

(2) The Secretary concerned may reduce the minimum two-year service requirement specified in paragraph (1)(C) in the case of a person who—

(A) completed at least one year of service in a position of adjutant general required under section 314 of title 32 or in a position of assistant adjutant general subordinate to such a position of adjutant general; and

(B) failed to complete the minimum years of service solely because the appointment of the person to such position was terminated or vacated as described in section 324(b) of title 32.

(b) ACTIONS TO EFFECTUATE ELECTION.—As of the effective date of an election made by a person under subsection (a), the Secretary concerned shall—

(1) terminate the eligibility of the person to retire under chapter 65, 367, 571, or 867 of this title, if the person is not already retired under one of those chapters, and terminate entitlement of the person to retired or retainer pay under one of those chapters, if the person was already receiving retired or retainer pay under one of those chapters; and

(2) in the case of a reserve commissioned officer, transfer the officer to the Retired Reserve.

(c) TIME AND FORM OF ELECTION.—An election under subsection (a) shall be made within such time and in such form as the Secretary concerned requires.

(d) EFFECTIVE DATE OF ELECTION.—An election made by a person under subsection (a) shall be effective—

(1) except as provided in paragraph (2)(B), as of the date on which the person attains the eligibility age applicable to the person under section 12731(f) of this title, if the Secretary concerned receives the election in accordance with this section within 180 days after that date; or

(2) on the first day of the first month that begins after the date on which the Secretary concerned receives the election in accordance with this section, if—

(A) the date of the receipt of the election is more than 180 days after the date on which the person attains the eligibility age applicable to the person under such section; or

(B) the person retires from service in an active status within that 180-day period.

(Added Pub. L. 106-398, §1 [[div. A], title VI, §653(a)(1)], Oct. 30, 2000, 114 Stat. 1654, 1654A-164; amended Pub. L. 107-107, div. A, title X, §1048(a)(31), Dec. 28, 2001, 115 Stat. 1225; Pub. L. 109-364, div. A, title X, §1071(a)(41), Oct. 17, 2006, 120 Stat. 2400; Pub. L. 111-84, div. A, title VI, §643(a)-(c), (e)(1), Oct. 28, 2009, 123 Stat. 2366, 2367.)

#### AMENDMENTS

2009—Pub. L. 111-84, §643(e)(1), substituted “Retirement for service in an active status performed in the Selected Reserve of the Ready Reserve after eligibility for regular retirement” for “Retirement from active reserve service performed after regular retirement” in section catchline.

Subsec. (a). Pub. L. 111-84, §643(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows:

“(a) ELECTION OF RESERVE RETIRED PAY.—A person who, after becoming entitled to retired or retainer pay under chapter 65, 367, 571, or 867 of this title, serves in an active status in a reserve component is entitled to retired pay under this chapter if—

“(1) the person would, but for paragraphs (3) and (4) of section 12731(a) of this title, otherwise be entitled to retired pay under this chapter;

“(2) the person elects under this section to receive retired pay under this chapter; and

“(3) the person’s service in an active status after having become entitled to retired or retainer pay under that chapter is determined by the Secretary concerned to have been satisfactory.”

Subsec. (b)(1). Pub. L. 111-84, §643(b), added par. (1) and struck out former par. (1) which read as follows: “terminate the person’s entitlement to retired or retainer pay under the applicable chapter of this title referred to in subsection (a); and”.

Subsec. (d)(1). Pub. L. 111-84, §643(c)(1), substituted “attains the eligibility age applicable to the person under section 12731(f) of this title” for “attains 60 years of age”.

Subsec. (d)(2)(A). Pub. L. 111-84, §643(c)(2), substituted “attains the eligibility age applicable to the person under such section” for “attains 60 years of age”.

2006—Subsecs. (c), (d). Pub. L. 109-364 substituted “subsection (a)” for “subsection (b)”.

2001—Subsec. (a)(2). Pub. L. 107-107 substituted “receive” for “received”.

#### EFFECTIVE DATE

Pub. L. 106-398, §1 [[div. A], title VI, §653(b)], Oct. 30, 2000, 114 Stat. 1654, 1654A-165, provided that: “Section 12741 of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act [Oct. 30, 2000] and shall apply with respect to retired pay payable for months beginning on or after that effective date.”

#### CHAPTER 1225—RETIRED GRADE

Sec. 12771.	Reserve officers: grade on transfer to Retired Reserve.
12772.	Reserve commissioned officers who have served as Attending Physician to the Congress: grade on transfer to Retired Reserve.
12773.	Limitation on accrual of increased pay or benefits.
12774.	Retired lists.

#### § 12771. Reserve officers: grade on transfer to Retired Reserve

(a) GRADE ON TRANSFER.—Unless entitled to a higher grade under another provision of law, a reserve commissioned officer, other than a commissioned warrant officer, who is transferred to the Retired Reserve is entitled to be placed on the retired list established by section 12774(a) of this title in the highest grade in which he served satisfactorily, as determined by the Secretary concerned and in accordance with section 1370(d), in the armed force in which he is serving on the date of transfer.

(b) EFFECT OF SUBSEQUENT RECALL TO ACTIVE STATUS.—(1) If a member of the Retired Reserve who is a commissioned officer is recalled to an active status in the Selected Reserve of the Ready Reserve under section 10145(d) of this title and completes not less than two years of service in such active status, the member is entitled to an adjustment in the retired grade of the member in the manner provided in section 1370(d) of this title.

(2) The Secretary concerned may reduce the two-year service requirement specified in paragraph (1) in the case of a member who—