IMMEDIATE RELEASE

**New retirement system goes into effect Jan. 1, 2018**

*Opt-in period for eligible service members opens*

**Press Operations**

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One of the most wide-reaching and significant changes to military pay and benefits of the last 70 years goes into effect on Jan. 1, 2018, with the implementation of the [Uniformed Services Blended Retirement System](http://www.militarypay.defense.gov/BlendedRetirement) (BRS). The new system blends aspects of the traditional defined benefit retirement pension system, with a defined contribution system of automatic and matching government contributions through the [Thrift Savings Plan](http://www.TSP.gov) (TSP). All new entrants into the Uniformed Services on or after Jan. 1, 2018, will be enrolled in this new retirement system.

Nearly 1.6 million current service members will have the option to remain in the current legacy high-3 retirement system or choose the BRS when the opt-in period for eligible service members opens on Jan. 1, 2018. [Opt-in eligible service members](http://militarypay.defense.gov/Portals/3/Documents/BlendedRetirementDocuments/Fact%20Sheet-Eligibility%20and%20Opt%20In.pdf?ver=2017-12-08-135220-247) from all seven of the Uniformed Services will have an entire year to make their retirement system election. The open period for the majority of service members is from Jan. 1, 2018, through Dec. 31, 2018.

ervice members will need to visit one of these designated resources to opt-in.

* Army, Air Force, Navy: [MyPay](https://mypay.dfas.mil/) (https://mypay.dfas.mil)
* Marine Corps: [Marine Online (MOL)](https://sso.tfs.usmc.mil/sso/DoDConsent.do) (https://www.mol.usmc.mil)
* Coast Guard, NOAA Commissioned Corps: [Direct Access](https://portal.direct-access.us) (https://portal.direct-access.us)
* U.S. Public Health Service Commission Corps (USPHS): Contact the USPHS Compensation Branch

Service members who believe they are eligible to opt-in, but do not see the opt-in option available online, should contact their personnel/human resources office to verify eligibility. If they are eligible they should contact their training manager to ensure that completion of the BRS Opt-in Course has been successfully annotated in their record.

For service members currently in the Army, Air Force, Navy, Coast Guard, National Oceanic and Atmospheric Administration Commissioned Corps (NOAA) and the U.S. Public Health Service Commissioned Corps, no action is required to remain in the legacy high-3 retirement system. Members of the Marine Corps must record their retirement decision in Marine Online (MOL). The decision to opt-in is irrevocable, even if a service member changes their mind before the deadline on Dec. 31, 2018. Service members with a Date of Initial Entry to Military Service (DIEMS) on or before Dec. 31, 2017, will be grandfathered under the legacy system. If a service member takes no action, they will remain in the legacy retirement system.

**Eligibility**

To be [eligible to opt-in](http://militarypay.defense.gov/Portals/3/Documents/BlendedRetirementDocuments/BRSEligibilityFactSheet30Nov2017-DM.PDF?ver=2017-12-01-092851-430), service members in the active component must have served fewer than 12 years as of Dec. 31, 2017, and those in the National Guard or Reserve must have fewer than 4,320 retirement points as of Dec. 31, 2017, and be in a paid status. Additionally, service members must have completed the mandatory BRS Opt-in Course. Service members have many options to complete the BRS Opt-in Course. The Opt-in Course is available online via [Joint Knowledge Online](https://jkodirect.jten.mil/html/COI.xhtml?course_prefix=J3O&course_number=P-US1332) with a Common Access Card (CAC), [Military OneSource](http://jko.jten.mil/courses/brs/OPT-IN/launch.html) without a CAC, or through a service’s learning management system. Services may also offer in-person training or pre-recorded training via DVD at an installation hosted training event.

Academy and Reserve Officer Training Corps (ROTC) cadets/midshipmen and Delayed Entry Program (DEP) service members are grandfathered under the legacy high-3 retirement system and are opt-in eligible if their DIEMS is on or before Dec. 31, 2017. Upon commissioning or being placed in a pay status, academy and ROTC cadets/midshipmen and DEP service members will be afforded 30-days to decide if they want to opt into the BRS, even if their Pay Entry Base date is after 2018.

Members of the Individual Ready Reserve (IRR) and Standby Reserve are eligible to participate in the BRS, but must be in a paid status to enroll. Therefore, members of the IRR and Standby Reserve who are eligible to enroll in BRS (because they were in the IRR or Standby Reserve with fewer than 4,320 retirement points as of Dec. 31, 2017), but who do not drill in a paid status or are not on orders during calendar year 2018, will be allowed a one-time, 30-day extension of the enrollment window beyond 2018, if and when they enter a paid status.

**Resources**

The Uniformed Services do not have an opinion on a service member’s opt-in decision. Prior to opting in, service members should take advantage of all available resources to assist in making an informed decision on the financial implications specific to their retirement situation. The DoD endorses several training and informational tools to support a service member’s decision, to include the BRS [Opt-In Course](https://jkosupport.jten.mil/html/COI.xhtml?course_prefix=J3O&course_number=P-US1332), the BRS [Comparison Calculator](http://militarypay.defense.gov/calculators/brs/) and numerous online BRS [resource materials](http://militarypay.defense.gov/blendedretirement). Service members can receive no-cost, personal support from an accredited personal financial manager or counselor available at their installation’s Military and Family Support Center or by calling Military OneSource at 1-800-342-9647. Search for a financial resources online at <http://.militaryinstallations.dod.mil> or <http://www.jointservicessupport.org/spn>.

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**About BRS**

Congress passed the National Defense Authorization Act for Fiscal Year 2016, which created a modernized retirement system for the Uniformed Services called the Blended Retirement System (BRS), based in part, on a recommendation by the Military Retirement Modernization Commission, issued in 2015. The BRS is one of the most wide-reaching and significant changes to military pay and benefits of the last 70 years. The new retirement system remains predominately a defined benefit retirement plan and service members who serve at least 20 years (or 20 qualifying years for the National Guard and Reserve), will still receive a [defined benefit](http://militarypay.defense.gov/Portals/3/Documents/BlendedRetirementDocuments/BRSDefinedBenefitFactSheet8Nov2017.pdf?ver=2017-11-16-092544-887) (monthly pension), which will continue to be a significant incentive in retaining a career all-volunteer force. The legacy high-3 retirement plan uses a formula that multiplies years of service by 2.5 percent, times the average of the highest 36 months of basic pay. Under BRS, the multiplier changes to 2.0 percent.

Additionally, under BRS service members will receive automatic and matching government contribution of up to 5% of their basic pay into a 401(k)-style defined contribution plan called the [Thrift Savings Plan](http://www.tsp.gov/) (TSP). The TSP is the same [defined contribution](http://militarypay.defense.gov/Portals/3/Documents/BlendedRetirementDocuments/BRSDefinedContributionFactSheet18Aug2017.pdf?ver=2017-10-25-150057-737) plan millions of DoD and government civilian employees take advantage of for their retirement savings. The ability for service members to earn government provided retirement benefits before reaching 20 years of service and to take their contributions with them when they leave the service, will help make the Uniformed Services a more attractive option for approximately 85% of service members who would like to serve their country, but do not stay 20 years. Additional, features of the BRS include a bonus called continuation pay for eligible service members and a new lump sum option at retirement. The change to the retirement system is a key step in modernizing the Uniformed Service’s ability to recruit, retain and maintain an all-volunteer force in the 21st century. For more information about BRS, visit <http://militarypay.defense.gov/BlendedRetirement>.

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