be changed. Members must make their CSB election using CG-2426 prior to the date they reach fifteen years of active service (or six months after issuance of the notification of eligibility, if that notice was issued after the member reached 14 ½ years of active duty service).
 7. Payment Of Bonus To Members.
 - a. PPC must pay the CSB no earlier than the date the member completes 15 years active service and no later than the first day of the third month after completion of 15 years active service by the member. At the member's election, the CSB must be paid in: lump sum of \$30,000; two installments of \$15,000; three installments of \$10,000; four installments of \$7,500; or five installments of \$6,000. Installments must be paid on the earlier of the annual anniversary date or 15 January, whichever is earlier. The entire amount of the CSB is subject to automatic federal income tax withholding unless:
 - (1) The member qualifies for Combat Zone tax exclusion on the date the member reaches 15 years active duty.
 - (2) The member elects to contribute a portion of the CSB to the tax-deferred Thrift Savings Plan (TSP). Only the portion of the CSB not contributed to TSP will be subject to automatic federal tax withholding.

- (3) The member is a legal resident of Puerto Rico and is stationed outside the United States.
 - b. Service members who have completed 15 years of creditable active duty and have elected to receive the CSB prior to 1 Jan 2018 may continue to receive any elected payment installments so long as they remain eligible and have executed an agreement to remain continuously on active duty until they have completed 20 years of active duty service creditable under 10 U.S.C. 1405.
8. Repayment Of Bonus. Members who elect a CSB must agree to remain on continuous active duty until the completion of 20 years of active duty. If a member fails to complete 20 years of active duty, the member must repay an amount that bears the same ratio to the amount of the bonus payment as the uncompleted part of that period of active-duty service bears to the total period of such service. Repayment may be waived in whole or in part if Commandant (CG-1332) determines that recovery would be against equity and good conscience or contrary to the best interests of the United States, subject to the following guidelines:
- a. Repayment may not be waived if the member's separation is due to misconduct.
 - b. Repayment must be waived if the member:
 - (1) Dies;
 - (2) Is separated or retired due to a physical disability which qualifies the member for Disability Severance Pay or Disability Retired Pay from the Coast Guard;
 - (3) Is separated under an early retirement or separation program.

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CHAPTER 6

DEDUCTIONS

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CHAPTER 6. DEDUCTIONS

A. Servicemembers' Group Life Insurance (SGLI) - Active Duty Coverage.

1. Authority. Public Law 89-214, as amended by Public Law 91-291; and Public Law 92-315; Public Law 93-289; Public Law 97-66 (38 U.S.C. 765-779); Public Law 99-166; Public Law 102-25; Public Law 102-510; Public Law 104-106, and Public Law 106-419, provided for SGLI. This program provides automatic full-time coverage in the maximum amount of \$400,000 for SGLI for all Active and Reserve members serving on full-time active duty (AD) (including cadets of the Coast Guard Academy) and Reserve members performing Active Duty for Training (ADT) for more than 30 days. The 1974, amendment also extends full-time coverage to Selected Reservists (SELRES) and any other Ready Reserve members who are (a) assigned or attached to a unit or position that may require performing active duty or active duty for training and (b) will be scheduled to perform at least twelve periods of inactive duty for training annually. The Department of Veterans Affairs administers SGLI.
2. Elections. A member may decline coverage, or elect a reduced level of insurance in \$50,000 increments. The election to decline coverage, or decrease insurance coverage, must be made on the Servicemembers' Group Life Insurance Election and Certificate form (SGLV 8286). The effective date for the decreased SGLI coverage is the first day of the month following the processing month in which the administrative office receives the VA form, SGLV 8286. For members electing to reinstate coverage they previously declined or to increase coverage they previously reduced, the increased coverage is in effect immediately (unless later disapproved by OSGLI) and a full month's premium will be charged.
3. Rates and Forms. For rates and forms, refer to web site <http://www.benefits.va.gov/insurance/sgli.asp>
4. Refunds. No refund will be made for premium payments properly deducted prior to the effective date of an election not to be covered, or an election for a reduced amount of insurance. When a request for reinstatement or increase of SGLI coverage is rejected by Office of Servicemembers' Group Life Insurance (OSGLI), premiums withheld will be credited to the member's pay account. PPC is authorized to issue a refund of up to two months of incorrectly deducted premiums for SGLI and FSGLI, where the error was made by the Coast Guard or is simply due to a lag time in processing. For refunds going back more than two months, a refund may be approved by CG PSC PSD FS-Casualty Matters if the member shows "very unusual" circumstances. Examples of "very unusual" circumstances include a declared national disaster or the member is incapacitated.
5. Forfeiture. Any member convicted of mutiny, treason, spying, or desertion, or who, because of conscientious objections, refuses to perform service in the Coast Guard, or refuses to wear the Coast Guard uniform, must forfeit all rights to SGLI. This insurance

is not payable for death inflicted as a lawful punishment of a crime or a military or naval offense, except when inflicted by an enemy of the United States.

6. Mandatory Increase for Members Deployed to Combat Theatres of Operation. Effective 7 Jan, 2011, Section 1967(a)(3) of title 38, U.S.C. is amended to state that members who elect not to be insured or who elect to be insured for an amount less than the maximum amount provided and who is then deployed to a combat theatre of operations, must be insured for the maximum amount for the period of such deployment. Upon the end of such deployment, the member must be returned to their previously elected level of insurance. An allowance will be provided to the member for the cost of coverage premiums as outlined in Paragraph 6.A.6.a. of this Manual.
 - a. Authority. Per 37 U.S.C. 437, effective 7 Jan, 2011, the Secretary concerned must pay an allowance to a member of the Armed Forces based on the SGLI premium of the maximum SGLI coverage for a member while serving in a designated duty area. A designated duty area means a permanent or temporary duty assignment outside the United States or its possessions in support of a contingency operation in an area that has been designated a combat zone; or is in direct support of an area that has been designated a combat zone.
 - b. Premiums. Effective 1 Nov 2006 the allowance is equal to the monthly cost of \$400,000 of SGLI coverage plus the cost of Traumatic SGLI coverage. The cost of \$400,000 SGLI coverage is currently \$24.00 per month, and the cost of Traumatic SGLI coverage is \$1.00. The total cost for SGLI reimbursement allowance is \$25.00.

B. Servicemembers' Group Life Insurance – Family Coverage (FSGLI).

1. Authority. Public Law 107-14, Veterans Survivor Benefits Improvements Act of 2001, extends life insurance coverage to spouses and children of members insured under the SGLI program.
2. Spousal and Child Coverage (FSGLI). The maximum spousal level coverage is \$100,000, or the amount of the members SGLI, whichever is less. Any dependent child under age 18 is automatically covered under family insurance regardless of their health. Children between the ages of 18 and 23 who are full-time students are covered. Any child who, before the age of 18, has been declared legally incompetent continues to be eligible for family coverage as long as they remain a dependent. Child coverage is \$10,000 for every member enrolled in SGLI. FSGLI is available only to members who are enrolled in SGLI.
3. Declining and Reducing Spousal Coverage.
 - a. A member may decline spousal coverage by submitting a completed form SGLV-8286A to their SPO for Direct Access processing. A member may also use form SGLV-8286A to reduce spousal coverage in \$10,000 increments. When a member cancels spousal coverage, the coverage remains in effect at no cost to the member

for 120 days after the cancellation date. During this 120-day period, the spouse can convert his/her coverage to a policy with a commercial insurance company. Upon request, SGLI will provide members with a list of companies that convert SGLI insurance. Spousal coverage ends 120 days after the date:

- (1) Member elects in writing to terminate the spousal coverage (form SGLV 8286A).
 - (2) Member elects in writing to terminate their own coverage (form SGLV 8286).
 - (3) Member's coverage terminates due to separation or death.
 - (4) Member and spouse divorce.
- b. The member's administrative unit is required to notify the spouse by letter when the member cancels spousal coverage so the spouse may exercise their 120-day conversion benefit. A copy of the sample spousal notification letter can be found in the Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).
4. SGLI Administrative Procedures. SGLI Family coverage will be instituted as follows:
- a. Enlistment and Appointments to the Coast Guard. The SPO must notify each married member that his or her spouse is automatically insured at the maximum \$100,000 level unless the member declines or reduces spousal coverage or elects less than \$100,000 member coverage. If the member has SGLI, children are automatically enrolled.
 - b. Marriage. When a member with SGLI coverage marries, the SPO must notify the member that his or her spouse will be insured at the maximum \$100,000 level unless the member elects to decline or reduce coverage.
 - c. Members who have a dependent child will have automatic SGLI coverage effective on the member's date of entry into the service, child's date of birth or date the child becomes a dependent.
 - d. Every married member, including all members married to members and reservists eligible for SGLI, are required to have a current SGLV-8286A on file in their SPO PDR, even if the member elects no coverage.
5. Member Married to Member Coverage. A member married to another member will have a total coverage of \$500,000 (\$400,000 SGLI plus \$100,000 FSGLI) each unless either or both members elect lesser amounts. The child(ren) of these couples will only have one policy of \$10,000.
6. Rates of Monthly Premium Deduction. Refer to <http://www.insurance.va.gov> for rates. There is no cost for child coverage for members enrolled in SGLI, and child coverage cannot be cancelled.
7. Insurable Dependent. An insurable dependent of a member may not be insured unless the member is insured. If the member's SGLI coverage is terminated due to absence

without leave for 31 or more days, confinement of 31 or more days, or a court-martial sentence involving total forfeiture of pay and allowances, then dependent coverage must also terminate. In these instances, SGLI coverage for the member and dependents will be restored as of the date the member is restored to active duty with pay. If a reserve member's SGLI coverage is terminated due to failure to pay SGLI premiums, the reservist's dependent SGLI coverage must also be terminated. In this case, coverage for the reservist and dependent may be restored once the reservist remits all SGLI past due amounts. Child coverage ends 120 days after the date:

- a. The member terminates his or her own coverage.
 - b. The member's coverage terminates due to separation or death.
 - c. The member's child is no longer a dependent.
8. Claim Proceeds. Proceeds from any spousal or child claim will be paid to the member. For military parents (married, formerly married, or never married), the proceeds from the death of a child are paid to the member who was eligible for SGLI coverage the longest. In the event of the member's death before the SGLI proceeds are paid (e.g. simultaneous death of the member and the dependent), proceeds must be paid to the beneficiary of the member's SGLI policy. If a member is separated or divorced from another member, insurance proceeds from the death of a child will be paid to the member who has legal custody of the child.
 9. SGLV Forms and Information. Forms can be obtained from:
<http://www.insurance.va.gov>

C. Tricare Dental Program (TDP).

1. Authority. Public Law 106-65 revised 10 U.S.C. 1076a (active duty dental) and struck 10 U.S.C. 1076b (Selected Reserve Dental Insurance). Active duty and reserve dental are combined and managed by one contractor.
2. Eligibility.
 - a. Family member(s) of active duty members with a minimum of one year obligation remaining.
 - b. Family member(s) of reserve members on extended active duty with a minimum of one year obligation remaining.
 - c. Members of the Selected Reserve (SELRES), Individual Ready Reserve (IRR), and/or their family members with a minimum of one year obligation remaining. Members of the SELRES or IRR do not need to be enrolled for their family member(s) to be enrolled.

- d. Family members of deceased members enrolled at the time of the member's death have a three-year survivor benefit. SELRES and IRR members do not have to be enrolled for their survivors to receive this benefit; the family members of SELRES and IRR members do have to be enrolled at the time of the member's death to receive the three-year survivor benefit.
 - e. Family members of incarcerated members. Direct payment must be made to the plan provider.
3. Premium Plans.
- a. Premium Sharing Plan. Dependents of active duty members, members of the SELRES, IRR members scheduled to perform twelve or more training duty periods per year, and families of reservists who are on active duty for more than 30 days, are eligible for the Premium Sharing Plan. The enrollee pays 40 percent and the government pays 60 percent of the monthly premium. The cost to the member, effective 1 Feb 2008, is \$11.58 per month for a single beneficiary, and \$28.95 per month for two or more beneficiaries. Premium rates change annually on 1 February.
 - b. Full Premium Plan. Members of the IRR (not enrolled in the Premium Sharing Plan) and dependents of SELRES or IRR members, when the reservist is not on active duty for more than 30 consecutive days, are eligible for the full premium plan. Monthly premiums are the responsibility of the service member. The government does not share the premium payments. Annual premium rates change on 1 February. Monthly premium rates may be found on their web site at: <https://tricare.mil/Costs/DentalCosts>.
4. Enrollment.
- a. Enrollments must be initiated by the member through the TDP contractor. Visit their web site at: <http://www.tricare.mil/Plans/Enroll.aspx>. The member's SPO cannot complete enrollments and disenrollments.
 - b. All family members age four and above must be enrolled. However, in instances where family members residing with the members are not enrolled, family member(s) living apart from the member may be enrolled (e.g., child living with a divorced spouse or child in college).
5. Termination.
- a. A member must notify the TDP contractor if they want to disenroll after they complete the original two-year enrollment started under TFMDP, or the one-year lock-in under TDP.
 - b. Separation, discharge, or retirement.

- c. Loss of DEERS eligibility for a family member(s).
 - d. Member is transferred to IRR, Standby Reserve, or Retired Reserve.
 - e. When a reserve member is ordered to active duty for a period of more than 30 days, the family member(s) remain enrolled. The member is disenrolled because dental treatment can be received at a dental treatment facility.
6. Restrictions. Family members enrolled in the TDP are not eligible for treatment at a military dental facility for any services covered under the TDP. However, active duty family members may receive “space-available” dental care at overseas military dental treatment facilities, whether or not they are enrolled in the TDP.
7. Collection of Dental Premiums. Premiums must be deducted from the member’s Basic Pay if pay is received, or paid directly to the contractor. If there are insufficient funds or no payroll account is available at the time of collection, the member will pay the premium costs by means of direct billing. When this occurs, premium collection will transfer from the payroll allotment or deduction to direct billing by the TDP contractor. Once the TDP contractor direct bills, this payment process will continue until the member disenrolls or until the end of the contract. The TDP contractor will immediately direct bill for premiums due from IRR service members and from SELRES and IRR family members.
8. Premium Changes. Changes in premiums are scheduled each January.

D. FEDVIP Vision Coverage.

1. Authority. Public Law 114-328, effective January 1, 2019, authorizes family members of active duty uniformed service members, who are enrolled in a TRICARE health plan, to also enroll in the Federal Employees Dental and Vision Insurance Program (FEDVIP) for vision coverage only. For further eligibility and enrollment information, visit www.benefeds.com. Active duty members will still have dental and vision coverage through TRICARE and their family members will still be eligible to enroll in the TRICARE Dental Program (TDP).

Effective Dates of SGLI Coverage and Deductions

| R U L E | A | B | C |
|------------------|--|---|--|
| | When a member is required to perform duty as described in Section 6.A.1, and | then the effective date of | and SGLI deductions (Note1) |
| 1 | enters such duty | coverage is the first day of entry on such duty (Note 2), then the maximum basic coverage is automatically in effect until the member elects reduced coverage or waives coverage (Note 3) | starts the month of the date of entry. |
| 2 | resumes the obligation or reenters on such duty in the same Uniformed Service the day following termination of such period of obligation (Note 4) | insurance coverage (excluding elections of reduced or no coverage) is continuous (Note 5) | continues at the appropriate rate. |
| 3 | elects a reduced amount of coverage after entry on such duty | coverage is the first day of the month following receipt by the Uniformed Service of the member's election entered on VA Form SGLV 8286 (Note 6) | starts in the reduced amount the first day of the month following receipt of the member's election. See Section 6.A.4. for deduction refunds. |
| 4 | applies for increase or reinstatement of coverage after entry on such duty | coverage is the date of receipt by the Uniformed Service of the application with evidence of good health (Note 6) | starts the month of the date the application is received by the member's commanding officer. |
| 5 | elects not to be covered (declines or cancels) after entry on such duty | termination is the first day of the month following receipt by the Uniformed Service of the member's election, entered on VA Form SGLV 8286 | stops at the end of the month in which the member's election is received by the member's commanding officer. See Section 6.A.4. for deduction refunds. |
| 6 | is covered full-time and is separated and does not reenter active duty | termination is 120 days after separation (Note 7) | stop at the end of the month of separation. |
| 7 | is a member of the Reserve Component not covered and is called to active duty upon mobilization | coverage is the first day of active duty (maximum basic coverage is automatic unless a member applies for reduced or no coverage) | starts the month of the date of entry. |
| 8 | is covered and is AWOL, confined by civil authorities under a sentence adjudged by a civilian court, or confined by military authorities under a court-martial sentence involving total forfeiture of pay and allowances | termination is at the end of the 31 st continuous day of such status (Note 8) | stops at the end of the month in which the 31 st day of such status is reached. |
| 9 | forfeits rights to SGLI under the provisions of Section 6.A.5 | termination is the end of the day before the date of conviction, refusal to perform service, or refusal to wear the uniform (Note 9) | stop at the end of the month in which coverage is terminated. |

Notes to Figure 6-1 are on the next page.

FIGURE 6-1

Effective Dates of SGLI Coverage and Deductions (cont'd)

Figure 6-1 notes:

1. Members in an excess leave status (see note 10 for possible exceptions associated with appellate leave) remain eligible for automatic SGLI coverage. Establish monthly premiums in such cases as deductions against member pay accounts or collect as cash. Members may elect by completing form SGLV 8286, on or before the first day of active duty, to decline, reduce, or increase the insurance.
2. First time enlistees in the Selected Reserves are eligible for coverage on the date of enlistment when assigned to a Ready Reserve unit that meets the requirement of 38 U.S.C. 1965 (5)(B), regardless if they are or are not required to participate in periods of inactive duty training and have not yet been called to their initial active duty period. This does not apply to delayed entry active duty enlistees.
3. Elections made by Reserve Component members continue in effect during continuous obligation to perform duty in the same Uniformed Service. Reserve Component members are not required to reelect or reapply for their desired level of coverage each time they perform duty.
4. A new period of coverage begins and new elections must be submitted when a member resumes an obligation to perform duty or reenters on duty in the same Uniformed Service more than one day following termination of previous obligation; or when a member assumes an obligation to perform duty and enters on duty in a different Uniformed Service at any time. A member entering active duty after a break in service is automatically covered under SGLI for \$500,000, until the member elects otherwise, even though the member may have converted former SGLI coverage to an individual policy following the last discharge or release from active duty. A former member insured under the Veterans Group Life Insurance (VGLI) Program, who declines SGLI coverage solely to maintain VGLI coverage, upon termination of VGLI, must be automatically insured under maximum basic coverage if the member otherwise is qualified.
5. Any previous election not to be insured or to be insured for less than \$500,000 is canceled. Maximum basic coverage is automatically in effect unless member again elects not to be insured or to be insured in a reduced amount.
6. Increase or reinstatement of coverage is contingent upon the member's application on DVA Form SGLV 8285, Request for Insurance, and approved by OSGLI.
7. Although SGLI coverage does not automatically terminate for a member who is transferred to or from extended active duty, Ready Reserve, or Retired Reserve, deduction from pay stops the month of separation. A member is eligible for continuation of coverage under SGLI upon application and payment of required premiums directly to OSGLI within 120 days of separation or release. In the case of members totally disabled on the date of separation from such duty, SGLI insurance may be continued up to one year after separation and then, subject to approval of OSGLI, may be converted to VGLI. If the insured ceases to be totally disabled while covered under SGLI, the coverage is terminated, but in no event prior to the expiration of 120 days after separation or release.
8. Members carried in an AWOL or confined status, remain eligible for coverage until the end of the 31st continuous day of such status. Start premium deductions at the appropriate rate on the month of the date the member is restored to duty with pay.
9. Members restored to duty under conditions which, in effect, result in a remission of sentence may apply for reinstatement of coverage under rule 4.
10. In the case of a member being placed on appellate leave the following applies:
 - (a) In the case of a member placed on appellate leave immediately following military confinement with total forfeiture of pay and allowances (appellate leave including excess leave or not), with SGLI previously terminated under rule 8, the member is not reinstated with SGLI coverage for the period of appellate leave.
 - (b) In the case of a member placed on appellate leave following restoration to duty with pay (appellate leave including excess leave or not) SGLI coverage continues during the period of appellate leave with corresponding deduction for premiums. For any excess leave portion of appellate leave, deduct for monthly premiums according to note 1.
 - (c) In the case of a member placed on appellate leave (appellate leave including excess leave or not) directly from full duty status (confinement never involved), or from military confinement with partial or no forfeiture of pay and allowances or total forfeiture of pay only, SGLI coverage (never terminated in these situations) continues through the period of appellate leave. This subparagraph includes a member whose term of Service expired while the member was in confinement. Continue corresponding deductions for premiums. For any period of non-pay status, including excess leave portion of appellate leave, deduct for monthly premiums according to note 1.

FIGURE 6-1 (cont'd)

E. Courts-Martial Sentences.

1. Effect of Sentences on Pay and Allowances. These definitions are used in reference to courts-martial actions and their effect on pay and allowances. Refer to the Manual for Courts-Martial, United States, 2019. Questions regarding legal matters must be addressed to a legal officer.
 - a. Partial Forfeiture. A sentence to partial forfeiture of pay deprives an accused of the amount of pay stated in the sentence. The sentence applies for the number of months or days expressly stated. When a sentence includes forfeitures in addition to confinement not suspended or deferred, the forfeiture applies to pay (and allowances, if total forfeitures are adjudged) becoming effective either 14 days after being adjudged by a court-martial, or in the case of a summary court martial, on the date the sentence is approved by the convening authority, whichever is earlier, unless the convening authority defers application of the forfeitures pending completion of further appellate review.
 - b. Fines. A fine is in the nature of a judgment, and makes an accused financially liable to the United States for the amount specified in the sentence. Fines are debts to the Government until:
 - (1) Paid in cash by the member.
 - (2) Collected by deduction from the member's pay.
 - (3) Collected by deduction on settlement of the member's account on discharge.
 - c. Forfeiture of Pay or Allowances During Certain Court-Martial Confinements.
 - (1) General Court-Martial. Effective with General Court-Martial sentences, adjudged after 31 Mar 1996, for offenses committed after 31 Mar 1996, a member automatically forfeits pay and allowances until the member is released from confinement. All pay and allowances are forfeited while in confinement or in a parole status when the member is sentenced to:
 - (a) Death; or
 - (b) Confinement for more than six months; or
 - (c) Confinement of any length and either a dishonorable discharge, bad conduct discharge, or a dismissal.
 - (2) Special Court-Martial. The forfeiture provisions in 6.D.1.c.(1), above, also applies for sentences adjudged by Special Courts-Martial. However, automatic forfeitures are limited to two-thirds of all pay and forfeitures of less than one year, and in the case of a special court-martial consisting of a military judge alone, automatic forfeitures are limited to two-thirds of all pay and forfeitures of less than six months.
 - d. Application of Forfeitures. Forfeitures are withheld (as distinguished from

collected) on and after the date a sentence is approved by the convening authority. This applies when a court-martial sentence, as approved by the convening authority, includes forfeiture and confinement, not suspended or deferred, and the sentence is such that further appellate review is required before the sentence can be ordered executed.

- e. Execution of Forfeitures. Actual collection of forfeitures when a sentence is ordered executed (Article 57, UCMJ).
 - f. No Automatic Reduction. Automatic reduction to the lowest enlisted pay grade (E-1) under Article 58a, UCMJ, must not be effected in the Coast Guard.
2. Computing Forfeitures. Forfeitures of pay are to be computed as follows:
- a. Pay Subject to Forfeitures. Forfeitures, other than total forfeitures, apply to:
 - (1) Basic Pay (based on the member's years of service), Retired pay, and all forms of Inactive Duty Training pay for inactive duty reservists.
 - (2) Career Sea Pay or Hardship Duty Pay-Location, provided such pay continues to accrue after the effective date of sentence.
 - (3) A voluntarily allotment.
 - b. Pay Not Subject To Forfeitures. Forfeitures, other than total forfeitures, do not apply to Special Pay or Incentive Pay.
 - c. Taxes. A forfeiture is a loss of entitlement to the pay involved. Consequently, forfeitures are not taxed. Compute the forfeited amount of pay before withholding for income and FICA taxes. The amounts of taxes to be withheld are computed on the total amount of gross pay remaining after deducting the amount of forfeiture (36 Comp Gen 79).
 - d. Trial Counsel Statement of Trial Results. In cases resulting in forfeiture or reduction in grade, whether adjudged by court-martial sentence or compelled by operation of law in accordance with Article 58b, UCMJ, the trial counsel for the court-martial must include in the Statement of Trial Results as required by the Military Justice Manual, COMDINST M5810.1 (series), a statement which reads substantially as follows: (Adjudged and/or automatic forfeitures and/or reduction in grade) will be effective (effective date), unless they are deferred or waived by the convening authority in accordance with Article 57(b) or Article 58b, UCMJ. If a member's sentence carries a reduction in grade, the pay subject to forfeiture is the pay of the grade to which member is reduced.
 - e. Two or More Sentences Involved. When two or more sentences require forfeitures for a concurrent period, the amount stated in each sentence is forfeited only for the specific period. If each forfeiture results from a court-martial under which the maximum forfeiture is two-thirds of the pay subject to forfeiture, collect only two-thirds of the pay subject to forfeiture for the concurrent period. Following the concurrent period, pay is forfeited under the remaining sentence at the rate

specified in the sentence for the time remaining in that sentence (36 Comp Gen 755).

- f. Waiver of Forfeitures in Favor of Dependents. The convening authority or a person acting under 10 U.S.C. 860 may waive any or all of the forfeitures of pay and allowance that were imposed by operation of law. The portion waived is payable to the accused member's dependent(s) as directed by the convening authority or person taking action.
 - (1) Intent of Waiver and Taxability of Waived Forfeiture Amount. Direct payment to dependents of the waived portion of a forfeiture are intended to provide transitional compensation and direct financial assistance for a period not to exceed six months. Because the waived portion of the forfeiture remain as wages generated by the member's military status, it is taxable income to the accused member, even though paid to the member's dependents. Therefore, after appropriate federal, state and FICA taxes are withheld from the taxable portion of the waived forfeiture amount, the remaining (net) waived amount is paid to the member's dependent(s), as directed.
 - (2) Other Deduction and Collections. The UCMJ contains no provisions for the deduction of any other items appearing in Figure 11-7 from the waived forfeiture of pay and allowances. Therefore, only applicable taxes listed in 6.2.f.(1), above, may be deducted from the waived portion of pay and allowance that would otherwise be forfeited, with the remaining amount paid to the member's dependent(s) by the convening authority.
 - (3) Effective Date of Payments. As directed by the convening authority, or if not specifically stated, the convening authority action date on the waiver.
3. Effective Dates of Fines and Forfeitures. When a member's pay or pay and allowances are subject to fines and forfeitures by a sentence of a court-martial, the effective date of the fine and forfeiture are as follows:
 - a. Fines. Begin collection of fines on the date the convening authority orders execution of the sentence. Any fine imposed must be adjudged in express terms and stated in only dollars, rather than in dollars and cents, or in a days' pay.
 - b. Forfeitures. Begin forfeitures of pay or pay and allowances on the 14th day after the date the sentence was adjudged, or in the case of a summary court-martial, on the date the sentence is approved by the convening authority, whichever is earlier. The convening authority, however, may defer the start of the forfeiture until the date the convening authority approves the sentence. The convening authority may revoke deferment at any time. If the convening authority is authorized to order forfeitures applied or executed at the time initial action is taken, the convening authority may order the forfeitures to be executed, suspended, applied as of the date of convening authority's action, or deferred until a future date.
 - c. Sentence Includes Confinement. Whenever a sentence of a court-martial as

lawfully adjudged and approved includes a forfeiture in addition to confinement not suspended or deferred, the convening authority cannot order the sentence into execution, and the forfeiture will automatically apply to pay or pay and allowances becoming due on and after the date the sentence is approved by the convening authority, unless the convening authority directs that the application of forfeiture be deferred until the sentence is lawfully ordered into execution (Article 57(b), UCMJ).

- d. Sentence Includes No Confinement. If a sentence as approved by the convening authority does not include confinement, or if the sentence to confinement is suspended or deferred, any approved forfeitures may not be applied until the sentence is ordered into execution.
 - e. Prior Sentence To Forfeiture. The convening authority may defer the execution of a forfeiture until a prior sentence to a forfeiture is fully executed (42 Comp Gen 279).
4. Execution of Court-Martial Sentences. Refer to the Article 57(a), UCMJ for powers of the convening authority with respect to the execution of court martial sentences.
 5. Collection by pay account checkage must conform to the following:
 - a. Forfeitures. Because courts-martial forfeitures constitute a loss of entitlement to the pay and allowances concerned, they constitute a reduction of pay that takes precedence over all debts (36 Comp Gen 79).
 - b. Fines. Fines constitute an indebtedness to the United States and are collected after all other prior indebtedness for the period involved has been collected. If prior deductions reduce the member's pay by two-thirds of gross pay for any month, no pay accrues against which fines may be applied. In such cases, defer collection of fines until pay accrues against which they may be applied. They must be collected involuntarily from the member's current pay. The member may request a one-time collection or collection in stated monthly installments. Any amount remaining at separation must be collected from the final pay and allowances, to the fullest extent possible. Any amount that cannot be collected will become an out of service debt.
 - c. Rate of Collection. The amount of forfeiture or fine is governed by the language in the sentence.
 - (1) Charge forfeitures of pay as approved and ordered executed, against a member's pay, at the rate required by the sentence until the sentence is fully satisfied. Forfeitures of pay are considered as collected from day to day as pay accrues. Prorate the monthly rate of forfeiture on a daily basis for a portion of a month.
 - (2) Without the member's consent, the monthly rate of collection for fines must not exceed two-thirds of one month's pay, less the statutory required deductions.

Example: A sentence to forfeit \$20 per month for six months means a forfeiture of \$120 to be collected at \$20 per month.

Pay cannot be forfeited by implication. Example: A sentence reading “to be confined for two months and to forfeit \$60 of pay for a like period,” does not mean a forfeiture of \$60 per month for two months, or a total of \$120. It means a forfeiture of only \$60.

- d. Non-pay Status. No pay accrues against which fines or forfeitures can apply when a member is in a non-pay status. Such periods are not counted in computing the time during which pay is forfeited under a court-martial sentence to partial forfeiture for a specific period (36 Comp Gen 755).
 - e. Restoration To Duty. A member restored to duty following a non-pay status is again entitled to pay against which forfeitures or fines of pay may apply.
 - f. Service Beyond Expiration of Enlistment for Medical Care. The pay and allowances of an enlisted member retained beyond expiration date of enlistment for medical care or hospitalization are subject to forfeitures and fines of pay.
 - g. Non-collection Due To Administrative Error. Court-martial forfeitures not collected due to administrative error may not be remitted. As soon as the error is discovered, collection may begin for:
 - (1) The court-martial forfeiture; or
 - (2) The erroneous payment of Basic Pay for the period covered by the sentence (41 Comp Gen 269).
 - h. Pay Due or Accrued. The pay of a member subject to forfeiture by sentence of court-martial is pay which is earned on and after the effective date of the forfeiture. See Section 6.D.3.
6. Remission, Suspension, and Cancellation of Forfeitures. Occurrences which remit or suspend court-martial sentences and cancel forfeiture of pay and allowances are as follows:
- a. Death or Separation. The death or discharge of a member under a suspended sentence operates as a complete remission of any unexecuted or unremitted part of a sentence. Discharge, release from active duty, or death of a member under an unsuspended sentence to forfeiture cancels any uncollected portion of the forfeiture which would extend beyond the date of discharge, release, or death.
 - b. End of Term of Service, Unauthorized Absence, or Desertion. The end of a service term for a member in military confinement, or the unauthorized absence or desertion of a member, stops collections of uncollected forfeitures since no pay accrues against which forfeitures can operate. If an unauthorized absentee or deserter is restored to pay status, resume otherwise proper collections.

- c. Extension of Enlistment. When an enlisted member begins to serve on a voluntary extension of enlistment, cancel any uncollected forfeitures of pay since the collection period would extend beyond the normal service term expiration. Involuntary extensions of enlistments do not interrupt collection of forfeitures.
 - d. Restoration of Duty. An order suspending execution of a Bad Conduct or Dishonorable Discharge, followed by a member's release from confinement and restoration to duty, also operates to suspend the execution of that portion of the sentence adjudging total forfeiture of pay and allowances which remains unexecuted at the time the member is restored to duty. This applies even though no other action may have been taken to suspend, remit, or mitigate the sentence to total forfeitures. A restoration to duty to serve out an incomplete enlistment, for which an enlisted member has received a sentence of a Bad Conduct or Dishonorable Discharge, revives partial unsatisfied forfeitures of pay (37 Comp Gen 591).
 - e. Effective Date. An order remitting, mitigating, or suspending the unexecuted portion of a sentence is effective from and including the date of the order, except when a later date is specified. Such an order relieves the member of the unexecuted portion of the forfeiture or fine on and after the effective date.
 - f. Results of Remission or Suspension. When an unexecuted portion of a sentence to forfeiture or fine of pay is remitted or suspended, the member is no longer subject to the unexecuted forfeiture or fine of pay. If forfeitures have been applied (as distinguished from collected) the member is relieved of such forfeitures (MS Comp Gen B-119220).
 - g. Vacation of Suspension. The vacation or suspension of an order revives the uncollected forfeiture or fine from and including the date of the vacation order.
 - h. Expiration of Period of Suspension. Complete remission of the suspended punishment occurs automatically at the end of the suspension period.
7. Sentence Disapproved or Set Aside. If the sentence of a member who forfeits pay and allowances pursuant to this paragraph is set aside or disapproved, or is finally approved, and does not provide for a punishment listed in Section 6.D.1.(c), then pay the member the pay and allowances that the member would have been paid except for the forfeiture, for the period during which the forfeiture was in effect. The payment to the member should be reduced by the amount of any payments made to the member's dependent(s) under Section 6.D.2.(f), above.

Note: The net refundable automatic forfeiture amount to be paid to eligible members is current year taxable income subject to appropriate withholding of federal, state, and FICA taxes. Court-martial sentences that are disapproved or set aside affect pay and allowances as follows:

- a. New Trial or Rehearing Is Not Held/Ordered. When a court martial sentence is set aside or disapproved, and a new trial or rehearing is not ordered, all rights, privileges, and property affected by the executed part of the sentence are restored to the member. Such restoration includes any executed forfeiture and any pay and allowances lost as a result of an executed reduction in grade (Article 75, UCMJ).
 - b. New Trial or Rehearing Is Held/Ordered.
 - (1) When an executed court martial sentence which includes a forfeiture is set aside or disapproved, and a new trial or rehearing is ordered that results in an approved sentence to forfeiture, credit the member with the amount of any forfeiture effected under the first sentence. When an unexecuted court-martial sentence which includes a forfeiture is set aside or disapproved and a rehearing is ordered, the member is entitled to full pay and allowances (subject to other proper deductions) for the period from the convening authority's action on the original sentence until the convening authority's action on the subsequent sentence. Entitlement to pay and allowances thereafter depends on the terms of the new sentence.
 - (2) When a previously executed Dishonorable or Bad Conduct Discharge is not imposed by a new trial, the member is entitled to the pay and allowances which the member would have received had the Dishonorable or Bad Conduct Discharge not been executed. When a previously executed dismissal of an officer is not imposed by a new trial, an administrative discharge is substituted. The President may reappoint the officer to the grade and rank the officer would have attained if the officer had not been dismissed. The total time between the dismissal and reappointment is considered as actual service for all purposes, including pay and allowances.
 8. Illegal Sentences. A member will be reimbursed for pay withheld under an illegal sentence of a court-martial.
- F. Non-judicial Punishment (NJP).
1. Authority. Under the authority of Article 15, Uniform Code of Military Justice (UCMJ) (10 U.S.C. 815), commanding officers and officers in charge may impose NJP for minor offenses without resorting to courts-martial.
 2. Authorized Punishments Affecting Pay. NJP's that may be imposed in the Coast Guard that affect pay are:
 - a. Forfeiture of pay.
 - b. Reduction in grade of enlisted members only.

Except as provided in this section, provisions of Section 6.D relating to forfeiture of pay and reduction in grade by courts-martial also apply when such penalties are imposed as NJP (Article 15, UCMJ).

3. Limitations. The maximum authorized punishments that affect pay are listed in the Military Justice Manual, COMDTINST M5810.1(series), and Article 15, UCMJ. Any forfeiture in excess of the legal maximum will be reported to the commanding officer.
 - a. Reduction in Grade. When punishment includes both reduction in grade (suspended or unsuspended) and forfeiture of pay, the forfeiture is based on the pay grade to which reduced.
 - b. Concurrent Deductions. Do not deduct two forfeitures at the same time. If a member is being checked for a forfeiture when the commanding officer imposes another, start the second checkage the day after the first one is completed.
4. Effect of Appeal. A member who incurs NJP which the member considers unjust or out of proportion to the offense may, through proper channels, appeal to the next higher authority. The member may be required to undergo the adjudged punishment pending determination on the member's appeal.
5. Suspension, Remission, and Mitigation. The authority of the officer imposing the punishment, or the officer's successor in command, to suspend, mitigate, remit, and to set aside NJP is set forth in Article 15, UCMJ.
6. Effective Dates. Forfeiture of pay and reduction in grade, if unsuspended, are effective on the date the commanding officer imposes the punishment. If a forfeiture is imposed while a prior forfeiture is still in effect, it will not commence until the prior forfeiture is completed.
 - a. Reduction Suspended. When a member is restored to a higher grade by suspension of a reduction, the member is entitled to pay of the higher grade from the date of suspension.
 - b. Reduction Set-Aside. When a reduction in grade is set aside, all rights, privileges, and property affected by it are restored, and member is entitled to pay as though the reduction had never been imposed.
 - c. Suspensions Vacated. When suspension of a punishment is vacated, the effective date for pay purposes is the date vacated.
7. Correctional Custody Awarded at NJP. Correctional custody awarded at non-judicial punishment is not considered confinement and is not deductible time for any purpose. Refer to Chapter 2, Military Justice Manual, COMDTINST M5810.1(series).

G. Savings Deposit Program (SDP).

1. Authority. Under 10 U.S.C. 1035, Uniformed Services members on permanent or temporary duty assignment in a qualifying area identified in Section 6.F.2, are authorized to make deposits into the Savings Deposit Program (SDP). Members making such deposits earn interest on their deposits at a rate of 10 percent per annum, compounded quarterly.
2. Qualifying Areas. The Secretary of Defense designates areas eligible for the SDP. Designated areas are listed in Chapter 51 of the DoD FMR and at website: <http://www.defenselink.mil/comptroller/fmr/07a/index.html>.
3. Limitations on Amounts of Deposits.
 - a. Unallotted Current Pay and Allowances. Deposits may not be more than the member's unallotted current pay and allowances. Unallotted current pay and allowances is defined as the amount of money a member is entitled to receive on the payday immediately before the date of deposit, less authorized deductions and allotments. Advance pay and travel allowances on a permanent change of station or temporary duty order may not be deposited.
 - b. Minimum Deposit. The minimum deposit into the SDP is \$5.
 - c. Advance Pay (Basic Pay). Money received from Advance Pay is not intended nor authorized be used to in the SDP. If a member currently has Advance Pay being liquidated, they are not authorized to participate until liquidation is complete.
 - d. Maximum Deposit for Interest Accrual Purposes. The maximum amount on which 10 percent interest is computed is \$10,000 (principal and accrued interest combined). This \$10,000 limitation does not apply to deposit accounts of members in a missing status.
4. Interest on Deposits.
 - a. Interest is computed at a rate of 10 percent per annum, compounded quarterly, according to a calendar quarter. Quarterly interest is computed on the average quarterly balance on deposit. Once \$10,000 is on deposit, simple interest will be computed on the \$10,000. No interest is paid on amounts exceeding \$10,000, except in the case of a member in a missing status. The interest rate will be applied as 2.5 percent for a quarter, .833 percent for a month, and 1.667 percent for two months.
 - b. Deposits made on or before the 10th of the month, accrue interest from the first of the month. Deposits made after the 10th of the month, accrue interest from the first day of the following month.
 - c. Interest paid on amounts deposited into the SDP is taxable income. It is not subject to federal income tax withholding (FITW). It is not subject to combat tax exclusion because it is considered passive income.

5. Conditions Under Which Deposits, Plus Interest, Are Repaid.

- a. All deposits into the SDP, plus interest, must be repaid upon:
 - (1) A member's departure from a qualifying area. In such cases, repayment must be made at the time of departure, if requested by the member, or 90 days after the member's assignment to the area terminates. For the Persian Gulf Conflict, the 90-day period begins on the day after the member's entitlement to Imminent Danger Pay (IDP) terminates.
 - (2) Discharge or separation.
 - (3) Placement in a missing status.
 - (4) Death.
- b. Interest on deposits stops at the end of the month in which full repayment is made. If the 90-day limitation period ends on any day other than the last day of a month, interest will accrue through the last day of the preceding month.

6. Other Withdrawal Conditions.

- a. \$10,000 Accounts. In situations where a member's principal and interest on deposit reaches \$10,000, any amounts representing interest accruing in the account subsequent to that time which causes the \$10,000 total to be exceeded, may be withdrawn quarterly at the member's request.
 - b. Emergency Withdrawals. The only instance that amounts of principal in the account may be withdrawn (other than as specified in Section 6.F.5) is when a member requests emergency withdrawal, i.e., the health or welfare of a member or his dependent(s) would be jeopardized if withdrawal were not granted.
7. Exemption From Indebtedness Collection. Savings deposits, and interest thereon, are exempt from liability for a member's indebtedness to the U.S. Government or its agencies. They are also not subject to forfeiture by sentence of court-martial. Savings deposits and interest, however, remain subject to levies issued by the Internal Revenue Service.
8. Procedures. Enrollment and withdrawal procedures are contained in Chapter 7, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

H. Uniformed Services Thrift Savings Plan (TSP).

- 1. Thrift Savings Plan. The Thrift Savings Plan (TSP) is a retirement savings and investment plan for federal employees and members of the uniformed services. It is

similar to private 401(k) plans. TSP has been in operation for federal civilian employees since 1987. TSP contributions are deducted from a members pay before taxes are computed, so the member pays less tax now. In addition, TSP earnings are tax-deferred. This means the member does not pay federal income taxes on their contributions or earnings until the money is withdrawn. TSP is not a replacement of, or a substitute for current military retirement programs. It is a voluntary addition to these programs.

2. TSP Administration. The Federal Retirement Thrift Investment Board (FRTIB) administers TSP and maintains the www.tsp.gov website. The FRTIB contracts with the National Finance Center (NFC) of the U. S. Department of Agriculture to be the TSP record keeper. PPC receives and processes TSP enrollments and disenrollments submitted by members, deducts TSP contributions from members pay, and forwards TSP contributions to the NFC. PPC inputs the transactions into Direct Access where the specified amount will be reflected on the member's semi-monthly payslip in the deduction column. PPC forwards the money and their account information to the NFC. After joining TSP, a member will communicate directly with the NFC.
3. TSP Eligibility. All active duty and selected reserve members of the Coast Guard are eligible to join the Uniformed Services Thrift Savings Plan. Coast Guard Academy cadets and non-prior service CG Naval Academy Preparatory School (NAPS) cadets, since they are not entitled to Basic Pay, are not eligible to participate in TSP until they are commissioned or reverted to enlisted status.
4. TSP Contribution Limits and Rules.
 - a. Basic Pay. A member must contribute a minimum of one percent per pay period (month) into TSP to start an account. Effective 1 Jan 2007, the maximum amount a member can contribute from Basic Pay each year is unlimited, subject to annual IRC limits.
 - b. Special, Incentive or Bonus Pay.
 - (1) A member is required to contribute from their Basic Pay in order to contribute any bonus, special or incentive pay into TSP. The minimum special, incentive or bonus pay contribution is one percent with the maximum percentage controlled by the IRC limits. Special pay is made up of the following: career sea pay, career sea pay premium, diving duty pay, hardship duty pay - location, imminent danger/hostile fire pay, responsibility pay, special duty pay, reserve designation unit pay, combat-related injury rehabilitation pay, and physicians assistant board pay. Incentive pay is made up of: Aviation Incentive Pay (AvIP), HAZPAY-FD, HAZPAY-VB, crew member flight pay, and non-crew flight pay. Bonuses are made up of any enlisted or reserve bonus, including Enlistment Bonus (EB), Selective Reenlistment Bonus (SRB), critical skills training bonus (CSTB), career status bonus (CSB), AvIP, Foreign Language Proficiency Pay (FLPP) and any other bonuses.

- (2) All TSP contributions must be made by payroll deduction and a member cannot put a special, incentive or bonus pay into TSP if they have already received it by check or direct deposit. To avoid this possibility a member can notify PPC in advance how much they want of any future special or incentive pay to be contributed to their TSP account. A member may also start contributing from bonus pay at any time.

c. Catch-up Contributions.

- (1) Active duty and reserve members age 50 and over are eligible to make a new type of tax-deferred contribution to TSP. These “catch up” contributions are in addition to regular TSP contributions.
- (2) To make a catch-up contribution, the member must meet the following criteria:
 - (a) Member must reach age 50 on or prior to, 31 December of the year.
 - (b) Member must be contributing the maximum amount of regular TSP contributions, i.e., the member’s contributions must reach the IRS deferral limit for the year. The member must either be contributing:
 - i. the maximum percentage of Basic Pay; or
 - ii. a total amount from Basic Pay, Special Pay, Incentive Pay, and Bonus Pay which will result in the member reaching the maximum IRS elective deferral limit for the year.
 - (c) Member must be in a pay status. Since contributions are made by payroll deduction, members must be receiving pay. They cannot be separated, retired or in a non-pay status.
 - (d) Member must not be in a six-month, non-contribution period following the receipt of a financial hardship in-service withdrawal.
- (3) Annual catch-up contributions are currently limited to \$6,000.
- (4) Catch-up contributions are made in a requested whole dollar amount which will be deducted from the member’s Basic Pay each pay period until the earliest of the following: (1) the annual catch-up limit is reached; (2) the calendar year ends; or (3) the member elects to stop the contributions.
- (5) For catch-up contributions to continue, members must make a new election each calendar year. Catch up contributions will not continue from one year to the next unless the member makes a new election.

- (6) Catch-up and regular contributions are similar in the following ways:
 - (a) Catch-up contributions can only be made by payroll deduction and by check.
 - (b) Catch-up contribution limits apply to the applicable pay date. For example, catch-up contributions collected from the 31 Dec 16 pay day will apply to the annual limit for 2016.
 - (c) Catch-up contributions are made on a pre-tax basis, which means that they are taken from a member's taxable Basic Pay before federal and, in most cases, state income taxes are calculated. Because these contributions must be made with pre-tax dollars, they cannot be made from Basic Pay excluded from taxation due to service in a combat zone.
 - (d) If a member stops his or her regular Basic Pay contribution, the catch-up contribution will automatically stop. However, termination of the catch-up contribution will not effect the member's regular Basic Pay contribution.
 - (e) Catch-up contributions are made only from Basic Pay. They are not made from bonus pay, special pay, or incentive pay.
 - (f) Catch-up contributions will be invested in a member's account based on the most current contribution allocation the member has on file with TSP. Members may manage their contribution allocation using the TSP web site, thriftline, or form TSP-U-50.
 - (g) Reserve members who are Government employees and contributing to both civilian and uniformed service TSP accounts may make separate catch-up contributions to each account so long as the total for both accounts combined does not exceed the annual catch-up limit.
 - (7) TSP catch-up contribution elections will be made on form TSP-U-1-C. This form is available at <http://www.tsp.gov>. The member must complete form TSP-U-1-C and forward it to Commanding Officer, PPC (MAS-TSP), 444 SE Quincy St, Topeka, KS 66683-3591. Forms received by the 23rd of the month will be effective the first payday of the following month. Members will receive confirmation that their request has been processed by mail.
 - (8) Members who will turn age 50 in the upcoming year may commence catch-up contributions at the beginning of the year.
5. Internal Revenue Code (IRC) limitations. The maximum amount a member can put into TSP each year is limited by IRC.

- a. Elective Deferral Limits. The annual limits of the total amount of tax-deferred money a member can elect to put into TSP each year are found at <https://www.tsp.gov/index.html>.
- b. PPC Tracking. PPC tracks contributions and will stop sending funds to the NFC if the contributions exceed the limit. If a member has a uniformed services TSP account and a federal civilian employee TSP account at the same time, a member will need to track the totals to ensure their combined contributions do not exceed the limits.
6. Tax-Exempt Contributions. For a member serving in a combat zone or qualified hazardous duty area, most compensation received for active service is excluded from their gross income on their IRS form W-2, regardless of whether the member contributed any of it to the TSP. A member receives no direct tax benefit from contributing pay to the TSP which has been excluded from their gross income; however, the earnings on those contributions are tax-deferred. At the time a member withdraws their account, the TSP will calculate the amount of the withdrawal, which is attributable to their tax-exempt contributions. That portion will not be taxable, but the earnings attributable to it will be. When a member makes a withdrawal, money is taken from their total account balance proportionally from their taxable funds (i.e., their tax-deferred contributions and all earnings) and their tax-exempt funds. PPC will notify TSP whenever a member's contributions are from tax-exempt money. The TSP will then account for a member's tax-exempt contribution and, will ensure that these amounts are not reported to the IRS as subject to taxation when a member withdraws them. See Section 8-G for further information regarding income tax exclusion for duty in a combat zone or hazardous duty area.
7. TSP investment funds. Members have five investment options:
 - a. Government securities investment (G) fund.
 - b. Fixed income index investment (F) fund.
 - c. Common stock index investment (C) fund.
 - d. U.S. small-capitalization stock index investment (S) fund.
 - e. International stock index investment (I) fund.
 - f. Lifecycle (L) fund.
8. Starting a TSP account. If a member desires to start a TSP account, they have two ways of enrollment. Direct Access self service gives a member the ability to enroll in the TSP and manage percentage amounts they would like to invest and also members can manage their "catch-up" contributions. Members can also enroll in the TSP by completing and signing a TSP-U-1 form, make a copy for themselves, and fax it to PPC (MAS-TSP) at (785)339-3760 or mail the form directly to:

Commanding Officer (MAS-TSP)
Coast Guard Pay and Personnel Center
444 SE Quincy Street

Topeka, KS, 66683-3591

When a member elects to enroll in the TSP by Direct Access, or when PPC receives the TSP-U-1, notification will be given to NFC to start, change or stop the TSP account. A TSP election remains in effect until the member changes it. The TSP-U-1 form is available and can be downloaded from www.tsp.gov. If a member has questions about the form they can contact the PPC help desk at 1-866-772-8724. All subsequent correspondence will be mailed to the member's current home address from the TSP.

9. To enroll in the TSP using Direct Access self service. Refer to <http://www.dcms.uscg.mil/ppc/mas/tsp/#about> web site for instructions.
10. Instructions for completing TSP-U-1 form.
 - a. Part I. Complete blocks 1-6 with full name, payslip address, social security number, date of birth, phone number where NFC can reach the member, and unit OPFAC number for the member's office identification code. It is very important that the member accurately list their mailing address in block 2 so that NFC can mail the introductory TSP information packet and pin number.
 - b. Part II. Complete blocks 7-10 with the percentage amount the member elects to contribute from their Basic Pay and special, incentive or bonus pays. The minimum basic pay contribution (one percent) is required to start a TSP account or be able to contribute from special, incentive or bonus pays.

Example: A member's Basic Pay is \$1,500 per month and elects to contribute 5 percent of Basic Pay. This amounts to \$75 per month or \$900 per year. The maximum contribution to TSP in 2008 (per Internal Revenue Code limits) is \$15,500 per year. If a member receives a \$20,000 bonus in 2008, the member could contribute \$14,600 of that bonus to TSP (\$15,500 annual limit minus \$900 Basic Pay). The member would enter 1.0 percent Basic Pay in Block 7 and 100.0 percent Bonus Pay in Block 10.
11. Managing the TSP Account.
 - a. Upon election to enroll in the TSP by Direct Access or when PPC receives a TSP-U-1 election form, PPC processes the election in the member's pay account, and forwards the information to the NFC. PPC will show the members TSP contributions amount on their payslip and W-2. If a TSP error is found on the payslip or W-2, contact the PPC help desk at 1-866-772-8724.
 - b. NFC opens the member's TSP account, puts their money into the "G" fund, and sends the member a letter containing account information and their TSP personal identification number (PIN). The PIN allows the member to access their account balance and execute transactions on the Thriftline and at the TSP web site. When a

member receives their PIN, they need to inform the NFC how to allocate their money between the TSP funds.

- c. Allocating a Member's Contributions - a contribution allocation specifies how the member wants their TSP contributions to be invested among the five TSP funds. The member can do this by either:
 - (1) Using the tsp web site at www.tsp.gov.
 - (2) Calling the Thriftline's automated telephone service, at 1-877-968-3778. Thriftline is an automated voice response system available 24 hours a day, 7 days a week.
 - (3) Submitting a form TSP-U-50 to the TSP service office, National Finance Center, P.O. Box 61500, New Orleans, LA 70161-1500.
 - d. Account questions must be directed to NFC. PPC does not have access to TSP accounts and cannot answer questions about an account balance, interfund transfers, loans, etc.
12. Changing TSP Contributions. Once enrolled in TSP, the member may change his or her contribution percentages by using the Direct Access self service application, or by completing Form TSP-U-1 and sending it to Commanding Officer, PPC (MAS-TSP).
 13. Stopping TSP Contributions. A member may stop any or all of their contributions to TSP at any time by sending a completed TSP-U-1 form to: Commanding Officer, PPC (MAS-TSP). The member should retain a copy of the form for their records. Stopping Basic Pay contributions stops all other bonus, special, or incentive pay contributions. Stopping special, incentive, or bonus pay contributions does not stop Basic Pay contributions.
 14. Matching Contributions. Presently, the Coast Guard does not plan to make matching contributions to military TSP accounts.
 15. TSP Loan Program. A member is eligible to obtain a TSP loan while they have a TSP account and are in a pay status. Details are available at www.tsp.gov web site.
 16. Separation from the Uniformed Services. When separating from the uniformed services, a member may:
 - a. Receive a single TSP lump sum payment.
 - b. Transfer all or a portion of the TSP to an eligible retirement account or plan.

- c. Request a series of monthly TSP payments based on a dollar amount, a number of months, or their life expectancy.
- d. Request a TSP annuity.
- e. Leave the money in the TSP account where it will continue to accrue earnings.

17. Responsibilities.

- a. Commandant (CG-133) will:
 - (1) Serve as the TSP policy point of contact.
 - (2) Ensure the decedent affairs program includes TSP survivor benefits in Casualty Assistance Control Officer (CACO) counseling.
- b. Commanding Officer, PPC, will process TSP-U-1 elections and claims and provide help desk support at 1-866-772-8724 to answer questions about properly completing the TSP-U-1.
- c. Commandant (CG-133) will ensure career development advisors (CDA) include TSP as part of their financial counseling seminar and ensure they are registered to receive TSP bulletins.
- d. SPOs will ensure prior service accessions are advised of the opportunity to enroll in TSP and given the opportunity within the initial 60 days and ensure each separating member receives a TSP withdrawal package.
- e. Commanding Officer Training Center Cape May, and Superintendent U.S. Coast Guard Academy will develop introductory programs for accessions and ensure eligible accessions have an opportunity to enroll in TSP. Source of supply for all materials will be provided separately.
- f. Commanding officers and officers in charge will designate a TSP point of contact.

I. Federal Long Term Care Insurance Program (FLTCIP).

- 1. Authority. Public Law 106-265 authorized members of the uniformed services to enroll in the FLTCIP.
- 2. Eligibility.
 - a. Uniformed service member on active duty. Coverage is available for the member as well as the following family members:

- (1) Spouse.
 - (2) Child (including an adopted child, stepchild, or foster child) at least 18 years of age.
 - (3) Parent, step-parent, or parent-in-law.
 - b. Member of the Selected Reserve. Coverage is available for the member as well as the following family members:
 - (1) Spouse.
 - (2) Child (including an adopted child, step-child, or foster child) at least 18 years of age.
 - (3) Parent, step-parent, or parent-in-law.
 - c. Retired Member. A retired member of the uniformed services who is entitled to retired pay. Coverage is available for the member as well as the following family members:
 - (1) Spouse.
 - (2) Child (including an adopted child, step-child, or foster child) at least 18 years of age.
3. Long-Term Care Covered By FLTCIP.
 - a. Institutional (nursing home, assisted living facility, and hospice) care.
 - b. Non-institutional (home health and adult day) care.
 4. Enrollment.
 - a. Enrollments must be initiated by the member through the FLTCIP contractor either on-line or by hard copy. Long Term Care Partners, a joint endeavor between the Metropolitan Life Insurance Company and John Hancock Life Insurance Program, is the current FLTCIP contractor.
 - b. The telephone number and web site for Long Term Care Partners is as follows:

Phone: 1-800-LTCFEDS (1-800-582-3337)

Web Site: <http://www.ltcfeds.com/> (for enrollment information)
<http://www.opm.gov/insure/ltc/index.htm> (for general information)
 - c. All enrollments in FLTCIP are effective on the first day of the month.

5. Premiums.

- a. FLTCIP Premiums are dependent upon the age of the insured (the member or eligible relative) and the coverage option(s) elected. A range of options (weekly benefit amounts, benefit periods, inflation protections, and waiting periods prior to benefit payout) are available under FLTCIP.
- b. Members have three options for payment of FLTCIP premiums: payroll deduction; direct billing by the contractor; or automatic bank withdrawal. If premiums are made by payroll deduction, the following payroll office identifier must be shown on the member's application for enrollment:

Active Duty: - CGRDACT
Reserve - CGRDRES
Retired - CGRDANN

- c. FLTCIP premiums for a relative can be paid by payroll deduction even if the member does not enroll in FLTCIP.
- d. Premiums for FLTCIP are not government subsidized. 100 percent of premium costs are paid by the member.
- e. FLTCIP premiums are paid with after-tax income. FLTCIP premiums do not reduce a member's taxable income for federal or state tax withholding purposes.
- f. FLTCIP premiums are paid in arrears rather than in advance.
- g. FLTCIP premiums are monthly premiums and will not be pro-rated for portions of a month.
- h. FLTCIP premiums are shown on the member's payslip as follows:

Type of Member / FLTCIP indicated on payslip

Active Duty.....Allotment
Selected Reservist...Deduction
Retiree.....Allotment

- i. Reserve members having FLTCIP deductions made by payroll deduction who do not drill (and hence do not have earnings from which to deduct FLTCIP premiums) will be direct billed by the contractor. Payroll deduction will resume when the reservist receives pay. However, if three consecutive deductions are missed, the reservist will be changed to direct billing and taken off payroll deduction.

6. FLTCIP Coverage Upon Separation.

- a. Members who separate from the Coast Guard may elect to continue their FLTCIP coverage into the civilian sector without a change in premium. The member must coordinate with the contractor to pay the FLTCIP premiums by direct billing or automatic bank withdrawal.
- b. Members who retire from the Coast Guard will have their active duty FLTCIP payroll deduction stopped upon retirement. If the member desires to continue FLTCIP coverage into retirement, the member must notify the contractor. The member will have the option of paying FLTCIP premiums by payroll deduction from their retired pay, direct billing by the contractor, or automatic bank withdrawal.

J. Armed Forces Retirement Home (AFRH).

1. Authority. Public Law 111-281. Section 205 “Coast Guard Authorization Act of 2010” amended 10 U.S.C. 2772, 24 U.S.C. 401, and 37 U.S.C. 1007 to include the Coast Guard as an Armed Force for the purposes of eligibility for residency at an AFRH location by Coast Guard retired warrant officers and retired enlisted who have at least 20 years of active service. This also includes retired commissioned officers who had at least 10 years active service as a regular warrant officer or enlisted member. Monthly deductions from pay in an amount not to exceed \$1.00 are established by the Secretary of Defense and Commandant after consultation with the AFRH Chief Operating Officer.
2. Policy. PPC must make a monthly deduction for the pay account of each active duty member described in Section 3.a below for payment to the AFRH.
3. Applicability.
 - a. Members Subject to Deductions.
 - (1) Regular warrant officers (including retirees recalled to active duty).
 - (2) Regular enlisted members (including retirees recalled to active duty).
 - b. Members Not Subject to Deductions.
 - (1) Reserve Component members in any status.
 - (2) Commissioned officers (except warrant officers).
 - (3) Regular warrant officer and enlisted retirees entitled to Retired Pay, Disability Retired Pay, or Concurrent Retirement & Disability Pay (CRDP).
 - (4) Members in a non-pay status for the entire calendar month.
 - (5) Selective Service trainees inducted into Federal service.

- (6) Cadets.
- 4. Precedence Over Other Deductions and Collections. AFRH deductions take precedence over all other deductions and collections in Chapter 11 Figure 11-7, except:
 - a. Forfeitures (Rule 1.a),
 - b. The “Montgomery G.I. Bill” (Rule 1.b.), and
 - c. Federal Insurance Contributions Act (FICA) taxes (Rule 2.a).

CHAPTER 7
ALLOTMENTS FROM PAY
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CHAPTER 7. ALLOTMENTS FROM PAY

A. Statutory and Administration Provisions.

1. Policy. The allotment system is provided primarily to assist Coast Guard members in accommodating their personal and family financial responsibilities, and secondarily as an effective system for regular payroll deductions for approved programs. It is a convenience and privilege not to be exploited or abused.
2. Who Can Make Allotments. 37 U.S.C. 703 authorizes Coast Guard members to make allotments from their pay under regulations prescribed by the Secretary. Regular and reserve members on active duty for 140 days or more, and members receiving retired pay, may make allotments from their pay for any of the purposes and within the limitations in Figure 7-1 and Sections 7.A.3 and 7.A.4.
3. How Much Can Be Allotted. All pay and allowances (less amounts which must be withhold for federal, state, and FICA taxes, Servicemembers' Group Life Insurance (SGLI) premiums, Montgomery GI Bill deductions, Armed Forces Retirement Home, and indebtedness to the United States) may be allotted.
4. Restrictions. The registration of all allotments is subject to approval by the Pay and Personnel Center (PPC). The following restrictions governing allotments of pay apply:
 - a. Direct Deposit. Public Law 104-134 (the Debt Collection Improvement Act of 1996) requires that all allotment payments be made by electronic funds transfer (EFT).
 - b. Minors. Allotments (except bonds) may not be registered to children under 16 years of age. Allotments may be made payable to the children's guardian or custodian. Spouses of members may be named as allottees regardless of age.
 - c. Mental Incompetence. Allotments may not be registered to mentally incompetent persons. They may be made payable to a guardian or to the facility where the allottee is cared for.
 - d. Allotments to Same Payee. A member may have multiple allotments to the same payee provided: (1) The allotments are sent by direct deposit; and (2) Each allotment has a unique account number.
 - e. Number of Allotments. The maximum number of allotments a member may have is 14.
 - f. Power of Attorney. A special power of attorney may be used to establish, change, or stop an allotment. This special power of attorney must specifically state the authority to establish, change, or stop allotments. A general power of attorney is not

acceptable to establish, change, or stop an allotment.

- g. General Court-Martial Prisoners. Allotments are authorized only to the extent of allottable pay available after court-martial forfeitures.
 - h. Members Awaiting Trial. Register only necessary "D" allotments between the date the trial is ordered and the date action is approved or disapproved by the convening authority. Discontinue allotments whenever:
 - (1) Necessary to permit collection of the forfeiture in the monthly amount specified and within the time limitation stated in the court-martial sentence.
 - (2) A member is sentenced to forfeit all pay and allowances due from the date the sentence is approved by the convening authority.
 - i. Fraudulent Enlistment. Pay and allowances may not be allotted when pay is suspended pending final action on determination of fraudulent enlistment.
 - j. Reduced Pay of Allotter. When a reduction-in-grade or stoppage of pay does not leave sufficient funds for allotments in force, allotments must be discontinued as necessary to prevent an overpaid status.
5. Effect on Allotment in Case of Death. The right to allotment in case of death of the allotter or allottee:
- a. Death of Allotter. All allotments are revoked by death of the allotter. No further allotment payments will be made by PPC after receipt of notice of the allotter's death. Deductions made from the allotter's pay, but not paid to the allottee, become part of the allotter's estate. Allotments paid after death may not be collected from the allottee nor charged against the pay of the allotter (Comp Gen B-225873, 25 Sep 1987), except:
 - (1) Allotments erroneously established after notice of death of the allotter.
 - (2) Unearned insurance payment premiums (insurance premiums paid one month in advance of the day payment is actually due).
 - b. Death of Allottee. An allotment check, even though endorsed, does not become part of an allottee's estate if it is not cashed or negotiated before the death of the allottee. It is not subject to any expense incurred by, or on behalf of, the allottee before or after death. All un-negotiated allotment checks must be returned to PPC for credit to the member's account.

6. SPO Responsibility. The SPO that registers an allotment is responsible to ensure the allotment is in keeping with the regulations set forth in this Chapter.
7. Command Responsibility. Commanding officers are responsible for informing the SPO promptly of any facts which warrant stopping an allotment of a member under their command.
8. Authorized Allotments. Voluntary allotments of military pay and allowances of service members in active military service are limited to discretionary and non-discretionary allotments.
 - a. Discretionary Allotments. The member must certify that the allotment is within the limits of the law (e.g., allotments may not be used to repay gambling debts where gambling is not permitted). Examples of discretionary allotments include but are not restricted to the following:
 - (1) Voluntary payment to a dependent and relatives.
 - (2) Payment of home loan, mortgage or rent.
 - (3) Premium payment for commercial insurance (i.e. life, dental, health, vehicle).
 - (4) Repayment to a financial institution for car loan, home improvement loan, etc.
 - (5) Navy Mutual Aid Insurance.
 - (6) United States Government Life Insurance.
 - (7) Deposits to a financial institution, mutual fund company, or investment firm, for the personal or joint account of the member.
 - (8) Payment of dues to a Coast Guard association.
 - b. Nondiscretionary Allotments. Non-discretionary allotments of military pay and allowances of members in a active military service are limited to the following:
 - (1) Purchases of U.S. Savings Bonds.
 - (2) Repayment of loans to CG Mutual Assistance or Morale Fund, Armed Forces Relief Societies, and the American Red Cross.
 - (3) Repayment of indebtedness to the United States Government or a court appointed trustee under Chapter XIII of the Bankruptcy Act.
 - (4) Tricare Dental Program (TDP) premiums.
 - (5) Federal Long Term Care Insurance Program (FLTCIP) premiums.

Authorized Allotment Purposes and Periods

| Non-Discretionary Allotments (listed to the following) | Then the letter is | Allotment Limitation (Note 1) | Required period is | | May continue into retirement | |
|--|--------------------|-------------------------------|--------------------|----------|------------------------------|----|
| | | | Indefinite | Definite | Yes | No |
| Loan repayment to: | | | | | | |
| a. <u>Coast Guard Mutual Assistance or Morale Fund</u> | L | NONE | | X | X | |
| b. <u>Armed Forces Relief Societies</u> | | | | | | |
| c. <u>American Red Cross</u> | | | | | | |
| Repayment of indebtedness to the United State Government or a Court appointed Trustee under Chapter XIII of the Bankruptcy Act | T | NONE | | X | | X |
| Tricare Dental Program Premiums | J | 1 | X | | | X |
| Federal Long Term Care Insurance Program Premiums | U | 1 | X | | X | |
| TriCare Prime | V | 1 | X | | X | |

| Discretionary Allotments | Then the letter is | Allotment limitation (Note 1) | Required period is | | May continue into retirement | |
|--|--------------------|-------------------------------|--------------------|----------|------------------------------|----|
| | | | Indefinite | Definite | Yes | No |
| Support of dependents | D | NONE | X | | X | |
| Repayment of home loans, mortgages, or rent (Note 2) | H | NONE | X | | X | |
| Commercial Insurance | I | NONE | X | | X | |
| Navy Mutual Aid Insurance | M | 1 | X | | X | |
| U.S. Government Life Insurance (USGLI) and/or National Service Life Insurance (NSLI) | N | 1 | X | | X | |
| Payment of dues to Coast Guard associations | X | NONE | X | | X | |

Notes:

- Maximum number of discretionary plus non-discretionary allotments may not exceed 14. Refer to Section 7.A.4.d.
- Following conditions apply:
 - Payment of loans for the purchase of a home, mobile home, or house trailer used as a residence by the allotter, spouse, and/or dependent.
 - A member's landlord is offered the opportunity to receive rental payments by allotment from the member's pay. In return the landlord agrees to "Set-A-Side" the last month's rent and security deposit. This agreement is strictly between the member and landlord – Coast Guard has no liability. Amount of allotment is normally not more than member's BAH.
 - Home Mortgage allotments can continue into retirement. However, rental Set-A-Side allotments cannot.
 - "H" Allotments are also used for payment of rent for Public Private Venture (PPV) Housing.
- Financial Institution means any bank, savings bank, savings and loan association, credit union, or similar institution.
- Each allotment must have a separate and distinct account number.
- No more than two "S" allotments are authorized when retired.

FIGURE 7-1

B. Child and Spousal Support Allotments.

1. General. Upon official notification from an authorized source, the Coast Guard will establish a statutorily-required child or child and spousal support allotment from the pay and allowances of a member who has failed to make periodic payments under a support order for two or more months.
2. Definitions.
 - a. Authorized Source. Any agent or attorney of any state having in effect a plan approved under part D of title IV of the Social Security Act (42 U.S.C. 651-665), who has the duty or authority to seek recovery of any amounts owed as child or child and spousal support (including, when authorized under the state plan, any official of a political subdivision), and the court that has authority to issue an order against a member for the support and maintenance of a child, or any agent of such court.
 - b. Child Support. Periodic payments for the support and maintenance of a child or children, subject to and under state or local law. This includes, but is not limited to, payments to provide for health care, education, recreation, and clothing, or to meet other specific needs of the child or children.
 - c. Disposable Earnings. For the purpose of this section, disposable earnings are the same as the amounts which may be allotted as outlined in Section 7.A.3.
 - d. Notice. A court order, letter, or similar documentation issued from an authorized source providing official notification that a member has failed to make periodic support payments under a support order.
 - e. Spousal Support. The periodic payments for the support and maintenance of a spouse or former spouse, under state or local law. It includes, but is not limited to, separate maintenance, alimony while litigation continues, and maintenance. Spousal support does not include any payment for transfer of property or its value by an individual to his or her spouse, or former spouse in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.
 - f. Support Order. Any order providing for child or child and spousal support issued by a court of competent jurisdiction within any state, territory, or possession of the United States, including Indian tribal courts, or under administrative procedures established under state law that affords substantial due process and is subject to judicial review.

3. Notice to the Pay and Personnel Center (PPC).

- a. An authorized source must send to PPC (LGL), by any authorized means such as mail, email or other electronic means, or personal delivery, the official legal process documentation. Official legal process documentation includes court order, summons, or other similar documentation with respect to garnishment action. The legal process may be issued by a court of competent jurisdiction or an authorized official on behalf of the court.
- b. The notice is effective upon receipt by PPC.
- c. When the notice does not sufficiently identify the member, it must be returned directly to the authorized source with an explanation of the deficiency. However, before the notice is returned, if there is sufficient time, an attempt must be made to inform the authorized source who sent the notice that it will not be honored unless adequate information is supplied.
- d. Upon receipt of effective notice of delinquent support payments, together with all required supplementary documents and information, PPC must identify the member who owes the support obligation. The allotment to be established must be in the amount necessary to comply with the support order subject to maximum limitations found at 42 U.S.C. 659 and in the issuing state's law regarding the maximum percentages of pay that can be garnished.

4. Member and Commanding Officer Notification.

- a. Within 15 calendar days after the date of receipt of notice, PPC must send written notice to the member, at his or her duty station:
 - (1) That notice has been received from an authorize source, including a copy of the documents submitted.
 - (2) Of the maximum percentages which can be withheld and a request that the member submit supporting affidavit or other documentation necessary for determining the applicable percentage.
 - (3) That the member may submit supporting affidavits or other documentation as evidence that the information contained in the notice is in error.
 - (4) That by submitting supporting affidavits or other necessary documentation, the member consents to the disclosure of such information to the party requesting the support allotment.
 - (5) Of the amount or percentage that will be deducted if the member fails to submit the documentation necessary to enable the designated official to respond to the notice within the prescribed time limits.

- (6) That a consultation with a judge advocate or legal officer will be provided by the Coast Guard, if possible, and that the member should immediately contact the nearest legal services office.
- (7) Of the date that the allotment is scheduled to begin.
- b. PPC must notify the member's commanding officer of the need for consultation between the member and a legal officer and provide a copy of the notice and other legal documentation received by the designated official.
- c. The Commanding Officer must provide the member with the following:
 - (1) When possible, an in-person consultation with a legal officer of the Coast Guard, to discuss the legal and other factors involved in the member's support obligation and failure to make payment.
 - (2) Copies of any other documents submitted with the notice.
- d. The member's Commanding Officer must confirm in writing to PPC within 30 days of the date of notice that the member received a consultation concerning the member's support obligation and the consequences of failure to make payments, or when appropriate, of the inability to arrange such consultation and the status of continuing efforts to fulfill the consultation requirement.
- e. If, within 30 days of the date of the notice, the member has furnished PPC with affidavits or other documentation showing the information in the notice to be in error, PPC must consider the member's response. PPC may return to the authorized source, without action, the notice for a statutorily required support allotment together with the member's affidavit and other documentation, if the member submits substantial proof of error, such as:
 - (1) The support payments are not delinquent.
 - (2) The underlying support order in the notice has been amended, superseded, or set aside.

5. Payments.

- a. Except as provided in Section 5.C below, PPC must make the support allotment by the first end of month payday after notification that the member has had a consultation with a legal officer, or that a consultation was not possible, but not later than the first end-of-month payday after 30 days have elapsed from the date of the notice to the member. The Coast Guard will not be required to vary their normal military allotment payment cycle to comply with the notice.
- b. If multiple child support notices are received for the same member, payments

will be made on a prorated basis or on an equal basis depending on the state law where the member is currently employed.

- c. When the member identified in the notice is found not to be entitled to money due from or payable by the Coast Guard, PPC must return the notice to the authorized source and must advise them that no money is due from or payable by the Coast Guard to the named individual. When it appears that amounts are exhausted temporarily or otherwise unavailable, the authorized source must be told why and for how long, any money is unavailable, if known. If the member separates from active duty, the authorized source must be informed that the allotment is discontinued.
- d. Payment of statutorily required allotments must be enforced over other voluntary deductions and allotments when the gross amount of pay and allowances is not sufficient to permit all authorized deductions and collections. Allow the member to choose which voluntary allotments to cancel. If the member refuses or is unable to advise which allotments to cancel, cancel in the following order:
 - (1) "X" – Association Dues.
 - (2) "S" – Savings to Financial Institutions.
 - (3) "D" – Dependent allotments.
 - (4) "H" – Home loans.
 - (5) "I" – Insurance Premiums.
 - (6) "M" – Navy Mutual Aid Insurance.
 - (7) "N" – U.S. Government Life Insurance (NSLI).
- e. An allotment established under this section must be adjusted or discontinued upon notice from the authorized source.
- f. Neither the Department of Homeland Security, the Coast Guard, nor any officer or employee, must be liable for any payment made from moneys due from, or payable by, the Department of Homeland Security or the Coast Guard, to any individual pursuant to notice regular on its face, if such payment is made in accordance with this section. If PPC receives notice based on a support order which, on its face, appears to conform to the laws of the jurisdiction from which it was issued, PPC must not be required to ascertain whether the authority that issued the order had obtained personal jurisdiction over the member.

C. Involuntary Allotments for Creditor Judgments.

1. Authority. Statutory authority to collect monies for a commercial debt from a member's pay exists under P.L. 103-94, Section 9, 6 Oct 1993. Procedures are located in 32 CFR Parts 112 and 113. Monies due from or payable by, the United States to active duty members are subject to the involuntary allotment. The application for direct payment of an involuntary allotment to satisfy a judgment for commercial indebtedness from the pay of a member subject to involuntary allotment must be accompanied by a certified copy of a final judgment issued by a court of competent jurisdiction within any State, territory, or possession of the United States.
2. Definitions.
 - a. Designated Agent.
 Commanding Officer (LGL)
 Coast Guard Pay and Personnel Center
 444 SE Quincy Street
 Topeka KS 66683-3591
 (785) 339-3595
 Email: ppc-dg-lgl@uscg.mil
 - b. Active Duty Member. A Regular member or any member of a Reserve Component on active duty pursuant to 10 U.S.C. 672, for a period in excess of 180 days at the time an application for involuntary allotment is received by the designated agent, excluding members in a prisoner of war or missing in action status and retired members.
 - c. Final Judgment. A final judgment is a valid, enforceable order or decree;
 - (1) from which no appeal may be taken, or from which no appeal has been taken within the time allowed, or from which an appeal has been taken and finally decided;
 - (2) that includes language that the proceedings complied with the Soldiers' and Sailors' Civil Relief Act of 1940, as amended; and
 - (3) awards a certain amount and specifies that the amount is to be paid by an individual who, at the time of application for the involuntary allotment, is a member of the Coast Guard.
3. Application to Designated Agent.
 - a. To initiate an involuntary allotment, an applicant (creditor) must send a copy of the final judgment certified by the clerk of the court, accompanied by DD Form 2653, Involuntary Allotment Application and other supporting documents required by 32 CFR Parts 112 and 113, to the designated agent.
 - b. The application package must be sent by mail or delivered in person to the

designated agent. The designated agent must note the date and time of receipt of the application package.

- c. When the application package does not sufficiently identify the member, it must be returned directly to the applicant with an explanation of deficiency.
 - d. When the application package is effectively served on the designated agent, the application package will be processed in accordance with 32 CFR Parts 112 and 113.
 - e. Upon receipt of a completed application, together with all required supporting documents and information, including a certified copy of the court order, the designated agent must identify the member from whom the monies are payable, and the member's commanding officer. Notice must be sent to the member and the member's commanding officer in accordance with 32 CFR Parts 112 and 113. The involuntary allotment must not exceed the lesser of 25 percent of a member's pay subject to involuntary allotment or the maximum percentage of pay subject to garnishment proceedings under the applicable State law.
 - f. If the member's pay is subject to a garnishment or statutory allotment for spousal or child support, in addition to the involuntary allotment application, the combined amounts deducted from the member's pay must not exceed the lesser of 25 percent of a member's pay subject to involuntary allotment or the maximum percentage of pay subject to garnishment proceedings under the applicable State law. If the maximum percentage allowed for involuntary allotments would be exceeded by both deductions, garnishments and statutory allotments for spousal and child support take priority over the involuntary allotment.
 - g. If the designated agent is served with more than one involuntary allotment application, the applications will be processed on a first-come-first-served basis. After the first application is processed, additional applications must be returned to the applicant in accordance with 32 CFR Parts 112 and 113, with a notice that a current involuntary allotment is being paid and no funds are available.
4. Pay Subject to Involuntary Allotment. Only the following types of pay are subject to the involuntary allotment process:
- a. Basic Pay (excluding the reduction for education benefits under 38 U.S.C. 1411 ("New GI Bill"))
 - b. Special pay, to include:
 - (1) Diving Duty Pay.
 - (2) Hardship Duty Pay.
 - (3) Career Sea Pay.

- (4) Responsibility Pay.
- (5) Special Duty Pay.
- (6) Reenlistment bonus.
- (7) Enlistment bonus.
- (8) Prior service enlistment bonus.
- (9) Hostile Fire or Imminent Danger Pay.
- (10) Selective Reenlistment Bonus.
- (11) Assignment Pay.
- c. Incentive pay, including:
 - (1) Hazardous Duty Pay (HAZPAY), for any type.
 - (2) Aviation Incentive Pay (AvIP).
 - (3) Aviation Bonus installment payments.
 - (4) Physicians Assistant Incentive Pay.
 - (5) Physicians Assistant Board Certification Pay.
- d. Accrued leave payments.
- e. Disability Severance Pay.
- 5. Pay and Allowances Not Subject to Involuntary Allotment. Separation pay is not subject to the involuntary allotment. In addition, allowances paid under 10 and 37 U.S.C., and other reimbursements for expenses incurred in connection with duty in the Military Service or allowances in lieu hereof such as BAH, OHA, or BAS, are not subject to the involuntary allotment.
- 6. Other Amounts Not Subject to the Involuntary Allotment. After computing the pay subject to involuntary allotment, the following items must be deducted to compute the final value of pay subject to involuntary allotment:
 - a. Federal and State income tax withholding (amount is limited to that which is necessary to fulfill the member's tax liability).
 - b. FICA tax.

- c. Servicemembers' Group Life Insurance (SGLI) and Family SGLI.
 - d. Indebtedness to the United States (including tax levies).
 - e. Fines and forfeitures ordered by a court-martial or a commanding officer.
 - f. Dental and health care deductions.
 - g. Amounts otherwise required by law to be deducted from a member's pay (except payments under 42 U.S.C. 659, 661, 662 and 665).
 - h. Armed Forces Retirement Home (AFRH) deductions
 - i. Federal Long Term Care
 - j. TSP contributions
7. Voluntary Allotments to be Discontinued. Payment of statutorily-required involuntary allotments must be enforced over other voluntary deductions and allotments when the gross amount of pay and allowances is not sufficient to permit all authorized deductions and collections. The member will be allowed to choose which discretionary allotments to cancel. If the member refuses or is unable to advise which allotments to cancel, the designated agent will cancel discretionary allotments in the order listed below.
- a. Discretionary allotment payable to a financial organization for deposit to the member's account (includes allotments payable to a mutual fund or investment firm).
 - b. Class "L" allotment to repay loans to service relief agencies and the American Red Cross.
 - c. Discretionary allotments in the following order:
 - (1) payments to dependents/relatives.
 - (2) repayment of home loans and payment of rent.
 - (3) commercial life, health, and dental insurance.
 - (4) Navy Mutual Aid Insurance.
 - (5) NSLI or U.S. Government Life Insurance.
8. Member and Commanding Officer Notification.

- a. The designated agent will promptly mail one copy of the application package and DD Form 2654, Involuntary Allotment Notice and Processing, to the member, and two copies of the application package, along with DD Form 2654, to the member's commanding officer. The designated agent will provide notice to the member and the member's commanding officer that automatic processing of the involuntary allotment application will occur if a response is not received within 90 calendar days from the original date of mailing, unless the member has been granted an extension to respond (see subparagraph b, below).
- b. If the member is temporarily unavailable to respond, the member's commanding officer may grant a reasonable extension of the time for the member's response. The commanding officer will notify the designated agent that the member has been granted an extension to respond, the date the response is due, and the reason(s) for the extension. In the absence of any additional correspondence from the member's commanding officer, the involuntary allotment application may be automatically processed within 15 days after the date a response was due, including any approved extension response date.

CHAPTER 8

TAXES

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CHAPTER 8. TAXES

A. Withholding of Federal Income Tax.

1. Authority for withholding Federal Tax. The definition of income which is subject to Federal income tax withholding and the requirement that tax be collected at sources of income are contained in 26 U.S.C. 3401 and 3402. The rate of withholding is in accordance with the current issue of the Treasury Department Circular E (Publication 15).
2. Wages Subject to Federal Income Tax Withholding (FITW). The taxable pay earned by all service members (except as stated in Section 8.A.3) is subject to withholding of Federal income tax. Refer to Figure 8-1 for taxability of items of military pay and/or allowances.
3. Wages Not Subject to Federal Income Tax withholding.
 - a. All active duty members for any month during which they qualify for combat zone exclusion. Refer to Section 8.G.
 - b. Residents of Puerto Rico who are stationed outside the U.S. will have Puerto Rico income tax withheld from military wages, and will not have Federal income tax withheld upon the same wages, unless the member requests otherwise.
4. Legal Residence. Each member must designate a legal residence, and report any changes thereto. A member's legal residence does not change because of change of permanent station. The legal residence at the time of entry into the Service remains the same until changed by the member.
5. Basis for Establishment of Monthly Rate of Tax. Each member for whom a military pay account is initially opened is required to file an Employee's withholding Allowance Certificate (IRS Form W-4) to establish a marital and exemption status.
6. When a New Form W-4 is to be Submitted. Form W-4 is required to be filed whenever:
 - a. There is a change in marital status.
 - b. There is a change in the number of exemptions claimed.
7. Withholding of Additional Tax. A member may authorize an additional amount to be withheld monthly to meet income tax needs. This is accomplished by utilizing the Taxes function in Direct Access. Additional amounts may be withheld by reducing allowances and/or indicating the additional monthly amount (in even dollars) to be withheld.
8. Reducing withholding of Tax for Itemized Deductions. A member may reduce the monthly withholding tax by claiming additional withholding allowances based on large

itemized deductions. If the total additional withholdings exceed 10, a copy of the W-4 must be filed with the IRS.

9. Withholding Not Required. Withholding of income tax will not be made from members who certify that they did not incur any tax liability for the previous tax year and anticipate they will not incur any liability for the current year. The member may claim this exemption in the tax function in Direct Access. Once filed claiming "EXEMPT," the member must re-certify in Direct Access as follows:
 - a. If no tax liability is expected for the following year on or before 15 February of that year.
 - b. If tax liability is expected for the following year, the member must file a new Form W-4 by 1 December of the current year.
10. One-Time Deduction. One-time credits (Reenlistment or Career Status Bonus, Lump Sum Leave, etc.) are federally taxed at a flat rate of 22 percent.
11. Retroactive Withholding Adjustment. Retroactive adjustments are not authorized.
12. Reporting Discharge of Indebtedness to the Internal Revenue Service (IRS) using IRS Form 1099-G. When indebtedness is remitted under 14 U.S.C. 2769 or waived under 10 U.S.C. 2774, it is not normally reported to IRS as taxable income. However, if a taxable item caused the overpayment, and the amount of taxable income reported was reduced upon discovery of the debt, it should be reported to the IRS. If a debt caused by overpayment of nontaxable items such as BAS or BAH, is terminated, it must be reported to IRS on IRS Form 1099-G. Taxable items that have not previously been taxed and reported to the IRS should also be included on IRS Form 1099-G.

B. Withholding of State Taxes.

1. Wages Subject to State Income Tax Withholding (SITW). The taxable pay earned by service members (as defined in Figure 8-1) is subject to SITW by the state declared by the member as his/her legal residence. Military compensation is not taxable by any state, territory, possession, political subdivision, or district that is not the member's legal residence.
2. Withholding Agreements. Before withholding can be effected, the state must have entered into a withholding agreement with the Department of Treasury. The following states do NOT have such agreements: Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington and Wyoming.
3. Further Information. Procedures for establishing state income tax withholding are contained in Chapter 8, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series). It also provides the address and World Wide Web address of the various states.
4. Delinquent Taxes. There is no authority for the involuntary collection of delinquent state tax liabilities from the pay of military members.

TAXABILITY OF ITEMS OF MILITARY PAY OR ALLOWANCES

| R U L E | A | B | C | D |
|------------------|--|---|---|---|
| | If the item is | then item is taxable and subject to federal/state income tax withholding (Notes 1 & 2) | taxable but not subject to federal/State income tax withholding (Notes 1 & 2) | not taxable (Notes 1 & 2) |
| 1 | basic pay or inactive duty training compensation (Note 3) | for any month combat zone exclusion does not apply (Note 4) | | for enlisted members and warrant officers; for commissioned officers, not taxable in amounts up to the highest rate of basic pay for an enlisted member plus the amount of imminent danger pay for the officer. |
| 2 | incentive pay for flying (see Chapter 5) | | | |
| 3 | special pay (see Chapter 4) | | | |
| 4 | saved pay received by a commissioned officer or commissioned warrant officer | | | |
| 5 | separation pay | | | |
| 6 | lump sum payment for accrued leave (Note 5) | | | |
| 7 | selective or regular reenlistment bonus (including installments); Aviation Career Continuation Pay (ACCP); or Aviation Bonus (AvB) | if the reenlistment, extension, or bonus agreement date occurs in a month during which combat zone exclusion does not apply | | if the reenlistment, extension, or bonus agreement date occurs in a month during which combat zone or qualified hazardous duty area exclusion applies (Note 7) |
| 8 | pay forfeited by court-martial sentence or non-judicial punishment | | | and is a loss of entitlement to pay in the amount of the forfeiture. (Note 8) (36 Comp Gen 79) |
| 9 | payment(s) in excess of actual travel and transportation costs incurred while carrying on business of the U.S. Government | | and will not be reported on IRS Form W-2. Member will account for such payments on individual income tax return | |
| 10 | an allowance (Notes 5 & 9) | | | at any time. |
| 11 | death gratuity | | | at any time. |
| 12 | otherwise taxable item of pay earned by member but unpaid at time of death | | but will be reported on IRS Form 1099-M when paid to beneficiary. (Note 10) | if death occurs in month member was entitled to combat zone exclusion. |
| 13 | incentive payments paid to member for do-it-yourself (DITY) move per Chapter 5, part D, JTR | at time of payment (Note 11) | | |
| 14 | employer provided home-to-work transportation or employer-provided parking | to the extent that the value exceeds the monthly exclusion limit | | to the extent that the value is equal to or less than the monthly exclusion limit. |

Notes to Figure 8-1 are continued on next page.

FIGURE 8-1

TAXABILITY OF ITEMS OF MILITARY PAY OR ALLOWANCES (cont'd)

Figure 8-1 Notes:

1. If a member receives an overpayment of a taxable pay item, then the overpayment should be reported in the year paid unless the combat zone tax exclusion is applicable.
2. The susceptibility of items of military pay and allowances to state income taxation depends upon the law of the member's state of legal residence. Items of pay and allowances, which are not subject to federal income tax withholding, however, will not be subject to state income tax withholding. Items of pay and allowances subject to FITW will be subject to SITW if the member's state of legal residence has entered into a withholding agreement with the Secretary of Treasury.
3. Includes one-time credits. Reduction of basic pay for education benefits under the Montgomery GI Bill, on or after 1 January 1985, is excludable from federal and state income taxation, per 38 U.S.C. 1411.
4. For commissioned officers (O-1 and above) assigned to a combat zone area, amounts over the highest enlisted grade (E-10) plus the amount of imminent danger pay actually payable to the officer are taxable and subject to federal and state withholding.
5. Only pay and allowances actually earned during any month a combat zone designation applies are excludable, even if paid on a later, non-qualifying month. Entitlements earned during any non-qualifying month, but paid in a month the exclusion applies, remain taxable. Accrued leave payments qualify only for those days which were actually earned during a qualifying month.
6. Refer to Section 10.G.4.
7. Combat zone exclusion applies to the initial payment and future installment payments of a selective reenlistment bonus associated with a reenlistment or extension of service executed, or attainment of the 15th active duty service anniversary date, while a member is serving in a combat zone or during any part of a month when a member served in a combat zone. Combat zone exclusion does not apply to the payment of initial selective reenlistment bonus payments or installments if the execution of the reenlistment or extension of service, or the effective bonus date, occurred any time during a month while a member was not or had not served in a combat zone
8. Does not apply to fines.
9. Allowances, except Personal Money Allowance (PMA), considered non-taxable on 9 Sep 1986, remain nontaxable. Any allowance created after 9 Sep 1986, will be taxable for federal and state income tax purposes unless specified otherwise. PMA is subject to federal and state income tax withholding effective 1 Jul 1991.
10. Exception is pay earned for any month combat zone exclusion applies
11. Federal tax will be withheld at the **22** percent rate. State tax will not be withheld. The incentive wages will be included in state wages for the applicable state on the member's W-2.

FIGURE 8-1 (cont'd)

C. Federal Insurance Contributions Act (FICA) Tax.

1. Authority. Effective 1 Jan 1957, the Servicemen's and Veteran's Survivor Benefits Act of 1956 extended Social Security coverage to members of the Armed Forces, and subjected them to tax deductions as prescribed by the Federal Insurance Contribution Act (FICA). These taxes are imposed on members in order to provide funds for old age, survivors, and disability insurance. Effective 1 Jan 1966, an additional tax was imposed to provide hospital insurance benefits for the aged. The term "FICA Tax," used in this section includes both Federal Insurance Contribution Act (FICA) and Health Insurance (HI).
2. Wages Subject to Tax. Only basic pay is subject to FICA Tax deductions (this includes any one-time credits of basic pay).
3. Tax Rates.
 - a. The Social Security Administration provides the current year and historical FICA Tax rates on their website at: <https://www.ssa.gov/oact/ProgData/taxRates.html>.
 - b. The Social Security Administration also lists the maximum amount of wages subject to tax and the maximum amount of tax that can be withheld per year, on their website at: <https://www.ssa.gov/oact/COLA/cbb.html#Series>.

EFFECT OF PUNISHMENT, ABSENCE, AND NONPAY STATUS ON FICA TAX

| R U L E | A | B |
|------------------|---|--|
| | When a member | then |
| 1 | is fined by court-martial and the fine is deducted from pay | the amount of the fine is subject to FICA tax and is not deductible from taxable FICA wages |
| 2 | is required to forfeit pay as the result of court-martial or nonjudicial punishment | the amount of pay forfeited is not subject to FICA tax and is deductible from taxable FICA wages |
| 3 | is absent without leave | the amount of basic pay deducted for this period is not subject to FICA tax. |
| 4 | is confined by civil authorities under conditions which require loss of pay | |
| 5 | is checked for excess leave | |
| 6 | is absent from duty because of injury, sickness, or hospitalization | basic pay earned or credited during such periods is subject to FICA tax. |

FIGURE 8-2

D. Nonresident Alien – Tax Withholding. For purposes of Federal income tax withholding, a nonresident alien is defined as a citizen of a foreign country. Refer any questions to Commandant (CG-1331) regarding nonresident aliens in the Coast Guard or attending the Coast Guard Academy.

E. Advance Payment of Earned Income Credit.

1. Authority. The authority for advance payment of Earned Income Credit (EIC) is 26 U.S.C. 3507.
2. Eligibility. A member may be eligible for advance payment of EIC for the current year provided all the following requirements are met:
 - a. Annual earned income (which includes all taxable and nontaxable wages) and annual adjusted gross income is less than the annual limit established by the Internal Revenue Service on IRS Form W-5.
 - b. If married, must file a joint return or (if eligible) as head of household or qualifying widow(er).
 - c. Must not be able to exclude any income earned abroad.
 - d. At least one child will reside with the member for at least half the year including time when the child is away at school or on vacation and the child will be claimed as a dependent on the member's federal tax return.

F. Recovery of Delinquent Federal Taxes.

1. Authority. The Tax Reform Act of 1975 (Public Law 94-455) changed the Federal Tax Levy provisions. The Internal Revenue Service (IRS) will provide instructions for responding to the Notice of Levy each time a levy is delivered for execution. Each levy will continue in effect until collection is satisfied or until a release order is issued by the IRS. A purpose code "T" allotment may be used to convey payments to IRS if the collection process will remain in effect for three or more months. If a member voluntarily arranges with the IRS to pay delinquent taxes via "T" allotment, the member must execute an agreement with the IRS on IRS Form 2159. Once a voluntary election is effected, the member may not cancel the "T" allotment until the tax indebtedness is completely liquidated.
2. Pay Subject to Levy.
 - a. The member's "take home pay", minus exempt amounts claimed via the member's certified claim on part 3 of IRS Form 668-W(c), must be attached and sent to the IRS. The member's usual pay deductions will continue while the levy is in effect.

- b. When the IRS determines that a member's delinquent income tax is a "problem case," the IRS may direct that, since the member's "take home pay" is not enough to pay the levy, all available accrued pay should be attached. In such "problem cases," all items of pay and allowances, including travel allowances and accrued leave settlement paid upon discharge, less exemptions claimed on IRS form 668-W(c), and less deductions and collections prescribed in Figure 11-7, rules 1 through 8, are subject to levy. Voluntary non-discretionary allotments must be discontinued if necessary, with the exception of allotments for support of minor children that are authorized in compliance with court orders entered prior to the date of levy. If the amount of the levy does not require stopping all voluntary allotments, the member may select which allotments to be stopped; if the member refuses such selection, the Pay and Personnel Center must stop allotments as necessary, with insurance allotments the last to be stopped.

G. Income Tax Exclusion for Duty in a Combat Zone.

1. Authority. Under the provisions of 26 U.S.C. 112, certain income earned by members of the Armed Forces while in a combat zone designated by the President is not subject to withholding of Federal income tax.
2. Combat Zones Defined and Locations Eligible for All Combat Zone Related Tax Benefits.
 - a. Executive Order 11216, 1 Jan 1964: Designated the following as a combat zone effective 1 Jan 1964: "Vietnam, including the waters adjacent thereto within the following described limits: from a point on the east coast of Vietnam at the juncture of Vietnam with China southeastward to 21 degrees N. Lat., 108 degrees 15' E. Long.; thence southward to 11 degrees N. Lat., 111 degrees E., Long.; thence southwestward to 7 degrees N. Lat., 105 degrees E. Long.; thence northward to 9 degrees 30' N. Lat., 103 degrees E. Long.; thence northeastward to 10 degrees 15' N. Lat., 104 degrees 27' E. Long.; thence northward to a point on the West Coast of Vietnam at the juncture of Vietnam with Cambodia. The island of Phu Quoc is a part of the territory of Vietnam. Executive Order 13002, 13 May 1996, terminated the above "combat zone" designation as of midnight on 30 Jun 1996.
 - b. Executive Order 12744, of 17 Jan 1991: Designated the following as a combat zone, including the airspace above such locations, effective 17 Jan 1991: the Persian Gulf, Red Sea, Gulf of Oman, that portion of the Arabian Sea that lies north of 10 degrees north latitude and west of 68 degrees east longitude, Gulf of Aden, the total land areas of Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates.
 - c. Public Law 104-117, effective 20 Mar 1996: Authorized combat tax exclusion benefits for members performing services in peace-keeping efforts in Bosnia-Herzegovina, Croatia, and Macedonia.
 - d. Executive Order 13119 of 13 Apr 1999: Designated the following areas (including the airspace above) as combat zone: the Federal Republic of Yugoslavia (Serbia and Montenegro), Albania, the Adriatic Sea, and the Ionian Sea north of the 39th parallel.
 - e. Executive Order 13239 of 12 Dec 2001: Designates these countries, including the airspace above, as combat zones: Effective 19 Sep 2001 - Afghanistan, Pakistan, Tajikistan, and Jordan. Effective 1 Oct 2001 - Kyrgyzstan and Uzbekistan.

- f. Effective 31 Oct 2001: The land area and airspace of Oman and United Arab Emirates, waters and airspace of the Red Sea, Gulf of Aden, Gulf of Oman, and Arabian Sea north of 10 degrees north latitude and west of 68 degrees east longitude.
 - g. Executive Order 13239: Effective 10 Apr 2002 - Yemen, and effective 1 Jul 2002 – Djibouti. Military personnel in these locations are eligible for all combat zone related tax benefits due to their service in direct support of military operations in the Afghanistan combat zone.
 - h. Combat Zone Tax Relief (CZTR) for Personnel in Direct Support of Operation Iraqi Freedom: Pursuant to Treasury Regulation § 1.112-1 and Revenue Ruling 70-621, 1970-2 C.B. 17, effective 1 Jan 2003 for military personnel in Turkey and Israel, and effective 11 Apr 2003 (because those military personnel in the eastern Mediterranean were not eligible for IDP prior to that date) for those members deployed to water areas of the Eastern Mediterranean that lie east of 30 degrees east longitude in support of Operation Iraqi Freedom, are eligible for all combat zone related tax benefits due to their direct support of military operations in the Arabian Peninsula Combat Zone, as designated by Executive Order 12744.
3. Excludable Compensation. Refer to Figure 8-1 for items of military pay which are not included in gross income and are exempt from Federal income taxation when member qualifies for the combat zone exclusion.
 4. Qualification for Combat Zone Exclusion. On and after 1 Jul 1973, members qualify for combat zone tax exclusion for any month during any part of which they:
 - a. Perform Active Service in Combat Zone. These are members in a duty status and those whose permanent duty assignment is in the combat zone.
 - b. Are a Prisoner of War or Missing in Action. As a member of the Armed Forces in active service in a combat zone, who there becomes a prisoner of war or missing in action. For the purpose of this section, the member is deemed to continue in active service in the combat zone for the period for which he or she is entitled to such status for military pay purposes.
 - c. Qualify for Hostile Fire Pay While Present in Zone. As a result of physical presence in the combat zone, qualify for hostile fire or imminent danger pay under the provisions of Chapter 4.
 - d. Support Military Operations in Combat Zone While Outside Zone. Perform military duties in areas outside the combat zone in support of military operations in the zone and by reason of such duties qualify for hostile fire or imminent danger pay under the provisions of Chapter 4.
 - e. Are Hospitalized. Tax exclusion benefits continue when hospitalization or re-hospitalization occur at any place as a result of wounds, disease, or injury incurred while serving in a combat zone or serving under conditions contained in Section 8.G.4.d. A member is “hospitalized or re-hospitalized” until member’s status as a hospital patient ceases by reason of discharge from hospitalization with orders to report for duty, separation from the service or retirement. Combat

zone tax exclusion must not apply to any months beginning more than two years after the date of the termination of combat activities in the combat zone.

However, with respect to members hospitalized or re-hospitalized as a result of service in the combat zone designated for purposes of the Vietnam conflict, combat zone tax exclusion must not apply to any month beginning after 31 Jan 1978.

- f. Are Temporarily Absent. After being assigned to duty in the combat zone, are directed to perform TAD, granted leave, or authorized to depart from the zone for other lawful cause. In instances where the absence extends over a period that includes a full calendar month, credit for the tax exclusion may not be allowed for that calendar month. A member who is in the combat zone merely because of being on leave from a duty station not in the zone solely for their own convenience does not qualify for the exclusion. Travel or duty status for which the exclusion does not apply includes stops or layovers in the combat zone.
 - g. Brief presence in Combat Zone. A member who is present, however brief, in the combat zone on official duty requiring presence in that zone, including the airspace of a combat zone, qualifies for combat zone exclusion for that month. Members on official duty aboard an aircraft whose flight path requires passage through the airspace of the zone, and such airspace is specifically included in the area designation, are entitled to the exclusion, even though the travel may be between two points both of which lie outside the zone. This provision mirrors the entitlement to hostile fire/imminent danger pay under like conditions (Figure 4-4, note 7).
5. Periods for Which Tax Exclusion Does Not Apply. Members who are in the combat zone merely for their own convenience, e.g. while on leave from a duty station not in the zone, are not entitled to the exclusion.
 6. Involuntary Tax Withholding Prohibited. Under 26 U.S.C..3401, none of the compensation paid to a member of the Armed Forces during a month in which member is entitled to a combat zone tax exemption is subject to involuntary Federal Income Tax Withholding. Do not withhold income tax involuntarily for any month in which a member is entitled to the combat zone exclusion. However, the income of a commissioned officer (pay grade O-1 and above) which exceeds the maximum monthly MCPOCG basic pay amount, plus the amount of imminent danger pay to which the officer is authorized, is considered taxable wages and is not exempt. Members entitled to combat tax exclusion will not have any federal/state income tax withheld from the exempted amount of their pay. Voluntary withholding, however, is permitted. Consistent with his or her tax planning needs, a member may authorize an additional amount to be withheld monthly even though entitled to combat zone tax exclusion. A member must authorize this additional withholding by using the following procedures:

- a. Filing a new Employee's Withholding Allowance Certificate (IRS Form W-4), and
- b. Completing Item 5 only of Form 11-4 to indicate the monthly amount of FITW member desires withheld from pay.

Note: The combat additional withholding automatically stops when the member leaves the combat zone and loses the tax exclusion.

7. Time Frame For Filing Tax Return.

- a. Federal Tax Return. The due date for filing Federal tax returns and declaration of estimated taxes, or the payment of any tax or estimated tax, is automatically postponed without interest or penalty while a member serves in a combat zone. This includes a period of hospitalization outside the United States as a result of injury received while serving in a combat zone. Postponed tax returns must be filed within 180 days after departure from a combat zone or release from hospitalization incident to such duty. This relief is not available to the member's spouse. A statement must be attached to the return indicating to the District Director the date on which combat zone service, or hospitalization outside the United States, as a result thereof, ended. A member should promptly advise the Internal Revenue Service of combat zone status if any attempt is made to require the filing of a return or payment of tax prior to expiration of the authorized postponement.
- b. State Tax Return. The due date for filing State tax returns is regulated by each state. Members serving in a combat zone should contact their state Internal Revenue Service regarding the postponement of filing state tax returns while serving in a combat zone.

8. Tax Abatement in Case of Death.

- a. A member who dies in a combat zone, or as a result of wounds, disease, or injury incurred while serving in a combat zone is exempt from any income tax for:
 - (1) The taxable year in which death occurs.
 - (2) Any prior taxable year ending on or after the first day served in a combat zone.
 - (3) Any such tax for prior years which remains unpaid at date of death.
- b. For missing members the date of death is not earlier than the date on which a determination of death is made. The preceding sentence does not cause abatement of taxes for any taxable year beginning:
 - (1) After 2 Jan 1978, for service in the combat zone designated for purpose of the Vietnam conflict, or

- (2) More than two years after the date designated under 26 U.S.C. 112, as the date of termination of combatants activities in any combat zone other than that designated above.
- c. Pay earned by a member and unpaid at death plus settlement for unused leave will be reported on Treasury Department, IRS Form 1099 when paid to survivor, beneficiary, or estate of a deceased member. IRS Form 1099 should be annotated as follows:

“Paid by reason of death in a combat zone or as a result of wounds, disease or injury incurred while so serving. See Sections 112, 691, and 692 of the Internal Revenue Code.”

Note: In all death cases, amounts paid which represent installments of a bonus payable by reason of a reenlistment during a month member qualified for combat zone tax exclusion should not be included in income reported on IRS Form 1099.
9. Termination Date. In no case will the tax exclusion authorized active duty members extend beyond the effective date specified in an Executive Order terminating the designation of the combat zone.
10. Effect of FICA Tax. The income tax exclusion for duty in the combat zone has no effect on FICA deductions and reporting requirements.
11. Leave Earned While in a Combat Zone. Leave earned by a member in a combat tax exclusion zone is not taxed when that leave is used. The following rules apply:
 - a. For officers O-1 and above, the total of tax-free wages plus tax-free leave earned during a given month may not exceed an amount equal to MCPOCG basic pay rate plus the amount of imminent danger pay payable to the officer.
 - b. Leave earned in a combat tax exclusion zone is the first leave used by the member after departing the combat tax exclusion zone.
 - c. Leave earned in a combat tax exclusion zone that is used during a month a member is in a combat tax exclusion status is counted as part of the tax-free wages for that month.
 - d. Members who have leave earned while in a combat zone and who do not use such leave prior to separation are entitled to receive the tax benefit when selling leave, as detailed in Chapter 10.
12. Selective Reenlistment Bonus Benefit. Combat tax exclusion applies to the initial payment and future installment payment of a SRB associated with a reenlistment or extension executed while a member is serving in a combat zone or during any part of a month when a member served in a combat zone. If possible, it is usually best financially for an SRB eligible member to reenlist or begin serving under an extension

during a month when eligible for combat tax exclusion.

Example: A member enlisted in the Coast Guard on 8 Aug 1992. Due to an extension, their current expiration of enlistment is 7 Oct 1998. Their specific rating has a Zone A SRB multiple of two. Since the member was aboard their unit while it was underway in the Persian Gulf from 5 Apr 1998 to 4 Jun 1998, they are eligible for both Imminent Danger Pay and Combat Tax Exclusion for the months of April, May, and June 1998. Their commanding officer is authorized to affect early discharge and reenlist the member three months prior to their 6th anniversary date (8 Aug 1998) for the purpose of qualifying for a Zone A SRB. If a date selected to effect the early discharge and reenlistment is in June 1998, their SRB payments will be reduced by the portion of unserved service obligation (up through 7 Oct 1998), but it is not subject to federal (25 percent) and state income tax withholding.

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CHAPTER 9. PAYMENT OF MILITARY PERSONNEL

A. Officials Authorized to Make Payments.

1. Personnel Covered. This Chapter prescribes policy governing the payment of military pay and allowances to Coast Guard military personnel on active duty (AD).
2. Payments Within The Coast Guard. All payment of pay and allowances must be authorized by PPC.
3. Cross Service Payments. In emergency situations, transient and deployed Coast Guard members may be paid by a Disbursing Officer (DO) or cashier of another Government agency.
 - a. Payments By Other Armed Services. Disbursing Officers of the Army, Navy, Air Force, and Marine Corps are authorized to pay Coast Guard personnel in emergency situations only. The DO must forward payment-substantiating documentation to PPC (MAS) where the member's CG pay account will be debited. PPC (FAR) must coordinate with the Coast Guard Finance Center reimbursement of the cross-disbursing service and the associated accounting entries.
 - b. Payments By State Department Officials. Any State Department officer outside CONUS may make payments to Coast Guard personnel in an emergency, or when such members are assigned to duty with the State Department overseas. The State Department will seek reimbursement by billing the Commanding Officer (OGRQ), Coast Guard Finance Center.
4. Method of Payment. Direct Deposit to a member's financial institution to be credited to member's account. The Debt Collection Improvement Act of 1996 (P.L. 104-134) mandates the use of direct deposit/electronics fund transfer (DD/EFT) for all salary payments made by Federal agencies on or after 1 Jan 1999.

B. Regular Payments.

1. Coast Guard Policy. It is the Coast Guard's policy to provide each member of the Coast Guard with prompt and accurate pay service at all times. The Coast Guard automated pay system requires prompt and accurate communication between members, field units, SPOs and PPC.
2. What is a Regular Payment. A regular payment covers the amount of pay and allowances accruing to a member during a semi-monthly pay period in addition to any other amount which is authorized to be paid at the end of the pay period.
3. Regular Pay Period. Each month is normally divided into two pay periods. The first period covered the 1st through 15th day of the month and the second period covers the 16th through the last day of the month.

4. When Payments Are Made. Normally, there will be two regular paydays per month, on the 1st and 15th day of the month. If the payday falls on a Saturday, Sunday, or Federal legal holiday, with the exception of the 1 October payday, payment is authorized on the preceding workday, but not more than three days before the scheduled payday; for payrolls falling on 1 October, payment may be made in September if authorized by the Commandant. Other exceptions to payday being on the 1st and 15th of the month are: (1) foreign holidays recognized by U.S. Forces abroad and (2) payments made to members upon separation from the service through retirement or discharge when the last day of active duty falls on a Saturday, Sunday, or Federal legal holiday. If a member dies after receiving an advance payment under this authority, but before the last day of the pay period for which payment is made, recovery of any part of the advance payment is not required (37 U.S.C. 1006(h)).
 - a. Payday Problems. When regular payday problems occur, immediate and direct command contact must be made with the SPO that is servicing the unit. The SPO may subsequently contact PPC if the problem remains unsolved.
 - b. Hardship Cases. Emergency pay procedures provided for in Section 9.C and/or Coast Guard Mutual Assistance/Morale Funds must be utilized as appropriate to minimize any financial hardship to Coast Guard members.

C. Special Payments.

1. What is a Special Payment. In addition to making regular semimonthly payments, PPC has the authority and ability to make certain special payments through the Department of Treasury. A special payment is a payment of accrued pay and allowances not paid on a regular semi-monthly payroll. Special payments include payments authorized between regularly scheduled paydays and corrected direct deposit regular payments.
2. Approval of Payment. Special payments must be authorized and approved by PPC.

D. Advance Payments.

1. Authority. 37 U.S.C. 402, 403, 405 and 1006 authorize members on active duty to receive advance payments under certain conditions.
2. Command Oversight. Commanding Officer (CO)/Officer In Charge (OIC) oversight is an important responsibility in the advance pay program. The command must ensure that the member is aware of the options available to ease the possible financial burden of a PCS move. An advance of pay is one such option. Commands should consider that receiving advance pay may ultimately create financial hardship during the repayment period due to reduced income each pay period. It is the command's responsibility to ensure that the member is aware of the intent of an advance of pay, particularly for expenses outside of the program's scope. An advance of pay is not intended to provide funds for such items as investments (to include the Savings Deposit Program), vacations,

or the purchase of consumer goods that are not the result of direct expenses resulting from the member's PCS orders.

3. Types and Conditions for Payment. Members on active duty may request and receive the following type of advance payments under the conditions indicated:
 - a. Pay Only. Commands must exercise caution in that a receipt of PCS orders does not automatically entitle a member to receive advance basic pay. The purpose of advance basic pay is to assist members in meeting extraordinary expenses related to the relocation of household goods (HHG). Members with PCS orders that do not authorize relocation of HHG at government expense cannot receive advance basic pay as a member must be entitled to a government funded HHG move and actually schedule shipment of their HHG to be eligible. Advance basic pay is authorized for members under the following conditions:
 - (1) When the PCS orders transfer the member out of their unit's Military Housing Area (MHA), and the member is issued government funded travel and household goods movement entitlements.
 - (2) When the PCS orders the member to a unit within their current MHA, advance pay is only authorized when a household goods move is authorized at Government expense in accordance with the JTR (such as a directed move out of government or leased family quarters). Temporary duty en-route does not preclude payment (37 U.S.C. 1006(a)).
 - (3) Advance pay may be authorized for a humanitarian, unilateral, or mutual exchange of station transfer, only when the PCS transfers the member out of their unit's MHA. Commands are to use discretion in approving an advance pay request when transfers under these type orders are to an adjacent MHA (Example: Washington, DC to Baltimore, MD, or San Francisco, CA to Alameda, CA).
 - (4) Serving on a vessel which has a change of homeport.
 - (5) Ordered to active duty of 140 days and greater.
 - (6) Deployed for one year or more to an area where Imminent Danger Pay is authorized.
 - b. The request for advance pay will be processed by the SPO upon receipt of the Advances Worksheet, CG-2010. For E4 and below, all advance pay requests must be approved by the CO/OIC. For E5 and above, the SPO may only approve requests for advance basic pay of up to one month's pay, so long as the applicant meets the conditions for payment. Any requests for two or three months advance basic pay must be approved by the member's CO, and cannot be delegated, in consideration of the following guidelines.
 - (1) A full written justification must be submitted by the Applicant to his or her CO when requesting advance basic pay in excess of 1 month. The written justification must include affirmation that the applicant has not filed for nor

contemplates filing for bankruptcy, or states if the member is in bankruptcy or is contemplating doing so.

- (2) The request must contain a list of actual or anticipated expenses that are above and beyond normal PCS entitlements such as per diem, Dislocation Allowance (DLA), Temporary Lodging Expenses (TLE), and mileage. Examples of possible justification are: a member is supporting two households, member is unable to rent or sell the house at the old PDS, a down payment on the purchase of a house, or excess HHG shipment charges.
- (3) CO must also take into consideration the member's financial status, especially members who are filing for bankruptcy or recently filed bankruptcy. Some Bankruptcy Court jurisdictions hold that a creditor does not have the authority to recoup any post-petition debt, including advance basic pay, without permission from the Bankruptcy Court. This is true in cases when a member has filed a Chapter 13 bankruptcy. In such instances, the government may not be able to collect any amount of the advance basic pay unless the Coast Guard Pay and Personnel Center (CG PPC) receives approval from the court or after the bankruptcy is discharged or terminated. Additionally, in a situation when CG PPC has withheld funds for repayment of the advance basic pay, CG PPC will have to return the funds to the member. Accordingly, CO's should approach such advance basic pay requests fully aware that the government may not be able to collect the advance basic pay from the member even though the advance basic pay was issued after the member filed for bankruptcy. As a general rule, advance basic pay should not be authorized for members that have filed for bankruptcy or are at risk of doing so.

Note 1: The advance of pay may not be paid prior to 30 days before departing on PCS orders, or more than 90 days before departing except when justified by extenuating circumstances and approved in writing by the member's CO/OIC. Also, the advance pay may be paid not later than 60 days after the member reports to the new PDS, or 60 days after the vessel arrives at the new homeport.

Note 2: A CO/OIC may approve a member's request for advance pay up to 180 days after the member's reports to the new PDS or new homeport when the member requires an extended period of time to acquire permanent quarters in the local community and/or the member's dependents arrive at the new PDS or new homeport at least 30 days after the member. When a member is requesting advance pay between 61 and 180 days after reporting to the new PDS, the request must be in writing and state the reason for the request. The CO/OIC must approve the request in writing. This approval authority may not be delegated. Both the member's written request and the command's written approval must be maintained in their SPO PDR until the advance is fully liquidated.

- c. Basic Allowance for Subsistence (BAS). Advance payment of BAS is not authorized.

- d. Overseas Housing Allowance (OHA), Interim Housing Allowance, and BAH in Conjunction with Overseas Assignment. Advance payment of OHA, interim housing allowance, and BAH is authorized for payment of advance rent, security deposits, and/or initial expenses incident to occupying other than Government housing. The advance may be made at any time during a member's tour at the station concerned. It may also be authorized when a member has located housing incident to PCS orders. The request for the advance will be processed by the SPO upon receipt of the Advances Worksheet, CG-2010. Requests for this advance must have command approval on the worksheet. The Worksheet is found in Enclosure (1) of the Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).
 - e. BAH. Advance payment of BAH is authorized for payment of advance rent, security deposits, and/or initial expenses incident to occupying other than Government housing. The advance may be made at any time during a member's tour at the station concerned. It may also be authorized when a member has located housing incident to PCS orders. The request for advance BAH will be processed by the SPO upon receipt of the Advances Worksheet, CG-2010.
4. Amount Payable. In no case will the amount advanced exceed that which can be liquidated within the member's remaining obligated service. The amount payable in advance is in addition to accrued entitlements due on the date of payment. The amounts payable by type of advance are:
- a. Pay Only. An amount not to exceed three months basic pay less:
 - (1) Federal, State, and FICA tax withholding.
 - (2) SGLI.
 - (3) Monthly repayment amount of all known debts (whether scheduled or unscheduled for collection, including previous unliquidated advances).
 - (4) Forfeitures of pay.
 - (5) Montgomery GI Bill deductions.
 - (6) Dependent Dental Plan deductions.
 - (7) Garnishment, mandatory support allotment, and bankruptcy deductions.
 - (8) TSP deductions (basic pay deductions only).
 - b. Overseas Housing Allowance (OHA), Interim Housing Allowance, and BAH in Conjunction with Overseas Assignment. The amount to be advanced will be determined on the basis of housing expenses and the authorized OHA, interim housing allowance, and BAH. Housing expenses must be documented to include copies of the lease, utility company statement(s), and any other pertinent documentation available. The member's ability to repay an advance, considering other advances of pay which may have been made and any recurring pay

deductions, will be considered in determining the amount of the advance. In no case will the advance payment exceed one year's anticipated housing expenses, or one year's OHA, interim housing allowance, and BAH accruable for the member at that station, whichever is less. Expenses identified by a member that will be used in the purchase of any real estate or living accommodations will not be considered as a basis for authorizing or determining the amount of the advance.

- c. BAH. The amount to be advanced will be determined on the basis of housing expenses and the authorized BAH. Housing expenses will be documented to include copies of the lease, utility company statement(s), and any other pertinent documentation available. The member's ability to repay the advance, considering other advances of pay which may have been made and any recurring pay deductions, will be considered in determining the amount of the advance. In no case will the advance payment of BAH exceed the anticipated housing expenses, or the total of three months BAH expected to be accrued by the member, whichever is less.
5. Liquidation. Advances must be liquidated as follows and in no case can the liquidation period exceed the member's current contract:
 - a. Advance Pay.
 - (1) The amount of the advance can be liquidated over a minimum period of one month to a maximum of 12 months starting with the first day of the month following the month in which the advance was paid. Any allotments, other than "I" or "D" allotments that will prevent liquidation within 12 months must be stopped. An advance of pay must not be made in an amount which will require stoppage of "D", "N", or "I" allotments. After the payment of an advance, no allotments will be registered which would prevent liquidation within 12 months.
 - (2) A member can request liquidation for a period greater than 12 months, but not to exceed 24 months, when the PCS move causes unusually large expenses and repayment within 12 months, would create a severe personal financial hardship. The request must be approved in writing by the CO and may not be delegated. The member must submit the request in writing and the request must contain sufficient information to fully justify the severe personal financial hardship caused by the PCS move. Both the member's written request and the CO's written approval must be maintained in the member's SPO PDR until the advance is fully liquidated.
 - b. Advance Overseas Housing Allowance (OHA), Interim Housing Allowance, and BAH in Conjunction with Overseas Assignment. Liquidation will normally be at a rate of not less than equal monthly installments of one-twelfth of the amount advanced, per month for the next 12 months starting with the first day of the month following the month in which the advance was paid. When justified and documented by the member and authorized by the member's CO/OIC, the beginning

of collection action may be postponed for up to three months after the advance is made. The CO/OIC cannot delegate this authority. When justified and documented by the member and endorsed by the member's CO/OIC, Commandant (CG-1332) can authorize repayment over a period of more than one year, but not to exceed the member's tour at the station concerned. In no case will a repayment schedule be established that extends beyond the member's obligated service. Action to recoup any advance made under this paragraph in lump sum will be taken immediately upon receipt of information that the member has vacated the housing for which the advance was made.

- c. Advance of BAH. Liquidation will be at a rate of not less than equal monthly installments of one-twelfth of the amount advanced, per month for the next 12 months starting with the first day of the month following the month in which the advance was paid. When justified and documented by the member and authorized by the member's CO/OIC, the beginning of collection action may be postponed for up to three months after the advance is made. The CO/OIC cannot delegate this authority. Action to recoup in a lump sum any advance made under this paragraph that has been returned to the member by the landlord will be taken immediately upon receipt of information that the member has vacated the housing for which the advance was made. Any balance of an advance not returned by the landlord may be liquidated in monthly installments, if desired by the member, for a period over the balance of the months remaining on the existing loan repayment schedule.
- d. Liquidation when PCS Order is Cancelled. A PCS order is issued with the full intention of the member executing them. When advance pay is authorized and received and the PCS order is subsequently cancelled, the liquidation of the advance pay may continue as indicated in Section 9.D.5.a. A liquidation period of greater than 12 months is not authorized.

E. Payments to Mentally Incompetent Members.

- 1. Authority. Active duty pay and allowances, amounts due for accrued or accumulated leave, or retired pay, that are otherwise payable to a member to whom this chapter applies and who is mentally incapable of managing their affairs, may be paid for that member's use or benefit to:
 - (a) a legal committee, guardian, or other representative that has been appointed by a court of competent jurisdiction;
 - (b) an individual to whom the member has granted authority to manage such funds pursuant to a valid and legally executed durable power of attorney; or
 - (c) any person designated by Commander, CG PSC, or by an officer to whom he or she delegates his or her authority under this section, without the appointment in judicial proceedings of a committee, guardian, or other legal representative.

2. An individual may not be designated under subsection 9E.1.(c) to receive payments unless a board consisting of at least three qualified medical officers or physicians, one of whom is specially qualified in the treatment of mental disorders, determines that the member is mentally incapable of managing the member's affairs. These boards are those convened under the authority of the:
 - (a) Department of the Army;
 - (b) Department of the Navy;
 - (c) Department of the Air Force;
 - (d) Department of Health and Human Services;
 - (e) Department of Veterans Affairs; or
 - (f) Commander, CG PSC
3. Payment to Trustee. Any payments on behalf of a mentally incompetent member to a designated trustee(s) are a complete discharge of the obligation of the United States as to amount paid.
4. Restriction Against Acceptance of Fees. A person serving in a legal, medical, fiduciary, or other capacity may not demand or accept a fee, compensation, or other charge (except bonding fee) for any service performed in administration of a mentally incompetent member's account.

F. Emergency Payments to Dependents in the Event of Evacuation.

1. Authority. 37 U.S.C. 1006(c) authorizes an advance of pay to Coast Guard members who are on duty outside the United States or other place designated by the President when the member or dependents are ordered evacuated by competent authority. For additional information see JTR Chapter 6.
2. Purpose of Advance. The funds advanced are not additional pays, allowances, or gratuities and will be charged against the member's regular pay. The advance is intended to cover cost of travel, subsistence, and other essential expenses of the dependents during the evacuation process.
3. Who May Be Paid. Payments may be made to the member on behalf of the dependents, or directly to the dependent previously designated by the member. The member does not have to be present in order for the payment to be made to the dependent.
 - a. How much May Be Paid. Payment may not exceed two months of the member's basic pay (net of any forfeiture and Montgomery GI Bill deduction). A lesser

amount may be designated by the member. Payment may be made in one lump sum or two installments.

- b. When Payable. Advance payments may be made on behalf of the evacuated dependents only when a general evacuation of all military dependents is ordered by an area military commander, State Department official, or other authorized United States official.
- c. Liquidation of Advance. The advance will be liquidated over a 12 month period, commencing on the first day of the month following payment of the advance(s). When authorized by Commandant (CG-1332), the liquidation period may be extended up to 24 months; however, in no case will the liquidation period exceed the member's expected date of separation.
- d. Waiver of Advance. Commandant (CG-1332) may waive the right of recovery of not more than one month's basic pay advanced under this section when recovery of the advance would be against equity and good conscience or against the public interest.
- e. Dependents of Other Service Members. Chapter 13 of this Manual prescribes authority for payment to dependents of Army, Navy, Marine Corps, and Air Force members.

G. Members Missing, Captured, or Interned.

- 1. Authority. 37 U.S.C. 551-558 governs entitlement to pay when a member is officially declared to be missing, missing in action, interned in a foreign country, captured, beleaguered, or besieged by a hostile force, or involuntarily in a foreign country. Additional instructions are contained in Chapter 1, Military Casualties and Descendent Affairs, COMDTINST M17700.9 (series).
- 2. Entitlement to Pay and Allowances. A member is entitled to receive or have credited to his/her account continued pay and allowances under this section if on active duty (AD) or Inactive Duty Training (IDT) and declared absent under the conditions of Section 9.H.1 of this Manual. This includes pay and allowances to which entitled when the missing status began or to which the member becomes entitled later. This right is not affected by the fact that the member had not actually been paid before entering the missing status. When a member has been in a missing status, and no official report of death or circumstances of his/her absence has been received within 12 months, the member's case must be fully reviewed before the members pay and allowances may be continued beyond 12 months.
 - a. Types of Pay and Allowances. The types of pay and allowances which continue during a missing status are:
 - (1) Basic pay.

- (2) Special pay.
 - (3) Hostile Fire or Imminent Danger pay if the member qualified immediately before entry to a missing status.
 - (4) Incentive pay for hazardous duty.
 - (5) BAS. (52 Comp Gen 23).
 - (6) BAH, including BAH at the without dependents rate for those members without dependents (52 Comp Gen 23).
 - (7) Family Separation Housing Allowance (FSH) (44 Comp Gen 657).
 - (8) FSA (44 Comp Gen 127). A member may qualify for FSA-T while in a missing status if the continuous period of more than 30 days is completed after missing status commences (45 Comp Gen 633).
 - (9) Station per diem allowances (COLA and OHA) for no more than 90 days.
- b. Exceptions. Travel per diem and clothing monetary allowances do not accrue during a missing status even though a member was entitled to them when the missing status began.
 - c. Change in Entitlement. Entitlement continues for the duration of the missing status, provided there is no change in the conditions upon which the pay and allowances are based (23 Comp Gen 895).
 - d. Reserve Member on Training Duty. Pay and allowances for a Reserve member performing active duty for training (all types) or inactive duty training (IDT – including non-pay or Appropriate Duty) will be that to which the member would have been entitled if performing active duty with pay in excess of 139 days.
- 3. Allotment From Pay. Allotments which are in effect at the time of absence will be continued. Commandant (CG-1332) may authorize PPC to start, stop, resume, increase, or decrease allotments where circumstances so warrant in the interest of the missing member, dependents, or the Government.
 - 4. SGLI premium Deductions. Deduction from pay for all SGLI premiums, as appropriate, will continue as long as the member is in a missing status.
 - 5. Payments Received. An account may not be charged or debited with an amount that a member captured, beleaguered, or besieged by a hostile force may receive or be entitled to receive from or have placed in the member's credit by the hostile force as pay, allowances, or other compensation.

6. Tax Withholding. FICA tax deduction will continue during the missing status. Federal and state tax withholding will also continue while in a missing status except for any month during which a member is qualified for combat zone exclusion (26 U.S.C. 112(d)).

H. Reimbursement for Dishonored Check Charges.

1. Authority. 10 U.S.C. 1053 authorizes the reimbursement of financial institution charges incurred by a Coast Guard member, which resulted from an error in direct deposit pay.
2. Policy. Financial institution charges resulting from erroneous information provided by the individual or the financial institution to the Servicing Personnel Office are not the liability of the Coast Guard and are not reimbursable. However, reimbursement for dishonored check charges is authorized when an administrative or mechanical error on the part of the Coast Guard causes the pay of a military member to be deposited late or in an incorrect manner or amount. Such reimbursements are limited to overdraft charges or minimum balance or average balance charges levied by the financial institution.
3. Procedure. Eligible members must submit their request for reimbursement to PPC (MAS), providing proof of the fees charged against them. PPC will verify if an error occurred in the deposit of the military member's pay. If PPC determines an error did occur, PPC must reimburse the fees levied by the financial institution. PPC's determinations in these cases are final and conclusive and may not be appealed to higher authority.

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CHAPTER 10

SEPARATION PAYMENTS AND CLAIMS

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CHAPTER 10. SEPARATION PAYMENTS AND CLAIMS

A. Lump Sum Leave (LSL) Payment for Unused Accrued Leave.

1. Authority. 37 U.S.C. 501, as amended, authorizes the payment of LSL.

- a. Who May Be Paid.

- (1) A member who is discharged from active service under honorable conditions unless the member continues on active duty (AD) under conditions which require accrued leave to be carried forward. Also an enlisted member who voluntarily extends an enlistment for the first time may elect payment for unused accrued leave. Effective on 10 Feb 1976, members may be paid for no more than 60 days, see Section 10.A.1.a.(2) and 10.A.1.a(3) for exceptions, of accrued leave during the member's military career. Payments for accrued leave made before this date are excluded from the 60-day limitation. Effective 14 Jul 1976, a member eligible for an accrued leave settlement may elect to receive payment for a portion of the accrued leave, not to exceed a career total of 60 days, and carry the remaining accrued leave forward to a new or extended enlistment. Figures 10-1 through 10-4 are rules for determining whether a member may be paid for accrued leave. Payment for leave must be exact; half-days are not rounded. Example: A member entitled to 59-1/2 days must be paid for 59-1/2 days, not 60 days.
- (2) Members Serving in Support of a Contingency Operation. The term "contingency operation" means a military operation that is designated by the Secretary of Defense as an operation, voluntary or involuntarily, in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an opposing military force, or results in the call or order to, or retention on active duty of members of the uniformed services under 10 U.S.C. 672(a), 673, 673(b), 673(c), 688, 3500, 8500, 14 U.S.C. 3713, or any other provision of law during a war or during a national emergency declared by the President or Congress. Effective 5 Dec 1991, accrued leave sold is not added to the career leave total and the 60 day limitation does not apply to:
 - (a) Unused leave accrued by a member while serving on active duty in support of a contingency operation who dies as a result of an injury or illness incurred while serving on active duty in support of a contingency operation, or
 - (b) Unused leave accrued while serving on active duty in support of a contingency operation. This applies to members of the:
 1. Reserve Components;
 2. Retired Reserve; and
 3. Retired Regular

- (3) Reservists on Active Duty for 31-365 Days. The 60-day limitation on sold leave does not apply to a member of a reserve component who serves on active duty, or active duty for training, for a period of more than 30 days but not in excess of 365 days.
2. Who is Entitled to Payment. All members with accrued leave are entitled to payment of LSL when discharged. Enlisted members are also eligible for payment in the following cases:
 - a. When accepting an appointment to one of the Service academies. Although the member is not actually separated from active service, the date prior to the date member accepts the appointment is constructively the date of discharge (36 Comp Gen 334).
 - b. When extending an enlistment for the first time (48 Comp Gen 127). Refer to Chapter 1, Enlisted Accessions, Evaluations, and Advancements Manual, COMDTINST M1000.2 (series). The date of discharge is the date member's current enlistment would have expired had no extension been made. No payment is allowed for a second or subsequent extension.
 - c. When discharged for the purpose of immediate reenlistment in any branch of the Armed Forces.
 - d. When a member is on voluntary or required appellate leave, the member has the option of using accrued leave or being paid for LSL prior to departing on appellate leave.
3. Who May Not Be Paid. The following members are not entitled to LSL for unused, accrued leave;
 - a. A member separated under other than honorable conditions.
 - b. A member on AD or ADT for a period of less than 30 consecutive days.
 - c. A member transferred to the retired list but retained on continuous AD after transfer.
 - d. A Coast Guard Cadet.
 - e. A member discharged for fraudulent enlistment.
4. Determination of Unused Leave Balance. Leave is accrued through the discharge date. Observe the following rules in determining the unused leave balance:
 - a. Awaiting Orders.
 - (1) If the member is placed on the retired list for physical disability (including

temporary physical disability), compute the unused leave balance and reduce this balance to no less than zero by subtracting the number of days spent in a "Home Awaiting Orders Status."

- (2) No leave is earned while on appellate leave. However, a member required to take appellate leave whose sentence by court-martial to dismissal or dishonorable or bad-conduct discharge is set aside or disapproved on appellate review shall accrue leave for the period of leave charged as excess leave unless a rehearing or new trial is ordered and dismissal or dishonorable or bad-conduct discharge results from the rehearing or new trial and such dismissal to discharge is later executed.
- b. Travel Time. If the member is entitled to travel time to home, compute unused leave balance through:
 - (1) The constructive date of release from AD based on the travel time authorized by the orders.
 - (2) The period of authorized travel time to a port of embarkation (POE) from which Government transportation is to be furnished, if travel is to a place outside CONUS. PPC will recompute the unused leave balance as of the actual date of release and credit any additional LSL due.
5. Leave Not Counted as Service. The number of days unused leave for which LSL is made is never counted as service.
 6. Computation of Payment.
 - a. Settlement for leave accrued as of 31 Aug 1976 will include:
 - (1) Officers.
 - (a) Basic pay at the rate applicable on the date of discharge.
 - (b) BAS at the rate applicable on the date of discharge.
 - (c) BAH-TR at the with or without dependents rate applicable on the date of discharge. Entitlement accrues even if the officer is not receiving payment of BAH-TR on the date discharged (28 Comp Gen 423).
 - (d) PMA at the rate applicable on the date of discharge.
 - (2) Enlisted.
 - (a) Basic pay at the rate applicable on the date of discharge or day before the day the first extension of enlistment became operative.

- (b) BAS at the rate of \$.70 per day.
 - (c) BAH at the rate of \$1.25 per day for members in pay grades E-5 through E-9 with dependents. Entitlement accrues even though the member and/or dependents may occupy public quarters on the date of discharge.
 - b. Settlement for leave accrued after 31 Aug 1976 includes basic pay only (37 U.S.C. 501(h)).
 - c. For each month in which a member serves, for any period of time, in a designated combat zone, the total leave accrual for that month is considered combat zone leave, and is not taxable when used or sold. (See Section 10.A.7.b.)
7. Taxability and Withholding Tax on Accrued Leave Payment.
- a. Lump-sum payments of accrued leave, exclusive of allowances, are normally subject to taxation and withholding tax.
 - b. Payment for any leave that accrued while serving in a designated combat zone which remained unused at separation, is excluded from Federal taxation (and state taxation where applicable) under the conditions set forth by Section 8.G, and is not subject to Federal or State income tax withholding. Payment does not have to be received during a month in which the member qualified for the exclusion. However, a commissioned officer's exclusion may not exceed the monthly limitation which was not previously used by monthly exclusions that were attributable to the same periods of service.
8. Payment of LSL. LSL payment normally is paid on date of discharge. Exception: If LSL is paid in connection with reenlistment or first extension, payment will be included in either the mid-month or end of month pay, depending on when the contract is successfully processed in Direct Access (DA). In the case of Reserve and recalled retired members who are entitled to travel time, make payment on date of detachment from the separating activity.
9. Offsetting Indebtedness. All items of the LSL payment may be used to liquidate debts to the U. S. Government.
10. Payment to Survivors. If a member dies while on active duty (or if a member or former member dies after retirement or discharge, but before receiving payment of accrued leave), payment for accrued leave will be based upon the unused accrued leave that was carried forward into the leave year in which deceased plus the unused leave that accrued to the deceased during that leave year. In such cases, the limitation payment for more than 60 days leave accrual discussed in Section 10.A.1, above, does not apply.

PAYMENT OF ACCRUED LEAVE – OFFICERS AND ENLISTED MEMBERS
SEPARATION WITHOUT IMMEDIATE REENTRY ON ACTIVE DUTY

| R U L E | A | B | C |
|------------------|---|---|--|
| | If a member has been on active duty (AD) 30 or more consecutive days and | and | then accrued leave is |
| 1 | is discharged (including as a result of resignation) | separation is under honorable conditions (Note 1) | payable. (Notes 2 & 7) |
| 2 | is released from AD (Note 3) | | payable (Notes 2, 4 & 7) |
| 3 | retires | | payable (Notes 2, 5, & 7) |
| 4 | is discharged for fraudulent enlistment | | not payable. (Note 6) |
| 5 | is released from duty because of void enlistment | | |
| 6 | is discharged from service as a cadet or midshipman at a service academy | | |
| 7 | dies while on AD | member is not put to death as lawful punishment for a crime (unless executed by an enemy of the United States) | payable to beneficiary with other unpaid pay and allowances. (Note 7) |

Notes:

1. If member is discharged or relieved from AD because of expiration of term of service and is under investigation as an alleged security risk, do not pay accrued leave until investigation is completed and the character of the discharge determined. If discharge is under honorable conditions, accrued leave may then be paid.
2. The period when a member is home awaiting further orders in connection with physical evaluation board proceeding is charged as leave to the extent that leave is available, beginning with the day after the member arrives home or the day after constructive travel time ends, whichever is earlier. Limit payment to accrued leave remaining at time of retirement or discharge (see note 4 for exception). Authorized absence under these circumstances in excess of accrued leave is not chargeable as leave.
3. A period of AD as a Reserve member meets the 30 day requirement if it covers 30 or more consecutive days even though it may be directed by more than one order covering unrelated duties.
4. If a Reserve member is entitled to pay and allowances during a disability period after member's specified tour of AD has expired, the period after that expiration date is not included in the period for which accrued leave is paid.
5. Member may not take accrued leave in lieu of payment beyond the effective date of retirement.
6. This rule does not apply when an individual inducted or enlisted into the service is discovered by service medical authorities to have been medically unfit for induction at the time of entrance into the service and the individual is released from military control for such reason.
7. On and after 10 Feb 1976, a member may be paid for a maximum of 60 days of accrued leave during a military career. See Sections 10.A.1.a.(2) and 10.A.10 for exceptions.

FIGURE 10-1

PAYMENT OF ACCRUED LEAVE – OFFICERS
SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY

| R U L E | A | B | C | D |
|------------------|-------------------|---|---|---|
| | If | has been on active duty for 30 or more consecutive days and is | and | then accrued leave is |
| 1 | an officer | retired | immediately reenters on AD | not payable. (Note 1) |
| 2 | | separated on a day other than the end of the specified period of AD, for the purpose of reentering on AD in any status within any uniformed service | | |
| 3 | | transferred to a different uniformed service by separation and immediate reappointment | immediately enters AD with the other service | |
| 4 | | separated for having failed selection to a higher grade | immediately reenters on AD in an enlisted status | payable. (Notes 2 & 3) |
| 5 | a Reserve officer | released from AD under honorable conditions under 10 U.S.C. 681 or similar laws authorizing release of Reserve at convenience of the government, not for the purpose of reentering active service | immediately reenters on AD (including AD in enlisted or warrant officer status) for the purpose of retirement | payable. (Note 3) |
| 6 | | released from AD under honorable conditions at end of a specified period of time member agreed to or was obligated to serve | immediately reenters on duty | payable. (Note 3) |
| 7 | an officer | a temporary officer whose enlistment has expired | discharged from officer status, and immediately reenlists as an enlisted member. | payable at rate of pay of rank held at time of reversion. (Note 3) |

Notes:

1. When transfer is to or from the Public Health Service, accrued leave is payable and will be paid by the service effecting the separation.
2. Officers, who after notification of an impending discharge, resign for the purpose of continuing a military career are not entitled to payment of accrued leave.
3. On and after 10 Feb 1976, a member may be paid for a maximum of 60 days of accrued leave during a military career. See Section 10.A.1.a.(2) for an exception.

FIGURE 10-2

PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS
SEPARATION WITH IMMEDIATE REENTRY ON ACTIVE DUTY

| R U L E | A | B | C |
|------------------|---|--|--|
| | If an enlisted member has been on active duty (AD) for 30 or more consecutive days | and | then accrued leave is (Note 1) |
| 1 | Is separated under honorable conditions upon expiration or is released from AD under honorable conditions at the end of a specified period of time the member agreed to serve or was obligated to serve (Notes 2&3) | immediately reenlists or immediately reenters on active duty | payable. |
| 2 | is separated before expiration of normal term of service or obligated period of duty for the specific purpose of enlisting or reenlisting | | payable |
| 3 | is discharged for the purpose of enlisting or accepting a commission or appointment as warrant officer in any uniformed service | | not payable. |
| 4 | enlistment is extended | | see Figure 10-4. |
| 5 | extension of enlistment is cancelled before or during service under the extension | | |
| 6 | is retired | continue on or is recalled to active duty | not payable. |
| 7 | accepts an appointment as a cadet or midshipman without being discharged from enlisted status | enters on duty as a cadet or midshipman | payable as though member was discharged on day before the date appointment was accepted. |
| 8 | is serving with a temporary commission status and accepts appointment to permanent commission status | | not payable. |

Notes:

1. On and after 10 Feb 1976 a member may be paid for a maximum of 60 days of accrued leave during a military career. See Section 10.A.l.a.(2) for an exception.
2. An extension of the active duty obligation does not create an entitlement under this rule.
3. A Reserve member who is discharged for the purpose of immediately reenlisting in the Regular component or Reserve component of the same Service before the end of a specified period of time member agreed to serve or was obligated to serve is considered as discharged upon expiration of enlistment only if the date of release is not more than three months before the normal expiration date of the Reserve enlistment under which the active service is being performed. The date of normal expiration of enlistment is excluded in computing the three month period.

FIGURE 10-3

PAYMENT OF ACCRUED LEAVE – ENLISTED MEMBERS
EXTENSION OF ENLISTMENT:
DISCHARGE AND REENLISTMENT BEFORE EXTENSION IS COMPLETED

| R U L E | A | B | C | D |
|------------------|--|---|-------------------------------------|--|
| | If | has been on active duty for 30 or more consecutive days and | and member | then accrued leave is (Note 1) |
| 1 | an enlisted member | enlistment is involuntarily extended | continues on AD in extension period | not payable until discharge |
| 2 | | voluntarily first extends enlistment, regardless of duration of extension | | payable on day before effective date of extension (leave accrued during extension is paid on discharge after extension is completed (Note2)) |
| 3 | any enlisted member has been involuntarily extended | is separated under honorable conditions upon expiration of the involuntary extension of enlistment | immediately reenlists | payable. |
| 4 | | is separated under honorable conditions, before extension period expires, for purpose of reenlisting | | payable. |
| 5 | an enlisted member who has voluntarily extended the enlistment | extension is cancelled before service under it begins and member is discharged under honorable conditions, at normal expiration of enlistment | | payable. |
| 6 | | extension is cancelled after service under it begins and member is discharged under honorable conditions, for purpose of reenlisting | | not payable. |

Notes:

1. On and after 10 Feb 76 a member may be paid for a maximum of 60 days of accrued leave during the member's military career. See Section 10.A.1.a.(2) for an exception.
2. No payment can be made on second or subsequent extensions.

FIGURE 10-4

B. Unpaid Pay and Allowances Due Deceased Members.

1. Authority and Order of Payment. 10 U.S.C. 2771 states that unpaid pay and allowances due a deceased member will be paid to any person or persons in the following order of precedence.
 - a. Designated beneficiary(ies) on the Designation of Beneficiaries & Record of Emergency Data Form (CG-2020D).
 - b. Surviving spouse.
 - c. Children and their descendants, by representation.
 - d. Father and mother in equal parts or, if either is deceased, the remaining survivor.
 - e. Legal representative.
 - f. Person entitled under the law of the domicile of the deceased member.
2. Claim Process. The proper beneficiary must submit "Claim for Unpaid Compensation of Deceased Member of the Uniformed Services, SF-1174" to PPC for settlement. PPC will settle the claim as described in Title 4, GAO Manual for Guidance of Federal Agencies, chapter 4 (4 GAO 4).

C. Claims for Military Pay.

1. Basis for Claim. Normally, a member is paid all pay and allowances on a current basis. Occasionally, a claim will have to be filed for pay believed due the member. A claim must be specific and supported by all available pertinent documents.
 - a. Member on Active Duty. Send claims to PPC.
 - b. Member not on Active Duty. Separated members and members who will be separated before the claim can be resolved, submit their claim to PPC on DD Form 827, "Application for Arrears in Pay." If DD Form 827 is not available, the claim may be submitted by letter. The member must sign each claim. In either case, the member must attach all documents necessary to support the claim.
2. Records Correction. The Board for Correction of Military Records (BCMR) may correct a member's records and the correction may result in entitlement to additional pay. 10 U.S.C. 1552 authorizes payments arising from BCMR action. PPC settles all such payments. Civilian earnings during the period covered by the BCMR action will be deducted (off-set) from the amount due the member. (56 Comp Gen 587 and 57 Comp Gen 554.)
3. Claims for General Accountability Office (GAO). Members who have claims against the United States must first submit the claim to Commandant (CG-133) via PPC. Then, if not satisfied with the result, the member must request the matter be submitted as a claim to GAO,

Washington, DC, for settlement. Claims settled by GAO include:

- a. Claims involving doubtful questions of law or fact.
- b. Claims required by statute, regulation, or Comptroller General Decision to be settled by GAO.
- c. Other claims forwarded to Commandant.

4. Finality of Settlement.

- a. If a claimant accepts and cashes a GAO claim check as payment of a claim, they lose the right to challenge any part of the claims.
- b. If a claimant wants to challenge the GAO settlement, they must return the check and ask the Comptroller General to review the claim. This request must go to the Comptroller General via Commandant (CG-133).
- c. If a claimant accepts a BCMR action settlement statement and accepts and cashes the BCMR settlement check, they lose the right to contest the BCMR settlement.

D. Discharge Gratuity.

- 1. Authority. 14 U.S.C. 2776 and 10 U.S.C. 1048 authorize paying a discharge gratuity, not to exceed \$25.00, to enlisted members who receive a dishonorable discharge, bad-conduct discharge, any other discharge for the good of the service or discharge for fraudulent enlistment, if the member being discharged would be without funds to meet immediate needs.
- 2. How Much May Be Paid. The gratuity payable is an amount which, when added to other funds due the member or in member's possession at time of discharge, will total \$25.00, excluding mileage allowance.
- 3. Taxability. Discharge gratuity is not taxable.

E. Travel Allowance on Separation. See Joint Travel Regulations (JTR), Section 0510.

ENTITLEMENT TO DISCHARGE GRATUITY

| R U L E | A | B | C | D | E | F |
|------------------|--------------------------------|---|---|--|----------------------------------|---|
| | If | is | and | and | and | then |
| 1 | an enlisted member of the USCG | discharged under other than honorable conditions | discharge is not for returning member to another branch of the Armed Forces on account of absence without | the member is present to receive discharge | has less than \$25 in possession | pay the member the difference between funds in possession and \$25 (Note 1) |
| 2 | | Discharged for fraudulent enlistment | authority from that branch | | | |
| 3 | | discharged from AD because of void enlistment | enlistment is void because contracted when member was under age | | | |
| 4 | | | enlistment is void because contracted when member was mentally incompetent | | | do not pay a discharge gratuity |
| 5 | | discharged for minority with pay and allowances payable through date of discharge | | | | |

Note:

1. Funds in the member's possession include personal funds and any item paid at the time of discharge but excluding mileage and cash advance for transfers incident to furnishing transportation in kind.

FIGURE 10-5

F. Disability Severance Pay (DIS SEV PAY).

1. Authority. 10 U.S.C. 1203, 1206 or 1209 provides that a member who is separated from the Coast Guard for a service-connected physical disability rated at less than 30 percent is entitled to DIS SEV PAY computed under 10 U.S.C. 1212 based upon years of service computed under 10 U.S.C. 1208.
2. Who May Be Paid. A member who has completed 6 months or more but less than 20 years active service at the time separated is entitled to DIS SEV PAY (39 Comp Gen 291). A determination must be made that the disability is not the result of the member's intentional misconduct or willful neglect and was not incurred during a period of unauthorized absence and did not occur when member was in excess leave status. The Physical Evaluation Board makes the determination if not already done elsewhere.
3. Election When Entering RET-II Status.
 - a. Per 10 U.S.C. 1209, a RET-II-eligible reservist being separated from the Coast Guard for a service-connected disability rated at less than 30 percent must make an election to receive DIS SEV PAY and a complete discharge from the Coast Guard Reserve (and completely forgo retired pay and benefits) OR be placed onto the Inactive Status List (ISL) of the Standby Reserve and receive retired pay and benefits at age 60 with part of the monthly amount payable as disability retired pay. This election is absolute and irrevocable - once made, there is no authority to change or revoke this decision. The member may not buy back retired status by recoupment of DIS SEV PAY at any time.
 - b. Given the importance and finality of this election, upon notification that a reservist is being processed for a disability separation under 10 U.S.C. 1209 and prior to effecting the member's election, CG PSC-rpm will:
 - (1) Send a memo (via certified mail with return receipt) to the member that explains the finality of the election that the member will make. It must specifically advise that election of DIS SEV PAY will result in discharge from the Coast Guard Reserve, permanent loss of future retired pay, medical benefits, and RC-SBP coverage. The memo must be received by the member prior to effecting any election the member made and afford the opportunity (by a date certain) to change an election before it becomes irrevocable.
 - (2) If the member is married, concurrently send a letter (via certified mail with return receipt) to the member's spouse explaining the election his or her spouse has made and the finality of this election along with the loss of future retired pay, medical benefits, and RC-SBP coverage.
 - c. If the member changes his or her election, another memo and letter indicating this change will be sent to the member and, as applicable, the member's spouse, to acknowledge the change prior to execution of the elected action.
4. Computation - Effective 28 Jan 2008. To compute disability severance pay, multiply the sum of basic pay for 2 months by the number of combined years (max of 19) of active service and inactive duty points.

- a. Basic Pay. Compute severance pay on basic pay of the highest grade or rank held. For those selected for promotion, if the disability is found during a physical examination, then use the grade or rank to which the member would have been promoted if there were no disability.
 - b. Years of Active Service. The member's separation orders will specify the total combined years of active service and inactive duty points to be counted in computing severance pay. The total should be rounded to the nearest whole year, with 6 months or more rounded up. The maximum number of years for service for computing the disability severance pay will be 19 years. The minimum number of years for computation purposes shall be:
 - (1) Six years in the case of a member separated from the Coast Guard for a disability incurred in the line of duty in a combat zone or incurred during the performance of duty in combat-related operations, as designated by the Secretary of Defense.
 - (2) Three years in the case of any other member.
5. Taxability and Withholding of DIS SEV PAY.
- a. General. Disability severance pay is normally taxable income. However, it is not subject to tax withholding or reporting if at least one of the following three conditions exist:
 - (1) on 24 Sep 1975, the individual was either a member of an armed force or was under a binding written commitment to become a member;
 - (2) the entitlement resulted from combat-related injury or illness, as determined by the Secretary of Transportation (or designee), which happens as a result of any of the following activities:
 - (a) as a direct result of armed conflict,
 - (b) while actually performing extra-hazardous service, even if the service does not directly involve combat,
 - (c) under conditions simulating war, including maneuvers or training, or
 - (d) by an instrumentality of war, such as weapons; or
 - (3) the member has official notification from the Department of Veterans Affairs (VA) approving entitlement to disability compensation for the same illness or injury that caused the entitlement to disability severance pay.
 - b. VA Compensation Awarded in the Tax Year of Payment. It is recommended a member be counseled that a refund of taxes withheld may be obtained from PPC if disability compensation from the VA is awarded in the same calendar year in which the member received disability severance pay. To obtain a refund from PPC, a request must be submitted by December 31st of the year in which the disability severance payment was

paid.

- c. VA Compensation Awarded in the Tax Year After Payment. It is recommended a member be counseled that a refund for income taxes withheld must be obtained from the IRS if disability compensation from the VA is awarded in a different calendar year than the year in which the member received the disability severance payment.
6. Offsetting Indebtedness. The amount of DIS SEV PAY may be used to off-set any indebtedness to the Government.

G. Active Duty Agreement Cancellation Pay.

1. Authority. Under the provisions of 10 U.S.C. 12312, a reservist is entitled to cancellation pay when involuntarily released from AD prior to the expiration of a period of service under an agreement entered into under the provisions of 10 U.S.C. 12311. This pay is in addition to any other pay and allowances to which the member may otherwise be entitled at time of separation. This Section does not apply in time of war declared by Congress.
2. Restrictions on Payment. A reservist is not entitled to cancellation pay if release from AD is due to:
 - a. A sentence of court-martial.
 - b. An unexplained absence without leave for at least three months.
 - c. The conviction and sentence to confinement in a Federal or state penitentiary or correctional institution, and the sentence has become final.
 - d. A physical disability resulting from intentional misconduct or willful neglect.
 - e. Eligibility for retired pay or SEV PAY under another provision of law.
 - f. Placement on the TDRL.
 - g. Acceptance of an appointment, or an enlistment in a Regular component of the Armed Forces.
3. How Payment is Computed. Multiply the sum of one month's basic pay, special pay, and allowances to which entitled on the day of release by the number of years and/or fractions of a year (months) remaining in the unexpired period of the agreement. In computing the number of years and/or fractions of a year remaining in the unexpired period of the agreement, count a fraction of a month that is 15 days or more as one month. Disregard a fraction of a month less than 15 days. Deduct any time lost as defined in Section 2.J of this Manual from the unexpired period of the agreement. A member does not accrue cancellation pay until the date actually released from AD. If the member is granted travel time to home of record, payment may be made on last day of AD prior to travel. Be aware of the following in computation:

- a. Withholding Tax. Cancellation pay is subject to Federal and state withholding tax, except for allowances included in the payment.
- b. Liquidation of Indebtedness. Cancellation pay is subject to checkage for any amount owed the Government at time of payment.

H. Separation Pay (SEP PAY).

1. Authority.

a. Regular Officers.

- (1) General. The Maritime Transportation Safety Act (MTSA) of 2002 included provisions to change 14 U.S.C. with respect to involuntary separation entitlements for Regular Coast Guard commissioned & chief warrant officers. The changes were to adopt SEP PAY per 10 U.S.C. 1174 vice Severance Pay (SEV PAY) for Regular officers separated under the authority of 14 U.S.C. 2146, and 2164, and to deny SEP PAY to officers whose communications to their promotion boards invited or encouraged non-selection or removal from promotion lists. The intent of the changes enacted by MTSA was to bring involuntary separation benefits for Regular Coast Guard officers into conformance with those available to Coast Guard Reserve officers & enlisted on active duty, Regular Coast Guard enlisted personnel, and all DoD military personnel. To be eligible, recipients must have completed a minimum of six years of continuous active duty as of the date of separation or discharge. Although enacted by MTSA in 2002, the conversion from SEV PAY to SEP PAY was not made effective until 25 November 2006.

(2) Who May Be Paid.

- (a) A Regular commissioned officer of the Coast Guard who is involuntarily discharged from the Service under 14 U.S.C. 2146 or 2164, due to non-selection for promotion, poor performance of duty, or moral dereliction, may be paid SEP PAY. Temporary officers who revert to permanent warrant or enlisted grade are not entitled to SEP PAY.
- (b) Consistent with 14 U.S.C. 2164 and the Military Separation Manual, COMDTINST M1000.4 (series), article 1.A.14, a Regular commissioned officer who has been required to show cause for retention by a Determination Board and requested discharge in lieu of appearing before a Board of Inquiry or Board of Review may, at the discretion of Commander, CG Personnel Service Center, be discharged under the same conditions as though the board process had been completed and be authorized SEP PAY as if involuntarily separated as follows:

- (i) Officers separated under Military Separation Manual, COMDTINST M1000.4 (series), article 1.A.14.C.1, with an Honorable characterization of service may be authorized either full or one half SEP PAY;
 - (ii) Officer separated under Military Separation Manual, COMDTINST M1000.4 (series), article 1.A.14.C.2, who are separated with an Honorable characterization of service may be authorized either full or one half SEP PAY.
 - (iii) If separated with a General or Other Than Honorable characterization of service, an officer will receive no SEP PAY.
- (c) A regular warrant officer discharged under 10 U.S.C. 580, 1165 or 1166 is entitled to SEP PAY per 14 U.S.C. 2146, unless a determination is made to withhold SEP PAY by Commander, USCG Personnel Service Center Section 10.H.2.f. of this Manual.
- b. Under the provisions of 10 U.S.C. 1174, regular enlisted members (including enlisted reservists on extended active duty) and Reserve officers on extended active duty (and on the Active Duty Promotion List (ADPL)) or serving as a Reserve Program Administrator (RPA) may be entitled to a lump sum SEP PAY, provided they have completed at least 6 but less than 20 years of active duty as of the date of separation and:
 - (1) The member is involuntarily discharged, separated, or released; and
 - (2) If the member was enlisted and was denied re-enlistment; or
 - (3) If the member was a Reserve officer on EAD and denied an extension of active duty or a new consecutive EAD contract.
- c. Per 10 U.S.C. 1174 (c)(3), a Reserve member who is not on extended active duty when involuntarily discharged or separated and has at least 6 but not more than 20 years continuous active duty immediately before such discharge or separation, may be paid SEP PAY, if:
 - (1) The member's separation from active duty is involuntary; or
 - (2) The member was not accepted for an extension of the current tour of duty or a new active duty tour (other than ADT) for which he or she volunteered.
 - (3) For the purposes of this section, a period of active duty is continuous if it is not interrupted by a break in service of more than 30 days.
- d. Per 10 U.S.C. 971, active duty as a cadet or midshipman attending a U.S. military service academy is creditable service for any purpose for enlisted members. Anytime served while attending the U.S. Coast Guard Academy, any U.S. service academy or as a Reserve Officer Training Corps (ROTC or NROTC) cadet or midshipman in any service, may not be counted in computing, for any purpose, the length of service of an officer. As such, active duty service as an Academy cadet or midshipman will not

factor into length of service requirements of 14 U.S.C. 2146, 14 U.S.C. 2147, or 10 U.S.C. 1174.

- e. Per 10 U.S.C. 1174(e) and as a condition of entitlement for receipt of SEP PAY, anyone otherwise eligible for that pay must submit to Commander, USCG Personnel Service Center, a signed agreement to serve in the Coast Guard Ready Reserve for a period of at least three years.
 - (1) Commander, USCG Personnel Service Center, must specify the format of this written Ready Reserve agreement.
 - (2) Actual accession into the Ready Reserve of a discharged member that is authorized SEP PAY under this section and any subsequent assignment to duty as a reservist is solely at the discretion of Commander, USCG Personnel Service Center.

2. Who May Not Be Paid SEP PAY. Military Service members separated under the following circumstances are not eligible for SEP PAY:

- a. Has not submitted to Commander, USCG Personnel Service Center, a signed and dated Ready Reserve service agreement and a statement of understanding per Sections 10.H.1.b. and 10.H.7.a.(3)(b) of this Manual, respectively.
- b. Discharged or released from AD at their request (except under conditions of 14 U.S.C. 2142, 2143, 2144, or 2164.
- c. Released from ADT (any kind).
- d. Upon discharge or release and is immediately eligible for Retired Pay based on military service or disability.
- e. A Reserve officer that declines a Regular appointment.
- f. A determination is made by the Commander, CG Personnel Service Center, that the member's separation does not warrant payment.
- g. Separated as a result of execution of a court-martial sentence.
- h. Dropped from the rolls.
- i. Separated under conditions other than honorable or general conditions.
- j. An officer who is not selected for promotion to the next higher grade for the second time and is to be discharged or released from active duty, and who after such failure of promotion, is selected for and declines continuation on active duty:
 - (1) If the period of time for which the officer was selected for continuation on active duty is less than the amount of service that would be required to qualify the officer

for retirement (or retention to retirement eligibility), then the subsequent discharge or release from active duty shall be considered to be involuntary.

- (2) If the period of time for which the officer was selected for continuation on active duty is equal to or more than the amount of service that would be required to qualify the officer for retirement, then the officer's discharge or release from active duty shall not be considered to be involuntary.
 - k. The member is separated for unsatisfactory performance, unsuitability, or misconduct as specified in the Military Separation Manual, COMDTINST M1000.4 (series).
 - l. As determined by Commander, CG Personnel Service Center, a member whose communications to a promotion or retention board, invited or encouraged non-selection or removal from promotion or retention lists.
 - m. A member who declines training that the Coast Guard offers to change their rating as a pre-condition for reenlistment or continuation on active duty.
3. How Active Service is Computed.
- a. Compute the years of active service, include each full month of service in addition to the full number of years of service. Disregard any remaining fractional part of a month.
 - b. Coordination with other SEP PAY or Severance Pay benefits. A period for which a member has previously received SEP PAY under this Section or Severance Pay or readjustment pay under any other provision of law based on service in the armed forces may not be included in determining the years of service that may be counted in computing the SEP PAY of the member under this Section.
4. How Payment is Computed.
- a. Basis For Computing. The basis for computing the payment depends upon whether or not the member has met the performance standards prescribed by the Commandant. The separation orders will indicate if the performance was substandard. Compute the amount as follows:
 - (1) Satisfactory Performance.
 - (a) Years of active service (count all time as consecutive when there is no more than a 30 day break between active duty periods), times
 - (b) 12 months basic pay to which the member was entitled at time of separation, times
 - (c) 10 percent.
 - (2) Effective 5 Nov 1990, one-half of the amount computed in Section 10.H.4.a.(1) of this Manual for the following conditions:

- (a) Substandard Performance
 - (b) Convenience of the Government
 - (c) Drug Abuse Rehabilitation failure
 - (d) Alcohol Abuse Rehabilitation failure
 - (e) Loss of Security Clearance
 - (f) If enrolled in a CG specific program established as half payment
- b. Limitation. Effective 5 Nov 1990 there is no limitation on the total amount a member may receive in SEP PAY under this Section and SEV PAY (excluding disability severance) under any other provision of law based upon service in the Armed Forces.
5. Taxability. SEP PAY is subject to Federal and state withholding taxes.
6. Offsetting Indebtedness. SEP PAY may be used to offset any indebtedness to the Government.
7. SEP PAY Administrative Procedures.
- a. SEP PAY Authorization
 - (1) Commander, CG Personnel Service Center (or his/her designee) is authorized to determine SEP PAY eligibility for personnel that are involuntarily separated from active duty per the policy contained in this Section of the Pay Manual and as clarified in applicable Commandant Instructions.
 - (2) SEP PAY for eligible personnel must only be authorized via active duty separation orders issued by Commander, CG Personnel Service Center (or his/her designee). An order that authorizes SEP PAY must contain a remarks statement that directs the recipient's attention to the contents of Section 10.H of this Manual for an explanation of Coast Guard's SEP PAY policy and regulations.
 - (3) Members may separate up to 60 days before the required separation date and remain eligible for separation pay if all other requirements are met.
 - (4) Separation orders that authorize SEP PAY must have the following attachments:
 - (a) A Ready Reserve service agreement in Page 7 format that has been signed and dated by the member otherwise eligible for SEP PAY per Section 10.H.1.d. of this Manual;
 - (b) A statement of understanding in Page 7 format that has been signed and dated by the member otherwise eligible for SEP PAY that confirms the recipient's understanding of SEP PAY policy, recoupment from Retired Pay, and recoupment tax impact on Retired Pay.
 - (5) Ready Reservists that have executed a Ready Reserve service agreement per Section 10.H.1.d. of this Manual and received SEP PAY are not authorized to

receive Retired Pay until completion of the three years service agreement or attainment of age 60, whichever occurs first.

- b. Payment Conditions. Commanding Officer, CG Pay & Personnel Center, must only disburse SEP PAY when in receipt of a certified copy of the separation order that authorizes its payment and the attachments required by this Section. Computation of SEP PAY must be in accordance with Section 10.H.4 of this Manual.
 - c. Records Retention. Copies of separation orders that authorize SEP PAY along with the required attachments must be retained in the recipient's Personnel Data Record and Retired Pay Record.
8. Refund Upon Retirement. Per 10 U.S.C. 1174, members who receive Separation, Severance, or Readjustment Pay under any provision of law based on service in the Uniformed Services, and who subsequently qualify under 10 U.S.C. or 14 U.S.C. for Retired Pay must have deducted an amount equal to the total pre-tax amount of Separation, Severance, or Readjustment Pay until the amount deducted is equal to the total amount of Separation, Severance, or Readjustment Pay received. There is no authority to waive or cancel recoupment collection of Separation, Severance, or Readjustment Pay.
- a. Recoupment rates. The maximum rate of recoupment must be no more than an amount equal to 40 percent of the member's gross Retired Pay.
 - (1) The monthly recoupment rate must be recalculated when gross Retired Pay is increased for cost-of-living adjustments.
 - (2) Only the difference between the recoupment and gross Retired Pay is to be considered as the gross taxable income.
 - (3) PPC must provide written notification to members subject to recoupment. This notice is to be sent 90 days in advance of the initial collection from their Retired Pay. This notification must provide the current outstanding balance, the proposed monthly recoupment amount, and explain the options of a more lenient repayment request if the member asserts that the maximum rate of recoupment imposes a financial hardship – see Section 10.H.8.c of this Manual for details. The notification will also explain the requirement for concurrent recoupment of the SEP/SEV Pay by both PPC and the Department of Veterans Affairs (DVA).
 - b. Exceptions. Members may, at their personal discretion, request to increase their recoupment to a rate greater than the maximum in order to shorten the term of recoupment.
 - c. Financial Hardship. A member whose Retired Pay is subject to recoupment may, at any time, request a review of the amount recouped based upon materially changed circumstances such as disability, divorce, or illness that results in the imposition of undue financial hardship on the member or the member's dependents. A member requesting such a review must submit the basis for claiming that the current rate of

recoupment results in an undue financial hardship along with supporting documentation. PPC must consider any information submitted and make a determination in accordance with the following procedures and standards.

- (1) A rate of recoupment results in an undue financial hardship for a member and his or her dependents if the recoupment amount prevents the member from meeting the costs necessarily incurred for essential subsistence expenses of the member and the member's eligible dependents. These essential subsistence expenses include costs incurred for food, housing, necessary public utilities, clothing, transportation, and medical care.
- (2) In determining whether the recoupment amount prevents the member from meeting the essential subsistence expenses described above, PPC must consider the following:
 - (a) The income from all sources of the member, the member's spouse, and eligible dependents.
 - (b) Whether these essential subsistence expenses have been minimized to the greatest extent possible.
 - (c) The extent to which the member and the member's spouse and eligible dependents have other exceptional expenses that should be taken into account and whether those expenses have been minimized.
- (3) If an undue hardship is found, the recoupment rate will be reduced based upon the member's financial condition and will continue and be reviewed on an annual basis. PPC will notify the member of any adjustments to the amount recouped each month.
- (4) PPC must downwardly adjust the rate of recoupment based on the following formula: Subtract the total monthly essential subsistence expenses from the total monthly income. The result is the net income available for the monthly recoupment. This remainder must be divided by the gross monthly Retired Pay to determine the actual recoupment percentage. A result of 10 percent or less limits the recoupment to 10 percent without exception. Any factor within the range of 10 to 39 percent must be applied as the actual percentage with any fractional portions of a percentage point to be rounded down to the lower whole percentage point.
- (5) Determinations made by PPC on revised recoupment rates are final and conclusive and not subject to review or appeal unless there is compelling evidence of an error in calculation.

Example 1:

Gross Monthly Income

| | |
|-----------------|------------------|
| Member's income | \$3,460.00 |
| Spouse's income | <u>\$ 500.00</u> |
| Total Income | \$3,960.00 |

Actual Monthly Expenses

| | |
|---------------|------------|
| Rent/Mortgage | \$1,500.00 |
| Electric | \$ 80.00 |
| Natural Gas | \$ 125.00 |

| | |
|----------------|------------------|
| Telephone | \$ 35.00 |
| Water | \$ 20.00 |
| Food | \$ 400.00 |
| Car Payment | \$ 280.00 |
| Health Care | <u>\$ 500.00</u> |
| Total Expenses | \$ 2,940.00 |

| | |
|----------------|---------------------------------------|
| Total Income | \$3,960.00 |
| Total Expenses | - <u>\$2,940.00</u> |
| Net Income | \$1,020.00 (available for recoupment) |

Divide the member's Net Income (\$1,020.00) by the gross retired pay (\$3,000.00) which equals .34 or a recoupment rate of 34%.

Example 2:

Gross Monthly Income

| | |
|-----------------|------------------|
| Member's income | \$2,000.00 |
| Spouse's income | <u>\$ 500.00</u> |
| Total Income | \$2,500.00 |

Actual Monthly Expenses

| | |
|----------------|------------------|
| Rent/Mortgage | \$ 800.00 |
| Electric | \$ 80.00 |
| Natural Gas | \$ 125.00 |
| Telephone | \$ 35.00 |
| Water | \$ 20.00 |
| Food | \$ 200.00 |
| Car Payment | \$ 280.00 |
| Health Care | <u>\$ 500.00</u> |
| Total Expenses | \$ 2,040.00 |

| | |
|----------------|--------------------------------------|
| Total Income | \$2,500.00 |
| Total Expenses | - <u>\$2,040.00</u> |
| Net Income | \$ 460.00 (available for recoupment) |

Divide the member's Net Income (\$460.00) by the gross retired pay (\$2,000.00) which equals .23 or recoupment rate of 23%.

Income includes wages, salary, annuities, disability payments, bank account interest, and any other source of earned or unearned income.

9. Special Rule for Sole Survivorship Discharge. Under 10 U.S.C. 1174, a member who is the sole survivor as described below, shall be entitled to SEP PAY under this Section even if the member has completed less than six years of active service immediately prior to that discharge.

- a. Conditions of Entitlement. Discharge under this rule will occur only at the request of the member. The member must be the only surviving child in a family in which:

- (1) the father, mother or one or more siblings was serving in the Armed Forces and was killed, died as a result of wounds, accident, or disease, is in a captured or missing in action status, or is permanently 100% disabled or hospitalized on a continuing basis and is not employed gainfully because of the disability or hospitalization and

- (2) the death, status, or disability did not result from the intentional misconduct or willful neglect of the parent or sibling and was not incurred during a period of unauthorized absence.
- b. Amount Payable. The amount of SEP PAY to be paid must be based on the years of active service, as computed in Section 10.H.3 of this Manual, actually completed by the member before the member's discharge.

I. Death Gratuity.

1. Authority. 10 U.S.C. 1475-1480, as amended by Public Law 102-190 authorizes paying a death gratuity to the survivors of a Coast Guard member who dies while on active duty and a Coast Guard reservist on IDT/ADT or while traveling to or from IDT/ADT. When a former member (separated, released, or retired) dies within 120 days following the separation date and the Secretary of Veterans Affairs determines that the death was service connected, the survivors of the former member are authorized a death gratuity. Per 10 U.S.C. 1475(a)(5), the death gratuity must be paid to the survivors of a person who dies while at a place for final acceptance or for entry upon active duty in the Coast Guard, or while traveling to or from that place, but only if the person has been provisionally accepted for duty and was ordered or directed to go to that place. The balance of the amount of the death gratuity, if any, must be paid in accordance with Section 10.I.2 of this Manual. If a person is covered under this title and has a spouse, but designates a person other than the spouse to receive all or a portion of the amount payable, the secretary concerned must provide notice of the designation to the spouse.
2. Eligible Payees. If a person covered by 10 U.S.C. 1475 or 1476 does not make a designation or designates only a portion of the amount payable under 10 U.S.C. 1478, the amount of the death gratuity not covered by a designation must be paid as follows: (if a person entitled to all or a portion of a death gratuity dies before receiving payment, it must be paid to the living survivor next in the order prescribed below)
 - a. The surviving lawful spouse of the person, if any.
 - b. To any surviving children without regard to age or marital status to include:
 - (1) legitimate children
 - (2) adopted children
 - (3) step children who were part of the decedent's household at the time of death
 - (4) illegitimate children of a female decedent ; and
 - (5) illegitimate children of a male decedent;
 - (a) who have been acknowledge in writing signed by the decedent;

- (b) who have been judicially determined, before the decedent's death, to be his children
 - (c) who have been otherwise proved, by evidence satisfactory to the Secretary of Veterans Affairs, to be children of the decedent; or
 - (d) to whose support the decedent had been judicially ordered to contribute.
 - (6) To the surviving parents. Parents include fathers and mothers through adoption. However, only one father and one mother may be recognized in any case, and preference must be given to those who exercise a parental relationship on the date, or most nearly before the date, on which the decedent entered a status described in 10 U.S.C. 1475 or 1476.
 - (7) To the duly-appointed executor or administrator of the estate of the person.
 - (8) If there is none of the above, to other next of kin of the person entitled under the laws of domicile of the person at the time of the person's death.
3. Amount Payable. The amount payable is as specified in 10 U.S.C. 1478. Currently it is \$100,000 (subject to amendment).
4. Amount Taxable. The death gratuity is not taxable.
5. Who May Make Payment. All death gratuity payments are made by PPC.
6. Payment Procedure. The eligible beneficiary applies for the death gratuity by completing and forwarding a Claims Certification and Voucher for Death Gratuity Payment, DD Form 397, to PPC. The beneficiary is normally assisted by the Casualty Assistance Calls Officer (CACO) assigned to the death. See Chapter 2, Military Civil and Dependent Affairs Manual, COMDTINST M1700.1 (series). A Report of Casualty, DD Form 1300, is sufficient proof of death and of duty status.
7. Additional Information Affecting Payment.
- a. Death gratuity is not payable in the case of a member whose death is the result of lawful punishment for a crime or military offense, except when death was inflicted by a hostile force with which the United States Armed Forces had engaged in armed conflict.
 - b. Death gratuity is not payable if the beneficiary or survivor personally killed the member unless there is evidence that clearly absolves the person from any felonious intent (MS Comp Gen B-115170, 16 July 1953). However, it may be paid to the next eligible beneficiary(ies) or survivor(s) not responsible for the death of the member.
 - c. Death gratuity is not payable in the case of a member who has been charged with and convicted of desertion at the time of death. The death gratuity is payable if it is later found the deserter declaration was in error.

- d. A death gratuity payment may not be used to satisfy an indebtedness (including an overpayment).
8. Erroneous Payments. An erroneous payment of death gratuity is one made to a person clearly not entitled to it because of administrative error, rather than because of statement record made by the deceased member.
- a. A second payment must be made to the rightful beneficiary or survivor when the error resulted from improper maintenance of records or administrative negligence. This payment should not be delayed pending recovery of the erroneous payment from the ineligible recipient (37 Comp Gen 131).
 - b. A second payment must not be made to a different person if the first payment was based on statements of record made by the deceased member, and the government has no reason to doubt the beneficiary's or survivor's status was as stated (37 Comp Gen 131).
9. Documentation.
- a. Each of the following forms of documentation is acceptable for payment of casualty and decedent affairs claims:
 - (1) For active duty, reserve, retiree and post separation veterans: Report of Casualty, DD Form 1300, Personnel Casualty Report message, Defense Casualty Information Processing System (DCIPS) reports, Certificate of Death (Overseas), DD Form 2064, and domestic civilian death certificate.
 - (2) For dependents: Personnel Casualty Report message, DCIPS reports, Certificate of Death (Overseas), DD Form 2064, and domestic civilian death certificate.
 - b. Examples of pay and compensation that may be authorized based on these documents include (but are not limited to) death gratuity, final pay and allowances, basic allowance for housing, and Survivor Benefit Plan (SBP).
 - c. Examples of reimbursement and claims that may be authorized based on these documents include (but are not limited to) outstanding travel claims of the deceased member, mortuary, funeral and transportation expenses for the remains of military members and dependents; and funeral travel of next-of-kin.
 - d. Requirements for submission of claim forms are as published elsewhere.
 - e. Commandant (CG-1332) has authority to interpret this policy and grant exceptions
- J. Transitional Compensation for Dependents of Members of the Coast Guard Separated for Dependent Abuse. (See U.S. Coast Guard Transitional Compensation for Abused Dependents, COMDTINST 1754.16 (series))

SEP PAY and Recoupment from Retired Pay

SEP PAY is paid to military personnel under certain conditions of involuntary separation from active duty and is authorized by 10 U.S.C. 1174. The implementing regulations for SEP PAY are contained in Section 10.H of the this Manual. The purpose of SEP PAY is to provide a lump-sum payment to Regular and Reserve personnel involuntarily separated short of active duty retirement eligibility in order to assist such personnel in readjusting to civilian life.

Separation payments are subject to Federal income taxation and by law the Coast Guard is required to withhold 22% of a separation payment and report this withholding to the U.S. Internal Revenue Service (IRS) – this withholding is also reported on the recipient's W-2 form for the tax year in which the separation benefit is paid.

Under the authority of 10 U.S.C. 1174, a member who, subsequent to receipt of Severance or SEP PAY, becomes entitled to Retired Pay is required to pay back the entire amount of the pre-tax separation payment, including all amounts withheld for taxes. Under compensation case law, the same period of service may not be used to qualify for two different entitlements. A member (or former member) who received Separation, Severance, or Readjustment Pay for a qualifying period of service and later uses the same period of service to qualify for Retired Pay is required to repay the previous separation payment. Thus, a separation payment intended to ease transition into civilian life becomes a form of advanced Retired Pay that is required by law to be recouped.

The statutory requirement for recoupment makes no distinction between Retired Pay under any of the voluntary/involuntary retirement authorities for active duty service or non-regular retirement (Reserve Retired Pay) under 10 U.S.C. 12731. Further, the recoupment of Retired Pay is not bounded by the time limitations for collection of indebtedness per 5 CFR §550.1106 but is subject to the amount limitations under 37 U.S.C. 1007(c), which restrict collections to not more than 40% of Retired Pay. Since Separation or Severance Pay is not an erroneous payment at the time it is paid and its recoupment subsequent to entitlement to Retired Pay is required by 10 U.S.C. 1174, collection may not be waived or the amount remitted under the provisions of 10 U.S.C. 2774 and 14 U.S.C. 2769, respectively.

Recoupment of Separation or Severance Pay may, at the retiree's option, be in lump sum form or may be accomplished by monthly deductions from Retired Pay until the accumulated deductions equal the total pre-tax amount of the separation benefit. Under current regulations, Separation or Severance Pay is recouped at the rate of 40% of the retiree's gross Retired Pay. 90 days prior to implementation of recoupment deductions, the retiree will receive a notification letter and a Retiree Account Statement from the USCG Pay & Personnel Center Retiree & Annuitant Services Division (CG PPC-RAS) that indicates the amount of the monthly deduction. Retirees who submit a claim to CG PPC-RAS for monthly recoupment amount reduction due to financial hardship may have their recoupment rates reduced, but not less than 25% of gross Retired Pay – see Section 10.H.8.c. of this Manual for details and instructions.

FIGURE 10-6

SEP PAY and Recoupment from Retired Pay (cont'd)

Per page 28 of IRS Circular E (Employer's Tax Guide) [<http://www.irs.gov/pub/irs-pdf/p15.pdf>], CG PPC-RAS recoups the gross amount paid (before FITW) via monthly installment deductions from Retired Pay. CG PPC-RAS does not reduce the member's retired taxable income. Each year that recoupment of SEP PAY is effected from Retired Pay, the retiree has the right to claim a deduction/credit on his/her Federal income tax return (as explained in the Note on page 28). To assist the retiree in this regard, CG PPC-RAS provides him/her a letter entitled "Tax Certificate" showing the amount the retiree has repaid this year for a prior year wage overpayment.

Ready Reservists that have executed a Ready Reserve service agreement per Section 10.H.1.d of this Manual and received SEP PAY are not authorized to receive Retired Pay until completion of the three year service agreement or attainment of statutory retirement age, whichever occurs first.

FIGURE 10-6 (cont'd)

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CHAPTER 11
IN-SERVICE DEBT COLLECTION
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CHAPTER 11. IN-SERVICE DEBT COLLECTION

A. General.

1. Authority. Statutory authority to collect indebtedness to the United States from a member's pay exists under 37 U.S.C. 1007(c), 5 U.S.C. 5514, and Public Law 97-276, Section 124, 2 Oct 1982. Other statutes authorize collection of specific classes of debts.
2. Definitions. The following definitions apply to this Chapter.
 - a. Pay. This includes basic pay, special pay (including enlistment or reenlistment bonuses), retainer pay, incentive pay, retired pay, and equivalent pay, but does not include allowances, forfeitures, fines, MGIB deductions, or VA compensation.
 - b. Available Pay. Available pay is two-thirds of the member's pay less: (1) amounts deducted in arriving at disposable pay plus, (2) amounts collected under other debt collection authority. The member is entitled to receive one-third of his or her pay per month.
 - c. Disposable Pay. This is pay less statutory amounts required to be withheld. Amounts deducted in calculating disposable pay include: FICA, FITW, SITW, SSLI, RSFPP, SBP, DPP – dependent dental program, and TSP-Thrift Savings Plan.
 - d. Allowances. Allowances include, but are not limited to, payments in lieu of subsistence, quarters, uniforms, clothing, personal money allowances, family separation allowance, and overseas station allowance. They also include travel and transportation allowances authorized by 37 U.S.C. Chapter 7.
 - e. Erroneous Payment. An erroneous payment is a payment that was not proper when made. Advanced leave that became excess leave because of early separation is not an erroneous payment. Likewise, a reenlistment bonus which must be recouped because of failure of the member to complete the term of service for which the bonus was paid is not an erroneous payment.
 - f. Final Pay. This is all monies from any source, due the member upon separation from the Service.
 - g. In-Service Debt. A debt owed the United States by a person currently entitled to receive monies from a Coast Guard pay and allowance system.
 - h. Pay Period. The pay period for purposes of in-service debt collection is the calendar month.
 - i. Member. A person appointed or enlisted in, or conscripted into a Uniformed Service. This includes active, Reserve, and retired personnel.

- j. Routine Adjustment. A routine adjustment corrects an overpayment resulting from clerical or administrative errors or delays in processing pay documents. Once discovered, it will be corrected in the next or future pay periods. Under normal circumstances, this period must not extend over three months.
- k. Settlement Authority. The person authorized to collect, compromise, terminate, and suspend collection of a claim/debt.

B. Voluntary and Involuntary Collections.

- 1. Collection With Member's Consent. Members indebted to the United States will be encouraged to discharge their indebtedness through lump-sum cash payment when possible. When the amount of the debt relative to the member's ability to repay indicates that lump-sum settlement would create financial hardship for the member, installment payments will be accepted. Members will be encouraged to voluntarily accept liability for their indebtedness and to agree to a repayment schedule which adequately protects the interests of both the United States and the member.
- 2. Collection Without Member's Consent.
 - a. Current Pay.
 - (1) Current pay is available for repayment of indebtedness without the member's consent only if such recovery is expressly authorized by statute.
 - (2) Where Figures 11-1 through 11-5 authorize collection to be made "involuntarily," there is a statute authorizing such collection. When the indebtedness is a type for which there is no statute authorizing collection from pay, the tables authorize collection "with member's consent."
 - b. Final Pay. When a member is due final pay upon separation or death, any indebtedness to the United States may be collected under the general rule of offset without specific statutory authority. Under this rule, debts which could be collected from current pay only with the member's consent may be collected from final pay and allowances without the member's consent.
- 3. Limitation on Collections.
 - a. Current Pay. Some of the laws authorizing collection or indebtedness from a member's pay impose restrictions on the amount that may be collected or on the items of pay from which collection may be made. These limitations are shown in Figures 11-1 through 11-6. A rate of collection agreeable to the member and the Coast Guard will be established.
 - b. Final Pay. Figure 11-6 shows which items of final pay and allowances are available for setoff of debts. The items shown as not available are specifically exempted by statute.

4. Installment Deduction for Indebtedness to the United States. The Coast Guard policy is to collect debts of Coast Guard members or members of other Uniformed Services, that have been administratively determined to be owed the United States or any of its instrumentalities, under the provisions of 37 U.S.C. 1007(c). Other debts owed the United States must be collected under 5 U.S.C. 5514 or other appropriate statutes. Court judgments against a member in favor of the United States may not be collected under Public Law 109-364, Section 674, 17 Oct 2006.
 - a. Collection Under 37 U.S.C. 1007(c). This statute authorizes deduction from a member's pay of amounts that the Secretary of the Service concerned (or designee) administratively determines to be owed the United States or any of its instrumentalities. When the indebtedness is internal to the Coast Guard, this determination is made by the settlement authority or an ACO, as appropriate. The Commanding Officer of the Pay and Personnel Center (PPC) will administratively determine the validity of a debt owed by a member to another Uniformed Service based upon the record furnished and certification of the creditor Service.
 - (1) Routine Adjustments. The member must be provided with notice when a routine adjustment is made, or as soon thereafter as practicable. The member must be told whom to contact for additional information. This may be done in the "Remarks" section of the semi-monthly Payslip.
 - (2) Other Collections. Before initiation of any collection action on other than a routine adjustment, the member must be provided with at least 30 days written notice of the following: (These procedures do not apply when the member has previously consented to pay checkage for the debt).
 - (a) The nature and amount of the debt due the United States, and the intent to commence collection through deductions from pay in monthly installments;
 - (b) That the member has the opportunity to inspect and copy Government records related to the debt;
 - (c) That the member has an opportunity for review of all the decisions related to the debt;
 - (d) That the member has an opportunity to enter into a written agreement under terms agreeable to both parties to establish a schedule for repayment of the debt;
 - (e) That any portion of the debt remaining uncollected at the time of the member's separation must be collected from the member's final pay and allowances. If approved by the CO, PPC, a liquidation schedule may be established for deductions from retired pay;

- (f) That the member has the right to seek waiver or remission of the debt, if appropriate; and
 - (g) That the member's commanding officer may propose a lesser deduction amount based upon the member's financial status, provided the full amount of the indebtedness is scheduled for collection prior to separation.
- (3) Exception. The procedures specified in Subparagraph (2) need not be completed prior to commencement of collection action if the time remaining before the member's estimated date of separation is not sufficient to complete collection and the Coast Guard would be substantially prejudiced in its ability to collect the debt.
- (4) Maximum Deduction. Under the statutes the maximum monthly amount that may be collected is:
 - (a) Overpayment of pay and allowances – 15 percent of disposable pay, unless:
 - i. the member consents to collection at a higher rate; or
 - ii. the member is separating from the service.
 - (b) If a member is injured in a combat zone, collection action must be suspended for at least 90 days.
- (5) Minimum Deduction. The monthly deduction must not be less than 10 percent of the amount available for checkage, unless a lesser amount is proposed by the member's commanding officer and approved by CO, PPC.
- b. Collections Under 5 U.S.C. 5514. This statute authorizes deduction from current pay for indebtedness to the United States under the standard prescribed by the Office of Personnel Management. The salary off-set standards are published in 5 CFR Part 550.
 - (1) Collection. When it is determined that a member is indebted to the United States, collection may be made in monthly installments or at established pay intervals not to exceed 15 percent of disposable pay for any pay period, unless a greater percentage is authorized by written consent of the member. Unsatisfied debts at discharge or retirement must be deducted from subsequent payments, of any nature, due the member.
 - (2) Due Process. Debts collected under this statute are those owed to departments and agencies other than the Department of Homeland Security or other Uniformed Services. The creditor agency is responsible for providing due process rights to member debtors and certifying to the Coast Guard that required due process rights of the standards have been provided when requesting collection action. Once the Coast Guard accepts the debt for collection, members must be provided a minimum of 30 days written notice informing the member of the nature and amount of the debt due

the United States and the intent to commence collection through deductions from pay. This notice will provide the member with a point of contact at the creditor-agency for any questions or disputes the member may have.

- c. Collections Under 10 U.S.C. 2775. This statute authorizes collection from a member's pay when he/she has been held liable for damage to Government quarters, Owned or leased, caused by the member, dependent of member, or guest of the member. Under the provisions of the Coast Guard Housing Manual, the settlement official will provide PPC (DC) the information necessary to affect collection. The rate of collection is limited to available pay.
 - d. Collections Under 10 U.S.C. 1442 and 10 U.S.C. 1453. These statutes authorize deductions from subsequent payments of annuity amounts erroneously paid to an annuitant under the Retired Serviceman's Family Protection Plan or Survivor Benefit Plan. Collection will be pursuant to the Federal Claims Collection Standards.
5. Interest. With respect to collections other than routine adjustments, unless waived by the CO, PPC, or Commandant (CG-1332), interest will be charged the debtor in accordance with 31 CFR 901.9. As a general policy, these charges will not be made unless the member has unjustly enriched himself/herself. Nevertheless, consideration for waiver of charges must be made on a case by case basis.
 6. Indebtedness Incurred in the Reserve. When a member reenters active military service, collection for unsatisfied indebtedness incurred during Reserve or previous active status must be made.
 7. Bankruptcy. A member may file a petition of bankruptcy under Chapters 7, 11, or 13 of the Bankruptcy Code.
 - a. When the amount of indebtedness due the United States is incurred prior to the filing date of the petition, the debt is termed pre-petition indebtedness. Such debt may be collected by set-off from the member's pay account only through the day prior to the date the bankruptcy petition is filed, except as provided below:
 - (1) After the date the bankruptcy petition is filed, pre-petition indebtedness due to the United States may be collected by order of the United States Bankruptcy Court. Proofs of claims should be filed to preserve the claim until collected or discharged.
 - (2) After the date the bankruptcy petition is filed, pre-petition indebtedness due to the United States may be set-off from the member's pay account if the member reaffirms indebtedness due the United States. Reaffirmation agreements must be approved by the court.
 - (3) If the court subsequently dismisses a bankruptcy case, collection is permitted by set-off if otherwise authorized.

- b. An indebtedness due the United States, but incurred after the filing date of the petition of bankruptcy is collected by set-off if otherwise authorized.
 - c. A member may voluntarily enter into a "Chapter 13 Plan" (formerly Wage Earner's Plan) under the Bankruptcy Code. When required by a Chapter 13 Plan, the member's pay must be sent to the court-appointed trustee as ordered by the court.
- 8. IRS Tax Levy. Normal collection procedures do not apply to an IRS Tax Levy for delinquent income tax. Refer to Chapter 8 of this Manual for applicable information.
- 9. Pay Not Affected by Civil Process. An officer or enlisted member may not be deprived of his or her pay by civil process of garnishment, or levy except as follows:
 - a. Garnishment for child support or alimony.
 - b. Levy for delinquent Federal income taxes.
 - c. Levy for child support.
 - d. Involuntary allotment of pay for enforcement of commercial debts.
- 10. Travel Advances. Unliquidated travel advances or excess travel advances may be collected from a member's pay without consent. The amount of the collection will not normally exceed the available pay.
- 11. Dishonored Checks. When a member presents a personal check payable to the United States or an agent of the Government and the check is returned as nonnegotiable, the member's pay may be checked involuntarily, unless the member makes restitution directly. The checkage must be to the extent of the member's available pay until the debt is liquidated. This applies whether the check was presented for cash or for an amount owed the Government.
- 12. Outstanding Coast Guard Mutual Assistance Loans. On and after 4 December 1987, all loans made by Coast Guard Mutual Assistance that are still outstanding, may be collected from the final pay of a member being separated.
- 13. Morale Loans. Morale loans are not collectable under recent laws.

C. Recovery of Loss By Accountable Officers.

1. Authority. Under 5 U.S.C. 5512, individuals to whom public funds have been entrusted and who fail to satisfactorily account for such funds must have their pay withheld until they have accounted for or paid all sums for which they are liable. However, under the provisions of 37 U.S.C. 1007(a), the pay of a Coast Guard officer can only be withheld if indebtedness is admitted by the officer, is shown by the judgment of a court, or upon special order issued by the Secretary.
2. Installment Liquidation. If the member desires that checkage of indebtedness be made in an amount less than total pay (or pay and allowances), the member must submit a letter to Commandant (CG-1332) requesting that checkage be authorized in a specified lesser monthly amount, stating the reason.
3. PPC ACO Report. The PPC ACO will inform Commandant (CG-1332) when the indebtedness is liquidated in full or if the member is separated before complete liquidation of the indebtedness.

D. Recovery of Loss by Non-accountable Persons.

1. Application. This Section applies to loss of or damage to property of the United States through embezzlement, theft, forgery, or other causes for which a member has been tried and convicted by court-martial.
2. Liquidation Process. The amount of the loss, as distinguished from the court-martial sentence, may be recovered by checkage of pay. Refer to 29 Comp Gen 99.
 - a. Consent. The amount as determined by the convening authority may be checked immediately if the member consents to checkage.
 - b. Non-consent. If consent to checkage is refused, advise Commandant (CG-1332), do not effect checkage of pay.
3. Amounts Un-liquidated at Separation. Amounts remaining on day of separation, whether or not the member consented to checkage, must be offset to the extent possible by final pay and allowances.

E. Recovery for Damage to Private Property.

1. Authority. Under the provisions of the Claims and Litigation Manual, COMDTINST M5890.9 (series), the pay of a member may be checked for damages to the property of another person. (Article 139, UCMJ and 10 U.S.C. 939)
2. Liquidation Procedures. The procedures and limitations governing checkages of military pay applicable to recovery of other debts to the Government are applicable here. The amount to be recovered may be liquidated by monthly withholding over the member's remaining obligated

service. Approval should be documented by letter. If the member extends enlistment or reenlists before the full amount is recovered, continue the monthly withholding until full recovery is made.

F. Waiver of Claims for Erroneous Payment.

1. General. A waiver is a written request from a member or former member for the cancellation of indebtedness to the U. S. Government which resulted from erroneous payments of pay and allowances made to or on behalf of the member or former member. Waiver applications may also be considered for erroneous payment of travel and transportation allowances paid on or after 28 December 1985.
2. Authority. 10 U.S.C. 2774 gives the Secretary of Homeland Security authority to effect waiver of claims for erroneous payments of military pay and allowances and travel and transportation allowances, when collection of the claim would be against equity and good conscience, and not in the best interest of the United States. Per Section 3-14, DHS Financial Management Policy Manual, the authority of the Secretary has been delegated to Commandant (CG-1332). Waivers of collection for debts that do not arise from an erroneous payment cannot be considered or granted under this authority.
3. Eligibility for Waiver. Any person (“applicant”) from whom collection is sought for a debt resulting from erroneous payments of military pay or allowances (including travel and transportation allowances or SBP payments) may submit a waiver application.
4. Limitations. Under the provisions of 10 U.S.C. 2774 and the standards prescribed by the Secretary of Homeland Security, per Section 3-14, DHS Financial Management Policy Manual, Commandant (CG-1332) may:
 - a. Waive claims that do not exceed \$10,000.
 - b. Deny an application for waiver of a claim in any amount, provided that in those cases where the claim is an amount aggregating more than \$10,000, the member is advised of the right to appeal the denial to the Defense Office of Hearings and Appeals (DOHA).
 - c. The erroneous payment must not be the subject of an exception made by the Comptroller General in the account of any official, or which has been transmitted to the General Accounting Office (GAO) for collection, or to the Attorney General for litigation.
 - d. Waiver requests will not be accepted by PPC prior to the establishment of that debt and demand for repayment has been made.
 - e. Indebtedness resulting from a court-martial sentence or non-judicial punishment of fine or forfeiture will not be considered for waiver or cancellation.
 - f. Indebtedness resulting from unearned bonuses or educational benefits will not be considered for waiver or cancellation under this Section.

- g. Waiver or cancellation of debts arising from non-payment for services or commodities for which payment by the member is required by law or regulation will not be considered.
5. Standards for Waiver of Erroneous Payments. Waiver or cancellation of erroneous payments will be granted by Commandant (CG-1332) only when it is determined that such action is in the best interest of the United States to do so. The decision to waive collection of erroneous payment or to waive debt requires a determination that to collect a lawful debt overrides the best interest of the United States. A waiver is not a matter of right. It is available to provide relief as a matter of equity, if the circumstances warrant. In making this determination, the following are among the factors which will be considered:
- a. "Not in the best interest of the United States" means that to collect the overpayment would be a determination by Commandant (CG-1332) that the fiduciary responsibility to ensure recoupment of erroneous payments or collect debts owed to the United States would be contrary to the larger interests of the Government (such as fair treatment of persons who are without fault in the errors of the government or its agents that led to the debt or overpayment) and overrides the imperative to properly manage public financial resources.
 - b. It is against equity and good conscience, provided there is no indication of fraud, fault (in whole or in part), misrepresentation, or lack of good faith on the part of the member. "Against equity and good conscience" generally means situations where a member, without any foreknowledge of applicable regulations or requirements, makes detrimental reliance on erroneous information, especially in travel allowances overpayments where a member reasonably relies on erroneous orders, and uses the payments for their intended purpose. See 67 COMP GEN 496 (B-226842) for relevant case law discussion.
 - c. Other considerations.
 - (1) Claims for erroneous payments which may be waived in whole or in part, must have resulted from an erroneous overpayment. The fact that an erroneous payment is solely the result of administrative error or mistake on the part of the Government is not sufficient basis in and of itself for granting a waiver.
 - (2) Erroneous payments of pay and allowances, and travel and transportation allowances may be considered for waiver action provided the application is received by the Coast Guard within a five year period following date of discovery of the error which caused the erroneous payment.
 - (3) Overpayments must be of such a nature that they would normally go unnoticed or undetected by the member. A waiver usually is not appropriate when a recipient knows, or reasonably should know, that a payment is erroneous. The recipient has a duty to notify an appropriate official and to set aside the funds for eventual repayment to the Government, even if the Government fails to act after such notification. Member must have reviewed semi-monthly pay slips or travel voucher summaries (TVS) to meet this criterion.

- (4) A waiver generally is not appropriate when a recipient of a significant unexplained increase in pay or allowances, or of any other unexplained payment of pay or allowances, does not attempt to obtain a reasonable explanation from an appropriate official. The recipient has a duty to ascertain the reason for the payment and to set aside the funds in the event that repayment should be necessary.
 - (5) A waiver may be inappropriate in cases where a recipient questions a payment and is mistakenly advised by an appropriate official that the payment is proper, if under the circumstances the recipient knew or reasonably should have known that the advice was erroneous.
 - (6) Financial hardship or inability to repay is not a factor for consideration in determining whether a waiver is appropriate.
6. Claims Exceeding \$10,000. Claims which exceed \$10,000 and for which the Coast Guard recommends approval of the waiver or the member appeals agency action (or against which a Comptroller General exception has been issued) are forwarded for final resolution to DOHA.
7. Processing Requests for Waiver of Erroneous Payments. Waiver requests may be made by the member or a person acting in the member's behalf.
 - a. All requests by active duty personnel for waiver action must be submitted in accordance with procedures contained in Chapter 9, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).
 - b. All requests for waiver by retirees/annuitants or out-of-service members must be submitted to the Coast Guard Pay and Personnel Center. PPC will provide retirees/annuitants with waiver application instructions at the time the individual is notified of indebtedness other than a routine adjustment.
8. Suspension of Collection. As a general policy, collection action will not be suspended pending a determination of waiver action since any amount collected and subsequently waived may be refunded. However, in cases of extreme hardship, the CO, PPC or Commandant (CG-1332) may consider suspension of collection action if it is in the best interests of the Government and the waiver request is likely to be approved. Requests for refunds may be included in the waiver application or must be received by the Coast Guard within two years following the date of waiver approval.

G. Remission of Indebtedness.

1. General. A remission is a written request from a Coast Guard member to cancel the uncollected amount of indebtedness to the U. S. Government. Debt remission may be approved for any amount, in whole or in part, according to the policy contained in this Section. Debt remission is not a right; rather, it is available to provide relief as a matter of equity, if the circumstances warrant.
2. Authority. A member's uncollected indebtedness to the United States or any of its instrumentalities may, under authority of 14 U.S.C. 2769, be remitted or cancelled when recovery would not be in the best interest of the United States. Commandant (CG-133) is delegated authority to remit or cancel debt. Remission determinations by

CG-133 are final and conclusive, unless there is evidence of fraud or other good cause to reconsider.

3. Eligibility for Remission. The following Coast Guard members may request remission of debts incurred while in the following status:
 - a. Regular members;
 - b. Reservists in an active status. Note: “Active Status” means Reserve component members on Extended Active Duty, on any other kind of active duty, or in the Selected Reserve (SELRES), Individual Ready Reserve (IRR), and Standby Reserve – Active Status (STBY-AS).
4. Limitations.
 - a. Indebtedness incurred after the member concerned has been discharged, retired, or transferred into the Inactive Status List will not be remitted or cancelled.
 - b. A debt or part of a debt which has been properly collected will not be remitted, nor may such collected amounts be refunded.
 - c. Indebtedness resulting from a court-martial sentence or non-judicial punishment of fine or forfeiture will not be considered for remission or cancellation.
 - d. Indebtedness resulting from a unearned bonuses or educational benefits will not be considered for remission or cancellation under this Section.
 - e. Remission or cancellation of debts arising from non-payment for services or commodities for which payment by the member is required by law or regulation will not be considered.
 - f. Debt remission requests from members who were not members described in Subsection 11.G.3. and whose debts were incurred prior to 07 Oct 2001 will not be considered.
 - g. Debt remission requests will not be accepted by PPC prior to the establishment of that debt and demand for repayment has been made.
 - h. Remission requests for any uncollected debt amounts may be submitted at any time prior to collection of that debt.
5. Standards for Remission of Indebtedness. Remission or cancellation of indebtedness will be granted by CG-133 only when it is determined that such action is in the best interest of the United States to do so. The decision to remit debt requires a determination that to collect a lawful debt overrides the best interest of the United States. In making this determination, the following are among the factors which will be considered:
 - a. “Not in the best interest of the United States” means that to collect the overpayment would be a determination by CG-133 that the fiduciary responsibility to ensure recoupment of erroneous payments or collect debts owed to the United States would

be contrary to the larger interests of the Government (such as fair treatment of persons who are without fault in the errors of the government or its agents that led to the debt or overpayment) and overrides the imperative to properly manage public financial resources.

- b. It is against equity and good conscience, provided there is no indication of fraud, fault (in whole or in part), misrepresentation, or lack of good faith on the part of the member. "Against equity and good conscience" generally means situations where a member, without any foreknowledge of applicable regulations or requirements, makes detrimental reliance on erroneous information, especially in travel allowances overpayments where a member reasonably relies on erroneous orders, and uses the payments for their intended purpose. See 67 COMP GEN 496 (B-226842) for relevant case law discussion.
- c. Other considerations.
 - (1) Injustice. Remission or cancellation of the indebtedness may be granted in order to correct obvious wrongs or misrepresentations on the part of the Government which are caused by individuals acting in an official capacity. When an enlisted person has received an overpayment in good faith, without fault or knowledge, but because of error on the part of the Government, enforced collection of the resultant indebtedness may amount to an injustice. However, as a general rule, the government is not bound by the erroneous advice or unauthorized acts of its officers, agents, or employees, even though committed in the performance of their official duties. Error on the part of the Government will not, of itself, be a basis for granting debt remission or cancellation.
 - (2) Undue hardship.
 - (a) Undue hardship in this sense may exist when collection of indebtedness would result in members not able to pay their just debts and unable to afford the cost of the necessities of daily living for themselves and their dependents, if with dependents, such as:
 - (i) Rent or mortgage payments;
 - (ii) Utilities;
 - (iii) Food (including mandatory charges for government-furnished meals);
 - (iv) Transportation (fuel, oil, insurance, tolls, unreimbursed public transit costs, etc);
 - (v) Health services not covered by TriCare;
 - (vi) Communications;
 - (vii) Loan repayments;
 - (viii) State, local, and other payroll tax withholding.
 - (b) When undue hardship is advanced as the reason, in whole or in part, as the basis for debt remission or cancellation, it is the member's responsibility to

include acceptable documentation to verify that undue hardship would be imposed.

- (3) Member's Value to the Coast Guard. The investment in the training of the individual, technical skill and knowledge, and performance of duty as evidenced by marks, decorations, commendations, etc., will be considered in evaluating remission requests.
6. Processing Requests for Remission of Indebtedness. All requests by Coast Guard members to remit or cancel indebtedness must be submitted in accordance with procedures contained in Chapter 9, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).
7. Suspension of Collection.
 - a. Upon receipt of a remission application, PPC will normally suspend collection action in the next available pay period after the application has been received. Any monies deducted from the member's pay after the suspension date will not be considered as having been collected and will be held in suspense pending a determination on the remission application.
 - b. Monies may continue to be withheld from the member's pay after the suspension date if the CO, PPC determines collection action is necessary to protect the interests of the Government. For example, continued collection action would be appropriate if there is not reasonable assurance that the indebtedness will be collected should the application for remission be denied.
 - c. Monies withheld or deducted from the member's pay after the suspension date will be refunded if the remission is granted (to the extent remitted if partially approved) or applied to the debt if remission is denied.
 - d. If a determination has not been made by the date of separation or retirement, the debt will be collected from the member's final pay and allowances to the extent possible. In cases of retirement, the debt may be carried into retirement and collections made from the member's retired pay under the provisions of 11.B.4.a.(2).

INDEBTEDNESS DUE TO ERRONEOUS PAYMENTS,
GAO DISALLOWANCES, AND NOTICES OF EXCEPTION

| R U L E | A | B | C | D | E |
|------------------|----------------------------------|---|--|-------------------------------------|--|
| | If | is indebted to the United States for | and | then collect from current pay | at a monthly rate not to exceed that shown below or rule cited |
| 1 | an officer or enlisted member | payment disallowed by GAO in accounts of certifying officer | | involuntarily (Note 1) | disposable pay. |
| 2 | | debt cited in GAO notice of exception or informal inquiries (Note 2) | | | Figure 11-6, rule 2. |
| 3 | | erroneous payment made to or on behalf of the member by any branch of Service (Notes 3 & 4) | it is administratively determined that the indebtedness is valid | | |

Notes:

1. This does not change collection rules for indebtedness by certifying officers.
2. If notice of exception covers an erroneous payment by a Uniformed Service, apply rule 3.
3. Includes allotments the member knew or reasonably should have known were erroneous.
4. When member's pay is not promptly reduced to allow for court-martial forfeiture, the resulting indebtedness is considered an erroneous payment with this rule.

FIGURE 11-1

INDEBTEDNESS DUE TO LOSS OF PUBLIC FUNDS

| R | A | B | C | D | E |
|---|---|---|---|---|---|
|---|---|---|---|---|---|

| U L E | If | is indebted to the United States for | and | then collect from current pay | at a monthly rate not to exceed the below or the rule cited |
|-------------|--|---|---|-------------------------------------|---|
| 1 | an accountable officer (Note 1) | arrears in accounts because of failure to account for funds entrusted to the member | debt is admitted by the officer (Note 2) | involuntarily | disposable pay. (Refer to Section 11.C.2) |
| 2 | | | debt is shown by judgment of the court | | |
| 3 | | | debt is shown by special order of COMDT (CG-1332) | | rate directed in the special order |
| 4 | an accountable enlisted member (Notes 3 & 4) | | | | disposable pay. |
| 5 | an officer or an enlisted member | public funds contained or converted to personal use for fraud, larceny, embezzlement, or unlawful means | the misappropriation of funds is admitted by the member or court-martial conviction | | Figure 11-6, rule 2. |

Notes:

1. Applies to officers who hold in trust sums or balances of public money for which they are required to account. Refer to 5 U.S.C. 5512 and 37 U.S.C. 1007(a).
2. A mere acknowledgement or report of shortage in accordance with service regulations is not an admission for the purpose of this rule. The phrase "debt is admitted" means either a written statement made by the accountable officer admitting indebtedness, acknowledged or witnessed before a person authorized to administer oaths or another person designated by a higher authority or if the accountable officer refused to sign a statement, a certification by a commissioned officer that the accountable officer clearly and unequivocally admitted the indebtedness is sufficient to authorize the withholding from member's current pay.
3. Applies to enlisted members who are entrusted with public funds. Includes military postal clerks, imprest fund cashiers, collection agents, and other members though not bonded, are responsible and accountable for these public funds.
4. Refer to 5 U.S.C. 5512, 37 Comp Gen 344 (1957), and 42 Comp Gen 85 (1962).

FIGURE 11-2
INDEBTEDNESS DUE TO LOSS OR DAMAGE
TO PUBLIC PROPERTY OR SUPPLIES

| | | | | | | |
|---|---|---|---|---|---|---|
| R | A | B | C | D | E | F |
|---|---|---|---|---|---|---|

| U L E | If | is indebted to the United States for | and | and | then collect from current pay | at a monthly rate not to exceed the below or the rule cited |
|-------------|--|--|--|--|-------------------------------|---|
| 1 | an accountable officer (Note 1) | loss or damage to public property entrusted to the officer such as stores, supplies, and receipts from sale of public property | COMDT (CG-094) renders determination | PPC issues order to liquidate debt to member's Commanding Officer | involuntarily (Note 1) | disposable pay. |
| 2 | a non-accountable officer or enlisted member | loss of or damage to Government property | liability is established | a board of survey (formal) determines negligence or abuse | involuntarily | Figure 11-6, rule 2 |
| 3 | An officer or enlisted member | damage to assigned housing or damage to or loss of equipment or furnishings of such housing (Note 2) | the damage or loss was caused by the abuse or negligence of the member, the member's dependent(s), a guest of either the member or the member's dependent(s) | the negligence or abuse is established by administrative determination | involuntarily | |

Notes:

1. Involuntary stoppage of pay is not authorized for a debt established by an administrative determination, including report of survey, by another Government agency. No authority exists for one Service to involuntarily stop current pay of one of its own members to satisfy a debt raised by a finding of pecuniary liability by the other Service or agency.
2. Personnel who fail to satisfactorily clean the housing unit, upon termination of the assignment or provision of that housing unit are liable for the cost of cleaning made necessary as a result of that failure.

FIGURE 11-3
INDEBTEDNESS TO INDIVIDUALS AND GOVERNMENT
INSTRUMENTALITIES AND AGENTS

| | | | | | |
|---|---|---|---|---|---|
| R | A | B | C | D | E |
|---|---|---|---|---|---|

| | | | | | |
|-------------|---|--|---|---|---|
| U L E | If an officer or enlisted member is indebted to | for | and | then collect from pay | at a monthly rate not to exceed that shown below or rule cited: |
| 1 | any person | willfully damaging or wrongfully taking property of that person | a board of investigation assessed damages and CO approves (10 U.S.C. 939) | involuntarily | amount approved by CO not to exceed disposable pay. |
| 2 | their spouse, former spouse, or child | court ordered child support or alimony | garnishment or attachment of pay is directed by court order | involuntarily as directed by CO, PPC or COMDT (CG-1331) | Figure 11-6, rule 1 |
| 3 | A non-appropriated fund activity | an indebtedness | the custodian of the non-appropriated fund instrumentality has tried all means of direct collection, and a request has been sent to the member's CO or CO, PPC for assistance in obtaining direct payment | involuntarily | available pay. |
| 4 | the Internal Revenue Service (IRS) | delinquent taxes or court ordered child support (see note) | IRS Notice of Levy is served | | amount cited in Notice of Levy |
| 5 | a military banking facility overseas | an uncollectible check endorsed by the member or a defaulted loan made to the member | the military banking facility overseas has complied with required procedures | | Figure 11-6, rule 2 |

Note.

1. Upon certification from the Department of Health and Human Services to the Department of the Treasury, an IRS Notice of Levy may be issued for delinquent child support.

FIGURE 11-4
MISCELLANEOUS INDEBTEDNESS TO THE UNITED STATES

| | | | |
|--|---|---|---|
| | A | B | C |
|--|---|---|---|

| R U L E | If | is indebted to the United States for | then collect from current pay involuntarily at the monthly rate not to exceed that shown below or rule cited: |
|------------------|-------------------------------------|--|---|
| 1 | any person | Enlistment or reenlistment bonus for period unserved | Figure 11-6, rule 2 |
| 2 | an officer or enlisted member | unpaid hospital bills of the member or a dependent | |
| 3 | | unpaid rent and utility bills on Government rental housing | |
| 4 | | excess cost of shipment of household goods | |
| 5 | | excess per diem or travel allowances (5 U.S.C. 5705) | |
| 6 | | jury duty fees (as distinguished from expenses) from any court, except while on authorized leave, and in receipt of active duty pay and allowances | amount received. |
| 7 | | amount due the United States by reason of a Federal Court Order | Figure 11-6, rule 2 |
| 8 | | a debt determined valid from a Federal agency other than a Uniformed Service | Figure 11-6, rule 3 |
| 9 | | cost of medical care determined due by the Settlement Authority under the Medical Care Recovery Act | Figure 11-6, rule 2 |

FIGURE 11-5
RATES OF COLLECTION

| R U L E | A | B | C | D | E |
|------------------|---|---|---|---|---|
| | If an officer or enlisted member is indebted for | and | then accomplish the liquidation by monthly installments that | if debt remains at time of separation, collect from final pay | if debt is not liquidated from final pay, establish collection from |
| 1 | court ordered child support or alimony | garnishment or attachment of pay is directed by court order | are directed by court order, not to exceed state or Federal law, whichever is the lesser | prorated through date of separation | retired pay or pay in new enlistment |
| 2 | an administratively determined indebtedness to a Uniformed Service of the United States or its instrumentalities (includes DOT) | | do not exceed maximum limitation specified in 11.B.4.a.(4) unless member consents in writing to collection of greater amounts. The member's CO may recommend collection of a lesser amount when justified. (financial hardship) | unpaid pay and allowances, separation payments, amounts deducted for United States Savings Bonds, including undelivered bonds; separation travel allowances for officers (for enlisted member, do not collect from separation travel allowance); reimbursement for transportation of household goods, dislocation and trailer allowance. If member is retiring collection may be from retired pay. (Note 1) | retired pay or pay in new enlistment |
| 3 | an administratively determined indebtedness to the United States excluding the Uniformed Services and their instrumentalities | | do not exceed 15 percent of disposable pay for that month, (refer to Section 11.B.4.b) | | |

Notes:

- For enlisted members, travel allowances remaining due after the completion of separation travel may be collected. (Comp Gen B-221133 of 15 Apr 1986)

FIGURE 11-6

PRIORITY OF DEDUCTIONS AND COLLECTIONS

| | | |
|------------------|--|--|
| R U L E | When the amounts due a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence: | |
| 1 | Reduction of pay entitlement | Losses of pay entitlement take precedence over all items for deduction or collection: a. Forfeiture. (Note 1) b. Reduction for education benefit under "Montgomery G.I. Bill" (note 1) |
| 2 | Reimbursement to United States | Amounts collected for deposit to the credit of the United States Treasury in the following order: a. FICA tax b. FITW (this includes any amounts voluntarily authorized by member in excess of the minimum withholding required. c. TRICARE-Premiums d. Deduction for All SGLI Premiums |
| 3 | State income tax withholding | |
| 4 | Involuntary repayment of indebtedness to United States | a. Routine pay adjustment as defined Section 11.A.2.j. b. Repayment of advances of pay/allowances or advances of travel. c. Other collections (overpayment of pay or allowances outside the scope of a routine pay adjustment). d. Repayment of public funds entrusted to an accountable member or funds obtained by any member through fraud, larceny, embezzlement, or other unlawful means. e. Clothing allowance charges. f. Transportation charges. g. Subsistence charges. h. Government property lost or damaged. i. Telephone or telegraph charges. j. Damage to assigned housing due to negligence or abuse. k. Indebtedness to a commissary, DoD contracted military banking facility overseas, or other appropriated fund activity for an un-collectable check or defaulted loan. l. Unpaid hospital bills for medical services furnished a dependent m. Compensation or stipend payments received by a medical officer from state, county, municipal, or privately owned hospitals for medical services. n. Jury duty fees received by a member. o. Amounts due other Uniformed Services, or departments or agencies outside the Department of Homeland Security, including court judgments. |
| 5 | Garnishment for alimony and child support payments | |
| 6 | Statutorily-required child and spousal support allotments | |
| 7 | Reimbursement to individuals and agencies | Remittances to an individual or agency by disbursing officer making deductions as follows: a. Deductions for rental of premises occupied by dependents. b. Deduction for payment for damages to private property. |
| 8 | Court-ordered bankruptcy payments under Chapter 13 of the revised Bankruptcy Act | In cases where the United States Bankruptcy Court has mandated that a sum be deducted monthly, the court order will be followed as prescribed in Section 11.B.7. The order of precedence in Figure 11-7 will apply unless otherwise specified in the court order in which case the court's order prevails |
| 9 | Indebtedness to a nonappropriated fund activity | |
| 10 | Amounts due Service Relief Society (Army Emergency Relief, Air Force Aid Society, Navy-Marine Corps Relief Society, or Coast Guard Mutual Assistance) only at final separation | |

Rules 11-17 and Notes continued on next page.

FIGURE 11-7
PRIORITY OF DEDUCTIONS AND COLLECTIONS (cont'd)

| | | |
|------------------|---|--|
| R U L E | When the amounts due a member are not enough to cover authorized deductions or collections, collect applicable amounts shown in the following sequence: | |
| 11 | Voluntary repayment of indebtedness to United States | In order specified by the military service member. Upon separation these become involuntary and fall under rule 5. |
| 12 | Involuntary allotment for commercial debts | See Note 2. |
| 13 | Thrift Savings Plan | Contribution Amounts in the following order: a. TSP loan repayments b. TSP contributions |
| 14 | Federal Long Term Care Insurance Program | Premium deductions. |
| 15 | Allotments | Payments made to an allottee by the United States or when a savings bond has been issued before the date amounts due a member are to be disbursed in the following order: a. Emergency support of dependent b. Government insurance (discretionary allotment) c. Repayment of individual indebtedness or for payment to an individual or financial organization for disposition as authorized by the allotter (discretionary allotment) d. Purchase of United States savings bonds e. Donation to charity drives f. Other discretionary allotments. (Note 2) |
| 16 | IRS levy for delinquent federal income taxes | See Section 8.F.1. |
| 17 | Court-martial fines | |

Notes:

1. Gross pay to which the military service member would otherwise be entitled must be reduced by the amount of the forfeiture. The forfeiture is subtracted to determine a new, reduced gross pay amount. Deductions based on gross pay will be computed on the reduced gross pay.
2. If the date of a tax levy is earlier than the effective date of a voluntary allotment or an involuntary allotment for commercial debts, the tax levy should be collected before either allotment.

FIGURE 11-7 (cont)

CHAPTER 12
RESERVE PAY AND ALLOWANCES
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CHAPTER 12. RESERVE PAY AND ALLOWANCES

A. Periods of Entitlement.

1. Active Duty Periods. Pay and allowances accrue to a reserve member for the authorized period of active duty plus allowable travel time.
 - a. Active Duty Period Extended. A member is not entitled to pay and allowances beyond the period specified in the active duty orders, unless:
 - (1) The member is unavoidably retained for a longer period.
 - (2) The member's orders are extended by competent authority prior to the original expiration of the active duty period.

Note: In such cases, the commanding officer must state the pertinent facts by endorsement on the member's orders.
 - (3) As used in this chapter, the term "active duty" includes all active duty, including: Active Duty for Training for Annual Training (ADT-AT); Initial Active duty for Training (IADT); Active Duty for Training – Other Training Duty (ADT-OTD); Active Duty for Operational Support in support of both the Active and Reserve Component (ADOS-AC and ADOS-RC); and Voluntary and Involuntary Active Duty (other than in support of a contingency operation).
 - (4) This chapter does not apply to members on Extended Active Duty (EAD), or when ordered to Active Duty for Training (ADT), or to Active Duty for Other Than Training (ADOT) for 181 days or more. It also does not apply to reserve members called or ordered to active duty in support of a contingency operation. In these cases, for pay and allowance purposes, members are treated as members of the regular Coast Guard.
 - b. Active Duty Period Reduced. Entitlement to pay and allowances accrue to the member through the date of detachment, plus allowable travel time.
 - c. Multiple Training Sites. When training is directed at more than one duty location under the same orders, the intermediate travel time does not extend entitlement to pay and allowances beyond the number of days authorized in the orders plus allowable travel time from the place to which the member was ordered to active duty and return.
2. Inactive Duty for Training (IDT) Periods. Each member of the Coast Guard Reserve, when properly authorized, is entitled to compensation for each IDT period performed. IDT compensation does not accrue to a member for any period the member performs active duty (with or without pay), or receives retired pay. Although based upon Basic

Pay, IDT compensation is not Basic Pay. IDT limitations are prescribed in Chapter 2 of the Reserve Policy Manual, COMDTINST M1001.28 (series).

3. Allowable Time for Travel Purposes. Allowable travel time is computed in accordance with Section 2.K.3 of this Manual.
4. Saved Pay. For computation of saved pay refer to Section 2.H of this Manual.

B. Compensation.

1. Member on Active Duty. Reserve members who perform active duty with pay are entitled to the same pay and allowances authorized for regular Coast Guard members on AD of corresponding grade and length of service, except as otherwise indicated in this chapter. A reserve member may, with his or her consent, be ordered to active duty without pay when authorized under Chapter 3 of the Reserve Policy Manual, COMDTINST M1001.28 (series).
 2. Member on IDT. Reserve members are entitled to compensation at the rate of one-thirtieth of the monthly basic pay (refer to chapter 2) for their grade and years of service for each regular IDT or appropriate duty periods. IDT periods may not be less than four hours each for pay purposes. No member may receive more than one-thirtieth of the monthly basic pay for any one training period. Reserve members are entitled to two day's compensation if they perform two IDT periods of at least four hours each on one calendar day. This form of IDT is known as multiple drills. Only one multiple drill may be performed per day. Reserve members, with their consent, may be authorized to perform IDT without pay. See Chapter 2, the Reserve Policy Manual, COMDTINST M1001.28 (series).
 3. Restriction on Combining Active Duty and Inactive Duty. A reserve member may not be paid inactive duty pay for any day that the member performs any type of active duty.
 4. Member Receiving Veterans' Benefits. A reserve member who is entitled to a pension, retired pay, or disability compensation for earlier military service, and performs training duty for which entitled to pay, may elect to receive either:
 - a. The pension, disability compensation, or retired pay or
 - b. If the reservist specifically waives those payments, the pay and allowances authorized for the duty the member is currently performing.
- (1) Department of Veterans Affairs (VA) Disability Compensation. A reservist entitled to VA disability compensation must waive the equivalent VA compensation for one day for each reserve active duty pay or each inactive duty period. (Thus, the performance of two inactive duty periods in one calendar day requires waiver of the equivalent VA compensation for two days.) These waiver requirements apply for all days in a calendar month. See Chapter 6, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

- (2) Coast Guard Retired Pay. A reservist who is entitled to retired pay must waive the equivalent of retired pay for one day for each reserve active duty day or inactive duty performance day. (Thus, the performance of two inactive duty periods in one calendar day requires waiver of the equivalent retired pay.) These waiver requirements apply for all days in a calendar month. See Chapter 6, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

C. Aviation Incentive Pay (AvIP) and Hazardous Duty Pay (HAZPAY) for Flying Duty.

1. Effective 1 Oct 1991, the reserve aviation program was discontinued.
2. Per Aviation Incentive Pay (AvIP) and Bonus (AvB) Program, COMDTINST 7220.20 (series), reserve officers not on the Active Duty Promotion List (ADPL) are not eligible for AvIP. Per Section 9.B. of this Manual, reservists not entitled to Basic Pay are not eligible for HAZPAY for flight duty.

CI. Special Pay. Reserve members may be eligible for the Special Pays listed below.

1. Hardship Duty Pay-Location. See Chapter 4 of this Manual.
2. Career Sea Pay. See Chapter 4 of this Manual.
3. Hostile Fire or Imminent Danger Pay. See Chapter 4 of this Manual.
4. Board Certified Pay for Physician Assistants. See Chapter 4 of this Manual.
5. Designated Unit Pay.
6. Foreign Language Proficiency Pay. See Chapter 4 of this Manual.
7. Critically Short Health Specialist Pay.
8. Reserve Income Replacement Pay.
9. SELRES Enlistment, Reenlistment and Affiliation Bonuses. See Military Bonus Programs Manual, COMDTINST M7220.2 (series), Chapter 4.
10. Hazardous Duty Pay (HAZPAY) – Visit, Board, Search & Seizure. See Chapter 5 of this Manual.
11. Special Duty Pay (SDP). An enlisted reservist serving on active duty or IDT is eligible for SDP, on a pro-rated basis, if the reservist meets the qualifications prescribed in the Instruction for Special Duty Pay (SDP), COMDTINST 1430.1 (series) and the applicable annual ALCOAST.

E. Basic Allowance for Subsistence.

1. Basic Allowance for Subsistence (BAS) for Active Duty With Pay. Reserve members performing active duty and entitled to Basic Pay under 37 U.S.C. 204 are entitled to BAS as prescribed in Chapter 3, Sections A and B of this Manual.
2. Inactive Duty Training (IDT) Subsistence Policy.
 - a. Enlisted Reserve members may receive rations-in-kind (RIK), part thereof, or a cash allowance in lieu of a Government provided meal when the enlisted member's paid IDT drill totals at least eight hours in a calendar day. The enlisted reserve member, regardless of their duty status, with or without pay, must pay for all Government provided meals they consume.
 - b. Reserve members are not authorized an IDT subsistence allowance for periods of travel to and from their drill site or whenever entitled to a meal per diem allowance in an IDT travel status.
 - c. Officers are not authorized an IDT subsistence allowance.
 - d. Reserve members who perform a single IDT drill are not authorized a Government provided meal or a subsistence allowance.
 - e. Meal eligibility for a reserve member who performs a paid multiple IDT drill is as follows:
 - (1) Reserve member is not authorized lodging:
 - (a) Reserve member arriving same day, not staying overnight: Authorized lunch, or
 - (b) Reserve member works past 1800: Authorized Lunch and Supper.
 - (2) Reserve member is authorized lodging:
 - (a) Reserve member arriving the evening before for one paid multiple IDT drill the next day: Authorized Breakfast and Lunch, or
 - (b) Reserve member arriving on day of first drill for two paid multiple IDT drills and staying overnight between drills: First day authorized lunch and supper, and second day authorized breakfast and lunch.
 - (c) Reserve member arriving night before for two paid multiple IDT drills: First day authorized all three meals, and second day authorized breakfast and lunch.

3. BAS for Active Duty Without Pay and Allowances. Payment of BAS is not authorized.
4. Family Subsistence Supplemental Allowance (FSSA). See Section 3.M. of this Manual.

F. Basic Allowance for Housing (BAH). See Section 3.G.9. of this Manual.

G. Family Separation Allowance (FSA).

1. Active Duty for periods of more than 30 days. Reserve members ordered to active duty for periods of more than 30 days are entitled to FSA at the rates payable and conditions of entitlement contained in Chapter 3, Section 3.H, except as otherwise provided for in this Section.
2. Active Duty Without Pay. Reserve members are not entitled to FSA when in a non-pay status.
3. Dependents Accompany Member. A reserve member is not authorized FSA-R or FSA-T when all of their dependents accompany the member to the duty station.
4. FSA-R Allowance. A qualified member is entitled to FSA-R from the first day of allowable travel time through the date preceding the day the member reverts to inactive status. However, no entitlement exists until a continuous period of more than 30 days has elapsed.

H. Uniform and Clothing Allowances.

1. Officers. The regulations contained in Section 3.I apply to all officers in the Reserve program.
2. Enlisted Members.
 - a. Members on Active Duty. Enlisted reservists on active duty for 180 days or less are not entitled to a clothing monetary allowance (CMA). Enlisted reservists on active duty for 180 days or more are entitled to CMA as prescribed in Figures 3-28 and 3-29 of this Manual.

Members on IDT. Enlisted reservists in training pay categories “A” or “B” are entitled to a Reserve Basic or Standard Clothing Maintenance Allowance (RBMA or RSMA)) on a per IDT basis. The rules for payment are in Figure 3-29. The current rates are at PPC web site: <http://www.dcms.uscg.mil/ppc/mas/cma/>. The maximum number of drills per year is 48 for which a SELRES member may be paid a RBMA and RSMA.

- b. Enlisted Supplementary Clothing Maintenance Allowance. See 3.J.6 of this Manual.

- I. Station Allowances Outside the United States. Reservists who perform active duty are entitled to station allowances as prescribed in the Joint Travel Regulations.
- J. Special Leave Accrual (SLA) and Lump Sum Leave (LSL) Payment for Unused Accrued Leave.
 - 1. SLA. Reservists being released from active duty are authorized to retain their accrued annual leave following separation from active duty, not to exceed authorized carryover limitations. Reservists may later use the accrued annual leave balance when on active duty for periods of 30 days or greater, subject to Commanding Officer approval.
 - 2. LSL. Reservists on active duty with pay for periods of 30 or more consecutive days, including travel time may request payment of LSL upon completion of the orders. This period may be covered by a series of orders requiring continuous service for a period of 30 days or more. Upon release from active duty, discharge, or transfer to RET-2 status, reservists with accrued annual leave may sell any remaining balance, not to exceed the 60 day career leave sell-back limit. Previous sale of unused annual leave that was subject to the career leave sell-back cap reduces the amount of leave that may be sold. An exemption to this rule is leave sold by reservists that was accrued while supporting a contingency operation or who serves on active duty, or active duty for training, for a period of more than 30 days but not in excess of 365 days. Leave in these situations are exempt from the 60 day limitation throughout the remainder of that individual's career. Refer to Section 10.A.1.a. for exceptions.

Note: Reservists on active duty without pay, or who elected to receive a pension, disability compensation, or retired pay in lieu of active duty pay, and members who have sold 60 days leave since on and after 10 February 1976, are not entitled.
- 3. Computation and Rates Payable. See Section 10.A.6.
- K. Federal Income Tax Withholding. The types of military pay subject to federal tax withholding, listed in Section 8.A, apply equally to pay earned by reserve members while performing active duty, or IDT.
- L. State and Local Tax Withholding. The types of military pay subject to state tax withholding, listed in Section 8.B, apply equally to pay earned by reserve members while performing active duty or IDT.
- M. Federal Insurance Contributions Act (FICA) Tax. Only Basic Pay earned by a reserve member while on active duty or IDT is subject to FICA tax withholding. See Section 8.C.
- N. Servicemembers' Group Life Insurance (SGLI) and Full-Time Coverage.
 - 1. Authority. The authority for SGLI is contained in 38 U.S.C. 19.
 - 2. Entitlement. Automatic full-time coverage in the maximum amount of \$400,000 is

provided for; reservists on active duty or IDT. Members of the selected reserve who are assigned to a unit or position in which the reservist may be required to perform active duty or active duty for training, and each year will be scheduled to perform at least twelve periods of inactive duty training that is creditable for retirement purposes are also covered. Refer to Section 6.A for premium rates and conditions of entitlement.

3. Termination of SGLI. Reservists eligible for full-time coverage have SGLI premiums deducted from their active duty or IDT pay. If the reservist does not earn active duty or IDT pay, the reservist must remit the appropriate SGLI premium to the Pay and Personnel Center. Reservists whose SGLI premiums become 60 days delinquent must have their SGLI coverage terminated.

O. Funeral Honors Duty Allowance.

1. Authority. The authority for funeral honors duty allowance is 37 U.S.C. 435.
2. Entitlement. A daily allowance of \$50 may be paid a member of the Ready Reserve who performs at least two hours of funeral honors duty. A member who performs this duty may be reimbursed for travel and transportation expenses if performed 50 miles or more from the member's residence.
3. Taxes. Funeral honors duty allowance is taxable for federal and state income tax purposes.
4. Combination of Funeral Honors Duty with Other Duty. IDT may be scheduled on the same day as funeral duty, but must be completed prior to or commenced after the funeral duty is performed.

P. TRICARE Dental Program (TDP) Eligibility. See Section 6.C of this Manual and Chapter 5 of the Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

Q. Disability Pay Under a Notice of Eligibility (NOE).

1. Authority. The authority for disability pay is contained in 37 U.S.C. 204(g) and Chapter 8, Reserve Policy Manual, COMDTINST M1001.28(series).
2. Entitlement. Reserve members disabled in the line of duty from injury, illness, or disease may be entitled to disability pay, provided such injury, illness, or disease is not determined to be caused by the members own misconduct.
 - a. Rates of Pay. Active duty or IDT, refer to Figure 12-1.
 - b. Limitations of Pay:
 - (1) All pay and allowances paid must be in an amount which off-sets the loss of income from nonmilitary compensation.
 - (2) Pay and allowances may not be paid to a member who is enrolled in any other income protection insurance plan to the extent that such payment would result

in total benefits to the member of more than the demonstrated loss of income from nonmilitary compensation.

- (3) The total pay and allowances paid may not exceed the amount of pay and allowances a Regular member of corresponding grade and length of service would have received.
 - (4) Pay and allowances will not be paid for a period greater than six months unless authorized by Commandant (CG-131).
 - (5) In computing the amount of disability pay, all special pays and allowances to which a reservist was entitled must be included.
3. Leave. Regular leave does not accrue to a member who is disabled and receives pay and allowances beyond the termination date of orders that called the member to active duty.
 4. Termination of Pay and Allowances. A disabled member's pay and allowances terminate upon;
 - a. Discharge from the Coast Guard Reserve,
 - b. Determination by service medical personnel that the member has recovered sufficiently to perform normal military duties, or when actually restored to normal military duties, whichever occurs first. A reservist must submit to timely medical examination(s) necessary for preparation of required medical certificate(s) in order to extend entitlement to pay and allowances beyond the ordered duty or training period. This provision does not apply to Figure 12-1, rules 2, 5, and 8, since the member's entitlements therein are based upon lost civilian income. Civilian earned income does not include retirement income, or,
 - c. Retirement.
- R. Allotments. Reserve members on active duty for 140 or more days are authorized to have allotments.
- S. Deductions. Reserve members may have the deductions listed below taken from their pay.
1. Thrift Savings Plan (TSP). TSP is authorized for any time the member receives compensation. See Chapter 6 of this Manual.
 2. Federal Long Term Care Insurance. See Chapter 6 of this Manual.
 3. Garnishment. See Chapter 11 of this Manual.
 4. Tax Levy. See Chapter 8 of this Manual.
- T. Non-Judicial Punishment. The provisions of Section 6.E of this Manual apply to reserve

members, with the following exception. The maximum forfeiture to which a reservist is subject, while in an inactive duty status, is limited to one-half of the inactive duty training compensation to which entitled during the period of the sentence; this provision applies also to a reservist who is on active duty when the nonjudicial punishment is imposed, and reverts to an inactive duty status during the period of the sentence.

DISABILITY ENTITLEMENTS FOR RESERVE COMPONENT MEMBERS

| R | A | B | C | D |
|-------------|---|--|--|---|
| U L E | If a member is physically disabled in the line of duty while | and the member is found | then the member is entitled to | and |
| 1 | serving on ordered active duty, or while traveling directly to or from such active duty (Notes 1 & 10) | not fit for military duty | active duty pay and allowances for the period of the orders, plus authorized travel time. If the disability continues beyond this period, or if there is subsequent recurrence of this disability, entitlement exists to pay and allowances, less the full amount of all civilian earned income received for the ability period, for not more than a total of six months. (Notes 2, 4, 6, 7, & 11) | medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. (Note 8) |
| 2 | | fit for military duty but can show lost civilian income | active duty pay and allowances for the period of the orders, plus authorized travel time. Thereafter, the member is entitled, upon request, to a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of six months. (Notes 2, 3, 5, 6, & 7) | |
| 3 | | fit for military duty and can't show lost civilian income. | active duty pay and allowances for the period of the orders, plus authorized travel time. | |
| 4 | performing inactive duty training or while, on the day of training, traveling directly to or from such training (Notes 1 & 9) | not fit for military duty | inactive duty training compensation for the day (both periods if two had been scheduled). If the disability continues beyond this period, or if there is a subsequent recurrence of this disability, entitlement exists to pay and allowances, less the full amount of all civilian earned income received for the disability period, for not more than a total of six months. (Notes 2, 4, 6, 7, & 11) | |

Rules 5-12 continued on next page.

FIGURE 12-1

DISABILITY ENTITLEMENTS FOR RESERVE COMPONENT MEMBERS

| R | A | B | C | D |
|-------------|---|--|---|---|
| U L E | If a member is physically disabled in the line of duty while | and the member is found | then the member is entitled to | and |
| 5 | | fit for military duty but can show lost civilian income | inactive duty training compensation for the day (both periods if two had been scheduled). Thereafter, the member is entitled, upon request, to a portion of pay and allowance in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of six months. (Notes 2, 3, 5, 6, & 7) | medical and dental care appropriate for the disability until it cannot be materially improved by further hospitalization or treatment. The member is entitled to travel and transportation, or a monetary allowance, for travel incident to medical and dental care. (Note 8) |
| 6 | performing inactive duty training or while, on the day of training, traveling directly to or from such training (Notes 1 & 9) | fit for military duty and can't show lost civilian income | inactive duty training compensation for the day (both periods if two had been scheduled) | |
| 7 | traveling directly to or from inactive duty training on a day(s) other than the training day. (Notes 1 & 9) | not fit for military duty | beginning on the day of disability, pay and allowances, less the full amount of all civilian earned income received for the disability period, for not more than a total of six months. (Notes 2, 4, 6, 7, & 11) | |
| 8 | | fit for military duty but can show lost civilian income | beginning on the day of disability, and upon request a portion of pay and allowance in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of six months. (Notes 2, 3, 5, 6 & 7) | |
| 9 | | fit for military duty and can't show lost civilian income | | |
| 10 | remaining overnight immediately before the start of inactive duty training, or while remaining overnight between successive | not fit for military duty | beginning on the day of disability pay and allowance less the full amount of all civilian earned income received for the disability period, for not more than a total of six months (Notes 2, 4, 6, 7, & 11) | |
| 11 | periods of inactive duty training, if the site is outside reasonable commuting distance from his/her residence | fit for military duty but can show lost civilian income | beginning on the day of disability, and upon request, a portion of pay and allowances in an amount equal to lost civilian earned income or full pay and allowances, whichever is less, for not more than a total of six months. (Notes 2, 3, 5, 6, & 7) | |
| 12 | | fit for military duty and cannot show lost civilian income | | |

FIGURE 12-1 (cont'd)

DISABILITY ENTITLEMENTS FOR RESERVE COMPONENT MEMBERS

Figure 12-1 Notes:

1. A member is considered to be traveling to the duty or training site upon departing residence with the intention of going directly to such duty or training site. A member is considered to be traveling from the duty or training site upon direct return to residence after completion of duty or training.
2. Failure of the member to provide current and sufficient information as established by administrative regulations of the Coast Guard may result in discontinuance of pay and allowances.
3. Lost civilian earned income is the difference between the member's normal wages or salary or other earnings (including self-employment earnings) that would have been payable for the disability period had the member been fully engaged in civilian employment, less any payments the member received. Civilian earned income does not include retirement income. The member must report all income from an income protection plan, vacation pay or sick leave that is received during the disability period. If the sum of all these equals or exceeds the member's usual and customary earned income, no pay and allowances payments will be made. Any payments to the member will first be paid as the basic pay element and then, if necessary, as allowances (BAH and BAS).
4. A member is entitled to compensation (but not point credit) at the rate of 1/30 of monthly basic pay for each scheduled inactive duty training period he or she is unable to attend because of disability. However, there is no entitlement, if while traveling to or from the training or duty site, the member was disabled because of his or her gross negligence or misconduct. This entitlement will be factored into the pay and allowance payable so that total payments to the member for the disability period do not exceed the pay and allowances of a member of the Regular Component.
5. Any military duty which the member performs will be factored into the pay and allowances payable in note 3 so that the total payments to the member do not exceed the pay and allowances of a member of the Regular Component.
6. Commandant (CG-131) may extend the period of entitlement beyond six months in the interests of fairness and equity.
7. There is no entitlement to pay and allowances beyond the training or duty period of the disability resulted from the member's gross negligence or misconduct.
8. There is no entitlement to medical or dental care if the member is disabled because of gross negligence or misconduct and the disability occurred while traveling to or from the training or duty site.
9. Does not include work or study in connection with a Coast Guard or DOD correspondence course, or attendance in an inactive status at an education institution under the sponsorship of the Coast Guard, DOD, or the Public Health Service.
10. A member who is called to active duty to undergo a physical examination, not incident to a call to active duty for more than 30 days, becomes entitled to the provisions of rules 1, 2, or 3 as applicable, on the day the disability is incurred.
11. Earned income is the total amount of pay a member received from civilian employment or self-employment. It includes monies received from an income protection plan, vacation plan, or sick leave.

FIGURE 12-1 (cont'd)

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CHAPTER 13

PAYMENTS TO MEMBERS OF OTHER UNIFORMED SERVICES

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CHAPTER 13. PAYMENTS TO MEMBERS OF OTHER UNIFORMED SERVICES

- A. Casual Payments to Members of the Other Uniformed Services. Members of other uniformed services may be paid by the Coast Guard when other disbursing facilities are not available. Prior to payment, the SPO must contact PPC to obtain a cash control number. A transient is a member of any of the uniformed services who is between duty stations in an authorized leave or travel status. Procedures for how to make payments and record them are contained in Chapter 6, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).
- B. Emergency Payments to Dependents in Event of Evacuation.
1. When to Make Payments. Emergency payments may be made to dependents of members of the other uniformed services when other disbursing facilities are not available.
 2. Payment Procedure. Dependents ordered to evacuate an area may obtain emergency payments by presenting an original Authorization or Designation for Emergency Pay and Allowances (DD-1337), and proper identification to a servicing SPO. Procedures for how to make payment and record them are contained in Chapter 6, Personnel and Pay Procedures Manual, PPCINST M1000.2 (series).

CHAPTER 14
OUT-OF-SERVICE DEBT COLLECTION

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CHAPTER 14. OUT-OF-SERVICE DEBT COLLECTION

- A. Authority. The Secretary of Homeland Security has delegated the authority to carry out the debt collection functions for the Coast Guard to the Commandant. The Commandant has re-delegated the authority and responsibility for collecting out-of-service debts of former members resulting from the overpayment of pay and allowances to Commandant (CG-133).
- B. Definitions. The following definitions apply to out-of-service debt collection:
1. Administrative Charge. An assessment to cover administrative costs incurred as a result of a delinquent debt. Calculations are based upon actual costs incurred or upon cost analyses establishing an average of actual added expenses.
 2. Administrative Offset. The withholding of money under 31 U.S.C. 3716 payable to or held by the Government, for a person to satisfy a debt the person owes the Government.
 3. Compromise. The settlement of a debt by mutual agreement for an amount less than the full amount of indebtedness.
 4. Consumer Reporting Agency. Any person who, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer credit information on consumers for the purpose of furnishing consumer reports to third parties, and which uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports.
 5. Debt. An overpayment, erroneous payment, or claim due the United States which resulted from active service or retired/annuity pay.
 6. Debt Collection Agency. A person or organization with whom the Coast Guard has contracted for collection services to recover indebtedness owed to the United States.
 7. Delinquent Debt. A debt which has not been paid by the date in the initial written correspondence unless other satisfactory payment arrangements have been made by that date, or if the debtor fails to satisfy obligations under a payment agreement.
 8. Interest. The additional monies charged an account that is not paid in full by the initial demand date. The rate of interest assessed will be the rate of the current value of funds to the U. S. Treasury as published in the Federal Register by the Secretary of the Treasury.
 9. Out-of-Service Debtor. A person who is indebted to the Coast Guard and who is not entitled to receive monies from a Uniformed Service pay and allowance system.
 10. Pay and Allowance System. The Coast Guard's automated Global Pay System (Direct Access) and automated retired/annuity pay system. This includes accounts for active, Reserve, and retired members; and Survivor Benefit Plan (SBP) and Minimum Income

Widow (MIW) annuitants.

11. Penalty. A charge at the rate of six percent per year on any portion of a debt that is delinquent for more than 90 days. This charge is not calculated until the 91st day, but will accrue from the date the debt became delinquent.
12. Salary Off-set. An administrative offset to collect a debt under 5 U.S.C. 5514, that is due the Government, by deduction(s) from the current pay account of a member or employee without the person's consent.
13. Settlement Authority. A person authorized to settle a claim.
14. Suspension. The delaying of collection action for a given period of time.
15. Termination. The removal of indebtedness from accounts receivable and termination of collection action. This action does not preclude the reestablishment of the receivable, if the situation changes, or acceptance of a future payment.

C. Settlement Authority.

1. Under the policy guidance of Commandant (CG-133), the Commanding Officer, PPC must establish standard procedures for out-of-service debt collection. These procedures must conform to the guidelines of the above cited authorities and this Manual. In addition, further guidance is contained in the Accounting Manual, COMDTINST M7300.4 (series), and the Claims and Litigation Manual, COMDTINST M5890.9 (series).
2. The Commanding Officer, PPC is designated as the settlement authority for out-of-service debts resulting from Coast Guard pay and allowance system. This authority may not be redelegated. CO, PPC may compromise, suspend, or terminate collection action on any debt that does not exceed \$10,000, exclusive of interest, penalties, and administrative costs.
3. Exceptions. Section 14.C.2 does not apply to any debt involving:
 - a. An indication of fraud, the presentation of a false claim, or misrepresentation or error on the part of a debtor or any other party having an interest in the claim, or
 - b. Exceptions to repayment of unearned bonus or unearned educational benefits under the authority of 37 U.S.C. 373.
 - c. A debt that arose out of an exception made by the Government Accountability Office (GAO) in the account of an accountable officer.

D. Responsibilities.

1. Commandant (CG-133) must authorize compromises for out-of-service debt collections consistent with CFR § 901.10 and DHS Financial Management policy.
2. Commandant (CG-133) ensures that out-of-service debt collection activities comply with applicable law, Federal regulations, and DHS policy.
3. Commanding Officer, Pay and Personnel Center (PPC), Per 31 CFR § 901.1 – § 901.12, must:
 - a. Establish, verify, and document all out-of-service debts.
 - b. Notify and aggressively pursue collection action on a timely basis, with effective follow-up.
 - c. Determine when a debt can be collected by administrative or salary off-set. When administrative offset can be used, due process as outlined in 5 CFR § 550 must be given. To effect a salary offset from another Federal agency, the due process required by 5 CFR Chapter I, Subchapter B, Part 179 must be assured.
 - d. Authorize collection by installments. Normally, the payments should be sufficient to liquidate the debt within three years and at least \$50 per month.
 - e. Assess appropriate interest, penalties, and administrative charges on all debts in compliance with 31 CFR § 901.9, and the Accounting Manual, COMDTINST M7300.4 (series). Interest and charges for administrative costs may be waived if a debt is paid within 30 days after the date on which interest began to accrue. If in the best interests of the Government, interest and administrative charges waivers beyond the aforementioned 30 days may be granted on a case-by-case basis upon approval by Commandant (CG-133).
 - f. Maintain data and do periodic comparison of costs incurred in the out-of-service debt collection process and corresponding recovery rate. These costs must be used to compare the cost effectiveness of alternative collection techniques, establish guidelines with respect to points at which further collection efforts are likely to exceed recoveries, and assist in evaluating offers of compromise. When these costs exceed the established minimum debt amount below which collection efforts need not be taken, and it is considered in the best interests of the Coast Guard to change the threshold, forward a recommendation for change with complete justification to Commandant (CG-133).
 - g. Comply with the Debt Collection Improvement Act of 1996. Refer past-due debts that are 180 days delinquent to the Department of Treasury for administrative off-set under the Treasury Off-set Program

- h. Collect and maintain data and records involving compromise, suspension, or termination of out-of-service debts. Data and records must be available for review or inspection by the General Accounting Office (GAO) or the DHS Inspector General. Provide upon request by Commandant (CG-133) such information as may be needed to comply with the reporting requirements of other Federal agencies.
- E. Suspension of Collection Action. Commanding Officer, PPC may suspend collection action and/or waive the assessment of interest, penalty, and administrative charges pending a decision on a waiver, remission, or compromise request. Appropriate consideration will be given on a case-by-case basis as to whether:
 - 1. There is a reasonable possibility that the waiver, remission, or compromise will be granted.
 - 2. The debt (in whole or in part) will be found not owing from the debtor.
 - 3. Collection of the debt or assessment of interest would cause undue hardship on the debtor.
- F. Use of Outside Agencies. Aggressive action must be taken to locate debtors by any legal means available. This includes a search of the debtor's credit report.

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CHAPTER 15

CADET PAY AND ALLOWANCES

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CHAPTER 15. CADET PAY AND ALLOWANCES

A. General.

1. This chapter establishes policy pertaining to the pay and allowances for cadets at the U. S. Coast Guard Academy.
2. Cadet Pay is administered through the Coast Guard's Direct Access systems as described in Chapter 1, procedures contained in the Coast Guard Pay & Personnel Procedures Manual (PPCINST M1000.2(series)), and regulations established by the Superintendent of the U.S. Coast Guard Academy.
3. Authoritative Guidance. The bibliography at the end of this chapter lists the authoritative references.

B. Entitlements.

1. Monthly Pay. Cadets are entitled to Cadet Pay at the monthly rate of 35 percent of the Basic Pay of a commissioned officer in the pay grade O-1 with less than 2 years of service.
2. Subsistence. Cadets are entitled to a ration or commuted value of ration in money for each day the member is on active duty and not furnished subsistence-in-kind or entitled to a meal per diem. Commuted rations accrue for periods of authorized leave of one or more days but not for a fractional part of a day. The value of a daily commuted ration for a cadet is equal to the daily rate for an enlisted member's Basic Allowance for Subsistence (BAS) as established by the Office of the Under Secretary of Defense (Comptroller) and prescribed in Table 38-1 of DoD Financial Management Regulations, Vol. 7A.
3. Lump Sum Leave (LSL) Payment. Cadets are not entitled to compensation for unused leave. An enlisted member of the Uniformed Services who accepts an appointment as a cadet is entitled to LSL payment for unused accrued leave as of the day preceding the date of acceptance of appointment as a cadet.
4. Incentive and Special Pays. Cadets are not entitled to the special or incentive pays authorized in Chapter 5 of 37 U.S.C.
5. Pay and Allowance Start and Stop Dates. See Figure 15-1.
6. Continuance of Pay and Allowances. Pay and allowances continue to accrue to cadets while they are absent in an official missing or missing-in-action status. Cadets are also entitled to full pay while traveling under orders.
7. Death Benefits. Death gratuity entitlement and settlement of unpaid pay and allowances instructions are contained in Chapter 10.

C. Other Students.

1. Coast Guard Academy Scholars Program.
 - a. See Subsection 2.E.1. of this Manual for pay and allowance policy concerning Coast Guard enlisted students at the U.S. Naval Academy Preparatory School (NAPS) or other U.S. Service Academy preparatory schools.
 - b. Coast Guard Academy Scholars Program enlisted students attending schools other than NAPS or other U.S. Service Academy preparatory schools are entitled to the Basic Pay and other active duty allowances accruing to their respective pay grades for personnel performing duty under instruction (DUINS) at the academic institution where assigned.
2. Persons from a foreign nation who are receiving instruction at the Coast Guard Academy are entitled to the same pay, commuted rations, and travel and transportation allowances as are authorized for U.S. Coast Guard Academy cadets.

D. Deductions from Monthly Cadet Pay.

1. Allotments. Cadets may register allotments of pay according to Chapter 7 of this Manual, the Pay & Personnel Procedures Manual (PPCINST M1000.2 (series)), and regulations established by the Superintendent.
2. Collections of Indebtedness. For general policies and requirements relating to the collection of indebtedness (other than unliquidated advanced uniform and equipment allowance described in Subsection 15.E. below), see Chapters 11 and 14 of this Manual. Private indebtedness for services (e.g., laundry, dry cleaning, shoe repair) is not an indebtedness collectible under Chapters 11 and 14.
3. Servicemembers' Group Life Insurance (SGLI). Cadets are eligible for SGLI coverage while on active duty. See Section 6.A. Details covering the administration of the SGLI program for cadets or midshipmen are contained in the Pay & Personnel Procedures Manual (PPCINST M1000.2 (series)), and regulations established by the Superintendent.
4. Taxes. Cadet Pay is subject to federal and state withholding tax. See Chapter 8 of this Manual.

E. Advance Pay for Clothing and Equipment Purchases.

1. General.
 - a. The Superintendent must prescribe the amount to be advanced each new cadet to cover the cost of initial clothing and equipment.
 - b. The amount advanced is deducted in regular installments from the cadet's monthly pay until fully collected.

2. Discharge.

- a. Any cadet who is discharged (whether voluntarily or involuntarily) before graduation and before the total amount has been repaid, must turn in as much of the clothing and equipment of a distinctive military nature as is necessary to liquidate the balance owed.
- b. When a cadet is discharged and the value of the turned-in clothing and equipment does not cover the balance owed, then the value of the turned-in clothing and equipment is applied to the balance owed and the remainder of the advance owed is cancelled, regardless of reason for discharge.

F. Travel and Transportation Allowances. The travel and transportation allowances payable to cadets are prescribed in the Joint Travel Regulations (JTR), Chapter 3, Section 0324.

G. Bibliography.

1. Section 15.B.1. – 37 U.S.C. 203(c)
2. Section 15.B.2. – 37 U.S.C. 422
43 Comp Gen 94
3. Section 15.B.3. – 37 U.S.C. 504
4. Section 15.B.4. – 30 Comp Gen 31
47 Comp Gen 781
5. Section 15.B.7. – 26 Comp Gen 373
6. Section 15.C.1. – 37 U.S.C. § 203(e)(1)
37 U.S.C. § 203(e)(2)
7. Section 15.C.2. – 14 U.S.C. 1923
8. Section 15.D.3. – 38 U.S.C. 1965 & 1967
9. Section 15.E2. – 14 U.S.C. 1927
10. Fig. 15-1 – 37 U.S.C. § 204(a)

Dates to Start and Stop Cadet Pay and Allowances

| R U L E | A | B |
|------------------|---|--|
| | When a cadet | then pay and allowances |
| 1 | has been admitted officially to the Coast Guard Academy | start on the day of admission (note 1). |
| 2 | has been discharged and later reappointed to the Coast Guard Academy | are stopped on date of discharge, and start again on day of reappointment (note 1). |
| 3 | has been dismissed by sentence of court-martial | stop on the date of termination of service as specified in orders directing dismissal. |
| 4 | has been dismissed from the Academy by other than court-martial action, before graduating | stop on date of dismissal. |
| 5 | dies before graduation | stop on the date of death. |
| 6 | is commissioned in the Regular Coast Guard | stop on the day before the date of formal acceptance of appointment. |
| 7 | is placed voluntarily in a leave without pay status | stop on the day before the member enters a leave without pay status. If the member is readmitted to the Academy, then the pay and allowances start again, on the day of readmission. |

Notes:

1. An Oath of Allegiance must be taken before first payment.

Figure 15-1

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CHAPTER 16

RETIRED PAY

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CHAPTER 16. RETIRED PAY

A. Nondisability.1. Authority.

a. Commissioned officers.

- (1) 30-year retirement - 14 U.S.C. 2153.
- (2) 20-year retirement - 14 U.S.C. 2152 (Note. Must have at least 10 years of active commissioned service).
- (3) Compulsory retirement at Age 62 - 14 U.S.C. 2154 (Except warrant officers).
- (4) Regular captains - 14 U.S.C. 2149.

b. Warrant officers.

- (1) 30-year retirement - 10 U.S.C. 1305.
- (2) 20-year retirement - 10 U.S.C. 1293.
- (3) Compulsory retirement at Age 62 - 10 U.S.C. 1263.

c. Enlisted personnel.

- (1) 30 year retirement - 14 U.S.C. 2305.
- (2) 20 year retirement - 14 U.S.C. 2306.
- (3) Compulsory retirement at age 62 - 14 U.S.C. 2304.

d. Temporary Early Retirement Authority (TERA) - Section 4403, Public Law 102-484 of 23 Oct 1992 as amended by Section 542(d), Public Law 103-337 of 5 Oct 1994, authorized the Secretary of Transportation to reduce the 20 years creditable service requirement for retirement to 15 years during the period from 30 Sep 1994 through 30 Sep 1999.

e. Except as provided elsewhere, the policy and procedures contained in the Department of Defense Financial Management Regulation (FMR), Vol. 7B (Retired Pay)” apply to Coast Guard retired members. This Manual can be found at web site:

https://comptroller.defense.gov/Portals/45/documents/fmr/Volume_07b.pdf

2. Retired Pay Multiplier.

- a. Prior to 1 August 1986. An officer, warrant officer, or enlisted person who first became a member of a Uniformed Service on or before 31 Jul 1986, is entitled to:

- (1) two and one-half percent for each full year of active service, and
- (2) one-twelfth of two and one-half percent for each full month of service less than a full year of service.

Example. A member with 22 years, 7 months, and 23 days would have a multiplier of 56.45 percent. The 23 days are dropped since this is not a full month.

- b. On or after 1 August 1986. An officer, warrant officer, or enlisted person who first became a member of a Uniformed Service on or after 1 Aug 1986 is given a choice of retirement plans upon reaching 15 years of active service. There are two options:

- (1) Retire under the retirement program in effect prior to 1 Aug 1986 (as detailed in section 16.A.2.a.); or
- (2) Receive a \$30,000 Career Status Bonus (CSB – see section 5.E of this Manual) at the 15 year service point and receive a lower percentage if the member retires with less than 30 years of active service. If the member makes this election, the member is entitled to:
 - (a) two and one-half percent for each full year of active service, plus
 - (b) one-twelfth of two and one-half percent for each full month of service less than a full year of service, reduced by
 - (c) one percent for each full year that the member's years of service are less than thirty years, and one-twelfth of one percent for each full month the member's years of creditable service are less than a full year.

Example. A member with 22 years, 7 months, and 23 days would receive Retired pay based on a multiplier of 49.04 percent. The 23 days are dropped since this is not a full month.

- (d) Upon such member reaching age 62, the member's retired pay multiplier will be adjusted on a one-time basis to what it would have been under paragraph 16.A.2.a. For example, a 20-year retiree's multiplier would be adjusted from 40 percent to 50 percent of the member's original average Basic pay.

Note. Members who elect a \$30,000 career retention bonus must agree to complete at least twenty years of continuous active duty. If not completed the member must repay the unearned portion of the bonus.

- c. Creditable Service For Multiplier Purposes. All forms of active duty are creditable for the retired pay multiplier. All Reserve Inactive Duty Training (IDT) points are equivalent to a day of active duty and are creditable at the rate of one point per day of active duty for multiplier calculation purposes. Points at the rate of 15 per year for membership in a Reserve Component of the Armed Forces are creditable for the retired pay multiplier. Also, Points credited for the year under Title 10 USC 2126(b) for Correspondence Courses and EBDL are creditable for the retired pay multiplier. IDT points may not be used to achieve twenty years active duty. See DoD Financial Management Regulation (FMR), Vol. 7B (Retired Pay), Chapter 1, Section 0103, for detailed regulations concerning creditability of IDT points for Retired Pay multiplier purposes.
 - d. Multipliers. To determine a retiree's multiplier refer to the web site:
http://www.defenselink.mil/militarypay/retirement/ad/01_whichsystem.html.
3. Pay Scale or Retired Pay Base.
- a. On or before 7 Sep 1980.
 - (1) An officer or enlisted person who first became a member of a Uniformed Service on or before 7 Sep 1980, is entitled to use the Basic Pay scale in effect on the first day of retirement to determine gross monthly retired pay (e.g., an officer or enlisted member who retires on 1 Jul 2000, is entitled to have retired pay computed based on the active duty pay rates effective 1 Jul 2000).
 - (2) A warrant officer who first became a member of a Uniformed Service on or before 7 Sep 1980, is entitled to use the Basic Pay scale in effect on the day before retirement (e.g., a warrant officer who retires on 1 Jul 2000, is entitled to have retired pay computed based on the active duty pay rates effective on 30 Jun 2000).
 - b. On or after 8 Sep 1980. An officer, warrant officer, or enlisted person who first became a member of a Uniformed Service on or after 8 Sep 1980, will have a retired pay base established by their high 36-month average of Basic pay, whether or not consecutive. Normally, this would be the average of the Basic pay received in the last 36 months of active duty prior to date of retirement.
 - c. Special Rule for Flag Officers. Effective 1 Oct 2006, a flag officer is entitled to have retired pay calculated using the Basic pay rates in effect prior to Level II/Level V reduction under 37 U.S.C. 203(a)(2).
4. Cost-of-Living Adjustments (COLA). Adjustments are given annually based on the increase in the Consumer Price Index (CPI).
- a. Members who first became a member of a Uniformed Service on or before 31 Jul 1986, and members who first became a member of the Uniformed Service on or

after 1 Aug 1986, who do not elect a \$30,000 career status bonus, receive an annual COLA.

- b. Members who first became a member of a Uniformed Service on or after 1 Aug 1986 who do elect a \$30,000 career status bonus receive an annual adjustment equal to the COLA minus one percent (when the COLA is equal to two percent or more). When the member reaches age 62, the member receives a one-time catch up adjustment; a recalculation of the member's retired pay is done to apply a full COLA for each retirement year. After this one-time catch up at age 62, adjustments in later years will again be set at the COLA minus one percent (when the COLA is equal to two percent or more).
5. Ten Percent Good Conduct. The provisions of 14 U.S.C. 2307 state that any enlisted member who retires after 20 years of service, but less than 30, whether voluntarily or involuntarily, and was previously cited for extraordinary heroism while on active duty by the Secretary concerned, may have their retired pay increased by 10 percent. In accordance with the Coast Guard Awards Manual, COMDTINST M1650.25 (series), the award must be higher than a Coast Guard Commendation Medal and the citation must specifically state "extraordinary heroism." Additionally, the member will receive a memorandum from Commandant (CG-1331) notifying them of their eligibility for a 10 percent increase. If the member retires as an officer, there is no entitlement to the ten percent increase regardless of when the member was cited (52 Comp. Gen. 599 and 47 Comp Gen 397).
6. Department of Veterans Affairs (VA) Disability Compensation. Any member separated or retired may file a claim for VA disability compensation. A retired member receiving retired pay who files a claim with the VA and is subsequently awarded VA disability compensation must have their retired pay reduced by the dollar amount of the compensation received. If the monthly amount of VA disability compensation is greater than the monthly amount of retired pay, retired pay is stopped. At any time the VA disability compensation is less than the member's monthly retired pay, then, upon notification from the VA to PPC, retired pay is restarted. If the VA disability compensation is less than the member's monthly retired pay, the member will receive a payment from VA and a payment from the Coast Guard representing the difference between VA disability compensation received and the member's retired pay. VA disability compensation is tax exempt.

B. Disability.

1. Authority. 10 U.S.C., Chapters 61 and 71.
2. Temporary Disability Retirement. If the disability is at least 30 percent and is not stable or might not be permanent in nature, the member is placed on the temporary disability retired list (TDRL) and is subject to physical examination at least once every 18 months. After five years, the member must:
 - a. be retired for permanent disability, or
 - b. if the disability is less than 30 percent and the member has less than 20 years of

service, be returned to active duty or separated.

3. Permanent Disability Retirement. A member entitled to Basic pay who is unfit to perform the duties of his or her office, grade, rank, or rating because of a permanent physical or mental disability may be retired if:
 - a. the disability is of a permanent nature;
 - b. the disability is not the result of intentional misconduct or willful neglect, and was not incurred during a period of unauthorized absence; and
 - c. either-
 - (1) the member has at least 20 years of service computed under 10 U.S.C. 1208; or
 - (2) the disability is rated at 30 percent or more; and either:
 - (a) the member has at least eight years of service computed under 10 U.S.C. 1208.
 - (b) the disability is the proximate result of performing active duty.
 - (c) the disability was incurred in line of duty in time of war or national emergency.
 - (d) the disability was incurred in line of duty after 14 Sep 1978.
4. TDRL Time Limitation. If the member was placed on the TDRL on or after January 1, 2017, retired pay is terminated three years from the date the member's name was placed on the list if a final decision has not been reached by the Physical Evaluation Board (PEB). If the member was placed on the TDRL prior to January 1, 2017, retired pay is terminated five years from the date the member's name was placed on the list if a final decision has not been reached by the PEB. If the decision is to retire the member for permanent disability, retired pay may be restored retroactive to the day after completion of the member's time on the TDRL.
5. Minimum Percentages. A member placed on the TDRL will receive a minimum of 50 percent of their current Basic Pay or retired pay base (high 36-month average), depending on when the member first became a member of a Uniformed Service.
6. Credit for Time Served on TDRL. A member who is recalled to active duty or separated is credited with the time served on the TDRL for longevity purposes only. It is not creditable for increasing the percentage of "multiplier" (42 COMP GEN 116).
7. Tax on Disability Retired Pay. That portion of retired pay, attributable to the percentage of disability, is tax exempt for any member who was a member on or before 24 Sep 1975. The disability retired pay of any member who first became a member of a Uniformed Service on or after 25 Sep 1975, is subject to Federal Income Tax Withholding (FITW). The exception is a member who receives disability retired pay because of a combat-related injury. The term "combat-related" injury means;

- a. personal injury or sickness incurred as a direct result of armed conflict, or
 - b. while engaged in hazardous service, or
 - c. under conditions simulating war, or
 - d. caused by an instrumentality of war.
8. Extraordinary Heroism. Enlisted members retired for disability who are otherwise eligible for voluntary retirement for more than 20 years of service and eligible for a 10 percent increase in retired pay for certified acts of extraordinary heroism may have their retired pay based on longevity and heroism or disability, whichever is more equitable.

C. Concurrent Retirement and Disability Pay (CRDP).

1. General. 10 U.S.C. 1414 was amended by section 641 of the National Defense Authorization Act for Fiscal Year 2004 (P.L. 108-136), effective 1 Jan 2004, and further amended by section 642 of the National Defense Authorization Act for Fiscal Year 2005 (P.L. 108-375), effective 1 Jan 2005, and further amended by section 663 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163) effective 1 Jan 2006, and further amended by section 642 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181) effective 28 Jan 2008. Under 10 U.S.C. 1414, CRDP applies to retired members receiving VA disability compensation for a qualifying service-connected disability. Subject to certain limitations, 10 U.S.C. 1414 provides concurrent payment of military retired pay and VA disability compensation (VADC) without regard to the reduction otherwise prescribed by 38 U.S.C. 5304 and 5305. The principal limitations are:
- a. Retiree's combined VA disability ratings must be 50 percent or greater.
 - b. Retiree must be eligible to receive military retired pay.
 - c. A member retired based on unfitness for duty because of disability (under Chapter 61 of 10 U.S.C.) is eligible for CRDP, but CRDP only applies to the portion of retired pay that is not solely due to the disability retirement.
 - d. A phase-in of benefits for retirees VA-rated 50 percent to 90 percent.
 - e. CRDP can be paid only for a whole month in which the retiree was eligible to receive retired pay.
2. Qualified Retirees. Retirees are qualified to receive CRDP for a given month if, for that whole month, they are entitled to both VADC for a qualifying service-connected disability and military retired pay, whether or not any amount of such retired pay remains

payable after the reductions specified under 38 U.S.C. 5304 and 5305. For active duty retirees, the minimum requirement is 20 or more years otherwise creditable under 10 U.S.C. 1405. For non-regular retirees, the minimum requirement is at least 20 years of service computed under 10 U.S.C. 12732, and reach statutory retirement age for a non-regular retirement. Chapter 61 retirees are entitled to receive retired pay, whether they are on the Temporary Disability Retired List (TDRL) or the Permanent Disability Retired List (PDRL), but must also satisfy the 20 year minimum as creditable under 10 U.S.C. 1405 or as computed under 10 U.S.C. 12732.

3. Ineligible Retirees. Retirees in the following circumstances do not meet the requirements of 10 U.S.C. 1414 and are not eligible for CRDP.
 - a. Disabled retirees who had less than 20 years of service creditable for regular retirement under 10 U.S.C. 1405 at the time they were required to retire under the provisions of 10 U.S.C. Chapter 61 (10 U.S.C. 1201-1221).
 - b. Disabled retirees who had less than 20 satisfactory years of service creditable for non-regular retirement under 10 U.S.C. 12732 at the time they were required to retire under the provisions of 10 U.S.C. Chapter 61.
 - c. Reserve retirees who retired under 10 U.S.C. 12731 and are not eligible to receive retired pay due to their age being less than the statutory retirement age.
 - d. Retirees who waived entitlement to military retired pay for any reason other than to receive disability compensation from the VA are not eligible for CRDP since they waived the entitlement to military retired pay. This includes retirees who waived their military retired pay in order to credit military service for purposes of a civil service retirement.
4. Qualifying Service-Connected Disability. A “qualifying service-connected disability” means a disability, or combination of disabilities, rated as not less than 50 percent disabling by the Secretary of Veterans Affairs. In order to determine those retirees having qualified disabilities, the Retiree & Annuitant Services Division (CC) of the Pay and Personnel Center (PPC) will regularly obtain from the VA a report of the combined rating, for the applicable month, of the service-connected disabilities compensated under the provisions of 38 U.S.C. by the Secretary of Veterans Affairs.
5. Disability Rated as Total. The term “disability rated as total” means a disability, or combination of disabilities, that is rated as total (100 percent) under the VA Schedule of Rated Disability (VASRD) (38 CFR Part 4) per 10 U.S.C. 1414(e)(3)(A); or a disability, or combination of disabilities, for which the scheduled rating is less than total but for which a rating of total is assigned by reason of inability of the disabled person concerned to secure or follow a substantially gainful occupation as a result of disabilities for which veterans' disability compensation may be paid, per 10 U.S.C. 1414(e)(3)(B).
 - a. Effective 1 Jan 2005, retirees with a VA disability rated as 100 percent are entitled to receive full restoration of any VADC deducted from their retired pay (up to the member's Applicable retired pay (ARP)).

- b. Effective for CRDP payments payable on or after 1 Oct 2008, retirees with a VA disability rating of less than 100 percent, who are being compensated at the 100 percent level due to unemployability, are entitled to receive full restoration of any VADC deducted from their retired pay (up to the member's ARP).
- 6. Effective Date. Under 10 U.S.C. 1414, CRDP was effective 1 Jan 2004. Payments of CRDP represent restored retired pay, and are normally paid on the first business day of the first month following the month in which the compensation accrues (e.g., the first payments would have been made to qualified members on 2 Feb 2004 for the previous full month of Jan 2004). No CRDP is payable for any month before Jan 2004.
- 7. Entitlement. CRDP is a restoration of retired pay that would otherwise be off-set under 38 U.S.C. 5304 or 5305. Thus, CRDP may not exceed the amount of the reduction imposed under these sections of law. Such limitation is explicitly prescribed by 10 U.S.C. 1414(c)(11) during the phase-in period. Effective 1 Jan 2014, qualified retirees will receive full concurrent payments of both retired pay and VADC. However, those members retired for disability under 10 U.S.C. Chapter 61 will remain subject to the off-set required under 38 U.S.C. 5304 and 5305 on any retired pay they receive that is in excess of the amount of retired pay they would be entitled to under any other provision of law based upon the member's service in the uniformed services if the member had not retired under 10 U.S.C. Chapter 61. This additional retired pay is referred to as Excess Disability Retired Pay (EDRP).

Example. A member with 22 years of active duty service retired in 2005 with high-three Basic pay of \$3,000.

- a. The member would normally receive \$1,650 retired pay monthly (55 percent of \$3,000).
- b. However, the member was retired under Chapter 61 with a disability rating from the service of 60 percent. Thus, the retiree received \$1,800 disability retired pay monthly (60 percent of \$3,000).
- c. In addition, the member has a qualifying service-connected disability rated at 100 percent by the VA and receives \$2,299 VADC in 2005. This completely off-sets the disability retired pay from the service, yielding the retiree \$2,299 from VA plus zero from the service.
- d. However, CRDP in 2005 restores the portion of retired pay that was earned by longevity. The final result yielded the retiree \$2,299 from VA plus \$1,650 from the service, for a total of \$3,949.

NOTE. \$150 is not restored by CRDP (\$1,800 minus \$1,650). This is because it is solely due to the military service disability rating of 60%, which is higher than the longevity rating of 55%. This extra portion remains subject to reduction.

NOTE. Payments to qualified retirees are limited during the phase-in period from 1 Jan 2004 through 31 Dec 2013, as prescribed in subparagraph 14.

8. Full Month. CRDP will only be paid for a month in which the retiree earned retired pay for the whole month. Note that VADC is only paid when the retiree was alive for the entire month. If the retiree died before the end of the month, no VADC is paid. If no VADC is paid, there is no off-set to military retired pay. Thus, if no off-set is made, no CRDP entitlement applies.
9. Automatic Payments.
 - a. No application by the retiree is required nor permitted. Specifically, retirees should not contact PPC to advise of changes in VADC until at least two pay cycles after notification from VA.
 - b. PPC will establish procedures to ensure qualified retirees receive retired pay under 10 U.S.C. 1414. Members who believe they are entitled to CRDP but are not receiving it should inquire with PPC to learn the reason. If a member's records have been improperly coded in data systems, the office responsible for that record and or data will correct erroneous information in the appropriate systems and follow-up to ascertain whether the entitlement is properly triggered, and if not, identify and resolve any remaining system errors. If records are properly coded, PPC will advise the inquiring retiree of the reason he or she does not qualify for CRDP. A member may apply for a correction of military records under the procedures applicable thereto.
10. Tax Considerations. CRDP payments are taxable according to the taxability of the retired pay such payment represents; i.e., the restored reduction of Retired pay otherwise prescribed under 38 U.S.C. 5304 and 5305.
11. Funding and Payment. CRDP is military retired pay and is paid from the retired pay appropriation.
12. Relationship to Other Provisions. As a restoration of retired pay, CRDP remains subject to the provisions of 10 U.S.C. 1408, relating to payment of retired or retainer pay in compliance with court orders. CRDP does not alter or affect any coverage under the SBP, but is available for deduction of any SBP premiums otherwise due under 10 U.S.C. Chapter 73. If a member has sufficient CRDP to cover SBP premiums, such premiums will be deducted from the CRDP. CRDP is also subject to a Treasury offset to recover a debt owed to the United States, as well as garnishment for child support or alimony. CRDP is subject to any other action or process, such as allotments, that applies to retired pay generally.
13. CRDP Phase-In. During the period of 1 Jan 2004 through 31 Dec 2013, a qualified retiree will have retired pay computed as prescribed below. Retired pay computations are determined each month according to the values defined herein. All values are dynamic in that they may change from one month to another depending on a number of factors that

cause retired pay and VA disability compensation payments to change. Thus, a re-computation will be made for any month for which changes occur.

- a. Gross Retired Pay (GRP). GRP is the full retired pay entitlement for a member without regard to the reductions required under 38 U.S.C. 5304 and 5305. It is the greater of the retired pay based on longevity (plus other provisions of law, including heroism or good conduct awards), or of disability retired pay based on 10 U.S.C. Chapter 61. Coast Guard retirees receive GRP as computed under 14 U.S.C. 2504. Per 14 U.S.C. 2504(a)(1)(A)(ii), this specifically includes all permanent additions including longevity credit. Such additions are not excluded under 10 U.S.C. 1414(e)(1). Additions to retired pay such as the good conduct or heroism must be included in GRP.
- b. Applicable Retired Pay (ARP). ARP is equal to GRP, except in the case of a member retired under 10 U.S.C. Chapter 61 in which case ARP is the amount of retired pay to which the member would have been entitled under any other provision of law based upon the member's service in the uniformed services if the member had not been retired under 10 U.S.C. Chapter 61. It includes retired pay based on longevity and, if applicable, any other additions such as heroism or good conduct. (See 10 U.S.C. 1414(e)(4)(B)).
- c. Veterans Affairs Disability Percentage (VADP). VADP is the combined rating, for the month of entitlement, of the service-connected disabilities under 38 U.S.C..
- d. Veterans Affairs Disability Compensation (VADC). VADC is the amount of disability compensation paid by the Department of Veterans Affairs for the month of entitlement, and is therefore the amount that would be off-set from retired pay under 38 U.S.C. 5304 or 5305. (See 10 U.S.C. 1414(e)(2)).
- e. Current Baseline Off-set (CBO). CBO is the amount that retired pay would be reduced by 38 U.S.C. 5304 and 5305 if CRDP were not in place. It is the lesser of ARP or VADC. (See 10 U.S.C. 1414(e)(4)(A)) For a Chapter 61 disability retiree, CBO cannot be larger than ARP because CRDP only applies to retired pay that could be based on longevity (and other amounts to which the retiree would have been entitled under any other provision of law) if the member had not been retired for disability.
- f. Reduced Retired Pay (RRP). RRP is the remainder after GRP is reduced by VADC under 38 U.S.C. 5304 and 5305 without any restoration from CRDP. Effectively, this is the ARP minus the CBO, but no less than zero. If RRP is greater than ARP, no CRDP is payable.
- g. Excess Disability Retired Pay (EDRP). EDRP is the amount by which a member's current retired pay under Chapter 61 exceeds ARP. The EDRP is equal to the GRP minus the ARP. For anyone who retired without Chapter 61 proceedings, EDRP equals zero.

- h. Maximum CRDP (MCRDP). MCRDP is the maximum allowable CRDP and is equal to ARP minus RRP, but no less than zero. Note that MCRDP is merely a constraint on CRDP. It is an upper limit, so in some cases CRDP will be less than MCRDP.
- i. Concurrent Retired and Disability Pay (CRDP). CRDP is the amount of additional retired pay payable as a result of 10 U.S.C. 1414. It can not exceed the MCRDP.
- j. Revised Net Retired Pay (RNRP). RNRP is the net gross retired pay amount computed under the provisions of 10 U.S.C. 1414. It is equal to the RRP plus the CRDP. It cannot exceed the ARP. It is “net” in terms of the revised amounts under 10 U.S.C. 1414 with continuing adjustments under 38 U.S.C. 5304 and 5305. It is “gross” because it does not account for other reductions such as income tax, FSPA, or SBP.

14. Computation of Retired Pay During Phase-In Period.

- a. Calendar Year (CY) 2004. In CY 2004, a qualified retiree was paid RRP plus the following CRDP amount based on the VADP. However, if CRDP is greater than CBO, only the CBO amount was paid.

| VADP | CRDP |
|-------|--------|
| 0-40% | \$0.00 |
| 50% | \$100 |
| 60% | \$125 |
| 70% | \$250 |
| 80% | \$350 |
| 90% | \$500 |
| 100% | \$750 |

- b. CY 2005 through 2013, with less than total disability. During CY 2005 – 2013, a qualified retiree with VADP of 50 percent through 90 percent will be paid their RRP, plus the 2004 Maximum CRDP amount applicable to their VADP for the current month of entitlement (regardless of the retirees actual VADP in 2004), plus the following percentage of any remaining portion of the CBO (e.g., CBO minus 2004 MCRDP).

| <u>CY</u> | <u>Additional CBO</u> <u>%</u> |
|-------------|-----------------------------------|
| <u>2005</u> | <u>10.00%</u> |
| <u>2006</u> | <u>28.00%</u> |
| 2007 | 49.60% |
| 2008 | 69.76% |
| 2009 | 84.88% |
| 2010 | 93.95% |

| | |
|------|--------|
| 2011 | 98.18% |
| 2012 | 99.64% |
| 2013 | 99.96% |

- c. CY 2005 through 2013, with total disability. In CY 2005 – 2013, a qualified retiree with VADP of 100 percent will be paid their RRP plus 100 percent of their CBO.

- (1) For a non-Chapter 61 retiree, CRDP equals ARP equals GRP when VADC is greater than or equal to ARP, and CRDP equals VADC when VADC is less than ARP.
- (2) For a Chapter 61 retiree, CRDP equals ARP, and these are less than GRP when VADC is greater than or equal to ARP, and CRDP equals VADC when VADC is less than ARP.

15. Relation to Combat-Related Special Compensation (CRSC). Some retirees will meet the eligibility criteria for both CRDP (10 U.S.C. 1414) and CRSC (10 U.S.C. 1413a). Not every retiree who is approved for CRSC will also be eligible for CRDP. This is because CRSC can be paid (if the veteran is qualified and completes the application process) for VADP as low as 10 percent, but the minimum VADP for CRDP is 50 percent. The following rules apply.

- a. When an application for CRSC is approved, PPC will compare CRSC and CRDP amounts, and notify the retiree of the results.
- b. By default, PPC will pay the higher of CRDP or CRSC.
- c. When qualified to receive both CRDP and CRSC, only one will be paid in any single month.
- d. If a retiree prefers to forego the default payment in order to receive the other one, PPC will honor that request. The request must be of record nature (e.g., email, fax, letter). A simple sentence is enough, so no form will be required. The retiree may request that the shift to the alternative payment be made effective for some future month.
- e. PPC will shift to the alternative payment as soon as reasonably possible. Depending on when the retiree's request is received, the change could be effective for the current month or for the following month. Since the veteran can file paperwork to re-describe the taxable nature of income from these two sources, PPC will not re-describe payments for prior months.
- f. When a retiree is eligible for both CRSC and CRDP, PPC will recalculate the potential payments whenever VADP changes.
- g. PPC will not use a system of open and closed seasons for retirees to elect the non-default payment. The bulk of the changes that could cause retirees to change their

election will occur around January each year. This coincides with the annual Cost Of Living Adjustment (COLA) in retired pay, the COLA for VADC, and the change in the phase-in percentage for CRDP.

However, other changes could occur at any time throughout the year. VADP could change, or other life events might impel the retiree to elect the alternative payment. Therefore, no “open season” will be imposed.

16. VA Retroactive Adjustments (Increase/Decrease). Changes to VADC, based on disability percentage (VADP), are often effective for a prior month since in many cases the change is tied to the date of the retiree’s application. Because of the dynamic and complex interplay between amounts paid by the service (retired pay, CRSC and CRDP) and VADC, it is important to look at actual payments versus technical entitlements, over time.

EXAMPLE. The VA may approve a change in VADC from \$1,000 to \$1,400, effective three months ago, but not pay the retroactive increase because the retiree already received the \$400 difference in the form of retired pay. If VA paid the \$400 difference, then the retiree might have been overpaid by the service. The correct off-set would not have been used. However, the increase in VADC is based on an increase in VADP, so there could well be a concurrent change in CRDP or CRSC.

NOTE 1. In general, PPC should treat VA as the first payor, and calculate any retroactive situations around what VA actually paid. Thus, continuing the same example, the amounts that PPC would pay for retired pay and CRDP for the previous three months would be different from the amounts going forward, since the change in the VADP was effective three months ago, but the \$400 change in VADC was actually only paid going forward.

NOTE 2. VADP can rise and fall several times during any given year. Cases must be managed carefully to avoid erroneous payments.

17. Repeal of Special Compensation for Severely Disabled Retirees (SCSD). Effective 1 Jan 2004, the SCSD program was repealed. No additional benefits will be paid under the SCSD program for periods beginning on or after that date. Payments will be made to any eligible retiree who, as determined by PPC, met the criteria for payment during the program’s applicability.
18. Responsibilities. Commandant (CG-1332) and PPC have responsibilities for administering CRDP.
 - a. Commandant (CG-1332). Chief, Compensation Division must develop overall CRDP policy.
 - b. Pay and Personnel Center (PPC). PPC must:

- (1) Coordinate with the VA to obtain each retiree's current applicable disability percentage. Identify retirees who qualify for CRDP.
- (2) Compute CRDP payments under these provisions.
- (3) Develop and implement standard accounting and administration policies need to support payments.
- (4) Inform members on a timely basis of their eligibility for payments under these provisions.
- (5) Provide the opportunity to retirees who are eligible to receive either CRDP or CRSC to choose between CRSC and CRDP. Provide eligible retirees the information needed to make these elections.

D. Combat Related Special Compensation (CRSC).

1. General.

- a. Purpose. Under the authority of 10 U.S.C. 1413a, Combat-Related Special Compensation (CRSC) provides special compensation to members of the uniformed services who have retired pay reduced due to receipt of U.S. Department of Veterans Affairs (VA) disability compensation where all or a portion of such VA disability compensation is the result of disabilities that are combat-related as determined by the Coast Guard Personnel Service Center Personnel Services Division, Disability Evaluations Branch (CG PSC-PSD-MED).
- (1) Effective Date. The CRSC program became effective 31 May 2003. Payments are made on the first day of the first month following the month in which the compensation accrued, provided the member is receiving VA disability compensation for a disability that has been determined to be combat-related. No CRSC is payable for any month prior to June 2003.
 - (a) For a member who qualifies on 31 May 2003, compensation accrues beginning in June 2003.
 - (b) For an eligible member whose disability percentage is less than 60 percent, compensation is effective 1 Jan 2004.
 - (c) For an eligible member who is retired for service-connected disability under 10 U.S.C., Chapter 61, with less than 20 years of active duty or with less than sufficient service and age to qualify for non-regular retirement under 10 U.S.C. 12731, compensation is effective 1 Jan 2008.
 - (d) For a member who did not meet the qualifications on 1 Jun 2003, 1 Jan 2004, or 1 Jan 2008, but who later meets the qualifications, entitlement accrues the first day of the following month.
- (2) Payment. CRSC is not military retired pay. It is a monthly entitlement that is paid only in whole-month increments.
- (3) Relationship to Other Provisions.

- (a) Former Spouse's Protection Act (FSPA). CRSC is not retired pay, and it is not subject to the provisions of 10 U.S.C. 1408 relating to payment of retired or retainer pay in compliance with court orders.
- (b) Survivor Benefit Plan. CRSC is not retired pay and is also not subject to any survivor benefit provisions under 10 U.S.C., Chapter 73.
- (c) Debt Collection. CRSC is subject to a Treasury offset to recover a debt owed to the United States as well as to garnishment for child support or alimony. In addition, debts due the government may be collected from CRSC, including overpayments of retired pay or erroneous payments of CRSC, by means of an administrative offset. An administrative offset of CRSC to collect a debt due the government is subject to the due process requirements of 31 U.S.C. 3716 and 31 CFR 901. Claims for overpayments of CRSC may be considered for waiver in accordance with 10 U.S.C. 2774. Finally, CRSC payments are not subject to Chapter 13 Bankruptcy Court orders to pay a Chapter 13 Trustee.
- (4) Tax Consideration. CRSC payments are considered tax exempt from Federal income tax under provisions of 26 U.S.C. 104.

2. Entitlement.

- a. CRSC is a monthly entitlement and is to be paid only in whole-month increments. Coast Guard members must file an application with CG PSC-PSD-MED to determine entitlement. A retiree is entitled to CRSC for each month during which, for the entire month, the member:
 - (1) Has applied for and elected CRSC under these provisions (subsection 16.D.3.),
 - (2) Meets Preliminary CRSC Criteria (subsection 16.D.4.), and
 - (3) Meets Final CRSC Criteria (subsection 16.D.5.) (that is, has a combat-related disability or disabilities).
- b. Expanded Eligibility in 2008. As of 1 Jan 2008, section 641 of the National Defense Authorization Act (NDAA) for Fiscal Year 2008 (Public Law 110-181), provided special rules for CRSC-eligible retirees with fewer than 20 years of service, to include members who have waived their retired pay in order to receive VA disability compensation. This expanded authority includes both 10 U.S.C., Chapter 61 (10 U.S.C. 1201-1222) disability retirees and Temporary Early Retirement Authority (TERA) retirees. However, a Reserve Component retiree who receives retired pay for early retirement with physical disabilities under 10 U.S.C. 12731b is specifically excluded from entitlement to CRSC by 10 U.S.C. 1413a(c)(1).

3. Application and Election.

- a. Application. A member may not be paid CRSC unless he or she has applied for and elected to receive compensation under the CRSC program by filing an application on Department of Defense (DD) Form 2860, Claim For Combat-Related Special Compensation (CRSC), with CG PSC-PSD-MED. A member may submit an application for CRSC at any time and, if otherwise qualified for CRSC, compensation

will be paid for any month after May 2003 for which all conditions of eligibility were met.

- b. Election of CRSC or Concurrent Retirement and Disability Payments (CRDP). The law states that a member eligible for both CRSC, under 10 U.S.C. 1413a, and CRDP, under 10 U.S.C. 1414, may not receive both, but must elect which compensation to receive. The Coast Guard Pay & Personnel Center, Retiree and Annuitant Services Division (PPC-RAS) will advise the retiree which of the two payments is being paid pursuant to such election. In addition, PPC-RAS will provide further notice in the event the amounts payable under either program results in a situation where a change in this election would result in greater compensation. The retiree will have one opportunity annually to reverse the current election. This will allow the member to assess the impact of annual adjustments to retired pay, VA disability compensation, CRSC, and CRDP. PPC-RAS will advise members of their options and the procedures to effect such elections.
4. Preliminary Criteria. A retiree must satisfy the following applicable conditions to meet the preliminary criteria to receive CRSC.
 - a. Years of Service Requirement.
 - (1) On or after 1 Jan 2004. A retired member must have had 20 or more years of service for the purpose of computing retired pay.
 - (2) 1 Jan 2004 through 31 Dec 2007. Beginning 1 Jan 2004 and prior to 1 Jan 2008 a retiree must have had 20 or more years of service for the purpose of computing retired pay or have been entitled to Reserve Component retired pay under 10 U.S.C. 12731 (other than by reason of 10 U.S.C. 12731b) to be eligible for CRSC.
 - (3) Before 1 Jan 2008. For the purposes of subsections 16.D.4.a.(1) & (2) above, the following apply:
 - (a) Years of Service for Percentage Multiplier. The 20 years of service required for computing retired pay may be inferred from the retired pay multiplier. Thus, a member who retired for years of service (not for disability under 10 U.S.C., Chapter 61) who has a retired pay multiplier of not less than 50 percent, or a member retired under the Military Retirement Reform Act of 1986 (referred to as REDUX) who is still under age 62 with a retired pay multiplier of not less than 40 percent, may be presumed to have at least 20 years of service for retired pay computation purposes. A member who retired under 10 U.S.C., Chapter 61 should be evaluated in terms of what the multiplier would be if the member had not retired for disability. See subsection 16.D.4.a.(3)(d).
 - (b) Temporary Early Retirement Authority (TERA). A member retired under the provisions of section 4403 of Public Law 102-484, 23 Oct 1992, as amended, and by section 504 of Public Law 112-81, 31 Dec 2011 (commonly known as the TERA program) is generally not eligible unless the member is credited with sufficient service for a 50 percent multiplier or has been recalled to active duty long enough to accumulate 20 years or more of service in the Uniformed Services for the purpose of computing retired pay. Service in

Public and Community Service positions under the provisions of section 4403 of Public Law 102-484, 23 Oct 1992 creditable for re-computation of retired pay at age 62 does not count for these purposes. A TERA retiree who has a retired pay increase of 10 percent granted on the basis of extraordinary heroism is not eligible under these provisions if the retired pay multiplier would otherwise be less than 50 percent.

- (c) Retired Reservist. Prior to January 1, 2004, a retired reservist had to have at least 7,200 points to be eligible for CRSC. Effective 1 Jan 2004, a retired Reservist with retired pay computed under 10 U.S.C. 12731 is eligible for CRSC unless retired for disability under 10 U.S.C. 12731b with more than 15 but less than 20 years as required under 10 U.S.C. 12731(a)(2). Specifically, those retired under the Reserve TERA provisions, as prescribed in 10 U.S.C. 12731a, who served fewer than 20 years, but were considered to meet the criteria of 10 U.S.C. 12731(a)(2) are eligible under these provisions.
- (d) Chapter 61 Disability Retirees. CRSC is payable to otherwise qualifying applicants receiving retired pay based on the DoD-assigned percentage of disability under 10 U.S.C., Chapter 61. For such members, the CRSC payment is subject to reduction as explained in subsection 16.D.8.c.
- (4) On or After 1 Jan 2008. A retired member who meets the criteria of subsections 16.D.4.b. through subsections 16.D.4.d. satisfies the preliminary criteria to receive CRSC, without regard to having 20 or more years of creditable service for computing retired pay.
 - (a) Chapter 61 Disability Retirees. A member retired for disability under 10 U.S.C., Chapter 61, with less than 20 years of service is eligible to receive CRSC, subject to reduction under subsection 16.D.8.c.ii.
 - (b) TERA. A member retired under the provisions of section 4403 of Public Law 102-484, 23 Oct 1992, as amended, and by section 504 of Public Law 112-81, 31 Dec 2011 (commonly known as the TERA program) is entitled to CRSC. The monthly amount of CRSC payable to qualifying TERA retirees must not be reduced under the special rules for CRSC-entitled disability retirees with less than 20 years of service which are applicable only to Chapter 61 retirees.
- b. Retired Status. A member must be in a retired status. A member who is recalled to, or retained on, active duty is not in a retired status and therefore is not entitled to CRSC for such period of active duty.
- c. Entitled to Retired Pay.
 - (1) A member must be entitled to retired pay, notwithstanding that such retired pay may be reduced due to receipt of VA disability compensation. A reservist who has not reached the requisite age to receive retired pay (generally age 60) is not eligible to receive CRSC payments. See DoD Financial Management Regulation Vol. 7B (Retired Pay), Chapter 1, subparagraph 010208.F, for when the eligibility age of a reservist must be reduced below 60 years of age and become eligible for retired pay.

- (2) A member who waives retired pay in order to credit military service for the purposes of establishing eligibility for a civil service retirement, or for any reason other than to receive disability compensation from the VA, is not eligible to receive CRSC payments. A member who combines his military time with his civil service time for the sole purpose of enhancing his civil service retirement may be eligible for CRSC, if the member is still eligible to receive military retired pay. Members should consult the Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS) Handbook for Personnel and Payroll Offices for further information on eligibility. See also <https://www.opm.gov/retire/pubs/handbook/hod.htm>.
- d. Qualifying Disability Ratings (Percentages).
 - (1) A member must be entitled to compensation for service-connected disabilities under 38 U.S.C., as rated by the VA. The rating must be awarded prior to the member's date of death.
 - (2) Disability ratings by CG PSC-PSD-MED, as of the date on which the member retired, may be used to help make determinations of whether the member meets Preliminary CRSC Criteria. The actual computation of the amount of CRSC payable to an eligible retiree is based solely on VA disability determinations and the amount of VA compensation paid, without regard to any disability that is not combat-related. Military retirement decisions may be used to determine whether such disabilities are combat-related.
5. Final Criteria. In order for the member to be entitled to CRSC, the member must meet all four Preliminary CRSC Criteria (as prescribed in subsections 16.D.4.a. through D.4.d. above), and CG PSC-PSD-MED must determine that the retiree has a combat-related disability or disabilities, as defined by subsections 16.D.5.(a) and 16.D.5.(b) below, that are compensated by the VA.
 - a. Purple Heart Disability.
 - (1) Purple Heart Disability is a disability with an assigned medical diagnosis code from the VA Schedule for Rating Disability (VASRD) that was attributed to injuries for which the member was awarded a Purple Heart.
 - (2) If the member meets the Preliminary CRSC Criteria and has been awarded a Purple Heart, then CG PSC-PSD-MED must determine which disabilities of the member, if any, are attributed to Purple Heart injuries. If the member was not awarded a Purple Heart, then no such determination will be made.
 - (3) Determination that a disability is a Purple Heart Disability requires documentary information that there is a sufficient causal relationship between the disability and injury for which a Purple Heart was awarded to conclude that the disability is attributable to such injury. Such a disability will be classified as a Purple Heart Disability and will also be included in any other CRSC determinations based on combat-related disabilities. With respect to an application of a retiree who meets Preliminary CRSC Criteria and who was awarded the Purple Heart, CG PSC-PSD-MED will record whether or not each disability rated by the VA is or is not attributable to an injury for which the member was awarded the Purple Heart.

- b. Other Combat-Related Disabilities. A combat-related disability is a disability with an assigned medical diagnosis code from VASRD that was incurred. CG PSC-PSD-MED will determine whether a disability is combat-related based on the following criteria:
 - (1) As a direct result of armed conflict,
 - (2) While engaged in hazardous service,
 - (3) In the performance of duty under conditions simulating war, or
 - (4) Through an instrumentality of war.
 - c. CG PSC-PSD-MED must record for each disability determined to be combat-related which of the circumstances provided above qualifies the disability as combat-related. A determination of combat-relatedness (see subsection 16.D.6. below) will be made with respect to each separate disability with an assigned medical diagnosis code from the VASRD. A retiree may have disabilities that are not combat-related. Such disabilities will not be considered in determining eligibility for CRSC or the amount of CRSC payable.
 - d. An uncorroborated statement in a record that a disability is combat-related will not, by itself, be considered determinative for purposes of meeting the combat-related standards for CRSC prescribed herein. CRSC determinations must be made on the basis of the program criteria. In questionable cases the burden of providing documentary evidence to support a claim that a VA disability is combat-related is on the applicant. In cases where pay record data is required to support a claim for combat-relatedness, PPC will provide such information as can be reasonably retrieved upon request. Documentary evidence to support a claim of combat-relatedness from an applicant's service or medical records that have been transferred to the National Personnel Records Center (NPRC) must be requested by the applicant.
6. Determinations of Combat-Relatedness. The following criteria, terms, definitions, and explanations will apply to making combat-related determinations in the CRSC Program.
- a. Direct Result of Armed Conflict.
 - (1) The disability is a disease or injury incurred in the line of duty as a direct result of armed conflict. To support a combat-related determination it is not sufficient to only state the fact that a member incurred the disability during a period of war, or in an area of armed conflict or while participating in combat operations. There must be a definite causal relationship between the armed conflict and the resulting liability.
 - (2) Armed conflict includes a war, expedition, occupation of an area or territory, battle, skirmish, raid, invasion, rebellion, insurrection, guerilla action, riot, or any other action in which Service members are engaged with a hostile or belligerent nation, faction, force, or with terrorists.
 - b. While Engaged in Hazardous Service. Hazardous service is service that includes, but is not limited to, aviation duty, diving duty, rescue swimmer, or similar duty, and hazardous service duty onboard a small vessel (such as duty as a surf boat crew member or heavy weather coxswain):

- (1) In the performance of duties for which special, incentive, hyperbaric chamber, or hazardous duty pay was paid pursuant to 37 U.S.C., Sections 351(a)(1) (Flight Duty HAZPAY for crew/non-crew, Vessel Boarding Search & Seizure Pay, Flight Deck duties), 301a (Aviation Career Incentive Pay), 334 (Aviation Incentive Pay), 304 or 353(a) (Diving Duty Pay), or 352 (Special Duty Assignment Pay);
 - (2) In the performance of duties directly related to:
 - (a) Law enforcement, including drug or migrant interdiction;
 - (b) Defense readiness; or
 - (c) Search and rescue; or
 - (3) While engaged in a training exercise for the performance of a duty described in subsections 16.D.6.b.(1) or (2) above.
 - (4) A finding that a disability is the result of hazardous service requires that the injury or disease be the direct result of actions taken in the performance of such service. Travel to and from such service, or actions incidental to a normal duty status not considered hazardous, are not included.
 - (5) The guidance in subsection 16.D.6.(b) must apply to disabilities described in that subsection that are incurred on or after 1 May 2003.
 - (6) Any member of the Coast Guard who was denied CRSC under 10 U.S.C. 1413a, during the period beginning on 1 May 2003 and ending on the date of the re-issuance of this Manual as COMDTINST M7220.29C may reapply for CRSC on the basis of the guidance contained in subsection 16.D.6.b. Former members of the Coast Guard Reserve entitled to retired pay who previously applied for and were denied CRSC are not eligible to reapply.
- c. In the Performance of Duty Under Conditions Simulating War. In general, performance of duty under conditions simulating war covers disabilities resulting from military training, such as war games, practice alerts, tactical exercises, airborne operations, leadership reaction courses, grenade and live fire weapon practice, bayonet training, hand-to-hand combat training, repelling, and negotiation of combat confidence and obstacle courses. It does not include physical training activities such as calisthenics, jogging, formation running, or supervised sport activities.
- d. Instrumentality of War.
- (1) There must be a direct causal relationship between the instrumentality of war and the disability. It is not required that a member's disability be incurred during an actual period of war. The disability must be incurred incident to a hazard or risk of the service.
 - (2) An instrumentality of war is a vehicle, vessel, or device designed primarily for Military Service and intended for use in such Service at the time of the occurrence or injury. It may also include such instrumentality not designed primarily for Military Service if use of or occurrence involving such instrumentality subjects the individual to a hazard peculiar to Military Service. Such use or occurrence differs from the use or occurrence under similar circumstances in civilian pursuits.

- (3) A determination that a disability is the result of an instrumentality of war may be made if the disability was incurred in any period of service as a result of such diverse causes as wounds caused by a military weapon, accidents involving a military combat vehicle, injury or sickness caused by fumes, gases, or explosion of military ordnance, vehicles, or materiel.
- (4) For example, if a member is on a field exercise, and is engaged in a sporting activity and falls and strikes an armored vehicle, then the injury will not be considered to result from the instrumentality of war (armored vehicle) because it was the sporting activity that was the cause of the injury, not the vehicle. On the other hand, if the individual was engaged in the same sporting activity and the armored vehicle struck the member, then the injury would be considered the result of an instrumentality of war.
- (5) Other instrumentality of war disabilities include:
 - (a) Agent Orange. The disability was incurred as a result of Agent Orange exposure (herbicides). For these disabilities to be considered combat related, they must be specifically granted by the Department of Veterans Affairs (VA) as presumptive to Agent Orange exposure (herbicides). For consideration, the initial VA Rating Decision for the claimed disability must show not just service connection, but the specific causes of the condition; such as, member has diabetes due to Agent Orange exposure (herbicides). In addition, for secondary conditions to be granted as combat related, they must be specifically granted by the VA as secondary to the Agent Orange condition; such as member's hypertension is secondary to Agent Orange diabetes. If the conditions were diagnosed after Vietnam service and prior to retirement, evidence must show the date of diagnosis and proof of Vietnam service and includes but is not limited to service medical records, evaluations, decoration citations, travel vouchers or PCS orders.
 - (b) Radiation Exposure. The disability was incurred as a result of combat-related radiation exposure. Combat-related radiation exposure includes documented, onsite participation as a Uniformed Service member in a test involving the atmospheric detonation of a nuclear device; service in Paducah, KY, Portsmouth, Ohio; or the area identified as K25 at Oak Ridge, Tennessee for at least 250 days before February 1, 1992.
 - (c) Persian Gulf War, Mustard Gas or Lewisite. For disabilities awarded by the VA on the basis of presumption relating to service in the Persian Gulf War or exposure to mustard gas or lewisite, even though there is no direct connection and the disability did not occur immediately. For consideration, the initial VA rating decision for the claimed disability must show not just service connection, but the specific cause of the conditions, such as, member has developed fibromyalgia from service in the Persian Gulf War. Documentation should also describe the place, period, and conditions of exposure. In addition, for secondary conditions to be granted as combat-related, they must be specifically granted by the VA as secondary to the condition developed from service in the Persian Gulf War or exposure to mustard gas or lewisite.

7. Special Monthly Compensation (SMC).

- a. General. Special Monthly Compensation (SMC), under 38 U.S.C. 1114, is payable for service-connected disabilities caused by each anatomical loss or loss of use of specific organs or parts of the body. SMC is payable in addition to the basic rate of compensation otherwise payable on the basis of degree of disability, provided that the combined rate of compensation does not exceed the monthly rate set forth in 38 U.S.C. 1114(k).
- b. Special Determination. CG PSC-PSD-MED will make a special determination regarding whether a member entitled to CRSC who also receives SMC from the VA under 38 U.S.C. 1114(k) through (s) could receive increased CRSC as a result of a SMC determination. CG PSC-PSD-MED will first determine whether all their VA-compensated disabilities have been determined to be combat-related disabilities under the CRSC program. For members with VA-compensated disabilities that are both combat-related and not combat-related, CG PSC-PSD-MED will classify each award of SMC as either Combat-Related Special Monthly Compensation (CR-SMC) or not (Non-CR-SMC), consistent with the corresponding determination of the diagnostic codes on which the SMC is based. PPC-RAS will be notified of all such determinations. PPC-RAS will include any CR-SMC in CRSC computations.
- c. Grades Not Requiring SMC Determinations. CG PSC-PSD-MED need not make a combat-related determination for any member who would not receive added compensation even if SMC was determined to be combat-related. Any SMC on such member will be passed to PPC-RAS as “undetermined combat-relatedness.”

8. CRSC Amount. The monthly amount of CRSC is equal to the full monthly amount prescribed in Subsection 16.D.8.a., reduced as prescribed in Subsection 16.D.8.b. and limited in accordance with Subsection 16.D.8.c.

- a. Gross Monthly Amount. The monthly amount of disability compensation the member would be paid by the VA under the provisions of 38 U.S.C. if compensated solely for the disabilities determined to be attributable to an injury for which the member received the Purple Heart or determined to be otherwise combat-related. See Subsection 16.D.5. Applicable compensation is set forth in 38 U.S.C., Chapter 11.

Example: A member with a spouse and two children has qualifying combat-related disabilities rated at 100 percent by the VA. The member’s current monthly VA benefit amount is \$3,264 – the prescribed rate for a 100 percent disability for a veteran with a spouse and two children as of 1 Dec 2012. The gross monthly amount for CRSC purposes is based on this full rate and not just the veteran-alone amounts as applied to CRSC for periods on or after 1 Jan 2004.

- (1) Compensation of Dependents. Additional compensation for dependents is to be included as part of any applicable CRSC compensation. PPC-RAS will use the same dependency rates for the combat-related compensation as VA uses to determine the member’s full disability compensation. For example, if a member is compensated by VA at the 100 percent disability rate for a veteran with spouse and one child and the combat-related percentage is 60 percent, then the gross

CRSC will be determined as the 60 percent rate for a veteran with a spouse and one child. The rates of such compensation are set forth in 38 U.S.C. 1115.

- (2) Special Monthly Compensation (SMC). The amount of SMC will be considered as part of gross CRSC compensation only if the SMC is paid on the basis of disabilities determined by CG PSC-PSD-MED to be combat-related. See Subsection 16.D.7.
 - (3) Retired Members Considered Unemployable. PPC-RAS must coordinate with VA to ascertain whether a member is compensated by VA under 38 U.S.C. 1114(j) by virtue of a rating of Individual Unemployability (IU) on the basis of being unemployable under the provisions of 38 CFR 4.16 or 4.18, for any member whose current combined combat-related disability percentage is 60 percent or greater. Such member must be given a combined gross CRSC disability, which is rated as total or 100 percent.
- b. Adjusted Amount. The CRSC payment may not exceed the current reduction in retired pay applicable to the retiree under 38 U.S.C. 5304 and 5305. Thus, CRSC is not payable if there is no reduction because the member is not receiving any monthly disability compensation from VA, or because the member is not receiving retired pay (such as a reserve member before reaching retirement age at 60 or other reduced retirement age) or for other reasons (such as a member who waives military retired pay in order to credit military service for a civil service retirement). The amount of a member's CRSC entitlement will be adjusted to be the lesser of the gross CRSC from Subsection 16.D.8.a. or the reduction to the retired pay entitlement.

Example: The member, described in Subsection 16.D.8.a. is retired after 22 years of service with a high-three pay base of \$3,000, resulting in retired pay of \$1,650 monthly (55 percent of \$3,000). The potential retired pay of \$1,650 is reduced to \$0 by receipt of the VA disability compensation. Thus the adjusted amount of CRSC is the \$1,650 reduction in retired pay since it is less than the gross amount of \$3,264 determined in the example in Subsection 16.D.8.a.

- c. CRSC Payment Reduction for 10 U.S.C., Chapter 61 Disability Retirees. The adjusted monthly amount specified in Subsection 16.D.8.b. will be reduced according to the provisions of Subsection 16.D.8.c.(1) or Subsection 16.D.8.c.(2), whichever is applicable.

(1) Reduction for periods prior to 1 Jan 2013.

- (a) Chapter 61 Disability Retirees With 20 or More Years of Service. Members retired for disability under 10 U.S.C., Chapter 61 with 20 or more years of creditable service computed under 10 U.S.C. 1208 will have the maximum CRSC payment reduced by the amount, if any, by which the amount of the member's gross retired pay under Chapter 61 exceeds the applicable retired pay to which the member would otherwise have been entitled under any other provisions of law. A retiree who accepted the Career Status Bonus will have the reduced amount calculated based on retired pay that would otherwise have been computed under 10 U.S.C. 1409(b)(2).

Example: The member described in Subsection 16.D.8.b., who would have received \$1,650 in retired pay had he retired for his years of service, was retired under 10 U.S.C., Chapter 61 with a disability rated at 60 percent. Thus, the member receives retired pay of \$1,800 monthly (60 percent of \$3,000). However, in this case, the member has a combined VA rating of 100 percent, but combat-related disabilities rated at 60 percent. The member's current monthly VA benefit amount is \$3,264, of which \$1,365 is combat-related. The member has a total offset of retired pay. The maximum CRSC entitlement under Subsections 16.D.8.a. and 16.D.8.b. is \$1,365. The maximum CRSC entitlement will be reduced by the difference in the Chapter 61 retirement and the longevity retirement amounts, or \$150 (\$1,800 less \$1,650). This reduction reflects the amount by which the member's disability retired pay exceeds his or her longevity retired pay. The member's CRSC benefit of \$1,365 is reduced by \$150 to \$1,215. In this case, the member will receive \$3,264 from the VA and \$1,215 in CRSC from the Coast Guard.

- (b) Chapter 61 Disability Retirees With Fewer Than 20 Years of Service. Members retired for disability under 10 U.S.C., Chapter 61 with less than 20 years of creditable service computed under 10 U.S.C. 1208 and who initially qualify for CRSC on or after 1 Jan 2008, will have the maximum CRSC payment reduced by the amount, if any, by which the amount of the member's gross retired pay under Chapter 61 exceeds the amount that is equal to 2½ percent of the member's years of creditable service multiplied by the member's retired pay base under 10 U.S.C. 1406(b)(1) or 10 U.S.C. 1407, whichever is applicable to the member.

NOTE: A retired reserve member, retired under the provisions of 10 U.S.C., Chapter 61 is entitled to CRSC. The gross amount of CRSC determined under Subsection 16.D.8.a. will be adjusted as required under Subsection 16.D.8.b. and then further reduced under this paragraph. For Coast Guard Reserve members with less than 20 years of service as determined under 10 U.S.C. 12733, reduce the adjusted CRSC amount by the amount, if any, by which the disability retired pay exceeds the amount equal to 2½ percent times the years of creditable service determined under 10 U.S.C. 12733 multiplied by the member's applicable retired pay base. For Reserve members with 20 or more years of service as determined under 10 U.S.C. 12733, reduce the adjusted CRSC amount by the amount, if any, by which the disability retired pay exceeds the retired pay for the member would be entitled if the member were 60 years old.

(2) Reductions for periods on or after 1 Jan 2013.

- (a) Chapter 61 Disability Retirees With 20 or More Years of Service. Members retired for disability under 10 U.S.C., Chapter 61 with 20 or more years of creditable service computed under section 10 U.S.C. 1208 will have the maximum CRSC payment restricted to the amount, which when combined with any remaining retired pay after VA offset, will not exceed the applicable retired pay to which the member would otherwise have been entitled under any other provisions of law. A retiree who accepted the Career Status Bonus

will have the reduced amount calculated based on retired pay that would otherwise have been computed under 10 U.S.C. 1409(b)(2).

Example: The same member, as described in Subsection 16.D.8.b., was retired under 10 U.S.C., Chapter 61 with a disability rated at 60 percent. Thus, the member receives retired pay of \$1,800 monthly (60 percent of \$3,000). However, in this case, the member has a combined VA rating of 100 percent, but combat-related disabilities rated at 60 percent. The member's current monthly VA benefit amount is \$3,264, of which \$1,365 is combat-related. The member has a total offset of retired pay. Since there is no residual retired pay after offset of the full VA benefit amount, the member's CRSC entitlement of \$1,365, is fully payable as it does not exceed the applicable retired pay to which the member would otherwise have been entitled under any other provisions of law. In this case, the member will receive \$3,264 from the VA and \$1,365 in CRSC from the Coast Guard.

(b) Chapter 61 Disability Retirees With Fewer Than 20 Years of Service.

Members retired for disability, under 10 U.S.C., Chapter 61, with less than 20 years of creditable service computed under 10 U.S.C. 1208, and who is qualified for CRSC, on or after 1 Jan 2013, will have the maximum CRSC payment restrictions. The CRSC payment amount, which when combined with any remaining retired pay after VA offset, will not exceed the amount that is equal to 2½ percent of the member's years of creditable service multiplied by the member's retired pay base under 10 U.S.C. 1406(b)(1) or 10 U.S.C. 1407, whichever is applicable to the member.

NOTE: A retired reserve member, retired under the provisions of 10 U.S.C., Chapter 61 is entitled to CRSC. The gross amount of CRSC determined under Subsection 16.D.8.a. will be adjusted as required under Subsection 16.D.8.b. For Reserve Component members with less than 20 years of service as determined under 10 U.S.C. 12733, the CRSC amount when combined with the amount of retired pay payable to the retiree after reduction for the full VA disability compensation, if any, may not exceed the disability retired pay amount that is equal to 2½ percent times the years of creditable service determined under 10 U.S.C. 12733 multiplied by the member's applicable retired pay base. For Reserve members with 20 or more years of service as determined under 10 U.S.C. 12733, the CRSC amount when combined with the amount of retired pay payable to the retiree after reduction for the full VA disability compensation, if any, may not exceed the disability retired pay to which the member would be entitled if the member were 60 years old.

- (3) Chapter 61 Disability Retiree Out-Year Deductions. In all cases, once established (based on date the member was first placed on either the Permanent or Temporary Disability Retirement List), the CRSC reduction amount will be increased by each increase in the retired pay cost of living allowance. It will not be re-computed using current pay tables unless the member otherwise qualifies for re-computation of retired pay by reason of recall to duty or correction of official records.

9. Combined Disability Rating Percentage.

- a. The Veterans Affairs (VA) Combined Ratings Table. This table is used to combine multiple disability ratings as set forth in 38 CFR 4.25. The table is based on the consideration of an individual's efficiency, as affected by the most disabling conditions, if any, in the order of severity. Thus, a person having a 60 percent disability is considered 40 percent efficient. Proceeding from this 40 percent efficiency, the effect of a further 30 percent disability is to leave only 70 percent of the efficiency remaining after consideration of the first disability (70 percent of 40 percent), leaving 28 percent efficiency altogether. The individual is thus 72 percent disabled.
- b. Multiple Combined Disability Ratings. When two or more disabilities are combined, use the formula below to determine the combined rating of multiple disabilities:
 - (1) Subtract each disability percent from 100 percent to obtain the remaining efficiency,
 - (2) Multiply the remaining efficiencies together,
 - (3) Subtract the result from 100 percent, and
 - (4) Round to the nearest 10 percent (round upward for 5 percent and up, down for 4 percent and below) to determine the combined disability rating.

Example 1: Consider a retiree having three disabilities from VA, rated 50 percent, 40 percent, and 30 percent. If added together, then the total would be 120 percent. Instead, the member's combined rating is determined as follows:

1. The three disabilities leave efficiencies of 50 percent, 60 percent, and 70 percent respectively;
2. Multiply the three efficiencies together:
 $.50 \times .60 \times .70 = .21$ or 21 percent;
3. The disability is 100 percent less 21 percent = 79 percent;
4. Adjust the result upward to a combined disability rating of 80 percent.

Example 2: Now consider what happens if CG PSC-PSD-MED determines that only the 40 percent and 30 percent disabilities are combat-related, then the member's combined disability rating for CRSC would be:

1. The two disabilities of 40 percent and 30 percent leave efficiencies of 60 percent and 70 percent.
2. Multiply the two efficiencies together:
 $.60 \times .70 = .42$ or 42 percent;
3. The disability is 100 percent less 42 percent = 58 percent;
4. Adjust the result upward to a combined disability rating of 60 percent.

- c. VA Retroactive Increase. When VA makes a retroactive increase in a member's VA disability compensation pertinent to a member's combat-related disabilities under

CRSC, PPC-RAS and VA will exchange data to determine the additional retroactive amount that the member is entitled to receive as the result of CRSC. PPC-RAS will compute the additional entitlement and advise VA in order for VA to pay the member the appropriate additional authorized VA disability compensation. Any increase affecting CRSC qualified disabilities in the current month requires that CRSC be recomputed.

10. Review Process.

a. Basis for Determination.

- (1) Determinations of whether a disability is combat-related will be based on the preponderance of available documentary information where quality of information is more important than quantity. All relevant documentary information is to be weighed in relation to known facts and circumstances, and determinations will be made on the basis of credible, objective documentary information in the records as distinguished from personal opinion, speculation, or conjecture.
- (2) The burden of proof that a disability is combat-related rests with the applicant, who is required to provide copies of documents in his or her possession to the best of his or her ability. A record submitted by a member may be used in support of his or her application if that record appears regular on its face and is consistent with Military Service documents and procedures in use at the time, based on the best information available. CG PSC-PSD-MED may compile a list of typical documents used in various time periods. If necessary, CG PSC-PSD-MED, under agreement with VA may request copies of certain documents (i.e., DD 214 "Certificate of Release or Discharge from Active Duty", medical records, final VA ratings) from VA to support CRSC determinations.

b. Processing of Applications. CG PSC-PSD-MED will receive and process applications submitted by Coast Guard retirees only on DD Form 2860, Claim For Combat-Related Special Compensation (CRSC) – no other format is acceptable. Applications will be reviewed, and an application will be approved only if the applicant satisfies both Preliminary and Final CRSC criteria. An application must be received by CG PSC-PSD-MED prior to the member's death in order to be considered. An application for CRSC submitted by member's survivors will not be considered. PPC-RAS will be notified of each approved application for payment.

- (1) Initial Review. CG PSC-PSD-MED will review the retiree's application to determine if the applicant meets the Preliminary criteria in Subsection 16.D.4. If a retiree does not satisfy each of the Preliminary CRSC Criteria, then the application will be denied and no further consideration is necessary. The retiree may reapply at such time as his or her ratings satisfy the specified thresholds and meet all four Preliminary CRSC Criteria in Subsection 16.D.4.
- (2) Final Review. If the retiree meets all four Preliminary Criteria in 16.D.4., then CG PSC-PSD-MED will determine whether the retiree's disabilities are qualifying combat-related disabilities, as prescribed in Subsection 16.D.5. CG PSC-PSD-MED must record each disability determined to be combat-related with

assigned medical diagnosis code from VASRD and forward the approved claims with VASRD codes categorized as either combat or Purple Heart to PPC-RAS for payment.

- c. Denial and Appeals. When CG PSC-PSD-MED denies a CRSC application, they will provide a letter to the retiree specifying the reason(s) for the denial. CG PSC-PSD-MED will inform the retiree that he or she may seek reconsideration by submitting additional, clarifying, or new documentary information to CG PSC-PSD-MED in support of his or her claim. CG PSC-PSD-MED will review the additional or new information and will inform the member of the results of the review. CG PSC-PSD-MED will also inform the retiree that CRSC determinations appeals may be submitted to the Director of Reserve & Military Policy (CG-13) and Coast Guard records correction processes, including application to the Department of Homeland Security Board for Correction of Military Records (DHS-BCMR) under the provisions of 10 U.S.C. 1552. CG PSC-PSD-MED will provide the member a DD Form 149, Application for Correction of Military Records, and the DHS-BCMR address, including its Web site. In considering an application where the issue of whether a disability is combat-related for the purposes of CRSC, DHS-BCMR may seek an advisory opinion from the Director of Reserve & Military Policy, and comply with the requirements of 10 U.S.C. 1556. DHS-BCMR will provide the Director of Reserve & Military Policy a copy of any final decision concerning any application involving a determination as to whether a disability is combat-related.

E. Reserve.

1. Authority. 10 U.S.C. Chapter 1223.
2. Policy. Refer to Chapter 8, Reserve Policy Manual, COMDTINST M1001.28 (series).

F. Representative Payee for Survivor Benefit Plan (SBP) Annuities.

1. Authority. 10 U.S.C. 1455.
2. Policy. The SBP due a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed may be paid to a representative payee who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant. Refer to DoD Financial Management Regulation, Volume 7B, Chapter 46.
3. Procedure. CG Personnel Service Center (PSC-psd-fs) is the approval authority. CG Pay and Personnel Center (RAS) will forward requests for designation of a representative payee to CG Personnel Service Center (PSC-psd-fs) for determination.

G. Administration.

1. Disbursements. PPC must calculate, make, and record all disbursements of pay to retired military personnel, retired lighthouse keepers, and annuitants.

2. Deductions. PPC must make appropriate deductions from retired or annuitant pay, including:
 - a. Department of Veterans Affairs off-sets;
 - b. Federal and state tax withholdings;
 - c. Deductions for indebtedness to the United States, its instrumentalities, and for court-ordered garnishments of pay;
 - d. Divisions under the Former Spouses' Protection Act (FSPA);
 - e. Retired Serviceman's Family Protection Plan (RSFPP) and Survivor Benefit Plan (SBP) coverage costs;
 - f. Voluntary allotment deductions; and
 - g. Other deductions required by statute or regulation.
3. Re-delegation of Authority. Commanding Officer, PPC, is delegated authority to process and adjudicate deemed SBP elections of former spouses under the provisions of 10 U.S.C. 1450(f)(3)(A). This authority may be re-delegated to the PPC Attorney Advisor.
4. Suspension. Under authority in P.L. 107-295, The Secretary of Homeland Security (as delegated to Commandant (CG-133)) may order suspensions of retired pay after determining that:
 - a. A felony warrant has been issued against the absent member by the United States under the authority of 18 U.S.C. 1073, "Flight to avoid prosecution or giving testimony," and the Department of Justice has sought extradition; or
 - b. A felony warrant has been issued against the absent member by the United States for violation of the International Parental Kidnapping Act, 18 U.S.C. 1204; or for a crime stated in 5 U.S.C. 8312; and
 - c. The member is outside the United States, and has willfully remained outside the United States to avoid criminal prosecution for 30 or more consecutive days subsequent to the date of issue of the felony warrant. As a result:
 - (1) PPC must suspend retired pay until PPC receives authority from the Commandant (CG-133) to resume monthly payments and to pay the balance of suspended payments. No interest may be paid on any suspended amounts.
 - (2) Payment of any amounts subject to involuntary withholding or paid as insurance premiums by previously established allotments must not be

suspended, but must continue to be paid from the member's pay unless otherwise directed by the Secretary of Homeland Security.

5. Policy Guidance. In carrying out its functions, PPC must be guided by the:
- a. United States Code and Code of Federal Regulations.
 - b. Coast Guard Pay Manual and other policy guidance provided by Commandant;
and
 - c. Department of Defense Financial Management Regulation, Vol.7B.

- H. Inquiries. Direct general inquiries from retirees or annuitants pertaining to retired affairs, retired pay or annuities, to:

Commanding Officer
Pay and Personnel Center
444 SE Quincy Street
Topeka KS 66683-3591

Phone number: (785) 339-3415
Toll free line for retirees and annuitants only: 1-800-772-8724
Fax: (785) 339-3770

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