



# Department of Defense **INSTRUCTION**

**NUMBER 1304.31**  
March 12, 2013

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USD(P&R)

**SUBJECT:** Enlisted Bonus Program (EBP)

**References:** See Enclosure 1

1. **PURPOSE.** In accordance with the authority in DoD Directive (DoDD) 5124.02 (Reference (a)), this Instruction:

a. Establishes policy, assigns responsibilities, and provides procedures for the payment of a bonus, pursuant to section 331 of title 37, United States Code (U.S.C.) (Reference (b)), to:

(1) Persons for enlistment in the Military Services.

(2) Members (as defined in the Glossary) for reenlistment in a Military Service or transfer between Military Services for a period of obligated service.

b. Allows for incremental transition from:

(1) The current enlisted bonus authorities pursuant to subchapter I of chapter 5 of Reference (b), as implemented in accordance with DoD Instruction (DoDI) 1304.29, DoDD 1304.21, DoDD 1205.20, and DoDI 1205.21 (References (c) through (f)); to

(2) The enlisted bonus authority in accordance with section 331 of subchapter II of Reference (b), as implemented in this Instruction.

c. Identifies eligibility criteria and other requirements for payment of an enlisted bonus in accordance with section 331 of Reference (b) and Reference (d).

2. **APPLICABILITY.** This Instruction applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities in the DoD (hereinafter referred to collectively as the "DoD Components").

3. POLICY. It is DoD policy that the Military Departments use the EBP to encourage enlistment, affiliation, reenlistment, or transfer between the Military Services in designated military career fields, skills, units, or under such other condition or conditions of service for specified periods of obligated service to meet DoD personnel requirements. The Military Departments shall use the bonus program in the most cost-effective manner, and use of a bonus should be in support of force management objectives. No bonus payments may be paid pursuant to subchapters I and II of Reference (b) for the same activity, skill, or period of service.

4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. Detailed procedures and requirements for administration of the EBP for enlistment, affiliation, reenlistment, or transfer between the Military Services are found in Enclosure 3.

6. INFORMATION COLLECTION REQUIREMENTS. The “Annual Report on Enlistment and Retention Bonuses,” referred to in paragraph 4.e. of Enclosure 2 and 2.a.(5) of Enclosure 3, has been assigned report control symbol DD-P&R(A)2508 in accordance with the procedures in Directive-Type Memorandum 12-004 (Reference (g)) and DoD 8910.01-M (Reference (h)).

7. RELEASABILITY. This Instruction is approved for public release and is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This Instruction:

a. Is effective March 12, 2013. The Secretaries of the Military Departments shall incrementally transition the enlisted bonuses described in this Instruction from the authorities under subchapter I of Reference (b) to the authorities under subchapter II, as soon as possible, but no later than September 30, 2013.

b. Must be reissued, cancelled, or certified current within 5 years of its publication in accordance with DoD Instruction 5025.01 (Reference (i)). If not, this Instruction will expire effective March 12, 2023 and be removed from the DoD Issuances Website.

  
Jessica L. Wright  
Acting Under Secretary of Defense for  
Personnel and Readiness

Enclosures

1. References
  2. Responsibilities
  3. EBP Procedures, Requirements, and Conditions
- Glossary

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5124.02, "Under Secretary of Defense for Personnel and Readiness (USD(P&R))," June 23, 2008
- (b) Title 37, United States Code
- (c) DoD Instruction 1304.29, "Administration of Enlistment Bonuses, Accession Bonuses for New Officers in Critical Skills, Selective Reenlistment Bonuses, and Critical Skills Retention Bonuses for Active Members," December 15, 2004
- (d) DoD Directive 1304.21, "Policy on Enlistment Bonuses, Accession Bonuses for New Officers in Critical Skills, Selective Reenlistment Bonuses, and Critical Skills Retention Bonuses for Active Members," January 31, 2005
- (e) DoD Directive 1205.20, "Reserve Component Incentive Programs," January 8, 1996
- (f) DoD Instruction 1205.21, "Reserve Component Incentive Program Procedures," September 20, 1999
- (g) Directive-Type Memorandum 12-004, "DoD Internal Information Collections," April 24, 2012
- (h) DoD 8910.1-M, "DoD Procedures for Management of Information Requirements," June 30, 1998
- (i) DoD Instruction 5025.01, "DoD Directives Program," September 26, 2012
- (j) DoD 7000.14-R, Volume 7A, "Department of Defense Financial Management Regulation: Military Pay Policy and Procedures - Active Duty and Reserve Pay," current edition
- (k) Title 10, United States Code
- (l) DoD Directive 1200.7, "Screening the Ready Reserve," November 18, 1999
- (m) DoD Instruction 1205.05, "Transfer of Service Members Between Reserve and Regular Components of the Military Services," March 30, 2012
- (n) Section 502(a) of title 32, United States Code

ENCLOSURE 2

RESPONSIBILITIES

1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS

(USD(P&R)). The USD(P&R) shall provide overall guidance in the administration of EBP for enlistment, reenlistment, or transfer between Military Services in designated military skills, career fields, units, or grades, or under such other condition or conditions of service for specified periods of obligated service.

2. ASSISTANT SECRETARY OF DEFENSE FOR READINESS AND FORCE

MANAGEMENT (ASD(R&FM)). The ASD(R&FM), under the authority, direction, and control of the USD(P&R), shall:

a. Oversee the EBP procedures, requirements, and conditions, and establish such other appropriate procedures, requirements, and conditions for the administration of the program.

b. Evaluate and take appropriate action on any request of the Secretary of the Military Department concerned under the EBP procedures, requirements, and conditions, other than a curtailment or waiver request that is inconsistent with section 331 of subchapter II of chapter 5 of Reference (b) and provisions of section 1 of Enclosure 3 of this Instruction.

c. Monitor compliance with this Instruction.

3. ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS (ASD(RA)). The ASD(RA), under the authority, direction, and control of the USD(P&R), shall:

a. Monitor compliance, provide oversight, and propose revisions to EBP affecting the Reserve Components of the Military Services.

b. Evaluate and take appropriate action on any request of a Secretary of the Military Department concerned with EBP procedures, requirements, and conditions affecting Reserve Components, other than a curtailment or waiver request that is inconsistent with section 331 of subchapter II of chapter 5 of Reference (b) and provisions of section 1 of Enclosure 3 of this Instruction.

4. UNDER SECRETARY OF DEFENSE COMPTROLLER (USD(C)/CHIEF FINANCIAL

OFFICER (CFO)). The USD(C)/CFO shall publish regulations in Volume 7A of DoD 7000.14-R (Reference (j)) regarding procedures for payment of enlisted bonuses as authorized in accordance with sections 331(a)(1), (3) and (5) of subchapter II of chapter 5 of Reference (b) and this Instruction.

5. SECRETARIES OF THE MILITARY DEPARTMENTS. The Secretaries of the Military Departments shall:

a. Establish Service-specific policy to administer the EBP, consistent with section 331 of subchapter II of chapter 5 of Reference (b) and this Instruction, and within available funds.

b. Request prior approval and provide justification to the USD(P&R) to include any additional enlisted bonus under the EBP, as authorized in accordance with section 331 of subchapter II of chapter 5 of Reference (b) but not specified in this Instruction.

c. Provide prior notification to the USD(P&R) of Service-imposed EBP procedures, requirements, and conditions that are more restrictive than those described in Enclosure 3 of this Instruction.

d. Annually review the EBP procedures, requirements, and conditions described in Enclosure 3 of this Instruction. Submit any change request or revision to Enclosure 3 to the Deputy Assistant Secretary of Defense for Military Personnel Policy (DASD(MPP)).

e. Submit to the DASD(MPP) an annual EBP report, not later than November 15 of each year, analyzing the effect during the preceding fiscal year of the provision of bonuses in accordance with this Instruction. This report will include:

(1) The number of enlistment, retention, and transfer bonuses the Service offered.

(2) The number of members offered a bonus.

(3) The Military Service's intentions regarding the continued use of these bonuses during the current and next fiscal years.

f. Widely disseminate information regarding the EBP to ensure that eligible persons and members are fully aware of the program.

ENCLOSURE 3

EBP PROCEDURES, REQUIREMENTS, AND CONDITIONS

1. GENERAL. The Secretaries of the Military Departments may pay a bonus under the EBP (in accordance with section 331 of Reference (b)) to persons or members, as appropriate, to support recruiting and retention efforts in designated military skills, career fields, units, or grades, or to meet some other condition or conditions of service imposed by the Secretary of the Military Department concerned.

a. Eligibility. To be eligible for the EBP, a person or member must:

- (1) Enlist in a Regular Component of a Military Service; or
- (2) Enlist in or affiliate with a Reserve Component of a Military Service; or
- (3) Reenlist, voluntarily extend an enlistment, or otherwise agree to serve in a Regular or Reserve Component of a Military Service for a specified period in a designated military skill, career field, unit, or grade, or under such other conditions of service as the USD(P&R) or the Secretary of the Military Department concerned may specify; or
- (4) Transfer between the Regular Component and the Ready Reserve of a Military Service; or
- (5) Transfer from a Regular Component or the Ready Reserve of a Military Service to a Regular Component or the Ready Reserve of another Military Service, subject to the approval of the Secretary with jurisdiction over the Military Service to which the member is transferring; or
- (6) Agree to serve on active duty or in an active status for a specified period in a designated military specialty or skill (to include a conversion to a designated military skill for purposes of a reenlistment or transfer), career field, unit, grade, or under such other condition or conditions of service as the USD(P&R) or the Secretary of the Military Department concerned may specify; and
- (7) Sign an agreement, as defined in the Glossary, with the Secretary of the Military Department concerned; and
- (8) Not be in receipt of an enlistment bonus, a retention bonus, an affiliation bonus, or a transfer bonus for the same period of service.

b. Amount. The bonus amount to be paid under the agreement shall:

- (1) Be fixed upon acceptance of the agreement by the Secretary of the Military Department concerned and may only be paid prospectively.

(2) Be paid in a lump sum or in periodic installments.

(3) Unless otherwise approved by the USD(P&R), may not exceed:

(a) \$40,000 for a minimum 2-year period of obligated service for an enlistment described in subparagraph 1.a.(1) of this enclosure.

(b) \$20,000 for a minimum 2-year period of obligated service for an enlistment described in subparagraph 1.a.(2) of this enclosure.

(c) \$25,000 for each year of obligated service in a Regular Component for retention described in subparagraph 1.a.(3) of this enclosure.

(d) \$10,000 for each year of obligated service in a Reserve Component for a retention described in subparagraph 1.a.(3) of this enclosure.

(e) \$10,000 for a transfer described in subparagraph 1.a.(4) of this enclosure.

(f) \$10,000 for a transfer described in subparagraph 1.a.(5) of this enclosure.

(g) \$4,000 for a reenlistment or conversion that involves an agreement to convert to a designated military skill, as described in subparagraph 1.c.(2) of this enclosure.

(4) Shall be in addition to any other pay and allowance to which the person or member is entitled, unless otherwise precluded under this enclosure or section 371 of subchapter II, chapter 5 of Reference (b). For example, a member may not receive a bonus or incentive pay under both subchapters I and II of Reference (b) for the same activity, skill, or period of service.

(5) The Secretary of the Military Department concerned shall determine the amount of bonus award for its Service as long as it does not exceed the amounts authorized in subparagraph 1.b.(3) of this enclosure. Any request to offer a bonus in excess of the amounts listed in subparagraph 1.b.(3) up to the statutory limit is subject to the approval of the USD(P&R). The Service request must include the skill, dollar amount, type of the bonus, and duration. The justification for the increase must include a cost and econometric analysis that addresses criticality of skill, condition of service, replacement and training costs, operational impact, and current civilian market condition for the requested skill.

c. Specific Rule for Designated Military Skills or Specialties. The following are specific procedures, requirements, and conditions related to an enlistment, reenlistment, or transfer bonus paid for a period of obligated service in a designated military skill:

(1) The period of obligated service in a designated military skill, career field, unit or grade shall include normal skill progression, as defined by the Secretary of the Military Department concerned, such as attending courses in professional military education, and any other advanced training or education related to a designated military skill.



(2) Consistent with section 331 of Reference (b) and this Instruction, the Secretaries of the Military Departments may pay a conversion bonus to a member who agrees to convert to a designated military skill in which there is a shortage of trained and qualified personnel and to serve for a period of not less than 3 years on active duty or in an active status in the Selected Reserve in that military skill or specialty. Such a bonus may be payable in a lump sum, upon approval and completion of the conversion training by the Secretary of the Military Department concerned. However, the bonus amount shall not exceed the amount in subparagraph 1.b.(3)(g). In addition to the other EBP eligibility requirements included in this enclosure, a member must:

(a) Be serving in the pay grade E-6 or below with no more than 12 years of service, as computed in accordance with section 205 of Reference (b).

(b) Have completed all service obligation incurred for receipt of an enlistment or retention bonus, in accordance with section 331 of Reference (b), or critical skills retention bonus (CSRB), in accordance with section 355 of Reference (b), at the time of the conversion.

(3) The Secretary of the Military Department concerned may provide for the curtailment or waiver of a period of obligated service in a designated military skill due to the needs of that Military Department, but shall establish assignment criteria and procedures that will limit the circumstances in which such period of obligated service may be curtailed or waived, and shall specify such other appropriate condition or conditions of service, consistent with section 331(b)(2) of Reference (b) and paragraph 1.a. of this enclosure. In addition, the Secretary of the Military Department concerned shall:

(a) Ensure that military personnel centers identify, monitor, and review such obligated service curtailments or waivers.

(b) Approve any curtailment or waiver of obligated service that involves more than one consecutive assignment in a military skill other than that which was designated for purposes of the EBP. This responsibility may be delegated no lower than the grade of Major General or Rear Admiral.

(c) Ensure that any request for curtailment or waiver is:

1. Clearly justified based on the needs of the Military Department concerned.
2. Not granted on a routine basis.

(d) Approve a curtailment or waiver under subparagraph 1.c.(3) of this enclosure and consistent with section 331 of Reference (b) and section 1 of this enclosure.

d. Exclusions. A member who receives or is entitled to receive readjustment pay, severance pay, or separation pay under Chapter 4 of Reference (j) is not eligible to receive a selective retention bonus (SRB).

e. Repayment. A person or member who receives a bonus under section 331 of Reference (b), implemented by this Instruction, who fails to complete the period of obligated service or other conditions of service for which the bonus is paid, as specified in the agreement, as required under paragraph 1.a. of this enclosure, shall be subject to repayment consistent with section 373 of Reference (b) and Chapter 2 of Reference (j).

f. Justification for EBP Requests. Analysis necessary to ensure enlistment and retention bonuses are employed in the most cost effective manner.

(1) The Military Departments will utilize cost benefit ratios and analytical tools to justify requests for bonuses under the EBP. These models shall be predictive of short term end-strength and mission needs. The Military Department's analysis will focus on criticality of a skill, manpower composition and force structure changes, replacement costs, operational impact on Service mission, as well as current market conditions for a specific specialty.

(2) The analysis should focus on the effectiveness and efficiency of the bonus and will be provided with any new enlisted bonus request or continuation of an existing bonus. Current bonus programs may remain in effect for 2 years from publication of this Instruction or until its preexisting termination date, whichever is earlier.

(3) All requests for any additional enlisted bonus under the EBP will be forwarded to the USD(P&R) for approval.

g. Exception to Policy (ETP). Secretaries of the Military Departments who believe any policy in this instruction limits Departmental ability to accomplish its mission may submit a request for an exception to policy to the USD(P&R). ETP request will be evaluate on a case by case basis and approved by the USD(P&R) or delegated ASD.

## 2. OTHER EBP PROCEDURES, REQUIREMENTS, AND CONDITIONS

### a. Enlistment Bonus

(1) General. The enlistment bonus, authorized under section 331(a)(1) of Reference (b) and implemented by this Instruction, provides a monetary incentive that may be offered to encourage a person, including a member, to enlist in a Military Service. Specifically, the bonus is authorized when an individual agrees to enlist and serve for a specified period of obligated service in at least one of the following categories: a designated military skill, career field, unit, grade, or to meet some other condition or conditions imposed by the Secretary of the Military Department concerned. Consistent with section 331(a)(1) of Reference (b), the award and administration of an enlistment bonus is governed by the procedures, requirements, and conditions described in section 1 and paragraph 2.a. of this enclosure, and by such additional conditions and requirements prescribed by the Secretary of the Military Department concerned that are consistent with section 331 of Reference (b) and this Instruction.

(2) Designation of a Military Skill or Specialty. The Secretary of the Military Department concerned may pay an enlistment bonus in exchange for an individual's agreement to serve for a specified period in a designated military skill. The Secretary of the Military Department concerned shall consider the following when designating a military skill for purposes of paying this bonus:

(a) The attainment of established Military Department accession objectives necessary to sustain adequate manning in a military skill or career field.

(b) The attainment of the accession objectives or attainment percentages are significantly below the total accession objectives attainment average for the Military Department concerned.

(c) The overall manning level and E-1 through E-4 pay grade shortages within the initial period of obligated service.

(d) The length and cost of training.

(e) The length of initial enlistment period or periods.

(3) Conditions for Authorizing Bonuses. The Secretary of the Military Department concerned may also authorize the enlistment bonus when:

(a) Total accession objectives have not been met.

(b) A personnel shortage exists in pay grades E-1 through E-4 within those year groups that constitute the period of initial obligated service.

(c) The accession objective attainment percentage is significantly below the total accession objective attainment average for the Military Service concerned.

(d) The need to incentivize individuals entering the service during historically low recruiting periods.

(4) Additional Enlistment Bonus Eligibility Requirements. In addition to the minimum eligibility requirements under paragraph 1.a. of this enclosure, an eligible person must:

(a) Possess a high school diploma, a completion or attendance certificate in lieu of a high school diploma, or a General Educational Development program certificate.

(b) Be an initial enlistee in a Regular or Reserve Component (if performing Active Guard and Reserve duty, as defined in section 101(d)(6) of title 10, U.S.C. (Reference (k)) of a Military Service.

(c) Not have received and not be eligible for an enlistment or reenlistment bonus under subchapter I or 331(a)(3) of subchapter II, or a CSRB under section 355 of Reference (b).

(d) Successfully complete training and become technically qualified in a designated skill if completion of such training and technical qualification forms the basis under which the bonus is paid.

(e) Qualify under any additional eligibility criteria prescribed by the Secretary of the Military Department concerned.

(f) Either enlist for at least 2 years or extend an initial period of obligated service to a total of at least 2 years in the Regular or Reserve Component (if performing Active Guard and Reserve duty, as defined in section 101(d)(6) of Reference (k)) of a Military Service for the purpose of qualifying for award of an enlistment bonus under this Instruction. The Secretary of the Military Department concerned may establish a longer initial period of obligated service for an enlistment bonus recipient than for a non-bonus recipient in the same military skill, except when the initial obligated service incurred due to training requirements is greater than the normal enlistment period for military service.

(5) Quality Standards. The Secretary of the Military Department concerned may establish quality standards that the enlistee must meet for award of an enlistment bonus, but shall report to the USD(P&R) on any offer and amount of an enlistment bonus to recruits in the Armed Forces Qualification Test Category IIIB or lower.

(6) Prior Service Eligibility Requirements. Individuals with prior military service who reenlist in a Regular or Reserve Component (if performing Active Guard and Reserve duty, as defined in section 101(d)(6) of Reference (k)) of a Military Service after a break in active duty or reserve duty may be eligible for a prior service enlistment bonus. In addition to the eligibility requirements in paragraph 1.a. of this enclosure, an eligible person must:

(a) Provide the original DD Form 214 (copy 1 or copy 4), "Certificate of Release or Discharge from Active Duty," or a reproduction of the DD Form 214 with a certified true copy stamp and the appropriate Federal Government authenticating seal imprinted thereon for any period of prior military service, or other official documentation verifying member's satisfactory participation for all periods of prior service in the active component and selected reserve.

(b) When additional training is required, the member must successfully complete training or re-training and become technically qualified in the designated skill.

(c) Qualify under any additional eligibility criteria prescribed by the Secretary of the Military Department concerned.

(d) Either reenlist for at least 3 years or extend an initial period of obligated service to a total of at least 3 years in the Regular or Reserve Component (if performing Active Guard and Reserve duty, as defined in section 101(d)(6) of Reference (k)) of a Military Service for the purpose of qualifying for award of a prior service reenlistment bonus under this Instruction. The Secretary of the Military Department concerned may establish a longer initial period of obligated service for a prior service reenlistment bonus recipient than for a non-bonus recipient in the same

military skill, except when the initial obligated service incurred due to training requirements is greater than the normal enlistment period for military service.

(7) Amount of Payment. The enlistment bonus for a designated military skill or the cumulative amount of enlistment bonuses to any individual shall not exceed \$40,000.

(8) Method of Payment

(a) The Secretary of the Military Department concerned shall establish the method of payment for the bonus (lump sum or periodic installments). Payment should be disbursed based on training milestones, amounts, and length of enlistment. The Secretary of the Military Department concerned shall not pay a person or member any portion of the bonus prior to completion of basic recruit training.

(b) Members with prior military service who do not require formal training to be technically qualified in the skill for which the bonus is being paid will receive their first installment no earlier than 30 days after arrival at the first permanent duty station following entry on active duty.

(9) Changes to the Enlistment Bonus. The Military Departments will notify the USD(P&R) of any changes to a Military Department's enlistment bonus guidance under the EBP. The Secretary of the Military Department concerned shall issue an announcement that fully describes the change as well as an effective date. The resulting bonus amounts shall not exceed that authorized under paragraph 1.b. of this enclosure.

b. Reserve Component Enlistment and Affiliation Bonus

(1) General. The enlistment and affiliation bonus authorized under section 331(a)(2) of Reference (b) and implemented by this Instruction, provides a monetary incentive that may be offered to encourage a person, including a member, to enlist in the Reserve Component or affiliate with the Selected Reserve of a Military Service. Specifically, the bonus is authorized when the person enlists in or affiliates with the Selected Reserve of a Military Service and agrees to serve for a specified period of obligated service in at least one of the following categories: a designated military skill, unit, pay grade, or to meet some other condition or conditions imposed by the Secretary of the Military Department concerned. Consistent with section 331(a)(2) of Reference (b), the award and administration of a reserve enlistment or affiliation bonus is governed by the procedures, requirements, and conditions described in section 1 and paragraph 2.b. of this enclosure, and by such additional conditions and requirements prescribed by the Secretary of the Military Department concerned that are consistent with section 331 of Reference (b) and this Instruction.

(2) Designation of a Military Skill or Specialty. The Secretary of the Military Department concerned shall consider the following when designating a military skill or specialty for purposes of paying these bonuses:

(a) The attainment of established Military Department accession objectives necessary to sustain adequate manning in a military skill or career field.

(b) Whether the total accession objectives have not been met or attainment percentages are significantly below the total accession objectives attainment average for the Military Department concerned.

(c) Overall manning shortages.

(d) The length and cost of training.

(e) The length of initial enlistment or affiliation period.

(3) Enlistment Bonus Eligibility Requirements. The Secretary of the Military Department may pay an enlistment bonus to a person who meets the same enlistment eligibility requirements in subparagraph 2.a.(4) of this enclosure and

(a) Has not previously served in the Military Services or has served, but was released from such service before completing the basic training requirements of the Service of which the person was a member and the service was characterized as either honorable or uncharacterized;

(b) Executes an agreement to serve as an enlisted member in the Selected Reserve of the Ready Reserve of a Military Service for a period of not less than 2 years upon acceptance of the agreement by the Secretary of the Military Department concerned.

(c) Reservists currently obligated to a Military Service under a delayed entry program are not eligible for an enlistment bonus from another Military Service.

(4) Prior Service Bonus Eligibility Requirements. The Secretary of the Military Department may pay a reserve prior service enlistment bonus to a former enlisted member who has prior military service, meets the eligibility requirements in subparagraph 2.a.(4) of this enclosure, and

(a) Has not previously received an enlistment bonus.

(b) Has not previously received nor currently is entitled to an SRB per this Instruction or a CSRIB under section 355 of Reference (b).

(c) Has not more than 16 years of total military service and received an honorable discharge at the conclusion of all prior periods of service.

(d) Was not released, or is not being released, from active duty for the purpose of enlistment in a Reserve Component. (See affiliation bonus in subparagraph 2.b.(6))

(e) Is projected to occupy a position for which the member previously served successfully and has completed training or retraining in the critical specialty designated for the position.

(f) Executes an agreement to serve as an enlisted member in the Selected Reserve of the Ready Reserve of a Military Service for a period of not less than 2 years upon acceptance of the agreement by the Secretary of the Military Department concerned.

(g) Provides the original DD Form 214 (copy 1 or copy 4), or a reproduction of the DD Form 214 with a certified true-copy stamp and the appropriate Federal Government authenticating seal imprinted thereon, or other official documentation verifying member's satisfactory participation for all periods of prior service in the active component and selected reserve.

(5) Designation of Conditions for Affiliation Bonuses. The Secretary of the Military Department concerned shall designate the skills, career fields, units, and pay grades for which an affiliation bonus may be paid under subparagraph 1.a.(2) of this enclosure. Any skill, career field, unit, pay grade, or other condition so designated shall be a skill, career field, unit, pay grade, or other condition for which there is a critical need for personnel in the Selected Reserve of the Ready Reserve of a Military Service, as determined by the Secretary of the Military Department concerned. The Secretary shall establish other requirements to ensure that members accepted for affiliation meet required performance and discipline standards.

(6) Affiliation Bonus. The Secretary of the Military Department may pay an affiliation bonus to an enlisted member who:

(a) Is currently serving on active duty or has served on active duty and is discharged or released under honorable conditions.

(b) Has less than 20 years of total military service.

(c) Provides the original DD Form 214 (copy 1 or copy 4) or a reproduction with a certified true-copy stamp and the appropriate Federal Government authenticating seal imprinted thereon for each period of prior military service.

(d) Executes an agreement to serve in the Selected Reserve of the Ready Reserve of a Military Service for a period of not less than 2 years in a skill, unit, or pay grade designated under subparagraph 2.b.(5) of this enclosure after being discharged or released from active duty under honorable conditions.

(e) Is not in receipt of an enlistment, retention, or transfer bonus for the same period of time as an affiliation bonus.

(f) Has not previously received an affiliation bonus in the Selected Reserve.

(7) Non-availability. Members of the Ready Reserve who incur a period of authorized absence, as stated in DoDD 1200.7 (Reference (1)), shall have their incentive suspended during this period, and shall not be entitled to incentive payments. This period of authorized absence may be up to one year for valid personal reasons as determined by the Secretary concerned. If subsequently assigned to the Reserve status and skill that they had previously contracted for, members may be reinstated in the incentive program if they extend their term of service, or service obligation, so as to be able to serve the full original incentive agreement period. Entitlement to subsequent payments shall resume on the adjusted anniversary date of satisfactory and creditable Reserve service, as appropriate. The date shall be adjusted for periods of authorized absence. Failure to meet reinstatement criteria in a capacity for which previously agreed upon shall result in termination of the incentive and recoupment, as appropriate.

(8) Amount. The bonus amount for the Reserve EBP in paragraph 2.b. of this enclosure shall not exceed \$20,000 for the cumulative amount of an enlistment and affiliation bonus to any individual for a minimum 2-year period of obligated service.

(9) Method of Payment. The Secretary of the Military Department concerned shall follow the process outlined for enlistment bonuses in subparagraph 2.a.(8) of this enclosure.

c. SRB

(1) General. The SRB authorized under section 331(a)(3) of Reference (b) and implemented through this Instruction, provides a monetary incentive that may be offered to retain adequate numbers of qualified enlisted personnel in certain reenlistment categories. Specifically, the bonus may be used to obtain the reenlistment or voluntary extension of an enlistment in exchange for a member's agreement to serve for a specified period in at least one of the following reenlistment or extension categories: a designated military skill, career field, unit, or grade; or to meet some other condition or conditions imposed by the Secretary of the Military Department concerned. Consistent with section 331(a)(3) of Reference (b), the award and administration of the SRB shall be governed by the procedures, requirements, and conditions described in section 1 and paragraph 2.c. of this enclosure, and by such additional conditions and requirements prescribed by the Secretary of the Military Department concerned that are within the scope of section 331 of Reference (b) and this Instruction.

(2) Designation of a Military Skill or Career Field. The Secretary of the Military Department shall consider the following when designating a military skill for purposes of paying this bonus:

(a) The critical personnel shortage in a particular military skill with respect to at least three of the preceding year groups, as defined by the Secretary of the Military Department concerned.

(b) The potential impact of the critical personnel shortage on the mission of the Military Department concerned.



(c) The degree to which retention in a particular military skill does not meet established retention objectives.

(d) The high cost of training associated with the military skill.

(e) The relatively arduous or otherwise demanding nature of the military skill, as compared to other military or civilian alternatives.

(f) The degree to which retention is likely to improve in this reenlistment or extension category, as compared to the overall cost of the bonus.

(g) The high demand for the military skill in the civilian labor market.

(3) Designation of a Unit or Grade, or Imposition of Such Other Condition or Conditions of Service. Consistent with section 331 of Reference (b) and this Instruction:

(a) The Secretary of the Military Department concerned may designate a unit or grade, or impose such other condition or conditions of service with respect to the SRB, as determined necessary to mitigate a significant current or projected personnel shortage or changing force structure requirements.

(b) An SRB based on unit or grade, or such other condition or conditions of service are subject to USD(P&R) approval. Service requests at a minimum will include the rationale for a designation, redesignation, or condition(s) of service, the requested level of payment, the number of eligible persons or members, and funding availability.

(4) Individual SRB Eligibility Requirements. In addition to meeting the criteria established in subparagraph 1.a. and imposed by the Military Departments in subparagraph 2.c.(2) or 2.c.(3) of this enclosure with respect to a bonus paid, an eligible member must:

(a) Serve in pay grade E-3 or higher.

(b) Reenlist for a period of at least 3 years or voluntarily extend an enlistment for a period of at least 1 year on active duty or in an active status in the Selected Reserve in a Military Service.

1. A reentry or reenlistment must occur no later than 3 months after the date of discharge or release from active duty.

2. Veterans with more than a 3-month, but less than a 4-year, break in active status may qualify for reentry after a break in service or prior service reentry, subject to the regulations prescribed by the Secretary of the Military Department concerned.

3. The original DD Form 214 (copy 1 or copy 4), a reproduction of the DD Form 214 with a certified true-copy stamp and appropriate Federal Government authenticating seal

imprinted thereon, or other official documentation verifying the member's satisfactory participation for all periods of prior service in the active component and selected reserve are acceptable documentation of prior active duty service for a break in active duty service greater than 24 hours.

4. Individuals with prior enlisted service and subsequent service as officers who were discharged or released from active duty and who, within 3 months after discharge or release from active duty as an officer, reenlist in the same Regular or Reserve Component of a Military Service in which they previously served as enlisted member may be eligible for an SRB. The individual must meet all other requirements under section 331(a) of Reference (b) and the eligibility requirements established in paragraph 1.a. and subparagraph 2.c.(4) of this enclosure.

5. Members who reenlist or voluntarily extend an enlistment to participate in a program leading to a commission or appointment as an officer are not eligible for an SRB.

(c) Meet skill qualification prior to payment of the SRB for a member transferring into a designated military skill.

(5) Restrictions

(a) A person is not eligible for an SRB if the person was discharged or released from active duty or service in an active status based on a determination of misconduct, substandard duty performance, or moral or professional dereliction.

(b) Generally, a member may not use any preexisting period of obligated service to satisfy an obligated service requirement under an SRB agreement, unless such service is determined by the Secretary of the Military Department concerned to be consistent with the requirements of section 371 of Reference (b) and subparagraph 2.c.(3) of this Instruction and that:

1. Such preexisting period of obligated service is necessary for the member to qualify for continuous submarine duty incentive pay under section 301c of Reference (b), and is service for which no bonus was previously authorized or payable; or

2. Such preexisting period of obligated service includes no more than a 2 year period of an unserved voluntary extension of enlistment for which no bonus was previously authorized or payable, and the member agrees to an additional 2-year period of obligated service in connection with the SRB.

(c) A SRB may not be paid to an enlisted member who has completed more than 20 years of active duty or service in an active status, or who will complete a total of 24 years of service before the end of the period of active duty or active status for which the bonus is offered. The DASD(MPP) may waive this restriction based upon a request and justification submitted by the Secretary of the Military Department concerned.

(6) Non-Availability of Ready Reservists. In the event a member of the Ready Reserve is transferred to the Standby Reserve, the provisions of subparagraph 2.b.(7) apply.

(7) SRB Amount

(a) The SRB may not exceed:

1. \$25,000 for each year of obligated service in a Regular Component. The maximum amount for a SRB is \$100,000.

2. \$10,000 for each year of obligated service in a Reserve Component. The maximum amount for a SRB is \$40,000.

(b) The Secretary of the Military Department concerned shall determine the amount of the SRB based on a business case model that targets retention of adequate levels of enlisted personnel in a reenlistment or extension category.

(c) Members may receive more than one SRB, but the total combined SRB payments over a career shall not exceed \$200,000 for Regular Component members and \$80,000 for Reserve Component members.

(d) SRB amounts may be prorated for extension requests greater than one year and reenlistments greater than 3 years. The additional service time will be calculated on a monthly basis at a rate equal to 1/12th the annual amount. Total bonus amounts are subject to subparagraph 2.c.(7)(a) and 2.c.(7)(c) of this enclosure.

(8) Method of Payment. The SRB may be paid in periodic installments or in a lump sum. If the SRB is paid in periodic installments:

(a) The installment amount will be at the discretion of the Secretary of the Military Department and may be paid at the time of reenlistment, or at the beginning of the member's service commitment for the voluntary extension of enlistment. All payments must be made before the member completes a total of 24 years of service.

(b) An initial installment to a person who reenlists after a break in active duty service greater than 24 hours is to be made no earlier than 30 days after arrival at the first permanent duty station following reenlistment.

(9) Changes to the SRB. The Military Departments will notify USD(P&R) of any changes to a Military Department's SRB guidance under the EBP. The Secretary of the Military Department concerned shall issue an announcement that fully describes the change along with an effective date. The amount of the SRB offered after the date of such change may not exceed that authorized under section 331(c) of Reference (b).

d. Bonus for Transfer Between Components of a Military Service

(1) General. The transfer bonus provides a monetary incentive that may be offered to an enlisted member to encourage transfer between the Regular Component of a Military Service to the Ready Reserve of the same Service to meet manning requirements. The Secretaries of the Military Departments may pay a bonus to an enlisted member who agrees to transfer from the Regular Component to the Ready Reserve and vice-versa, to obtain a member's agreement to serve for a specified period in at least one of the following transfer categories: a designated military skill, career field, unit, or grade; or to meet some other condition or conditions imposed by the Secretary of the Military Department concerned. Consistent with section 331(a)(4) of Reference (b), the award and administration of the transfer bonus shall be governed by the procedures, requirements, and conditions described in section 1 and paragraph 2.d. of this enclosure, and by such additional conditions and requirements prescribed by the Secretary of the Military Department concerned that are consistent with section 331 of Reference (b) and this Instruction.

(2) Transfer Procedures. All inter-component transfers will be conducted in accordance with DoDI 1205.05 (Reference (m)).

(3) Additional Transfer Bonus Eligibility Requirements. The member has:

(a) Satisfactorily completed all terms of enlistment within their current component.

(b) Qualified for reenlistment in the Regular or Reserve Component of the Military Service to which the member is transferring.

(4) Amount and Method of Payment. The Secretary of the Military Department concerned shall establish the amount and method of payment for the bonus (lump sum or periodic installments). The bonus amount may not exceed \$10,000 and is payable upon approval of the Secretary concerned.

e. Bonus for Transfer Between Military Services

(1) General. The transfer bonus provides a monetary incentive that may be offered to an enlisted member to encourage transfer to another Military Service to meet manning requirements of that Service.

(a) In the case of an inter-Service transfer between two Military Services, the Secretary of the gaining Military Department may pay a bonus to an enlisted member who agrees to transfer and serve in another Military Service for a specified period in a designated military skill, career field, unit, or grade; or to meet some other condition or conditions imposed by the Secretary of the gaining Military Department. Consistent with section 331(a)(5) of Reference (b), the award and administration of the transfer bonus shall be governed by the procedures, requirements, and conditions described in paragraphs 1 and 2.e. of this enclosure, and by such additional conditions and requirements prescribed by the Secretary of the gaining Military Department.

(b) Inter- Service transfers include members transferring from the Regular Component or Ready Reserve of a Military Service to the Regular Component or Ready Reserve of a different Military Service.

(2) Transfer Procedures. All inter-Service transfers will be conducted in accordance with Reference (m).

(3) Additional Transfer Bonus Eligibility Requirements. The member has:

(a) Not failed to satisfactorily complete any term of enlistment in a Military Service.

(b) Qualified for reenlistment in the Regular or Reserve Component of the Military Service to which the member is transferring.

(c) Prior to the transfer, fulfilled the requirements established by the Secretary with jurisdiction over the Military Service to which the member is transferring.

(4) Amount and Method of Payment. The Secretary of the gaining Military Department may pay the transfer bonus in one \$10,000 lump sum amount upon approval of the transfer by the Secretary of that Military Department. Alternatively, the bonus may be paid in annual installments, the total of which may not exceed \$10,000.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

ASD(R&FM)	Assistant Secretary of Defense for Readiness and Force Management
ASD(RA)	Assistant Secretary of Defense for Reserve Affairs
CSRB	critical skills retention bonus
DASD(MPP)	Deputy Assistant Secretary of Defense for Military Personnel Policy
DoDD	DoD Directive
DoDI	DoD Instruction
EBP	enlisted bonus program
SRB	selective retention bonus
U.S.C.	United States Code
USD(C)/CFO	Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purpose of this Instruction.

active duty. Full-time duty in the active military service of the United States. Such term includes full-time training duty, annual training duty, and attendance, while in the active military service, at a school designated as a Service school by law or by the Secretary of the Military Department concerned.

active service. Service on active duty.

active status. The status of a member of a Reserve Component who is not in the inactive Army National Guard or inactive Air National Guard, on an inactive status list, or in the Retired Reserve as defined in section 101(d)(4) of Reference (k).

agreement. A written agreement between the Secretary of the Military Department concerned and a member or other person determined eligible for a bonus under section 331 of Reference (b) that specifies the:

- (1) Amount of the bonus.
- (2) Method of bonus payment - lump sum amount or periodic installments.

(3) Period of obligated service.

(4) Designated military skill or specialty (to include a conversion to designated military skill or specialty for purposes of a reenlistment or transfer), career field, unit, or grade, or such other condition or conditions of service imposed by the Secretary of the Military Department concerned.

career field. A group or series of military specialties or skills that define a particular military career path.

member. An individual commissioned, appointed, or enlisted in a Military Service.

Military Departments. The Department of the Army, Department of the Navy, and Department of the Air Force.

Military Services. The United States Army, the United States Navy, the United States Air Force, and the United States Marine Corps.

military specialty. A military occupational specialty in the Army and the Marine Corps, an Air Force specialty code in the Air Force, a rating or navy enlisted classification in the Navy.

Ready Reserve. The Ready Reserve is comprised of military members of the National Guard and Reserve, organized in units or as individuals, and liable for order to active duty during war or national emergency or when otherwise authorized by law. It consists of the Selected Reserve, the Individual Ready Reserve, and the Inactive National Guard.

Selected Reserve. A category of the Ready Reserve in each of the Reserve Components. The Selected Reserve consists of units, and, as designated by the Secretary concerned, of individual Reserve members, trained as prescribed in section 10147(a)(1) (Reference (k)) or section 502(a) title 32 U.S.C (Reference (n)), as appropriate.