

112TH CONGRESS
1ST SESSION

S. 344

To amend title 10, United States Code, to permit certain retired members of the uniformed services who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special Compensation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2011

Mr. REID (for himself, Ms. STABENOW, and Mr. TESTER) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to permit certain retired members of the uniformed services who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special Compensation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Retired Pay Restora-
3 tion Act of 2011”.

4 **SEC. 2. ELIGIBILITY FOR PAYMENT OF BOTH RETIRED PAY**
5 **AND VETERANS’ DISABILITY COMPENSATION**
6 **FOR CERTAIN MILITARY RETIREES WITH**
7 **COMPENSABLE SERVICE-CONNECTED DIS-**
8 **ABILITIES.**

9 (a) **EXTENSION OF CONCURRENT RECEIPT AUTHOR-**
10 **ITY TO RETIREES WITH SERVICE-CONNECTED DISABIL-**
11 **ITIES RATED LESS THAN 50 PERCENT.—**

12 (1) **REPEAL OF 50 PERCENT REQUIREMENT.—**

13 Section 1414 of title 10, United States Code, is
14 amended by striking paragraph (2) of subsection (a).

15 (2) **COMPUTATION.—**Paragraph (1) of sub-
16 section (c) of such section is amended by adding at
17 the end the following new subparagraph:

18 “(G) For a month for which the retiree re-
19 ceives veterans’ disability compensation for a
20 disability rated as 40 percent or less or has a
21 service-connected disability rated as zero per-
22 cent, \$0.”.

23 (b) **CLERICAL AMENDMENTS.—**

24 (1) The heading of section 1414 of such title is
25 amended to read as follows:

1 **“§ 1414. Members eligible for retired pay who are also**
 2 **eligible for veterans’ disability compensa-**
 3 **tion: concurrent payment of retired pay**
 4 **and disability compensation”.**

5 (2) The item relating to such section in the
 6 table of sections at the beginning of chapter 71 of
 7 such title is amended to read as follows:

“1414. Members eligible for retired pay who are also eligible for veterans’ disability compensation: concurrent payment of retired pay and disability compensation.”.

8 (c) EFFECTIVE DATE.—The amendments made by
 9 this section shall take effect on January 1, 2012, and shall
 10 apply to payments for months beginning on or after that
 11 date.

12 **SEC. 3. COORDINATION OF SERVICE ELIGIBILITY FOR COM-**
 13 **BAT-RELATED SPECIAL COMPENSATION AND**
 14 **CONCURRENT RECEIPT.**

15 (a) AMENDMENTS TO STANDARDIZE SIMILAR PROVI-
 16 SIONS.—

17 (1) QUALIFIED RETIREES.—Subsection (a) of
 18 section 1414 of title 10, United States Code, as
 19 amended by section 2(a), is amended—

20 (A) by striking “a member or” and all that
 21 follows through “retiree’” and inserting “a
 22 qualified retiree”; and

23 (B) by adding at the end the following new
 24 paragraph:

1 “(2) QUALIFIED RETIREES.—For purposes
2 of this section, a qualified retiree, with respect
3 to any month, is a member or former member
4 of the uniformed services who—

5 “(A) is entitled to retired pay (other
6 by reason of section 12731b of this title);
7 and

8 “(B) is also entitled for that month to
9 veterans’ disability compensation.”.

10 (2) DISABILITY RETIREES.—Paragraph (2) of
11 subsection (b) of section 1414 of such title is
12 amended to read as follows:

13 “(2) SPECIAL RULE FOR RETIREES WITH
14 FEWER THAN 20 YEARS OF SERVICE.—The retired
15 pay of a qualified retiree who is retired under chap-
16 ter 61 of this title with fewer than 20 years of cred-
17 itable service is subject to reduction by the lesser
18 of—

19 “(A) the amount of the reduction under
20 sections 5304 and 5305 of title 38; or

21 “(B) the amount (if any) by which the
22 amount of the member’s retired pay under such
23 chapter exceeds the amount equal to 2½ per-
24 cent of the member’s years of creditable service
25 multiplied by the member’s retired pay base

1 under section 1406(b)(1) or 1407 of this title,
2 whichever is applicable to the member.”.

3 (b) **EFFECTIVE DATE.**—The amendments made by
4 this section shall take effect on January 1, 2012, and shall
5 apply to payments for months beginning on or after that
6 date.

7 **SEC. 4. CLARIFICATION OF COMPUTATION OF COMBAT-RE-**
8 **LATED SPECIAL COMPENSATION FOR CHAP-**
9 **TER 61 DISABILITY RETIREES.**

10 (a) **IN GENERAL.**—Section 1413a(b)(3) of title 10,
11 United States Code, is amended by striking “shall be re-
12 duced by the amount (if any) by which the amount of the
13 member’s retired pay under chapter 61 of this title ex-
14 ceeds” both places it appears and inserting “may not,
15 when combined with the amount of retired pay payable
16 to the retiree after any such reduction under sections 5304
17 and 5305 of title 38, cause the total of such combined
18 payment to exceed”.

19 (b) **EFFECTIVE DATE.**—The amendments made by
20 this section shall take effect on January 1, 2012, and shall
21 apply to payments for months beginning on or after that
22 date.

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