

SEC. 572. VOLUNTARY SEPARATION INCENTIVE.

(a) AUTHORITY FOR TERMINATION UPON ENTITLEMENT TO RETIRED PAY-  
Section 1175(e)(3) of title 10, United States Code, is amended--

(1) inserting '(A)' after '(3)'; and

(2) by adding at the end the following new subparagraph:

(B) If a member is receiving simultaneous voluntary separation incentive payments and retired or retainer pay, the member may elect to terminate the receipt of voluntary separation incentive payments. Any such election is permanent and irrevocable. The rate of monthly recoupment from retired or retainer pay of voluntary separation incentive payments received after such an election shall be reduced by a percentage that is equal to a fraction with a denominator equal to the number of months that the voluntary separation incentive payments were scheduled to be paid and a numerator equal to the number of months that would not be paid as a result of the member's decision to terminate the voluntary separation incentive.'

(b) EFFECTIVE DATE- Subparagraph (B) of section 1175(e)(3) of title 10, United States Code, as added by subsection (a), shall apply with respect to decisions by members to terminate voluntary separation incentive payments under section 1175 of title 10, United States Code, to be effective after September 30, 2000.