Chapter 33 (Post 9/11) GI Bill for Service Members NOT on Active Duty and Retired Service Members

The Chapter 33 (Post 9/11) GI Bill program was established to reward Military Service Members for Active Duty Service performed on or after September 11th, 2001. Changes were made to the original law on January 4th, 2011. The various changes to the original law will take effect at different times. The next scheduled changes to the Chapter 33 GI Bill program take effect on October 1st, 2011. This information paper outlines the Chapter 33 GI Bill program as it stands after August 1st, 2011 for Service Members NOT on Active Duty and retired Service Members. A second information paper is available for Active Duty Service Members. For the purposes of this information paper, Active Duty only refers to what the Chapter 33 GI Bill program considers Active Duty. Before using any GI Bill benefits, Veterans are encouraged to look at all of their options. This information paper should assist Veterans in making an educated decision.

What constitutes Active Duty Service?

As defined by Federal Law(110-252; dated June 30th, 2008), the following constitutes Active Duty Service for Ch 33 purposes: Honorable service in an Active Component; Honorable Active Duty Service performed under Title 10 U.S.C. 688, 12301(a), 12301(d), 12301(g), 12302, or 12304. Initial Active Duty for Training(IADT; Basic Training & AIT; OSUT; entry level and skill training for the Coast Guard) do not count as qualifying service until the Service Member has at least 24 months of qualifying service BEFORE their IADT period of service is added in.

What qualifies for eligibility?

- Honorable Active Duty Service of at least 90 days aggregate (combined) after 9/11.
- Honorable Active Duty Service or at least 30 consecutive days after 9/11 where the Service Member received a Medical Discharge. Note that this does not apply to Service Members who receive a Medical Discharge from Active Duty Orders Title 10 U.S.C. 12301(h).

What does not qualify?

- Any period of service performed under Title 32.
- Any period of service in which the Service Member did not receive an Honorable Discharge.
- Any Active Duty Service performed after September 11th, 2001.
- The 5-year Active Duty Service Obligation (ADSO) for commissioning from a service academy.
- The 4-year ADSO for an ROTC scholarship.
- The ADSO associated with acceptance of the active component Loan Repayment incentive (does NOT apply to reserve component Student Loan Repayment Program incentive).
- Service as a cadet or midshipmen in one of the service academies.
- Service that was terminated because a Soldier was a minor, was erroneously enlisted, or received a defective enlistment agreement.
- A period of Selected Service used to establish eligibility for a Defense Intelligence Senior Executive Service position under 10 U.S.C. 1606 or an Intelligence Senior Level position under 10 U.S.C. 1607.
- Annual training conducted under 10 U.S.C. 10147 or 12301(b).
- Service in connection with attendance at Coast Guard Academy.

How much can a Veteran receive under this GI Bill program?

Each GI Bill comes with up to 36 months of benefits that the Veteran can use as a full-time student. Veterans who are eligible for more than one GI Bill program can never receive more than a total of 48 months of benefits as a full-time student. In other words, any GI Bill benefits that the Service Member has used in the past will effect what they can receive under the Ch 33 GI Bill program.

What does this GI Bill cover?

- **Tuition & Fees:** What is paid out is based on your tier rate and is paid directly to the school.
    - *For public schools*, it pays all in-state tuition and fees if you are at the 100% tier rate. If you are not at the 100% tier rate, take the tuition & fees charged to in-state students and multiply it by your tier rate to determine what is paid; the Yellow Ribbon Program can be used to pay additional fees for out-of-state students who are at the 100% tier rate.
    - *For private & foreign schools,* the cap for tuition and fees is $17,500/year. To determine what is paid, take the tuition and fees and multiply it by your tier rate; the VA will pay either the total or $17,500, whichever is lesser.
- **Monthly Housing Allowance:** What is paid out is based on your tier rate and is paid directly to you. The student must be enrolled in school more than ½ time and attending one class at a physical location to qualify for the housing allowance. This is prorated by your rate of pursuit (rounded to the nearest multiple of 10; 50%-100%).
    - To determine what is paid, take the BAH rate(rate for the school year) for an E-5 with dependents for the zip code of the school, multiply it by your tier rate and then multiply it by your rate of pursuit(rounded to the nearest multiple of 10; 50%-100%).
- **Book & Supply Stipend:** What is paid out is based on your tier rate and is paid directly to you. The student must be enrolled in school more than ½ time and attending one class at a physical location to qualify for the book & supply stipend.
    - To determine what is paid take $41.67, multiply it by your tier rate and then multiply it by the number of semester hours you are taking. Please note that the student can never receive more than $1,000/yr.
- **GI Bill Kickers:** Service Members who have an active (not suspended or terminated) GI Bill Kicker can use this incentive their Ch 33 benefits. Service Members must submit a copy of their Kicker contract when they apply for their GI Bill benefits. The GI Bill Kicker will be paid out monthly. The rate will be based on the Kicker contract and the student's rate of pursuit.
- **Licensing & Certification Tests:** Students are not charged an entire month of benefit until they cumulate $1,426 in testing charges.
- **National Exam Reimbursement (e.g. SAT, ACT, GMAT, LSAT):** Students are charged one month of benefit per test no matter how cheap the test may be.

Additional Notes:

- Students can no longer receive double payment of benefits under more than one program. For example, a dependent who received transferred benefits from both parents cannot use both benefits at the same time even if the transferred benefits are not at the 100% tier rate.
- Any period of service completed **AFTER August 1, 2011** cannot be used to establish eligibility for multiple GI Bill programs (Ch 30, 33, 1607). The VA will take the election from the Service Member, DOD will not. The election is considered to be made at the time of payment so even if you enrolled in Ch 30 you can still switch to Ch 33 if you have not drawn payment yet. The VA will split continuous active duty service; let the first 3 years count for Ch 30 and count the next 3 years for Ch 33 or vice-versa.
- The VA will no longer pay interval pay between enrollment periods for any GI Bill program.
- The law now allows Veterans eligible for both the Ch 33 & Ch 31 GI Bill programs to elect to receive the housing allowance in lieu of the Ch 31 subsistence allowance.
- Schools will now be required to deduct any Federal funds, State funds, or employer based aid received(not including Title IV, loans & grants; funding that can be used and has been elected to pay for anything other than tuition & fees) prior to certifying tuition & fees to the VA.

How much time do I have to use these benefits?

Both the Service Member and their spouse have up to 15 years from when the Service Member is discharged from Active Duty service to use their benefits under the Ch 33 program. Unless the Service Member determines otherwise, dependents are able to their use benefits all the way up to their 26th Birthday.

The Yellow Ribbon Program

The Yellow Ribbon Program (not to be confused with the Reintegration Yellow Ribbon Program) is a provision of Ch 33 that allows institutions to enter into an agreement with the VA to fund tuition costs that aren't covered by the student's GI Bill benefits. The VA will match each additional dollar that an institution contributes towards an eligible student's tuition costs, up to 50% of the difference between the tuition and fees covered by Ch 33 and the total cost of tuition and fees. **Active Duty Soldiers and spouses do not qualify. The Service Member must be at the 100% tier rate to qualify.** This can be applied to out-of-state charges, and charges above the $17, 500/year cap for private schools. More information to include a list of schools who are participating in the Yellow Ribbon Program is posted on the VA's website.

Factors to consider

The Ch 33 GI Bill may not be the most beneficial option for every Veteran. Each individual will have to determine which course of action will benefit them the most under their particular set of circumstances. Listed below are some items that Veterans are advised to take into consideration when determining if Ch 33 is their best course of action.

- How much is your tuition?
- Can your tuition and fees be paid through other funds (Federal Tuition Assistance, State Tuition Assistance, Pell Grants, FASFA, etc)? If so, are these other options going to cover 100% of the tuition and fees?
- What is your tier rate under the Ch 33 GI Bill program?
- Are you still in the Military?
- Are you planning on transferring any benefits to your spouse and/or dependents?
- Are you planning on staying in the Military?
- What are your future education plans?
- Do you qualify for the living allowance and book & supply stipend? If so, how much can you receive?
- Do you qualify for any other GI Bill benefits? If so, which one(s)?

Transferring GI Bill Benefits to a Spouse and/or Dependents:

Service Members who qualify for Ch 33 are able to transfer their benefits to their spouse and/or dependents. Depending on what portion of their GI Bill benefits they have already exhausted, Service Members can transfer up to 36 months of benefits. Individuals who have transferred their benefits may modify or revoke their election at any time.

Guidelines to transfer benefits

- Only current members of the Armed Forces can transfer their GI Bill benefits to their spouse and/or dependents. By law, Veterans who are no longer in the Armed Forces cannot transfer their benefits to their spouse and/or dependents. No exceptions.
- Service Members must qualify for the Ch 33 GI Bill in order to transfer benefits.
- To transfer benefits to their spouse, Service Members must have already served at least 6 yrs in the Armed Forces and obligate to an additional 4 yrs of service.
- To transfer benefits to their dependents, Service Members must have already served at least 6 yrs in the Armed Forces and obligate to an additional 4 yrs of service. Note that dependents cannot use any benefits until the Service Member has completed at least 10 yrs of service.
- Service Members cannot be flagged at the time of transfer.
- The family members must be in DEERS.

Procedures to Transfer Benefits:

The Chapter 33(Post 9/11) GI Bill is currently the only GI Bill that Service Members can transfer to their spouse and/or dependents. **VETERANS MUST BE AN ACTIVE MEMBER OF THE MILITARY WHEN THEY TRANSFER THEIR BENEFITS. RETIRED VETERANS CANNOT TRANSFER THEIR BENEFITS.** Procedures to transfer your GI Bill to your spouse and/or dependents can be found online at http://www.nc.ngb.army.mil/index.php/resources/eso/. Once there, click on the "Transferring GI Bill Benefits to a Spouse and/or Dependents" tab located on the far right-hand side of the screen.

Transfer of Benefits for Service Members Approaching Retirement:

DOD has taken into consideration that there are several of Service Members who qualify for the Ch 33 GI Bill and are approaching retirement. There are specific guidelines in place for these Service Members who wish to transfer their benefits to their spouse and/or dependents. **Please note that this in only a "Grandfathered Clause" and will be going away soon.** Below are the qualifying factors for these specific individuals.

- For Service Members with 20 yrs or more, no additional service is required.
- For Service Members approved for retirement on or after August 2nd, 2009 and before June 30th, 2010, no additional service is required.
- For Service Members eligible to retire or with 20 yrs of service on or after August 2nd, 2009 and before August 2nd, 2010, 1 more yr of service is required.
- For Service Members eligible to retire or with 20 yrs of service on or after August 2nd, 2010 and before August 2nd, 2011, 2 more yrs of service is required.
- For Service Members eligible to retire or with 20 yrs of service on or after August 2nd 2011 and before August 2nd, 2012, 3 more yrs of service is required.

To determine how much of their GI Bill benefits they have already used, Service Members must contact the VA's Education Hotline at 1-888-GI Bill-1. For any questions regarding GI Bill benefits, Service Members can visit the VA's website at www.gibill.va.gov or they can visit the North Carolina National Guard Education Office public website at http://www.nc.ngb.army.mil/index.php/resources/eso/.

Payment Tiers

Service Requirements on/after 9/11/01 an individual must serve an aggregate of	Payment Tiers Percentage
At least 36 cumulative months	100%
At least 30 continuous days on active duty and discharged due to service-connected disability	100%
At least 30 cumulative months	90%
At least 24 cumulative months	80%
*At least 18 cumulative months	70%
*At least 12 cumulative months	60%
*At least 6 cumulative months	50%
*At least 90 aggregate days	40%

Payment Tier applies to Tuition & Fees; Books & Supplies Stipend and to the Housing Stipend

*** Excludes entry level and skill training (IADT)**