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Obama Administration and the State of California Fix Post 9/11 GI Bill Tuition Glitch

Veterans Will Now Have Standardized Access to Private, Graduate and Out-of State Schools in California Under Yellow Ribbon Program

WASHINGTON – Secretary of Veterans Affairs Eric K. Shinseki announced today a joint solution has been reached between the State of California and the Department of Veterans Affairs (VA) concerning how tuition and fees are determined. The new definition will allow for standardized application under the new Post 9/11 GI Bill and the accompanying Yellow Ribbon program.

"The Post-9/11 GI Bill is an important part of fulfilling our promise to the men and women who have served our country so honorably," Secretary of Veterans Affairs Eric K. Shinseki said. "This solution will allow all Veterans who want to attend a California school the same benefits as any other Veteran across the nation."

The Post-9/11 GI Bill educational benefit authorizes VA to pay the actual tuition and fees charged by a university up to the maximum in-state tuition and fees charged by the most expensive public university in the state.

In interpreting the statute in its implementing regulation, VA determined that it must set separate state maximums for tuition and fees, as opposed to a single combined total.

In California, public schools have traditionally charged no tuition but relatively high fees. Thus a student attending private school in California would receive much less of a basic tuition benefit under the Post 9/11 GI Bill Yellow Ribbon program than students at private schools in other states.

Recently, California's public universities introduced a new billing line item, "Educational Fee/Tuition." VA has determined that, under its existing regulations, the Department can consider this new billing line item as "tuition" for the purposes of calculating the state's maximum payments.

"As a result of this interpretation, the maximum basic benefit VA can pay in California will increase, dramatically reducing the "gap" to be made up by California schools under the Yellow Ribbon agreement," added Under Secretary for Benefits Patrick W. Dunne.

In California alone, approximately 80 schools have entered into more than 235 agreements for the 2009-2010 school year. The new maximum, in-state tuition amount for California public institutions is now \$287 per credit hour.

Over 1,100 colleges, universities and schools across the country have entered into more than 3,400 "Yellow Ribbon" program agreements with VA to improve financial aid for Veterans participating in the Post-9/11 GI Bill.

The Yellow Ribbon program, a provision of the new Post-9/11 GI Bill, funds tuition expenses that exceed the highest public in-state undergraduate tuition rate. Institutions can contribute up to 50 percent of those expenses, and VA will match this additional funding for eligible students.

The Yellow Ribbon program is reserved for Veterans eligible for the Post-9/11 GI Bill at the 100 percent benefit level. This includes those who served at least 36 months on active duty or served at least 30 continuous days and were discharged due to a service-related injury.

Additional information about the Post-9/11 GI Bill and Yellow Ribbon program, as well as VA's other educational benefits, can be obtained by visiting VA's Web site www.gibill.va.gov or by calling 1-888-GIBILL-1 (or 1-888-442-4551).