

United States. A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under subsection (a) does not discharge the individual signing the agreement from a debt arising under such agreement or under paragraph (1).

(3) The Secretary concerned may waive, in whole or in part, the repayment requirement under paragraph (1) on a case-by-case basis if the Secretary concerned determines that repayment would be against equity and good conscience or would be contrary to the best interests of the United States.

(g) **TERMINATION OF AUTHORITY.**—No agreement under this section may be entered into after December 31, 2004.

(Added Pub. L. 107–107, div. A, title VI, §621(a), Dec. 28, 2001, 115 Stat. 1139; amended Pub. L. 107–314, div. A, title VI, §614(e), title X, §1062(c)(2), Dec. 2, 2002, 116 Stat. 2568, 2651; Pub. L. 108–136, div. A, title VI, §§614(e), 623, Nov. 24, 2003, 117 Stat. 1502, 1505.)

AMENDMENTS

2003—Subsecs. (a), (f)(1). Pub. L. 108–136, § 623, inserted “or an appointment” after “commission”.

Subsec. (g). Pub. L. 108–136, § 614(e), substituted “December 31, 2004” for “December 31, 2003”.

2002—Subsec. (b). Pub. L. 107–314, § 1062(c)(2), struck out par. (1) designation before “The Secretary”.

Subsec. (g). Pub. L. 107–314, § 614(e), substituted “December 31, 2003” for “December 31, 2002”.

§ 325. Incentive bonus: savings plan for education expenses and other contingencies

(a) **BENEFIT AND ELIGIBILITY.**—The Secretary concerned may purchase United States savings bonds under this section for a member of the armed forces who is eligible as follows:

(1) A member who, before completing three years of service on active duty, enters into a commitment to perform qualifying service.

(2) A member who, after completing three years of service on active duty, but not more than nine years of service on active duty, enters into a commitment to perform qualifying service.

(3) A member who, after completing nine years of service on active duty, enters into a commitment to perform qualifying service.

(b) **QUALIFYING SERVICE.**—For the purposes of this section, qualifying service is service on active duty in a specialty designated by the Secretary concerned as critical to meet requirements (whether or not such specialty is designated as critical to meet wartime or peacetime requirements) for a period that—

(1) is not less than six years; and

(2) does not include any part of a period for which the member is obligated to serve on active duty under an enlistment or other agreement for which a benefit has previously been paid under this section.

(c) **FORMS OF COMMITMENT TO ADDITIONAL SERVICE.**—For the purposes of this section, a commitment means—

(1) in the case of an enlisted member, a reenlistment; and

(2) in the case of a commissioned officer, an agreement entered into with the Secretary concerned.

(d) **AMOUNTS OF BONDS.**—The total of the face amounts of the United States savings bonds authorized to be purchased for a member under this section for a commitment shall be as follows:

(1) In the case of a purchase for a member under paragraph (1) of subsection (a), \$5,000.

(2) In the case of a purchase for a member under paragraph (2) of subsection (a), the amount equal to the excess of \$15,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

(3) In the case of a purchase for a member under paragraph (3) of subsection (a), the amount equal to the excess of \$30,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

(e) **TOTAL AMOUNT OF BENEFIT.**—The total amount of the benefit authorized for a member when United States savings bonds are purchased for the member under this section by reason of a commitment by that member shall be the sum of—

(1) the purchase price of the United States savings bonds; and

(2) the amounts that would be deducted and withheld for the payment of individual income taxes if the total amount computed under this subsection for that commitment were paid to the member as a bonus.

(f) **AMOUNT WITHHELD FOR TAXES.**—The total amount payable for a member under subsection (e)(2) for a commitment by that member shall be withheld, credited, and otherwise treated in the same manner as amounts deducted and withheld from the basic pay of the member.

(g) **REPAYMENT FOR FAILURE TO COMPLETE OBLIGATED SERVICE.**—(1) If a person fails to complete the qualifying service for which the person is obligated under a commitment for which a benefit has been paid under this section, the person shall refund to the United States the amount that bears the same ratio to the total amount paid for the person (as computed under subsection (e)) for that particular commitment as the uncompleted part of the period of qualifying service bears to the total period of the qualifying service for which obligated.

(2) Subject to paragraph (3), an obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) The Secretary concerned may waive, in whole or in part, a refund required under paragraph (1) if the Secretary concerned determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment or other agreement under this section does not discharge the person signing such enlistment or other agreement from a debt arising under the enlistment or agreement, respectively, or this subsection.

(h) RELATIONSHIP TO OTHER SPECIAL PAYS.—The benefit authorized under this section is in addition to any other bonus or incentive or special pay that is paid or payable to a member under any other provision of this chapter for any portion of the same qualifying service.

(i) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Homeland Security for the Coast Guard when the Coast Guard is not operating as a service in the Navy.

(Added Pub. L. 107–107, div. A, title VI, §622(a)(1), Dec. 28, 2001, 115 Stat. 1140; amended Pub. L. 107–296, title XVII, §1704(c), Nov. 25, 2002, 116 Stat. 2314.)

AMENDMENTS

2002—Subsec. (i). Pub. L. 107–296 substituted “of Homeland Security” for “of Transportation”.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–296 effective on the date of transfer of the Coast Guard to the Department of Homeland Security, see section 1704(g) of Pub. L. 107–296, set out as a note under section 101 of Title 10, Armed Forces.

EFFECTIVE DATE

Pub. L. 107–107, div. A, title VI, §622(b), Dec. 28, 2001, 115 Stat. 1142, provided that: “Section 325 of title 37, United States Code, as added by subsection (a), shall apply with respect to reenlistments and other agreements for qualifying service, as described in that section, that are entered into on or after October 1, 2001.”

§ 326. Incentive bonus: conversion to military occupational specialty to ease personnel shortage

(a) INCENTIVE BONUS AUTHORIZED.—The Secretary concerned may pay a bonus under this section to an eligible member of the armed forces who executes a written agreement to convert to, and serve for a period of not less than three years in, a military occupational specialty for which there is a shortage of trained and qualified personnel.

(b) ELIGIBLE MEMBERS.—A member is eligible to enter into an agreement under subsection (a) if—

- (1) the member is entitled to basic pay; and
- (2) at the time the agreement is executed, the member is serving in—

(A) pay grade E–6, with not more than 10 years of service computed under section 205 of this title; or

(B) pay grade E–5 or below, regardless of years of service.

(c) AMOUNT AND PAYMENT OF BONUS.—(1) A bonus under this section may not exceed \$4,000.

(2) A bonus payable under this section shall be disbursed in one lump sum when the member's conversion to the military occupational specialty is approved by the chief personnel officer of the member's armed force.

(d) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—A bonus paid to a member under this section is in addition to any other pay and allowances to which the member is entitled.

(e) REPAYMENT OF BONUS.—(1) A member who receives a bonus under this section and who, vol-

untarily or because of misconduct, fails to serve in such military occupational specialty for the period specified in the agreement executed under subsection (a) shall refund to the United States an amount that bears the same ratio to the bonus amount paid to the member as the unserved part of such period bears to the total period agreed to be served.

(2) An obligation to reimburse the United States imposed under paragraph (1) is, for all purposes, a debt owed to the United States.

(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of the agreement for which a bonus was paid under this section shall not discharge the person signing such agreement from the debt arising under paragraph (1).

(4) Under regulations prescribed pursuant to subsection (f), the Secretary concerned may waive, in whole or in part, a refund required under paragraph (1) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(f) REGULATIONS.—The Secretaries concerned shall prescribe regulations to carry out this section. Regulations prescribed by the Secretary of a military department shall be subject to the approval of the Secretary of Defense.

(g) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after December 31, 2006.

(Added Pub. L. 108–136, div. A, title VI, §625(a), Nov. 24, 2003, 117 Stat. 1506.)

CHAPTER 7—ALLOWANCES

Sec.	Definitions.
401.	Basic allowance for subsistence.
402.	Supplemental subsistence allowance for low-income members with dependents.
402a.	Basic allowance for housing.
403.	Repealed.]
[403a.	Cost-of-living allowance in the continental United States.
403b.	Travel and transportation allowances: general.
404.	Travel and transportation allowances: temporary lodging expenses.
404a.	Travel and transportation allowances: lodging expenses at temporary duty location for members on authorized leave.
404b.	Travel and transportation allowances: per diem while on duty outside the United States or in Hawaii or Alaska.
405.	Travel and transportation allowances: departure allowances.
405a.	Travel and transportation allowances: dependents; baggage and household effects.
406.	Travel and transportation allowances: authorized for travel performed under orders that are canceled, revoked, or modified.
406a.	Travel and transportation allowances: members of the uniformed services attached to a ship overhauling or inactivating.
406b.	Travel and transportation allowances: members assigned to a vessel under construction.
406c.	Travel and transportation allowances: dislocation allowances. ¹
407.	Travel and transportation allowances: travel within limits of duty station.
408.	

¹ So in original. Does not conform to section catchline.