

Now the G.I. Bill is Forever

When you think of the G.I. Bill, you probably recall reading about a program designed to help military veterans receive college educations after they left the armed forces following World War II. Somewhat less known is that the G.I. Bill has endured, in various forms, until present times.

Last year, the Harry W. Colmery Veterans Education Assistance Act of 2017 became law, named for the American Legion member who wrote the initial G.I. Bill. The latest version is known as the “Forever G.I. Bill” because there is no time limit on receiving benefits for military personnel. Furthermore, education benefits may be transferred to spouses and children.

Who Qualifies

The new G.I. Bill applies to service members with at least 90 days of aggregate active duty service after September 10, 2001. In addition, at least one other condition must be met. A person must be

- still on active duty,
- honorably discharged, or
- discharged with a service-connected disability after at least 30 days of service.

Thus, the new G.I. Bill can be used for college classes, including post-graduate study, or for various types of career training. An extensive approved list ranges from entrepreneurship training to flight training to vocational or technical training.

The current program provides up to 36 months of education benefits, equivalent to four years at a standard college. (A 45-month limit for educational benefits may apply for individuals who first enrolled before August 1, 2018.) For the 2018-2019 academic year, the benefits cover all tuition and fee payments for an in-state student at a public college or university; for private (or even some foreign) institutions, benefits cover costs up to \$23,671.94. Many schools across the country participate in a Yellow Ribbon program that provides even greater benefits. The U.S. Department of Veterans Affairs matches contributions from the educational institutions.

In addition to those amounts, G.I. Bill recipients also may receive a housing allowance plus a stipend for books and supplies. Benefit amounts may differ for education that does not occur at an institution for higher learning, such as online learning.

Client Bulletin

Generally, someone must have served at least 36 months to get full benefits; those with less time in service may receive partial benefits. The time that a reservist was ordered to active duty counts towards eligibility. All post-9/11 Purple Heart recipients are fully eligible, regardless of length of service.

Previously, there was a 15-year time limit for use of these benefits. Under the new law, as long as someone's release from active duty was after 2012, the time limit has been removed.

Transferring Benefits

One of the most interesting aspects of today's G.I. Bill is the ability to transfer benefits to a spouse or a child.

Example: Tanya Walker has a college degree and no interest in further education after she leaves the military. She can transfer her unused G.I. Bill benefits to her husband Dave, but Dave also has no interest in continuing any classwork. Therefore, Tanya transfers her benefits to their son Ernie and their daughter Fiona.

Tanya must transfer her benefits before she leaves the military. Once she has been discharged, a transfer isn't possible. If Tanya has used any benefits under the G.I. Bill, only the unused amount can be transferred.

A few more hurdles must be cleared. Applicants must have been in the military for at least 6 years when requesting the transfer and agree to serve another 4 years on active duty or in selected reserves. Alternatively, an individual must have been in the military for at least 10 years and agree to serve as long as allowed, by policy or by law. Special rules apply to anyone who was eligible for retirement on August 1, 2012.

When a transfer of benefits goes to the spouse, the recipient must use them in full within 15 years after the veteran leaves active duty. When a transfer goes to children, they can't use the G.I. Bill benefits until they graduate from high school, get an equivalency certificate, or reach age 18. Once a child reaches age 26, he or she can no longer use the transferred benefits.

In this example, Ernie and Fiona may divide the transferred G.I. Bill benefits after they graduate high school. The benefits must be fully used before both children reach age 26.