Retired Pay

1. Objectives

The appropriation, "Retired pay, Coast Guard," provides pay for retired military members of the Coast Guard and Coast Guard Reserve, retired members of the former Lighthouse and Lifesaving Services, and annuities payable to beneficiaries of retired military personnel under the "retired serviceman's family protection plan."

2. Operation

The program is a direct Federal operation primarily controlled at Coast Guard headquarters.

3. History

Retirements began in the Revenue Cutter Service for the purpose of stimulating officer promotions by placing 39 officers upon permanent waiting orders (retired list) at half-pay under the act approved March 2, 1895. Refinements and extensions of the retirement system have continued until today's retirements may be voluntarily taken for years of service or made involuntarily for reason of age, physical disability, or forced attrition.

4. Level of operations. (See table 1.)

Program: Retired pay.

Department or agency, and office or bureau: Department of the Treasury; U.S. Coast Guard.

TABLE 1.—*Level of operations or performance, fiscal years 1964–67*

Measure	Fiscal year 1964	Fiscal year 1965	Fiscal year 1966 estimates	Fiscal year 1967 estimates
(a) Magnitude of the program (average number retired members)	10,436	11,026	11,670	12,402
(b) Federal finances:				
Unobligated appropriations available	$34,400,000	$36,961,000	$41,000,000	$44,250,000
Obligations incurred	$34,280,000	$36,958,000		
Allotments or commitments made				
(c) Number of Federal Government employees administering, operating, or supervising the activity	15	15	15	15

5. Estimated magnitude of program in 1970

By 1970 it is estimated that the number of Coast Guard retired members will increase to 14,650. This will necessitate an appropriation of $52 million based on present laws.

6. Prospective changes in program orientation

(c) The number to be retired will continue to rise through 1970 primarily due to increased years of service of personnel on active duty. This rise, coupled with prolonged life expectancy of those receiving retired pay results in an ever-increasing program level.

7. Coordination and cooperation

Not applicable.

8. Laws and regulations

10 U.S.C. 1431–1446 "The Retired Serviceman's Family Protection Plan."