SEC. 504. EXTENSION OF TEMPORARY AUTHORITY TO REDUCE MINIMUM LENGTH OF ACTIVE SERVICE AS A COMMISSIONED OFFICER REQUIRED FOR VOLUNTARY RETIREMENT AS AN OFFICER.

(a) ARMY.—Section 3911(b)(2) of title 10, United States Code, is amended by striking "September 30, 2013" and inserting "September 30, 2018".

(b) NAVY AND MARINE CORPS.—Section 6323(a)(2)(B) of such title is amended by striking "September 30, 2013" and inserting "September 30, 2018".

(c) AIR FORCE.—Section 8911(b)(2) of such title is amended by striking "September 30, 2013" and inserting "September 30, 2018".

(d) TECHNICAL AMENDMENTS.—Each of the sections specified in subsections (a), (b), and (c) is further amended by striking "the date of the enactment of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011" and inserting "January 7, 2011,".

Section-by-Section Analysis

This proposal would amend sections 3911(b), 6323(a)(2), and 8911(b) of title 10, United States Code, to provide the Secretaries of the military departments continuing authority to approve the voluntary retirement at 20 years of service for officers with eight years commissioned service instead of 10 years from October 1, 2013 until September 30, 2018.

Extension of this authority, through 30 Sep 2018, will provide continued access to an invaluable force shaping tool. In a budget-constrained environment, with declining manpower requirements and high officer retention rates, the Services must be equipped with robust and flexible tools to retain officers with the required skill sets. This authority provides the Secretary concerned with the flexibility to size and shape the force with the proper balance of skill sets and providing viable career paths to the officer corps.

Navy effectively implemented this authority in fiscal years 2006-2008 and currently has approximately 312 officers eligible to request this waiver in FY14. Based on historical retention rates, Navy estimates that between 15 percent and 25 percent (45 to 75 officers) of prior-service officers who become initially eligible (having completed requirements for both minimum commissioned service and 20 years active service) in FY14 will retire in the first year of eligibility under the 8-year commissioned service waiver authority, if extended from its current expiration. Extension of this authority will provide an additional force stabilization option to shape the officer corps while maintaining a balanced force.

Air Force has also indicated that they will consider using this authority if extended. While Army and Marine Corps currently have no plans to exercise this authority, they have indicated the desirability to retain the flexibility this authority offers for possible future force shaping.

Budget Implications: There would be no additional cost for this proposal. No monetary incentives will be offered to entice prior-service officers to voluntary apply for retirement using the eight-year commissioned service retirement authority.

NUMBER OF PERSONNEL AFFECTED:

Air Force	Navy	Marine Corps	Army
TBD	312	N/A	N/A

RESOURCE REQUIREMENTS($ MILLION):

Dollar amounts are in Millions							
Service	FY13	FY 14	FY15	FY16	FY17	Total	Appropriation
Air Force	$0	$0	$0	$0	$0	$0	
Navy	$0	$0	$0	$0	$0	$0	
Marine Corps	$0	$0	$0	$0	$0	$0	
Army	$0	$0	$0	$0	$0	$0	
Total	$0	$0	$0	$0	$0	$0	

Changes to Existing Law: This proposal would make the following changes to title 10, United States Code:

§ 3911. Twenty years or more: regular or reserve commissioned officers

(a)(1) The Secretary of the Army may, upon the officer's request, retire a regular or reserve commissioned officer of the Army who has at least 20 years of service computed under section 3926 of this title, at least 10 years of which have been active service as a commissioned officer.

(b) (1) The Secretary of Defense may authorize the Secretary of the Army, during the period specified in paragraph (2), to reduce the requirement under subsection (a) for at least 10 years of active service as a commissioned officer to a period (determined by the Secretary) of not less than eight years.

(2) The period specified in this subparagraph is the period beginning on ~~the date of the~~

~~enactment of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011~~ January 7, 2011, and ending on September 30, ~~2013~~ 2018.

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§ 6323. Officers: 20 years

(a)(1) An officer of the Navy or the Marine Corps who applies for retirement after completing more than 20 years of active service, of which at least 10 years was service as a commissioned officer, may, in the discretion of the President be retired on the first day of any month designated by the President.

(2) (A) The Secretary of Defense may authorize the Secretary of the Navy, during the period specified in subparagraph (B), to reduce the requirement under paragraph (1) for at least 10 years of active service as a commissioned officer to a period (determined by the Secretary) of not less than eight years.

(B) The period specified in this subparagraph is the period beginning on ~~the date of the enactment of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011~~ January 7, 2011, and ending on September 30, ~~2013~~ 2018.

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§ 8911. Twenty years or more: regular or reserve commissioned officers

(a)(1) The Secretary of the Air Force may, upon the officer's request, retire a regular or reserve commissioned officer of the Air Force who has at least 20 years of service computed under section 3926 of this title, at least 10 years of which have been active service as a commissioned officer.

(b) (1) The Secretary of Defense may authorize the Secretary of the Air Force, during the period specified in paragraph (2), to reduce the requirement under subsection (a) for at least 10 years of active service as a commissioned officer to a period (determined by the Secretary) of not less than eight years.

(2) The period specified in this subparagraph is the period beginning on ~~the date of the enactment of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011~~ January 7, 2011, and ending on September 30, ~~2013~~ 2018.