

SUMMARY OF NEW GI BILL BENEFITS

The FY 2008 Supplemental Appropriations Act, or “war supplemental,” was signed by President Bush on June 30, 2008. This bill includes the largest expansion of educational benefits to service members and veterans since the GI bill was enacted.

Post-9/11 Veterans Educational Assistance Act of 2007

The law, P.L. 110-252, creates a new entitlement program in the Veterans Administration for any individual, who after September 11, 2001, serves an aggregate of at least 36 months on active duty in the Armed Forces (including entry level and skill training), *and* either continues on active duty or is discharged or released as allowed in the law. In general, an individual is entitled to educational assistance for up to 36 months, which is equivalent to four academic years.

Individuals who serve for less time, graduated down to a minimum of 90 days (30 days in cases of service-related injuries), are still eligible for pro-rated benefits under the law. Covered Discharges and Releases from active duty include an honorable discharge; placement on the retired list; certain hardships, physical, or mental conditions; and other reasons approved by the Secretary.

New Benefits

The new education benefits will cover the cost of tuition and fees, living expenses, and other educational costs for an “approved program of education,” as defined in law and regulation. The tuition benefit covers the amount of the “established charges” for the program, up to a maximum that equals the full-time, “in-state” rate charged to undergraduate students at the institution that has the highest “regular” tuition and fees among all public institutions of higher education in the state. This amount will be paid directly to the educational institution concerned.

In addition, qualified individuals will receive a monthly stipend for housing that is pegged to the basic allowance for military housing. The housing stipend will vary, depending on where individuals attend school, which is beneficial to students attending college in high-cost areas of the country, like California.

Other benefits provided in the bill to eligible veterans include:

- a lump sum amount for books, supplies, and other educational costs up to \$1,000 per year;
- up to \$1,200 per year (\$100 monthly) for tutorial assistance if they are deemed essential to the individual’s success;
- payment for one eligible licensing or certification test, up to \$2,000; and
- partial benefits for approved programs that are half-time or less, and
- a one-time payment of \$500 for relocation or travel assistance for individuals who live in very remote areas (such as Alaska) and have to relocate (or travel by air) to attend their institution, and
- “yellow ribbon” provisions that provide additional federal funds above the tuition cap, matched dollar-for-dollar with institutional funds set aside especially for veterans. This will help veterans pay for programs (private undergraduate or graduate and professional) that cost more than maximum benefit provided to veterans attending public institutions, and
- transferability of some of veteran’s education benefits under specified conditions to family members.

For members with critical skills or specialties, the Secretary may increase the monthly amount of educational assistance that would be otherwise payable. More information about this benefit will be provided in regulations.

Comparison of Montgomery Chapter 30 benefits with Post 9/11 Veterans Benefits

(NB: The supplemental appropriations bill also increases the amount of current monthly benefits, and makes changes to the three existing GI educational benefit programs: Montgomery GI Bill (“Chapter 30”), Montgomery GI Bill-Select Reserve (“1606”), and the Reserve Educational Assistance Program (“1607”). This chart compares some of the new post-9/11 benefits and the “traditional” GI bill benefits (Chapter 30). More comprehensive information about all these programs can be found at http://www.gibill.va.gov/GI_Bill_Info/benefits.htm)

MONTGOMERY GI BILL CHAPTER 30	POST 9/11 VETERANS’ EDUCATIONAL BENEFITS
Changes effective Aug. 1, 2008	Effective Aug. 1, 2009
Service member must pay \$1,200/yr while on active duty to be eligible later. Some service members may contribute up to an additional \$600 to receive increased monthly benefits.	No contribution from service member required
Eligibility up to 10 years after service.	Eligibility up to 15 years after service
Annual maximum of stipends are set in law and vary by length of service. After three years of service, the monthly amount is \$1101 for full-time training regardless of where the veteran attends school.	The benefit will cover the cost of tuition up to a maximum equal to the highest-cost, undergraduate public-institution tuition in each state.
No separate allocation for living expenses.	Monthly stipend for living expenses, indexed by zip code to the cost of the school the veteran will attend.
No additional benefit for tutorial assistance.	Tutorial assistance funding available up to \$100/mo. if deemed necessary.
No payment for licensing or certification test costs	Up to \$2,000 for cost of one licensing or certification test.
No benefit for the cost of books, supplies, or other educational expenses	Up to \$1,000 per year for costs of books, supplies, and other educational expenses.
No benefits for less than full time program participation	Partial benefits for program participation of half time or less.
	<i>NB: Housing allowance and books and supplies stipends are not payable to individuals on active duty. Housing allowance is not payable for those pursuing training at half time or less or to individuals taking distance learning.</i>
Non-applicable	“Yellow Ribbon G.I. Education Enhancement Program” benefits for higher cost programs up to matching institutional aid under specified circumstances. (see below for more details.)
No relocation allowance for veteran to move near college	A \$500 allowance for veterans in very remote areas to relocate/ travel to college (one-time payment, very limited availability)
Each branch of the military—not the VA-- has the sole authority to determine if benefits are transferable to dependents. Currently, the Army is the only branch of the military to allow this.	For long-serving veterans (+ 6 years) benefits may be partially transferable to family member(s) of veteran. The Secretary will determine the maximum benefits that may be transferred, but it will be between 18 months and 36 months. Transfers can only be approved while the individual is in active service, and other restrictions and eligibility criteria will apply. The housing and books and supplies benefits are transferrable too. (see below)
Monthly benefits will increase in other GI bill programs, effective 8-1-08. For example, the new monthly benefit under Chapter 30 will rise to \$1321.	When the new benefits take effect on 8-1-09, veterans will be able to select the program (from between the “old” and “new” educational benefits) that is most favorable to their individual circumstances.

Yellow Ribbon Enhanced Education Benefits

The Post-9/11 GI Bill will pay up to the most expensive in-state tuition and fees at a public institution of higher learning in the veteran's state, but in instances where the benefit level does not cover the cost of established charges, VA and the educational institution may enter into an agreement to cover the unmet expenses under the "Yellow Ribbon Program." Only individuals entitled to the full 100% benefit rate, based on service requirement, (and not active duty personnel) may receive this funding, and the matching contribution from the school and VA cannot exceed the full cost of the school's established charges.

The Secretary shall coordinate these agreements with individual institutions, and the agreements will specify how the scholarships will be administered, the maximum amount of the contribution the college or university will provide to veterans in an academic year, the number of individuals the college or university will cover, and other matters that the Secretary and the college or university jointly consider appropriate.

In general, the Secretary will provide up to 50 percent of the remaining costs for tuition and mandatory fees if matched by an equal amount by the college or university participating in the yellow ribbon program. The institutions can specify the terms of their participation in this agreement. For example, the institution could limit the additional assistance to \$2,000 per eligible veteran if that met the expectations for enrollment and available funds, or agree to pay for half of the remaining costs to get the full federal match if available.

At UC, undergraduate fees are the highest among the public universities in the state of California, so veterans admitted to UC will receive the maximum tuition benefit to cover undergraduate fees. For students enrolling in a higher-cost graduate or professional school program, which have higher fees that are above the maximum benefit for undergraduate tuition, UC could decide to target a certain amount of aid to veterans in order to leverage the yellow-ribbon federal match.

Transferability

The Secretary will determine the maximum benefits that may be transferred, but it will be between 18 months and 36 months. Transfers can only be approved while the individual is in active service, and other restrictions and eligibility criteria will apply. The housing and books and supplies benefits are transferrable too.

Regulations

The Secretary of Defense, in coordination with the Secretary of Veterans Affairs, shall prescribe regulations for purposes of this section, working also with the Secretaries of the Army, Navy, Air Force, and Homeland Security, as appropriate. During the upcoming months, VA will be finalizing plans, policies, payment procedures, rules and regulations, and training and outreach materials. <http://www.gibill.va.gov>

The following chart lists the monthly housing stipends that veterans will receive according the zip codes of the UC campuses.

Post-9/11 GI Bill Monthly Housing Allowances

The Post-9/11 GI Bill provides a housing allowance based on the DoD's Basic Allowance for Housing (BAH) for military personnel with an E-5 rank. The allowance will be sensitive to the regional differences in housing costs near college and university campuses across the country. The chart below shows the monthly stipends for UC campus zip codes for veterans with and without dependents. The amount for any zip code can be drawn from: <http://perdiem.hqda.pentagon.mil/perdiem/bah.html>

**Monthly Housing Allowance by City/Zip Code
for UC Campus Locations**

CAMPUS	E5 Rank With Dependents	E5 Rank Without Dependents
Berkeley- 94720	\$1888.00	1416.00
Davis- 95616	\$1480.00	1137.00
Irvine- 92697	\$1996.00	1659.00
Los Angeles- 90024	\$1996.00	1659.00
Merced- 95344	\$1131.00	898.00
Riverside- 92521	\$1597.00	1198.00
San Diego- 92093	\$1857.00	1648.00
San Francisco- 94143	\$2512.00	2233.00
Santa Barbara- 93106	\$1761.00	1591.00
Santa Cruz- 95064	\$1709.00	1312.00