SECTION 702 OF THE CHOICE ACT

Section 702 of the Veterans Access, Choice and Accountability Act of 2014 (“Choice Act”), requires VA to disapprove programs of education for payment of benefits under the Post-9/11 GI Bill and Montgomery GI Bill-Active Duty at public institutions of higher learning if the schools charge qualifying Veterans and dependents tuition and fees in excess of the rate for resident students for terms beginning after July 1, 2015.

These new requirements will ensure that our Nation’s recently discharged Veterans, and their eligible family members, will not have to bear the cost of out-of-state charges while using their well-deserved education benefits.

DO PUBLIC SCHOOLS HAVE TO OFFER IN-STATE RATES TO ALL VETERANS AND DEPENDENTS TO MEET THE REQUIREMENTS OF SECTION 702?

No. To remain approved for VA’s GI Bill programs, schools must charge in-state tuition and fee amounts to “covered individuals.” A “covered individual” is defined in the Choice Act as:

- A Veteran who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the school within three years of discharge from a period of active duty service of 90 days or more.

- A spouse or child using transferred benefits who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the school within 3 years of the transferor’s discharge from a period of active duty service of 90 days or more.

- A spouse or child using benefits under the Marine Gunnery Sergeant John David Fry Scholarship who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the school within three years of the Servicemember’s death in the line of duty following a period of active duty service of 90 days or more.
Note: Individuals who initially meet the requirements above will maintain “covered individual” status as long as they remain continuously enrolled at the institution of higher learning, even if they are outside the 3-year window or enroll in multiple programs.

WHAT HAPPENS IF A STATE DOES NOT OFFER IN-STATE TUITION AND FEES TO ALL “COVERED INDIVIDUALS”? The law requires VA to disapprove programs of education for everyone training under the Post-9/11 GI Bill and the Montgomery GI Bill –Active Duty (MGIB-AD) if in-state tuition and fees are not offered to all “covered individuals.”

WHAT STEPS MUST BE TAKEN TO ENSURE THAT VETERANS AND THEIR FAMILY MEMBERS CAN RECEIVE VA GI BILL BENEFITS AT PUBLIC SCHOOLS IN MY STATE? States must ensure all public institutions of higher learning offering VA-approved programs charge in-state tuition and fees to “covered individuals” as described, to include same-sex spouses and children (biological, adopted, pre-adoptive, and stepchildren of same-sex spouses) after July 1, 2015. To ensure compliance, States should consider offering in-state tuition and fees to all individuals eligible for benefits under the Post-9/11 and MGIB-AD programs.

WHEN DO STATES HAVE TO MEET THESE REQUIREMENTS? Public institutions must offer in-state tuition and fees to all “covered individuals” for Veterans and family members to be eligible to receive GI Bill benefits for training beginning after July 1, 2015. VA will not issue payments for any students eligible for the Post-9/11 GI Bill or the MGIB-AD until the school becomes fully compliant. VA is in the process of developing waiver criteria for States that are actively pursuing changes to comply with these provisions. More information regarding the waiver criteria will be included in a regulation published in the Federal Register.

IF MY SCHOOL BECOMES COMPLIANT AFTER JULY 1, 2015, WHEN WILL VA BEGIN ISSUING PAYMENTS? VA will not issue payments under the Post-9/11 GI Bill and MGIB-AD for all students in terms beginning after July 1, 2015, if the requirements of Section 702 are not met, unless a waiver is granted. If the in-state tuition and fee policies are brought into compliance with the requirements after July 1, 2015, and no waiver was previously granted, VA will begin making payments for terms, quarters, or semesters that begin on or after the date that the compliant policies take effect.

WHERE CAN I GO TO GET MORE INFORMATION? Questions regarding the provisions of Section 702 may be submitted to Section702.Vbavaco@va.gov. VA will provide updates on its website at www.benefits.va.gov/gibill.