

partment of Defense (and Inspector General of Department of Transportation with respect to Coast Guard) to submit, not later than Feb. 1, 1990, a report to Congress on activities of Inspector General under this section, with that report to include, in the case of each case handled by Inspector General under this section, a description of (A) nature of allegation described in subsec. (c) of this section; (B) evaluation and recommendation of Inspector General with respect to allegation; (C) any action of appropriate board for correction of military records with respect to allegation; (D) if allegation was determined to be meritorious, any corrective action taken; and (E) views of member or former member of armed forces making allegation (determined on basis of interview under subsec. (f) of this section) on disposition of case.

§ 1035. Deposits of savings

(a) Under joint regulations prescribed by the Secretaries concerned, a member of the armed forces who is on a permanent duty assignment outside the United States or its possessions may deposit during that tour of duty not more than his unallotted current pay and allowances in amounts of \$5 or more, with any branch, office, or officer of a uniformed service. Amounts so deposited shall be deposited in the Treasury and kept as a separate fund, and shall be accounted for in the same manner as public funds.

(b) Interest at a rate prescribed by the President, not to exceed 10 percent a year, will accrue on amounts deposited under this section. However, the maximum amount upon which interest may be paid under this subsection to any member is \$10,000, except that such limitation shall not apply to deposits made on or after September 1, 1966, in the case of those members in a missing status during the Vietnam conflict, the Persian Gulf conflict, or a contingency operation. Interest under this subsection shall terminate 90 days after the member's return to the United States or its possessions.

(c) Except as provided in joint regulations prescribed by the Secretaries concerned, payments of deposits, and interest thereon, may not be made to the member while he is on duty outside the United States or its possessions.

(d) An amount deposited under this section, with interest thereon, is exempt from liability for the member's debts, including any indebtedness to the United States or any instrumentalities thereof, and is not subject to forfeiture by sentence of a court-martial.

(e) The Secretary concerned, or his designee, may in the interest of a member who is in a missing status or his dependents, initiate, stop, modify, and change allotments, and authorize a withdrawal of deposits, made under this section, even though the member had an opportunity to deposit amounts under this section and elected not to do so. Interest may be computed from the day the member entered a missing status, or September 1, 1966, whichever is later.

(f) The Secretary of Defense may authorize a member of the armed forces who is on a temporary duty assignment outside of the United States or its possessions in support of a contingency operation to make deposits of unallotted current pay and allowances during that duty as provided in subsection (a). The Secretary shall prescribe regulations establishing standards and procedures for the administration of this subsection.

(g) In this section:

(1) The term "missing status" has the meaning given that term in section 551(2) of title 37.

(2) The term "Vietnam conflict" means the period beginning on February 28, 1961, and ending on May 7, 1975.

(3) The term "Persian Gulf conflict" means the period beginning on January 16, 1991, and ending on the date thereafter prescribed by Presidential proclamation or by law.

(Aug. 10, 1956, ch. 1041, 70A Stat. 80; Pub. L. 89-538, §1(1), Aug. 14, 1966, 80 Stat. 347; Pub. L. 90-122, §1, Nov. 3, 1967, 81 Stat. 361; Pub. L. 91-200, Feb. 26, 1970, 84 Stat. 16; Pub. L. 98-525, title XIV, §1405(20), Oct. 19, 1984, 98 Stat. 2623; Pub. L. 99-661, div. A, title XIII, §1343(a)(3), Nov. 14, 1986, 100 Stat. 3992; Pub. L. 102-25, title III, §310, Apr. 6, 1991, 105 Stat. 84; Pub. L. 102-190, div. A, title VI, §639, Dec. 5, 1991, 105 Stat. 1384.)

HISTORICAL AND REVISION NOTES

<i>Revised section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
1035(a)	10:908(a) (less words after last semicolon). 34:937 (less words after last semicolon).	July 15, 1954, ch. 513, §§1-3, 68 Stat. 485.
1035(b)	10:908b (1st 20, and last 13, words). 34:938 (1st 20, and last 13, words).	
1035(c)	10:908a (words after last semicolon). 10:908b (less 1st 20, and last 13, words). 34:937 (words after last semicolon). 34:938 (less 1st 20, and last 13, words).	
1035(d)	10:908c. 34:939.	

In subsection (a), the words "in amounts of \$5 or more" are substituted for the words "in sums not less than \$5". 10:908a (words before 1st semicolon of last sentence) and 34:937 (words before 1st semicolon of last sentence) are omitted as covered by subsection (c).

In subsection (b), the word "accrues" is substituted for the words "shall be paid".

In subsection (c), the words "not less than \$5" are omitted as surplusage.

AMENDMENTS

1991—Subsec. (b). Pub. L. 102-190, §639(a), substituted ", the Persian Gulf conflict, or a contingency operation" for "or during the Persian Gulf conflict" before period at end of second sentence and struck out at end "For purposes of this subsection, the Vietnam conflict begins on February 28, 1961, and ends on May 7, 1975, and the Persian Gulf conflict begins on January 16, 1991, and ends on the date thereafter prescribed by Presidential proclamation or by law."

Pub. L. 102-25, §310(a), (c)(1), struck out ", as defined in section 551(2) of title 37," after "missing status", inserted "or during the Persian Gulf conflict" before period at end of second sentence, and substituted "May 7, 1975, and the Persian Gulf conflict begins on January 16, 1991, and ends on the date thereafter prescribed by Presidential proclamation or by law" for "the date designated by the President by Executive order as the date of the termination of combatant activities in Vietnam".

Subsec. (e). Pub. L. 102-25, §310(c)(2), struck out "(as defined in section 551(2) of title 37)" after "in a missing status".

Subsec. (f). Pub. L. 102-190, §639(b), added subsec. (f) and redesignated former subsec. (f) as (g).

Pub. L. 102-25, §310(b), added subsec. (f).

Subsec. (g). Pub. L. 102-190, §639(b)(1), (c), redesignated subsec. (f) as (g) and amended it generally. Prior

to amendment, subsec. (g) read as follows: "In this section, the term 'missing status' has the meaning given such term in section 551(2) of title 37."

1986—Subsec. (a). Pub. L. 99-661 substituted "armed forces" for "armed force".

1984—Subsec. (b). Pub. L. 98-525 substituted "percent" for "per centum", "subsection" for "Act" after "paid under this", and "90" for "ninety".

1970—Subsec. (b). Pub. L. 91-200 permitted accrual of interest on savings above \$10,000 ceiling in case of soldiers involved in Vietnam conflicts who have made deposits on or after Sept. 1, 1966, and who are in missing status contemplated by section 551(2) of Title 37, and set out duration of Vietnam conflict as starting Feb. 28, 1961, and ending on the date that the President may designate by Executive order.

1967—Subsec. (e). Pub. L. 90-122 added subsec. (e).

1966—Subsec. (a). Pub. L. 89-538 permitted not only enlisted personnel but any member of the armed forces, provided he is on permanent duty outside the United States, to participate in the savings program organized under this section and changed the fund into which such savings deposits are made.

Subsec. (b). Pub. L. 89-538 changed rate of interest from 4 per centum per annum to a rate prescribed by the President, not to exceed 10 per centum per annum, did away with the necessity that amounts be on deposit for six months or more, set a maximum of \$10,000 upon which interest shall be paid, and provided for termination of interest 90 days after the member's return to the United States or its possessions.

Subsec. (c). Pub. L. 89-538 substituted provisions that, unless changed by joint regulations of the Secretaries concerned, payments of deposits and interest may not be made to the individual while stationed outside of the United States, for provisions that payment of deposits and interest could be made only to the member upon discharge, or before discharge as prescribed by the Secretary concerned, or to the member's heirs or legal representatives.

Subsec. (d). Pub. L. 89-538 reenacted subsec. (d) substantially without change.

EFFECTIVE DATE OF 1967 AMENDMENT

Pub. L. 90-122, §2, Nov. 3, 1967, 81 Stat. 361, provided that: "This Act [amending this section] becomes effective as of September 1, 1966."

SAVINGS PROGRAM FOR OVERSEAS PERSONNEL

Pub. L. 101-510, div. A, title XI, §1114, Nov. 5, 1990, 104 Stat. 1636, as amended by Pub. L. 102-25, title III, §314(1), (3), Apr. 6, 1991, 105 Stat. 86, directed the Secretary of Defense to prescribe regulations establishing standards and procedures for the administration of a program to authorize members of the Armed Forces serving outside the United States during the Persian Gulf conflict to make deposits of unallotted current pay and allowances and to earn interest under this section.

ADJUSTMENT OF DEPOSIT ACCOUNTS OF CERTAIN ENLISTED MEN

Pub. L. 89-738, Nov. 2, 1966, 80 Stat. 1165, provided: "That the Secretary of a military department or his designee, shall adjust the deposit account of any enlisted member or former enlisted member of the Army, Navy, Air Force, or Marine Corps, as the case may be, who, after July 14, 1954, and before the effective date of this Act [Nov. 2, 1966], upon discharge and immediate reenlistment or retirement and immediate recall to active duty, continued, without withdrawal and redeposit, his account for deposits made under section 1035 of title 10, United States Code, or prior laws authorizing enlisted members' deposits, to show that his deposits and interest accrued thereon were withdrawn and redeposited on the date of such reenlistment or recall to active duty.

"SEC. 2. The Secretary of the military department concerned, or his designee, shall pay to a former en-

listed member described in section 1 of this Act any amount found due as a result of the adjustment prescribed by that section if he submits an application within two years following the date of enactment of this Act [Nov. 2, 1966]. If the member is currently serving on active duty and has an active deposit account, the amount due him will automatically be credited to such account. In the case of a deceased member, application under this section shall be made within two years following the date of enactment of this Act [Nov. 2, 1966] by the person determined to be eligible under section 2771 of Title 10, United States Code.

"SEC. 3. All payments heretofore made which would, but for the fact of such payment, be payable under this Act are validated. However, if such a payment has been repaid to the United States, the fact of payment shall not affect entitlement under this Act."

RATES OF INTEREST ON DEPOSITS MADE BEFORE AUG. 14, 1966

Pub. L. 89-538, §2, Aug. 14, 1966, 80 Stat. 347, provided that:

"(a) Notwithstanding the first section of this Act [amending this section], an amount on deposit under section 1035 of title 10, United States Code, on the date of enactment of this Act [Aug. 14, 1966], shall accrue interest at the rate and under the conditions in effect on the day before the date of enactment of this Act [Aug. 14, 1966], until the member's current enlistment terminates or earlier, as may be jointly prescribed by the Secretaries concerned. However, a member who is on a permanent duty assignment outside the United States or its possessions on the date of enactment of this Act [Aug. 14, 1966], or who reports for that duty on or after that date but before the termination of his current enlistment, will be entitled to interest on such deposit, on and after that date, at the rate and under the conditions prescribed pursuant to section 1 [amending this section]. Payments of deposits, and interest thereon, may be made to the member's heirs or legal representatives.

"(b) Any amounts deposited between May 4, 1966, and the date of enactment of this Act [Aug. 14, 1966] while a member was assigned to permanent duty within the United States and its possessions, and any amounts deposited between May 4, 1966, and the date of enactment of this Act [Aug. 14, 1966] by a member on permanent duty assignment outside the United States and its possessions which are in excess of his unallotted pay and allowances for that period, shall accrue interest at the rate in effect before enactment of this Act."

EXTENSION OF COVERAGE TO PUBLIC HEALTH SERVICE AND COAST AND GEODETIC SURVEY PERSONNEL; RULES AND REGULATIONS

Pub. L. 89-538, §3(c), Aug. 14, 1966, 80 Stat. 348, provided that: "Regulations prescribed by the Secretary of Commerce and the Secretary of Health, Education, and Welfare [now Health and Human Services] under subsections (a) and (b) [extending savings deposits benefits to commissioned officers of the Public Health Service and the Coast and Geodetic Survey (now the National Oceanic and Atmospheric Administration), respectively] shall be prescribed jointly with regulations prescribed by the Secretaries concerned under section 1035 of title 10, United States Code."

PUBLIC HEALTH SERVICE

Authority vested by this section in "the Secretary concerned" to be exercised with respect to commissioned officers of the Public Health Service, by the Secretary of Health and Human Services or his designee, see section 213a of Title 42, The Public Health and Welfare.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Authority vested by this chapter in "the Secretary concerned" to be exercised, with respect to commissioned officer corps of the National Oceanic and Atmos-

pheric Administration, by Secretary of Commerce or Secretary's designee, see section 3071 of Title 33, Navigation and Navigable Waters.

EX. ORD. NO. 11298. INTEREST RATE

Ex. Ord. No. 11298, Aug. 14, 1966, 31 F.R. 10915, provided:

By virtue of the authority vested in me by Section 1035 of Title 10 of the United States Code, as amended by the Act of August 14, 1966, I hereby prescribe that amounts deposited by members of the uniformed services under that Section shall accrue interest at the rate of ten percent per annum, compounded quarterly.

This order shall be effective September 1, 1966.

LYNDON B. JOHNSON.

[§ 1036. Repealed. Pub. L. 113–66, div. A, title VI, § 621(a)(2)(A), Dec. 26, 2013, 127 Stat. 783]

Section, added Pub. L. 86–160, §1(1), Aug. 14, 1959, 73 Stat. 358; amended Pub. L. 98–94, title IX, §913(a), Sept. 24, 1983, 97 Stat. 640, provided for transportation and travel allowances for escorts for dependents of members.

§ 1037. Counsel before foreign judicial tribunals and administrative agencies; court costs and bail

(a) Under regulations to be prescribed by him, the Secretary concerned may employ counsel, and pay counsel fees, court costs, bail, and other expenses incident to the representation, before the judicial tribunals and administrative agencies of any foreign nation, of persons subject to the Uniform Code of Military Justice and of persons not subject to the Uniform Code of Military Justice who are employed by or accompanying the armed forces in an area outside the United States and the territories and possessions of the United States, the Northern Mariana Islands, and the Commonwealth of Puerto Rico. So far as practicable, these regulations shall be uniform for all armed forces.

(b) The person on whose behalf a payment is made under this section is not liable to reimburse the United States for that payment, unless he is responsible for forfeiture of bail provided under subsection (a).

(c) Appropriations available to the military department concerned or the Department of Homeland Security, as the case may be, for the pay of persons under its jurisdiction may be used to carry out this section.

(Added Pub. L. 85–861, §1(24)(A), Sept. 2, 1958, 72 Stat. 1445; amended Pub. L. 96–513, title I, §511(31), Dec. 12, 1980, 94 Stat. 2922; Pub. L. 99–145, title VI, §681(a), Nov. 8, 1985, 99 Stat. 665; Pub. L. 107–296, title XVII, §1704(b)(1), Nov. 25, 2002, 116 Stat. 2314.)

HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
1037(a)	50:751.	July 24, 1956, ch. 689 (less §3), 70 Stat. 630.
1037(b)	50:752.	
1037(c)	50:754.	
	50:755.	

In subsection (a), the words “Under regulations to be prescribed by him” and the last sentence are substituted for 50:752.

In subsection (b), the words “subject to the Uniform Code of Military Justice” are omitted as surplusage.

In subsection (c), the words “the terms and provisions of” are omitted as surplusage.

REFERENCES IN TEXT

The Uniform Code of Military Justice, referred to in subsec. (a), is classified to chapter 47 (§801 et seq.) of this title.

AMENDMENTS

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

1985—Subsec. (a). Pub. L. 99–145 provided for payment of expenses for legal representation of civilians overseas.

1980—Subsec. (c). Pub. L. 96–513 substituted “Department of Transportation” for “Department of the Treasury”.

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 this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99–145, title VI, §681(b), Nov. 8, 1985, 99 Stat. 665, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to costs incurred after September 30, 1985.”

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–513 effective Dec. 12, 1980, see section 701(b)(3) of Pub. L. 96–513, set out as a note under section 101 of this title.

§ 1038. Service credit: certain service in Women's Army Auxiliary Corps

In computing years of active service of any female member of the armed forces, there shall be credited for all purposes, except the right to promotion, in addition to any other service that may be credited, all active service performed in the Women's Army Auxiliary Corps after May 13, 1942, and before September 30, 1943, if that member performed active service in the armed forces after September 29, 1943. Service as an officer in the Women's Army Auxiliary Corps shall be credited as active service in the status of a commissioned officer, and service as an enrolled member of the Corps shall be credited as active service in the status of an enlisted member.

(Added Pub. L. 86–142, §1(1), Aug. 7, 1959, 73 Stat. 289.)

ELECTION OF PENSION OR COMPENSATION

Pub. L. 86–142, §2, Aug. 7, 1959, 73 Stat. 289, provided that a person entitled to a pension or compensation under any law administered by the Veterans' Administration, based on the active service described in section 1 of Pub. L. 86–142, which added section 1038 to Title 10, Armed Forces, could elect within 1 year after Aug. 7, 1959 to receive that pension or compensation in lieu of any compensation under the Federal Employees' Compensation Act; that such an election is irrevocable; and that the election does not entitle that person to the pension or compensation for any period before the date of election.

BACK PAY OR ALLOWANCES

Pub. L. 86–142, §3, Aug. 7, 1959, 73 Stat. 289, provided that: “No person is entitled to back pay or allowances because of any service credited under section 1 of this Act [enacting this section].”

§ 1039. Crediting of minority service

For the purpose of determining eligibility for retirement or transfer to the Fleet Reserve or