

Department of Veterans Affairs

Dear Veteran:

I am pleased to take this opportunity to inform you about a new education benefit called the Post-9/11 GI Bill (also known as chapter 33 benefits). The Post-9/11 GI Bill is the most comprehensive education benefit package since the original GI Bill was signed into law in 1944. Individuals who are eligible for the new benefit may begin using the benefit August 1, 2009, for training that begins on or after that date. This letter provides a brief overview of the new benefit.

Basic Eligibility

Only active duty service performed after September 10, 2001, may be considered for determining eligibility for this new benefit. To be eligible, a service member or veteran must have served at least 90 aggregate days on active duty. However, individuals honorably discharged for a service-connected disability who served 30 continuous days after September 10, 2001, may also establish eligibility.

Basic Benefits

The maximum basic benefit provides the following:

- Cost of tuition and fees, not to exceed the most expensive in-state undergraduate tuition at a public institution of higher learning in the state you are attending school;
- Monthly housing allowance equal to the basic allowance for housing payable to an E-5 with dependents, in the same zip code as the school; and
- Yearly books and supplies stipend of up to \$1,000 per year.

The maximum basic benefit is earned after serving an aggregate of 36 months of active duty service or after 30 days of continuous service for those individuals who were discharged for a service-connected disability. Individuals serving between 90 days and 36 months of aggregate active duty service will be eligible for a percentage of the maximum benefit.

The percentage level ranges from 40% of the basic benefit for those whose service is between 90 days and 6 months to 90% for those who served between 30 and 36 months. For example, an individual with 5 months of qualifying service could receive 40% of the tuition benefit, 40% of the monthly housing allowance, and a maximum of \$400 books and supplies stipend. The following chart represents the maximum percentage payable based on the length of an individual's aggregate active duty service:

| Individuals serving an aggregate period of active duty after September 10, 2001, of: | Includes entry level and skill training? | Percentage of Maximum Benefit |
|--|---|----------------------------------|
| At least 36 months | Yes | 100 |
| At least 30 continuous days on active duty (Discharged due to service-connected disability) | Yes | 100 |
| At least 30 months, but less than 36 months | Yes | 90 |
| At least 24 months, but less than 30 months | Yes | 80 |
| At least 18 months, but less than 24 months | No | 70 |
| At least 12 months, but less than 18 months | No | 60 |
| At least 06 months, but less than 12 months | No | 50 |
| At least 90 days, but less than 06 months | No | 40 |

For those individuals entitled to the maximum tuition and fee benefit and whose tuition and fees exceed the highest in-state undergraduate tuition at a public institution (i.e. graduate training or training at a private institution), the amount payable is equal to the highest in-state undergraduate tuition at a public institution, unless benefits under the Yellow Ribbon provision apply. (See "The Yellow Ribbon Program" section below for more information.)

Individuals will generally receive 36 months of full-time education benefits. This should allow an individual to receive benefits for a four-year undergraduate degree based on a nine-month academic year, however, individuals may continue to receive benefits for approved training at an institution of higher learning (degree granting institution), including graduate training, provided they have remaining entitlement. If eligible for more than one VA education program, individuals are limited to a maximum of 48 months of benefits. Those individuals transferring to the Post-9/11 GI Bill from the Montgomery GI Bill (chapter 30) will be limited to the amount of their remaining chapter 30 entitlement. Individuals will remain eligible for benefits for 15 years from the date of their last discharge or release from active duty of at least 90 continuous days.

The monthly housing allowance is equal to the military housing benefit rates of an E-5 with dependents. The housing allowance is based on the location of the school and will be sent directly to the veteran for each month of enrollment in school training at more than half time. Individuals on active duty, anyone training at half time or less, and those solely pursuing distance learning are not eligible for the monthly housing allowance.

The maximum yearly books and supplies stipend is \$1,000 and will be paid proportionally for each quarter, semester, or term attended in a school year. Payment will be made to the individual during each term he or she is enrolled.

The Yellow Ribbon Program

The Yellow Ribbon Program provision of the Post-9/11 GI Bill allows institutions to enter into an agreement with VA to fund tuition costs above the highest in-state undergraduate tuition rate. VA will match each additional dollar that an institution of higher learning (IHL) contributes toward an eligible student's tuition costs, up to 50 percent of the difference between the tuition and fees covered by the Post-9/11 GI Bill and the total cost of tuition and fees. Only individuals entitled to the maximum benefit rate (based on service requirements) may receive this funding. IHLs will offer this additional benefit to eligible individuals on a first come, first served basis. Detailed information regarding the Yellow Ribbon Program, including a list of participating Yellow Ribbon institutions will be posted on our website.

Prior MGIB Eligibility

Those individuals transferring from the Montgomery GI Bill (chapter 30) will have a proportional amount of their basic \$1,200 contribution refunded in the last monthly housing allowance payment when entitlement exhausts. Individuals who do not exhaust entitlement under the Post 9/11 GI Bill will not receive a refund. A refund of the \$600 additional contribution is not authorized.

Applications

We expect to begin accepting applications soon for the Post-9/11 GI Bill. For additional information, including how to apply for benefits, visit our website at <u>www.gibill.va.gov</u>. We will update our website as new information becomes available.

Questions

We hope that this information will assist you in planning for your future. For any questions about the Post-9/11 GI please visit our website.

Sincerely,

Keith M. Wilson Director, VA Education Service