



UNITED STATES AIR FORCE BOARD FOR CORRECTION OF MILITARY RECORDS

RECORD OF PROCEEDINGS

IN THE MATTER OF:

Work-Product

DOCKET NUMBER: BC-2023-02929

COUNSEL: NONE

HEARING REQUESTED: NO

APPLICANT'S REQUEST

He be authorized a 10 percent increase in military retired pay for extraordinary heroism as evidenced by his award of the Silver Star.

APPLICANT'S CONTENTIONS

The Defense Finance and Accounting Service (DFAS) denied his request for 10 percent increase in retired pay for being awarded the Silver Star because he retired under the Temporary Early Retirement Authority (TERA) and did not serve 20 years on active duty. He provides a letter from the Secretary of the Air Force Decorations Board approving the increase in retirement pay.

The applicant's complete submission is at Exhibit A.

STATEMENT OF FACTS

The applicant is a retired Air Force master sergeant (E-7).

On 31 Jul 14, the according to DD Form 214, *Certificate of Release or Discharge from Active Duty*, the applicant was relieved from active duty for the purpose of retirement. His narrative reason reflects "Voluntary Retirement Temporary Early Retirement Authority." He was credited with 7 years, 10 months, and 20 days of active service.

On 1 Aug 14, according to Special Order Work-Product, dated 2 Apr 14, the applicant was retired from the Regular Air Force in the rank of master sergeant.

On 17 May 21, according to Special Order Work-Product, the applicant was awarded the Silver Star for gallantry in connection with military operations against an armed enemy of the United States on 23 Apr 11.

For more information, see the excerpt of the applicant's record at Exhibit B and the advisory at Exhibit C.

AIR FORCE EVALUATION

AFPC/DPMSSR (Military Retirements) recommends granting the application. In the National Defense Authorization Act (NDAA) for Fiscal Year 93 (FY93 NDAA), Public Law (PL) 102-484, 23 Oct 92, Congress enacted TERA, which permitted selected military members to retire early. Section 534 of that law gave the Secretary of Defense authority to allow the Service Secretaries to permit early retirement under 10 United States Code, Section 08914 (10 U.S.C. § 08914) (now 10 U.S.C. § 09314) for selected military members having at least 15 but less than 20 years of active

service. PL 112-81, the NDAA for FY12, extended the period of authorization for TERA from 1 Sep 02 to 31 Dec 18 and PL 114-328, the NDAA for FY17, extended the program through 31 Dec 25.

10 U.S.C. § 8991 (now 10 U.S.C. §9361), *Computation of Retired Pay*, provides for the 10 percent increase in retired pay for enlisted members credited with extraordinary heroism and who were retired under 10 U.S.C. § 08914. The increase is not automatic to all retired members who have been awarded a decoration for heroism. Rather, the law gives the Secretary of the Air Force the responsibility for determining what constitutes “extraordinary heroism.” 10 U.S.C. § 8991 Computation of retired pay (a) Computation – (1) Formula. – The monthly retired pay of a member entitled to such pay under this subtitle is computed by multiplying – (A) the member’s retired pay base (as computed under section 1406 (e) or 1407 of this title), by (B) the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title. (2) Additional 10 percent for certain enlisted member credited with extraordinary heroism. – If a member who is retired under section 8914 of this title has been credited by the Secretary of the Air Force with extraordinary heroism in the line of duty, the member’s retired pay shall be increased by 10 percent of the amount determined under paragraph (1) (but to not more than 75 percent of the retired pay base upon which the computation of such retired pay is based). The Secretary’s determination as to extraordinary heroism is conclusive for all purposes.

The applicant retired effective 1 Aug 14 under the TERA program, and his retirement was executed under 10 U.S.C. § 08914. On 17 May 21, the applicant was awarded the Silver Star, with an inclusive date of 23 Apr 11, prior to his retirement; however, the documentation did not contain authorization for the retired pay increase. On 17 Sep 22, the Secretary of the Air Force Decorations Board approved the authorization for the 10 percent increase in retired pay.

The DoD 700.14-R, *Financial Management Regulation* (FMR), Volume 7B, Chapter 1, paragraph 8.1.1, Regular Retirement, outlines procedures for issuance of the 10 percent increase in retired pay, stating enlisted members of the Army, Air Force, Space Force, Navy, and Marine Corps, retired after the completion of 20 or more but less than 30 years of active service for Regular retired pay computation purposes, who are credited by the Secretary concerned with extraordinary heroism in the line of duty, will receive a 10 percent increase to retired or retainer pay. Enlisted members of the Army, Air Force, and Space Force, with 20 or more, but less than 30 years of service, may not exceed a retired pay multiplier of 75 percent, including any heroism pay. Enlisted members of the Navy, Marine Corps, and Coast Guard with 20 or more, but less than 30 years of active service, are eligible to have retired or retainer pay increased by 10 percent without restriction to a final multiplier of 75 percent.

On 14 Aug 23, DFAS responded to a Congressional Inquiry regarding the applicant’s eligibility for the retired pay increase. In response, the DFAS representative indicated members retired under TERA are not generally eligible for the 10 percent increase in retired pay unless they have sufficient service for a 50 percent multiplier (i.e., 20 or more years of active service).

The complete advisory opinion is at Exhibit C.

APPLICANT’S REVIEW OF AIR FORCE EVALUATION

The Board sent a copy of the advisory opinion to the applicant on 19 Apr 24 for comment (Exhibit D) but has received no response.

FINDINGS AND CONCLUSION

1. The application was timely filed.
2. The applicant exhausted all available non-judicial relief before applying to the Board.
3. After reviewing all Exhibits, the Board concludes the applicant is the victim of an error or injustice. The Board concurs with the rationale and recommendation of AFPC/DPMSSR and finds a preponderance of the evidence substantiates the applicant’s contentions. PL 102-484 granted the Service Secretaries the authority to lower the service requirement for retirement to 15 years under 10 U.S.C. § 08914, and 10 U.S.C. § 08991 allows for the 10 percent increase in retired pay for service members retired under 10 U.S.C. § 08914 who are also credited with extraordinary heroism. The law does not restrict TERA retirees from receiving the pay increase; it merely states members must be retired under 10 U.S.C. § 08914 and be credited for a feat of extraordinary heroism. Specifically, the Air Force Decorations Board determined the applicant’s actions on 23 Apr 11, for which he was awarded the Silver Star, demonstrated extraordinary heroism, entitling him to receive a 10 percent increase in retired pay, in accordance with 10 U.S.C. § 8991. Therefore, the Board recommends correcting the applicant’s records as indicated below.

RECOMMENDATION

The pertinent military records of the Department of the Air Force relating to APPLICANT be corrected to show that he be authorized a 10 percent increase in military retired pay for extraordinary heroism.

CERTIFICATION

The following quorum of the Board, as defined in Department of the Air Force Instruction (DAFI) 36-2603, *Air Force Board for Correction of Military Records (AFBCMR)*, paragraph 2.1, considered Docket Number BC-2023-02929 in Executive Session on 24 Oct 24:

- Work-Product** Panel Chair
- Work-Product**, Panel Member
- Work-Product**, Panel Member

All members voted to correct the record. The panel considered the following:

- Exhibit A: Application, DD Form 149, w/atchs, dated 5 Sep 23.
- Exhibit B: Documentary evidence, including relevant excerpts from official records.
- Exhibit C: Advisory opinion, AFPC/DPMSSR, dated 18 Apr 24.
- Exhibit D: Notification of advisory, SAF/MRBC to applicant, dated 19 Apr 24.

Taken together with all Exhibits, this document constitutes the true and complete Record of Proceedings, as required by DAFI 36-2603, paragraph 4.12.9.

9/20/2025

X **Work-Product**

Board Operations Manager, AFBCMR
Signed by: USAF