



## **Changes to VA Benefits and Overpayment Debts**

On January 5, 2021, the President signed the *Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020* into law [Public Law 116-315]. This new law provides for the improvement and/or expansion of various GI Bill® programs. Please be aware that the law has changed regarding the way education overpayments and debts are handled by the Department of Veterans Affairs (VA).

### **What does this law mean?**

The new law requires schools and training providers to be financially responsible, instead of the student, for benefits paid directly to an educational institution for Post-9/11 GI Bill and other VA education programs. This applies to tuition and fee payments and Yellow Ribbon program payments under the Post-9/11 GI Bill (including under the Edith Nourse Rogers STEM Scholarship) and to advance payment of benefits under the various GI Bill programs. This applies without consideration of whether the overpayment was the result of the willful or negligent reporting failure of the school and it applies even if the debt is due to the student dropping one or more classes.

### **What does this mean for the recipient of VA benefits?**

If VA assesses a debt to the University on your behalf, we will send payment to the VA as requested. This will result in a charge to your student account for the amount due to the VA.

### **What can create a debt?**

A VA debt is created by:

- Failure to start the term
- Decrease in credit hours (dropping a course)
- Failure to complete a course
- Withdrawal from the term

### **What should I do to avoid a VA debt?**

We encourage all students to seek advice when considering a change in course schedules. Students may contact the Registrar to determine how a change in courses may affect the VA benefits. Students may also contact the VA at 1-888-442-4551 to discuss benefits with a VA benefits specialist.

### **What does this mean for my financial aid?**

The VA benefit changes do not impact student financial aid. We strongly encourage any student receiving additional assistance through VA or other means to consider reducing any student loans when possible. The Financial Aid and Business Office can help determine if student loans can be reduced or canceled.

If you have additional questions, please contact please email [veterans@chowan.edu](mailto:veterans@chowan.edu).