

NOTE: This product has embedded hyperlinks and is best viewed online.

4 — 8 December 2017

Blended Retirement System

The Blended Retirement System is the new, Congressionally-mandated retirement system for service members entering the military on or after Jan. 1, 2018. All members serving as of Dec. 31, 2017, are grandfathered under the legacy retirement system. No one currently serving will be switched automatically to BRS.

Though grandfathered under the legacy retirement system, active-duty Airmen with fewer than 12 years from their pay entry base date, and Reserve Airmen who have accrued fewer than 4,320 retirement points as of Dec. 31, 2017, will have the option to opt into BRS.

All Airmen who enter the military on or after Jan. 1, 2018 will be automatically enrolled in BRS.

The decision to opt-In is personal and irrevocable. It is vital eligible Airmen fully understand BRS before making a decision.

What is Continuation Pay?

Continuation pay was established as part of the modernized retirement system for the uniformed services, also known as the Blended Retirement System. A member of the Air Force who is covered by the BRS may be eligible to receive a one-time, mid-career Continuation Pay in exchange for an agreement to perform additional obligated service.

Air Force leaders recently announced the Air Force's continuation pay rates which are currently consistent with the rates established by the Army, Marine Corps, Navy, and Coast Guard.

For active duty Airmen the payment rate is 2.5 times monthly basic pay. For the Reserve component Airmen to include guardsmen and Reserve, the payment rate is 0.5 times monthly basic pay, as if on active duty. For Reserve component Airmen on Active Guard and Reserve orders, the payment rate is 2.5 times monthly basic pay. To receive Continuation Pay, an Airman must enter into an agreement for additional service of four years.

Who is Eligible for Continuation Pay?

Continuation Pay is available to officer and enlisted Airmen–active duty, Guard, or Reserve. Airmen who opt-in to the BRS become eligible for Continuation Pay upon reaching 12 Years of Service.

Airmen who receive Continuation Pay but who fail to complete the period of obligated service are subject to full or partial repayment.

NOTE: Airmen who elect to opt-in to the BRS after passing 12 YOS are not eligible for, and will not be offered Continuation Pay.

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Commander's Call Topics

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Continuation Pay Facts

- The Air Force has set the Continuation Pay rate at a multiplier of 2.5 for regular Airmen and 0.5 for Guard and Reserve Airmen.
- Continuation pay is a one-time direct cash payout.
- Continuation pay is offered and paid at 12 years of service in exchange for a four-year service obligation.
- Military members may accept or decline Continuation Pay when offered.
- Airmen should get a financial check-up as part of the decision-making process. A Personal Financial Counselor/Educator is available at your Airman and Family Readiness Center to assist you.
- The current policy on Continuation Pay is the same for officers and enlisted and is available to all AFSCs.
- Continuation Pay is taxable income and will be treated like a bonus for tax withholding purposes.
- Continuation Pay does not affect whether or not someone is allowed to retire, or the amount of retired pay.
- The Air Force Personnel Center or Air Reserve Personnel Center will notify Airmen via myPers message when Airmen are eligible for Continuation Pay

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Additional Information

For additional information visit the <u>Military Compensation</u> Website or the Blended Retirement System page on <u>myPers</u>.

Please visit the below links for additional information and to calculate Continuation Pay as applicable:

- Active Component Continuation Pay
- Reserve Component Continuation Pay

Personnel Topics of Interest

- SMART Scholarship Prgm looks to attract future scientists, engineers (AFPC.MIL)
- AF Selects 472 in CMSgt 17E9 promotion cycle; list to post 7 Dec (AF.MIL)
- Application window open for 2018 nurse, direct enlisted commissioning prgm (AFPC)

Other Topics of Interest



Commander's Call Topic Archive: http://www.af.mil/AboutUs/CommandersCallTopics.aspx

Commander's Call Topics is published weekly by SAF/PA to ensure leaders at all levels remain current on issues concerning Airmen and families. Requests for information to be included in future editions should be sent to SAF/PAX via <a href="mailto:emailt

- 1) 1-2 sentence synopsis of the issue
- 2) hyperlink to further details
- 3) a POC name and contact information.

*Only submissions that pertaining to the majority of Airmen or specifically to command leadership teams will be considered. Local or limited-interest items will not be included.