

SEC. 592. INTEREST PAYMENTS ON CERTAIN CLAIMS ARISING FROM CORRECTION OF MILITARY RECORDS.

(a) Interest Payable on Claims- Subsection (c) of section 1552 of title 10, United States Code, is amended by adding at the end the following new paragraph:

` (4) If the correction of military records under this section involves setting aside a conviction by court-martial, the payment of a claim under this subsection in connection with the correction of the records shall include interest at a rate to be determined by the Secretary concerned, unless the Secretary determines that the payment of interest is inappropriate under the circumstances. If the payment of the claim is to include interest, the interest shall be calculated on an annual basis, and compounded, using the amount of the lost pay, allowances, compensation, emoluments, or other pecuniary benefits involved, and the amount of any fine or forfeiture paid, beginning from the date of the conviction through the date on which the payment is made.'.

(b) Clerical Amendments- Subsection (c) of such section is further amended--

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by inserting `(1)' after `(c)';

(3) by striking `If the claimant' and inserting the following:

` (2) If the claimant'; and

(4) by striking `A claimant's acceptance' and inserting the following:

` (3) A claimant's acceptance'.

(c) Retroactive Effectiveness of Amendments- The amendment made by subsection (a) shall apply with respect to any sentence of a court-martial set aside by a Corrections Board on or after October 1, 2007, when the Corrections Board includes an order or recommendation for the payment of a claim for the loss of pay, allowances, compensation, emoluments, or other pecuniary benefits, or for the repayment of a fine or forfeiture, that arose as a result of the conviction. In this subsection, the term `Corrections Board' has the meaning given that term in section 1557 of title 10, United States Code.