



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

SEP 23 2009

MEMORANDUM FOR SECRETARY OF THE ARMY
SECRETARY OF THE NAVY
SECRETARY OF THE AIR FORCE
UNDER SECRETARY OF DEFENSE (COMPTROLLER)
ASSISTANT SECRETARY OF DEFENSE
(LEGISLATIVE AFFAIRS)
ASSISTANT SECRETARY OF DEFENSE
(PUBLIC AFFAIRS)
ASSISTANT SECRETARY OF DEFENSE
(RESERVE AFFAIRS)
GENERAL COUNSEL OF THE DEPARTMENT OF
DEFENSE
CHIEF, NATIONAL GUARD BUREAU
CHIEF, ARMY RESERVE

SUBJECT: Retroactive Stop Loss Special Pay Compensation

- References: (a) The Supplemental Appropriations Act, 2009, Public Law 111-32, Section 310, Retroactive Stop Loss Special Pay Compensation to Eligible Claimants
(b) Secretary of Defense Memorandum, Subject: Stop Loss Special Pay, March 19, 2009

Effective October 21, 2009, the Secretaries of the Military Departments are directed to implement Retroactive Stop Loss Special Pay as authorized and appropriated in reference (a) and as described in this memorandum.

Eligibility. The Secretaries concerned shall employ the Retroactive Stop Loss Special Pay authority and appropriated funding to compensate Service members, including members of the Reserve Components, former and retired members under the jurisdiction of the Secretary who, at any time during the period beginning on September 11, 2001, and ending on September 30, 2009, served on active duty while the Service members' enlistment or period of obligated service was involuntarily extended, or whose eligibility for retirement was suspended pursuant to any provision of law authorizing the President to extend any period of obligated service, or suspend eligibility for retirement, of a Service member in time of war or of national emergency

declared by Congress or the President (commonly referred to as a “Stop Loss Authority”).

Service members who were discharged or released from the Armed Forces under other than honorable conditions are not permitted to receive Retroactive Stop Loss Special Pay under reference (a).

Payment. The amount of compensation shall be \$500 per month for each month or any portion of a month during the period specified that the member was retained on active duty as a result of application of the Stop Loss Authority. The Military Departments are to determine and certify who is eligible to receive the Retroactive Stop Loss Special Pay and provide this information to the Defense Finance and Accounting Service (DFAS) for payment. Except as noted below, retroactive Stop Loss Special Pay is payable to a member under this section in addition to any other amounts payable or paid to the member by law or policy. Payment rules are:

- Service members will not receive a payment under references (a) and (b) for the same month or portion of a month during which the member was retained on active duty under Stop Loss Authority;
- By law, Reserve Component members retained under Stop Loss Authority will receive Retroactive Stop Loss Special Pay only for service on active duty. As such, Reserve Component members may have periods before mobilization and after demobilization while under Stop Loss Authority where no Retroactive Stop Loss Special Pay can be paid; and
- Retroactive Stop Loss Special Pay earned while serving in an area designated for purposes of the Combat Zone Tax Exclusion may be subject to tax exclusion as determined by DFAS.

Claims Process. The last day for submission of claims to the Secretaries of the Military Departments for Retroactive Stop Loss Special Pay is October 21, 2010. The Secretaries concerned are not authorized to make payments on claims that are submitted after October 21, 2010. The additional period between the date of this memorandum and October 21, 2009 is provided for the Military Departments to:

- Identify and notify members or former members that official records indicate their potential eligibility for Retroactive Stop Loss Special Pay. This notification should reflect the estimated number of eligible months and the projected special pay amount along with guidance about how to submit a claim. Special care should be taken to work with family members of eligible Service members who are deceased. These family members may not be knowledgeable of the process and will require additional assistance after filing their claim;

- Make a public announcement of the Retroactive Stop Loss Special Pay Authority highlighting the scope of the program, who qualifies for the benefits, and how to submit a claim to the Service point of contact; and
- Establish and publish evidentiary requirements beyond those listed below to support an unrecorded extension under Stop Loss Authority. Official documents include but are not limited to:
 - DD Form 214, Certificate of Release or Discharge from Active Duty and/or DD Form 215, Correction to DD Form 214;
 - Personnel record or enlistment or reenlistment document recording original expiration of service date;
 - Approved retirement memorandum or orders establishing retirement prior to actual date of retirement as stipulated in DD Form 214 or DD Form 215;
 - Approved resignation memorandum or transition orders establishing a separation date prior to actual date of separation as stipulated in DD Form 214 or DD Form 215; and.
 - Signed documentation or affidavit from knowledgeable officials from the individual's chain of command during the period the member was under Stop Loss Authority.
- Establish claim and appellate procedures, websites, points of contact for assistance or other outreach mechanisms to inform and expedite claims. Publish information on use of Board for Correction of Military/Naval Records.

Recordkeeping. The Military Departments will maintain a by-name accounting of claims that will allow aggregate summaries to depict:

- The number of claims filed;
- The number of claims approved;
- The number of claims denied and the reasons why (especially with regard to subparagraph (f) of reference (a));
- The number of appeals;
- The number of claims pending and the reasons why;
- The amount of funding that has been obligated, to include mean and median payments provided per claimant, the number of claims and payments made in accordance with section 2771 of title 10, United States Code for deceased claimants; and
- The mean and median processing times from receipt of claim to payment.

Reporting. The Department of Defense shall provide a consolidated report to the congressional defense committees on the implementation of reference (a). As

such, the Under Secretary of Defense for Personnel and Readiness, in coordination with the Under Secretary of Defense (Comptroller), will establish data formats and narrative requirements for a cumulative quarterly report beginning January 21, 2010, to monitor the program and the remaining balance of funding appropriated for this purpose.

My point of contact for this action is LTC Brigitte Williams, Assistant Director, Enlisted Personnel Policy, (703) 614-3973, Brigitte.Williams@osd.mil.



William J. Carr
Deputy Under Secretary of Defense
(Military Personnel Policy)
Performing the Duties of the
Under Secretary of Defense
(Personnel and Readiness)

cc:
ASA(M&RA)
ASN(M&RA)
SAF(MR)