

New GI Bill Overview

The new GI Bill (Chapter 33 or so-called "Post-9/11 GI Bill," boasts the most comprehensive education benefits package since the original GI Bill was signed into law in 1944. This new benefit does not go into effect until August 1, 2009.

Many post 9/11 veterans and service members will soon see a new package of education benefits. This new Post 9/11 GI Bill, or so-called GI Bill for the 21st Century, boasts the most comprehensive education benefits package since the original GI Bill was signed into law in 1944.

The new bill goes well beyond helping to pay for tuition; many veterans who served after Sept. 11, 2001, will get full tuition and fees, a new monthly housing stipend, and a \$1,000 a year stipend for books and supplies. The new bill also gives Reserve and Guard members who have been activated for more than 90 days since 9/11 access to the same GI Bill benefits.

Benefits Start Date

This new GI Bill is set to go into affect on **August 1, 2009**. However, as with any new legislation, it could take some time for the Department of Veterans Affairs (VA) to begin paying benefits. **Benefits will not be paid for any training or education programs completed before July 31, 2009.**

Eligibility for the New GI Bill

If you have served a total of at least 90 consecutive days on active duty in the Armed Forces since Sept. 11, 2001, you're eligible. However, the amount of benefits you receive under this program are determined by the actual amount of accumulated post 9/11 service you have. To be eligible for the **full benefit**, you must have three years of active duty service after 9/11 or have been discharged due to a service-connected disability.

If you are an officer who graduated from a service academy or received ROTC scholarships, you also qualify for the new GI Bill benefits. However, your ROTC/Service Academy associated obligated active-duty service time does not count toward the three years necessary to qualify for the full benefits.

Note: You didn't have to opt-in for the Montgomery GI Bill to be eligible for this program.

New GI Bill Payment Rates

The Post 9/11 GI Bill will provide up to 100% of your tuition. In addition, the program provides a monthly housing stipend a stipend of up to \$1,000 a year for books and supplies. If you attend less than full-time will receive a portion of the payment based on the number of units of study.

The amount of tuition and stipends paid under the Post 9/11 GI Bill will vary depending on your state of residence, number of units taken, and amount of post Sept. 11, 2001 active-duty service. Here is a quick reference showing the percentage of total combined benefit eligibility based on the following periods of post 9/11 service:

- 100% - 36 or more total months
- 100% - 30 or more consecutive days with Disability related Discharge.
- 90% - 30 total months
- 80% - 24 total months
- 70% - 18 total months
- 60% - 12 total months
- 50% - six total months
- 40% - 90 or more consecutive days

Tuition Rates

Under the new GI Bill you will be provided tuition up to the highest established charges for full-time undergraduate students charged by the public institution of higher education in the State in which you are enrolled.

One of the added features of this tuition payment plan is that the tuition will be paid directly to the school, relieving you of the responsibility. This is similar to the process used for military tuition assistance.

Based on 2008 in-state tuition rates, the anticipated annual tuition payment rate for 2009 will be just over \$6,000. The low being Wyoming at \$3,500 a year and Michigan which is the highest payment in-state tuition rate at \$13,000.

Monthly Housing Stipend

If you are enrolled in a traditional college program as a full time or three-quarter time student, you will be paid a monthly housing stipend equal to the monthly amount of the Basic Allowance for Housing (BAH) for an E-5 with dependents. The average housing stipend will be approximately \$1,100 a month. However, if you attend distance learning programs such as correspondence courses and online you will not qualify for this stipend.

Book and Supply Stipend

You will receive a lump sum payment the first month of each quarter, semester, or term. The payment will help cover the cost of books, supplies, equipment, and other educational fees for that academic term. The payment amount will be equal to either a quarter or half of the annual \$1,000 cap for that academic year, depending on how the academic year is divided – quarter or semester terms.

Benefits Expiration Date

Unlike the Montgomery GI Bill, the new GI Bill will allow you to use this benefit for up to 15 years after your last discharge or separation from active duty.

Licensing and Certification Payments

This new GI Bill will provide up to \$2,000 to cover the cost of one licensing or certification test. This benefit is not charged against your 36 month entitlement.

Tutorial Assistance

Like the Montgomery GI Bill, the new GI Bill will provide up to a maximum of \$1,200 for tutorial assistance. The program will pay up to \$100 per month, for a maximum of 12 months. This benefit is not charged against your 36 month entitlement.

Benefit Transferability

According to a recent Stars and Stripes article, service members who have served at least 10 years on active duty will be able to transfer their benefit to a spouse or dependent child. A spouse of servicemember who have served at least six years and agrees to another four-year contract can receive the money even sooner.

The transferred benefit will cover the cost of tuition only.

Benefits may be divided as long as they don't exceed 36 months of college classes. For example, a retired soldier can use half of the benefits to pay for a two-year degree program, then transfer the remaining half to a spouse or child.

College-age children of long-serving service members could get a free college education starting fall 2009, provided they attend a state-backed school.

Comparing the Old and New GI Bill's

The following table highlights the differences between the Montgomery GI Bill and the New GI Bill.

	Montgomery GI Bill Chapter 30	Post 9/11 GI Bill Proposed - Chapter 33
Payment Rate for Full-Time Student	Annually set - nationwide - monthly payment rate. Set to increase to \$1321 for 2008-2009. Paid to the student each month.	A payment indexed to full in-state tuition for public schools. A lump sum paid directly to the school each term. The national average for in-state tuition in 2008 is \$6,185.
Duration of Program	36 Month entitlement.	36 Month entitlement.
Additional expense payments	No additional payments for expenses.	Living Expenses - stipend based on local BAH for E-5 with dependents – paid monthly avg. amount app. \$1,000 a month. Books and Fees - Up to \$1,000 a year.
Eligibility Requirements	Those who entered service the military after June 30, 1985.	Active-duty service since Sept. 11, 2001.
VEAP-era Eligibility	No - Except those who elected to convert in the past.	Yes – those who meet the eligibility criteria above.
Benefit Expiration	10 Years after separation or discharge.	15 Years after discharge or separation.
Transfer benefits to families	Limited - Currently Limited to Army for Critical MOS only.	Yes
Enrollment fee	Yes - \$1,200	None - Those who have not yet completed paying their \$1,200 for the MGIB may elect to stop further payment.

Affects on Existing GI Bill Benefits

If you are already enrolled in the Montgomery GI Bill and also meet the criteria for the Post 9/11 GI Bill, you have the option to transfer your remaining MGIB benefits to the new program.

For many veterans this will be a good option. However, due to the tuition limits set by this new GI Bill, many veterans who are pursuing a post-graduate degree may find the MGIB better suits their needs. This is also true for those students pursuing an online degree, as this new benefit will not pay the housing stipend to students enrolled in distance learning programs.

Further Eligibility Details:

- You qualify for 100% of the benefit if you have a total of at least 36 months on active duty in the Armed Forces. This includes service on active duty for entry level and skill training.
- You qualify for 100% of the benefit if you have a total of at least 30 continuous days on active duty in the Armed Forces; and after completion of service were discharged or released from active duty in the Armed Forces for a service-connected disability.

- You qualify for 90% of the benefit if you have a total of at least 30 months, but less than 36 months, on active duty in the Armed Forces.
(including service on active duty in entry level and skill training).
- You qualify for 80% of the benefit if you have a total of at least 24 months, but less than 30 months, on active duty in the Armed Forces.
(including service on active duty in entry level and skill training).
- You qualify for 70% of the benefit if you have a total of at least 18 months, but less than 24 months, on active duty in the Armed Forces.
(**excluding** service on active duty in entry level and skill training).
- You qualify for 60% of the benefit if you have a total of at least 12 months, but less than 18 months, on active duty in the Armed Forces.
(**excluding** service on active duty in entry level and skill training)
- You qualify for 50% of the benefit if you have a total of at least 6 months, but less than 12 months, on active duty in the Armed Forces.
(**excluding** service on active duty in entry level and skill training)
- You qualify for 40% of the benefit if you have a total of at least 90 days, but less than 6 months, on active duty in the Armed Forces.
(**excluding** service on active duty in entry level and skill training)

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