



DEFENSE FINANCE AND ACCOUNTING SERVICE

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FEB 25 1998

DFAS-HQ/FMM

**MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
CLEVELAND CENTER
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DENVER CENTER**

**SUBJECT: Update to the DoD Financial Management Regulation, Vol 7B, Adding Exceptions
to Dual Compensation and Pay Cap Deductions (DFAS G-70)**

This is an Interim Change Number R4-98 to the DoDFMR, Volume 7B. The attached final version of the change includes your comments where appropriate. Assignment of an interim change number is your authority to initiate a procedural modification to facilitate this change.

We have determined that this policy change does not require a change to the current pay system. For the Denver Center, use the attached to initiate the formal printed change to the DoDFMR.

Our point of contact, Mr. Fiti Malufau, may be contacted at DSN 327-5061 or (703) 607-5061. Our fax number is DSN 332-5271 or (703) 602-5271.

Roger W. Scarce
Brigadier General, USA
Director for Finance

Attachment:
As stated

cc: DASD (MMP) (COMP)
ODGC (F)
DFAS-DE/DG
Service Liaisons
USCG/NOAA/PHS Liaisons

1. Add new paragraph 20119b(5) to read:

(5) Reserve members eligible to retire under 10 U.S.C. 12731 who have not yet applied for retired pay and do not receive concurrent payments of civilian salary and Reserve retired pay."

2. Table 2-1-2, delete column C and redesignate column D as C.

3. Table 2-1-2, rule 18, column B, revise to read:

"retired under 10 U.S.C. 12731 - 12740"

4. Add the following items to **TABLE 2-1-3, CIVILIAN POSITIONS EXEMPT FROM DUAL COMPENSATION RESTRICTIONS (Includes But Not Limited to These)** to read:

<p>21. National Defense Panel</p>	<p>Members of panel are not subject to dual compensation and pay cap restrictions. Panel established by section 924 of the National Defense Authorization Act for FY 1997 (PL 104-201; 110 Stat. 2626).</p>
<p>22. Commission on Servicemembers and Veterans Transition Assistance</p>	<p>Members of commission are not subject to dual compensation and pay cap restrictions. Established by section 701 of Veterans' Benefits Improvements Act of 1996 (PL 104-275; 110 Stat.3346; 38 U.S.C. 545 note)."</p>

5. Add the following to the Bibliography:

<u>Paragraph</u>	<u>Citation</u>
20119b(5)	DoD/GC Opinion, #97-6, 22 Jul 1997
Table 2-1-3, Rule 21.	PL 105-85, Sec 1081, 18 Nov 1997
Table 2-1-3, Rule 22.	PL 105-85, Sec 1081, 18 Nov 1997"