In-State Tuition for Military-Related Students

2023 Domicile Workshop

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Terminology

- We often refer to a Virginia domicile when speaking of the primary path to in-state tuition.
- With multiple paths to in-state tuition and state financial aid, I will be more often using the term: <u>Virginia student</u>.
- A Virginia Student is eligible for <u>in-state</u> <u>tuition and state financial aid.</u>

Terminology

- A student may be treated as a Virginia Student one of three ways:
 - Meeting the Commonwealth's domicile requirements
 - Meeting the Military Dependent requirements under § 23.1-505
 - Meeting the Tuition Equity requirements under § 23.1-505.1
- A student obtaining in-state tuition through an exception clause found under §§ 23.1-506 through 508.1 are not eligible for state financial aid and would be considered out of state students obtaining in-state tuition under an exception.

Multiple Paths for Military In-State Tuition

Domicile

Standard domicile review and benefits, with special provisions for the military family.

Dependents "<u>Deemed as Domiciled</u>"

Not a domicile review (receive all benefits of domicile).

Based on military assignment and residence.

Four <u>Exceptions</u>

Not a domicile review (tuition benefits only).

- State two provisions
- Federal two provisions

Each path is completely separate and unique

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Standard domicile review process applies

- Evaluate each case using the standard domicile review process.
- Domicile must be demonstrated.

Special provisions for the military family Four provisions dealing with the timing and maintaining of eligibility for benefits and with the nonmilitary spouse.

1. Waiver of One-Year Waiting Period

"In determining the domicile of (i) <u>active duty military personnel residing in the</u> <u>Commonwealth, retired military personnel residing in the Commonwealth at the</u> <u>time of their retirement, surviving spouses, or veterans</u> who voluntarily elect to establish the Commonwealth as their permanent residence for the purpose of domicile <u>or (ii) a dependent spouse or dependent child</u> who claims domicile through an individual listed in clause (i), <u>institutions of higher education shall waive the</u> <u>one-year requirement</u> set forth in subsection B of § 23.1-502."

- Once domicile is established, eligible for in-state tuition as of the next term (must be domiciled prior to or as of the first day of the term).
- Provision <u>does not</u> change domicile review.
- Still must provide clear and convincing evidence of domicile.

2. Eligibility through Nonmilitary Spouse Residing in Virginia Less than One Year

"In determining domiciliary intent, institutions of higher education shall consider the totality of the circumstances, including the following applicable factors: continuous residence for at least one year prior to the date of the alleged entitlement, <u>except in the event of the establishment and maintenance of a place of residence outside</u> <u>the Commonwealth for the purpose of maintaining a joint</u> <u>household with an active duty United States military spouse</u>;"

Actual residence may be interrupted by a military move.

Such a move should not penalize the nonmilitary spouse or his/her dependents.

3. Maintaining of Domicile by Nonmilitary Spouse

"Domicile, once established, is not affected by (i) mere transient or temporary physical presence outside the Commonwealth or (ii) **the establishment and maintenance of a place of residence outside the Commonwealth** <u>for the</u> <u>purpose of maintaining a joint household</u> with an active duty United States military spouse."

- If it is clear and convincing that the <u>spouse</u> of a military member had established domicile while in Virginia, <u>and</u>
- If the spouse then moves to follow the military member to another assignment, <u>and</u>
- If the spouse can demonstrate they have not intentionally changed their domicile to another jurisdiction,
- Then the nonmilitary spouse does not lose their domicile.

4. Nonmilitary Spouse Claiming Student for Tax Purposes

"E. The <u>domicile of a dependent student shall be rebuttably presumed to be the</u> <u>domicile of the parent or legal guardian (i) claiming him as an exemption on</u> <u>federal or state income tax returns</u> currently and for the tax year prior to the date of the alleged entitlement or (ii) providing him with substantial financial support. <u>The spouse of an active duty military service member, if such spouse</u> <u>has established domicile and claimed the dependent student on federal or state</u> <u>income tax returns, is not subject to minimum income tests or requirements</u>."

Guidance

Law allows the student to claim domicile of the parent claiming him for tax purposes; however, there is no minimum income test for the nonmilitary spouse.

Set aside concerns whether the nonmilitary parent is actually providing substantial financial support.

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- State two provisions
- Federal two provisions

§ 23.1-505

"B. Notwithstanding § 23.1-502 or any other provision of law to the contrary, all dependents, as defined by 37 U.S.C. § 401, of active duty military personnel or activated or temporarily mobilized reservists or guard members (i) assigned to a permanent duty station or workplace in the Commonwealth, the District of Columbia, or a state contiguous to the Commonwealth who reside in the Commonwealth; (ii) assigned unaccompanied orders and immediately prior to receiving such unaccompanied orders were assigned to a permanent duty station or workplace in the Commonwealth, the District of Columbia, or a state contiguous to the Commonwealth or a state contiguous to the commonwealth of columbia, or a state contiguous to the orders were assigned to a permanent duty station or workplace in the Commonwealth, the District of Columbia, or a state contiguous to the commonwealth and resided in the Commonwealth; or (iii) assigned unaccompanied orders with the Commonwealth listed as the designated place move shall be deemed to be domiciled in the Commonwealth and are eligible to receive in-state tuition."

"C. All such dependents shall be afforded the same educational benefits as any other individual who is eligible for in-state tuition pursuant to § 23.1-502. Such dependents are eligible for such benefits, including in-state tuition status, for as long as they are continuously enrolled in a public institution of higher education or private institution of higher education or have transferred between public institutions of higher education or private institutions of higher education or from an undergraduate degree program to a graduate degree program at a public institution of higher education or private institution of higher education, regardless of any change of duty station or residence of the military service member."

"<u>B. Notwithstanding § 23.1-502 or any other provision of law</u>"

They do not have to meet any other requirement. This is <u>not</u> a domicile review.

"all dependents, as defined by 37 U.S.C. § 401"

- Much broader interpretation of dependent than state definition for domicile or federal definition for financial aid.
 Includes adoption, legal custody, stepchildren, dependent
- parents.
- **Complete military definition is available on SCHEV website.**

"<u>of active duty military personnel or activated or temporarily mobilized reservists</u> <u>or guard members</u>"

Essentially, <u>active duty military</u> personnel as defined in military law and the Domicile Guidelines.

"(i) assigned to a permanent duty station or workplace in the Commonwealth, the District of Columbia, or a state contiguous to the Commonwealth who reside in the Commonwealth; (ii) assigned unaccompanied orders and immediately prior to receiving such unaccompanied orders were assigned to a permanent duty station or workplace in the Commonwealth, the District of Columbia, or a state contiguous to the Commonwealth and resided in the Commonwealth; or (iii) assigned unaccompanied orders with the Commonwealth listed as the designated place move"

Does not include temporary assignments.

Includes military personnel <u>assigned to a Virginia base</u> but <u>"deployed" elsewhere</u>.

Provisions to cover unaccompanied orders if the orders (ii) are for immediately after a Virginia assignment and family remains in the state or (iii) prior to Virginia assignment and family is directed to reside in Virginia in advance.

"who reside in Virginia"

Military member must physically reside in Virginia.

- Any kind of housing in Virginia is acceptable (base, rental, home ownership, etc.).
- Does not include housing outside of the Commonwealth whether military-assigned or voluntary.

"shall be deemed to be domiciled in the Commonwealth and are eligible to receive in-state tuition. C. All such dependents shall be afforded the same educational benefits as any other individual who is eligible for in-state tuition pursuant to § 23.1-502"

Means to treat in the same manner as any Virginia domicile.

Afford every educational benefit including:

- In-state tuition.
- Financial aid (including TAG).

Duration of Benefits

"<u>for as long as they are continuously enrolled</u> in a public institution of higher education or private institution of higher education or <u>have transferred between</u> <u>public institutions</u> of higher education <u>or private institutions</u> of higher education or <u>from an undergraduate degree program to a graduate degree program</u> at a public institution of higher education or private institution of higher education, <u>regardless</u> <u>of any change of duty station or residence</u> of the military service member."

- Continuously" means at least one course in consecutive fall/spring or spring/fall terms (lack of summer enrollment does not disqualify).
- Able to transfer between public institutions or private institutions back to public as long as maintains continuous enrollment. (Private institutions are accredited, degree-granting institutions of higher education formed, chartered, or established within Virginia.)

May enroll in undergraduate or graduate/professional program.

- After initial eligibility, continued eligibility based solely on continuous enrollment, not on the status or reassignment of the military member.
- If a student breaks enrollment, the student may regain eligibility by meeting initial eligibility requirements upon reenrollment.

Duration of Benefits Amended

"Such continuous enrollment requirement shall be waived if the dependent verifies that a break of no longer than one year was required in order to support a spouse or parent on orders for a change of duty assignment or location."

The institution should verify:

Whether the initial requirements for the provision have been met (follow current practice).

Whether the break in enrollment:

Is no more than one year (student missed no more than one fall and one spring term; in any order)

Is tangential to or overlapping a military reassignment of the military spouse/parent (verifiable through a copy of military orders and enrollment records).

Aside from the above documents, the institution need not conduct any further verification or determine specific reasons for the break in enrollment.

Window of Eligibility

"For the purpose of this subsection:

"<u>Date of alleged entitlement</u>" means the date of admission or acceptance for dependents currently residing in the Commonwealth or the final add/drop date for dependents of members newly transferred to the Commonwealth."

Differs from standard domicile review definition (first day of term).

- Altered definition includes an "eligibility window" from the date of admission until the end of add/drop; if conditions met for any one day within this window, then eligible for benefits.
- Enrolled students meeting criteria within this window remain eligible regardless of any subsequent military reassignment.
- Students whose families transfer into Virginia after admission but prior to the end of drop/add are eligible if they otherwise meet criteria (and remain eligible regardless of any subsequent military reassignment).

Documentation

Copy of the military orders to verify:

- Active-duty military status or activation of reservist / guard member, and
- Permanent duty station within Virginia, a contiguous state, or Washington DC.
- Documentation verifying Virginia residence.
- Verification of military dependent status: e.g. copy of military dependent card issued by the military or other document demonstrating dependent status.

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Four Exceptions

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- a. State based on residence
- b. State based on paying taxes for 10 years
- c. Federal based on military assignment
- d. Federal Veteran's Choice Act

Path: 3.a. State Military Exception

Section 506 – residence based

3. Any <u>active duty member</u>, activated guard or reserve member, or guard or reserve member mobilized or on temporary active orders for 180 days or more who <u>resides</u> in the Commonwealth.

4. Any <u>veteran</u> who <u>resides</u> in the Commonwealth.

5. Any <u>surviving spouse</u> who <u>resides</u> in the Commonwealth.

Path: 3.a. State Military Exception

Code of Virginia Definitions

"Active duty service members"

"Any active duty member, activated guard or reserve member, or guard or reserve member mobilized or on temporary active orders for 180 days or more"

Refers to active-duty military of the United States.

"Veteran"

"means an individual who has served on active duty in the Armed Forces of the United States and who was discharged or released from such service under conditions other than dishonorable."

"Surviving spouse"

"means the spouse of a military service member who, while serving as an active duty member in the Armed Forces of the United States, Reserves of the Armed Forces of the United States, or Virginia National Guard, during military operations against terrorism, on a peacekeeping mission, or as a result of a terrorist act, or in any armed conflict, was killed in action, became missing in action, or became a prisoner of war."

Must have been the result of active combat.

Path: 3.a. State Military Exception

Who is eligible?

- Active-duty service members.
- Veterans.
- Surviving spouses.

Family members of the above are <u>not eligible</u> under these provisions.

What are they eligible for?

In-state tuition rate.

Other educational benefits such as financial aid are not included.

Which institutions are affected?

Since provision affects tuition rate, only Virginia public colleges and universities are affected.



Residence Requirement

"who resides in the Commonwealth"

- Eligible student must have a physical residence within Virginia.
- Commuting from out-of-state or taking online courses from out-of-state does <u>not</u> qualify.

Specific to active-duty members

- Regardless of military assignment.
- In addition to personal permanent housing, residence may include base, rental, or other temporary housing.
- Temporary deployment (i.e. to overseas station) does not disqualify the member as long as a residence is maintained in Virginia.
- Military assigned and voluntary housing located outside of Virginia do <u>not</u> qualify.



Window of Eligibility

Must be eligible as of the date of alleged entitlement the first official day of class within the term, semester, or quarter of the student's program.

Continued Eligibility

- Eligible student must continue to meet all eligibility criteria in successive terms.
- If student breaks enrollment, eligibility can be reestablished by meeting the initial eligibility requirements.



Documentation Needed to Verify Eligibility

- For active-duty military status
 - Copy of military orders.
- For veteran status
 - Copy of form DD-214 Certificate of Release or Discharge from Active Duty.

For surviving spouse status

- Proof of payment from Office of Servicemembers Group Life Insurance or OSGI (call 800.419.1473) or
- Copy of form DD-1300 "Report of Casuality" (http://www.archives.gov/veterans/) and
- Copy of marriage certificate.

For Virginia residence

Any official document showing name, date, and a Virginia address.



Section 506 – tax based





Section 506 – <u>tax based</u>

8. Any child of an active-duty member or veteran who claims Virginia as his home state and filed Virginia tax returns for at least 10 years during active-duty service.





Section 506 – <u>tax based</u>

- Eligible student
 - Any child
 - Biological, Adopted, Step, and/or Foster; see definition under Title 37 U.S. Code § 401
 - Does not include the spouse.
 - whose parent was either
 - An active-duty member or
 - Veteran
 - And such parent, while on active-duty, claimed Virginia as the home of record
 - And such parent, for at least 10 years during active-duty service, filed Virginia state tax returns



Section 506 – <u>tax based</u>

State taxes:

- Proof of filing Virginia state income taxes for at least ten years during active duty
- No restrictions on when state taxes were filed
- No requirement that the ten years of filing were continuous or current
- State tax returns must have been filed as Virginia legal resident

Verification:

- Proof of current (military orders) or prior active-duty status (DD-214)
- Proof of having Virginia as home of record during active service
- Proof of filing Virginia state income taxes for at least ten years during active duty
 - For example, tax transcript or copies of Leave and Earnings Statement.

Federal Provisions



Path: 3.C. Federal Military Exception

Active Duty and Dependents

<u>Federal Higher Education Opportunity Act - 2008</u> http://www.ed.gov/policy/highered/leg/hea08/index.html

SEC. 135. IN-STATE TUITION RATES FOR MEMBERS OF THE ARMED FORCES ON ACTIVE DUTY, SPOUSES, AND DEPENDENT CHILDREN.
 (a) REQUIREMENT. — In the case of a <u>member of the armed forces</u> who is <u>on</u> <u>active duty</u> for a period of more than 30 days and whose domicile or <u>permanent duty station is in a State</u> that receives assistance under this Act, such <u>State shall not charge such member (or the spouse or dependent</u> <u>child of such member) tuition for attendance at a public institution of higher education in the State at a rate that is greater than the rate charged for residents of the State.</u>

(b) CONTINUATION.—If a member of the armed forces (or the spouse or dependent child of a member) pays tuition at a public institution of higher education in a State at a rate determined by subsection (a), the provisions of subsection (a) shall continue to apply to such member, spouse, or dependent <u>while continuously enrolled at</u> <u>that institution</u>, notwithstanding a subsequent change in the permanent duty station of the member to a location outside the State.

Path: 3.C. Federal Military Exception

Who is Eligible:

• Active duty members, spouse and dependent children.

***** Requirement:

• Permanent duty station is in Virginia.

* Benefit:

- Institution cannot charge more than the tuition charged to instate residents.
- Continuous enrollment at the institution.
- Does not include state financial aid.

Path: 3.d. Federal Veteran's Choice Act

- Any student using benefits from Chapter 30, 31 or 33.
 A student not using military education assistance is not covered by this provision.
- The student resides in Virginia: cannot be commuting from out of Virginia or enrolled distance learning from another state.
- Provides access to in-state tuition but not state financial assistance.
- The institution's SAA (State Approving Agency) is responsible for the interpretation and administration of this program. In Virginia, the SA is attached to the Virginia Department of Veterans Services (DVS).

Comparison of State and Federal Provisions

<u>Differences</u> for <u>**Dependents**</u>

- State "deemed-as-domiciled" provision is residency based:
 - military member must <u>reside</u> in Virginia
 - military member can be assigned to a contiguous state.
- Federal provision is <u>assignment based</u>:
 - military member must be <u>assigned</u> to Virginia,
 - military member can reside in another state.
- State "deemed as domicile" provision for military dependents provides for in-state tuition <u>and</u> access to state financial aid.
- Federal provision only provides for in-state tuition but <u>not</u> state financial aid.
- State is based on continuous enrollment in <u>any state institution</u>
- Federal is based on continuous enrollment in the <u>one institution</u>.

Comparison of State and Federal Provisions

Differences for Active Duty Members

Under federal provision, duration of eligibility based upon enrollment of the student, not military assignment.

Of special note:

- State law covers "residing in Virginia"
- Federal law covers "assigned to Virginia"
- So active duty military members need only one or the other, not both and the benefit is the same: in-state tuition.
- Neither provision provides access to state financial aid.

Path 3: Military Exception (Comparison)

Expansive comparison between federal and state law available on SCHEV website:

https://www.schev.edu/home/showpublisheddocument/27 6/637807172783830000

Path 3: Exception Comparison Cheat Sheet

Military Member			
	Federal Exception	State Exception	
ELIGIBILITY CRITERIA			
Residency	No residency requirement	Must reside in Virginia	
Duty Station	Virginia	Not specified	
Length of Military Member Activation	More than 30 days	At least six months	
BENEFITS			
Tuition Rate	No more than in-state tuition	No more than in-state tuition	
State Financial Aid	None	None	
Continuation	Continuous enrollment at initial institution	Continuation not automatic. Must continue to meet initial eligibility criteria.	

Path 3: Exception Comparison Cheat Sheet

Military Dependents				
	Federal Exception	State Exception		
ELIGIBILITY CRITERIA				
Who Benefits	Spouse and dependent children	Spouse and children but could include other relationships such as a dependent parent		
Residency	No residency requirement	1. Assigned to Virginia or contiguous		
Military Member Permanent Duty Station	Virginia	 state or DC; and reside in Virginia Assigned unaccompanied orders and immediately prior to receiving such orders was assigned to a permanent duty station or workplace geographically located in Virginia, or in a state contiguous to Virginia or DC; and resided in Virginia Assigned unaccompanied orders with Virginia listed as the designated place move 		
Length of Military Member Activation	More than 30 days	No minimum		
BENEFITS				
Tuition Rate	No more than in-state tuition	In-state tuition		
State Financial Aid	None	Eligible		
Continuation	Continuous enrollment at <u>initial</u> institution	Continuous enrollment in <u>any Virginia</u> institution		

Website

 Domicile information at: "For Institutions" then "Policies and Guidelines" then "Financial Aid and Domicile Officers" https://www.schev.edu/institutions/policiesguidelines/financial-aid-domicile-officers





Website



Summary of Military Benefits

<u>https://www.schev.edu/students/military</u>

PAYING FOR COLLEGE

MAKING DECISIONS ABOUT COLLEGE

STUDENT LOAN ADVISING

RESOURCES

MIDDLE - HIGH SCHOOL STUDENT

ADULT LEARNER

MILITARY

TRANSFER STUDENTS

COLLEGE STUDENT

I Am a...

Middle - High School Student

Adult Learner

Military

College Student

Military Education

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With the goal of being known as "America's Most Veteran-Friendly State," Virginia provides many unique state benefits to supplement and expand on federal benefits for military families. The information here is designed to help military personnel and their families understand and utilize those educational benefits and resources available in the Commonwealth. In most cases, the student's point of contact for these financial benefits is the institution's domicile or admissions office.

Financial Benefits for Active Duty Military Members	
Financial Benefits for Family of Active Duty Members	
Financial Benefits for Veterans and Their Families	+
Military Educational Resources	+
Separation and Reinstatement Policies	+

Virginia Guidelines Governing Public Institution Policies

- --

Military (Conclusion)

- The hardest part is choosing the right provision, but they never lose right to claim any provision, if eligible.
- Most military family members will qualify for the in-state tuition rate. Legislative intent is clear for military-related students; extend benefit of doubt where applicable.
- It is possible a military family might not qualify though those cases will now be rare.
 - Temporary assignments.
 - No Virginia connection: assigned/residing in another state and not domiciled in Virginia.

Resources

Virginia Educational Benefits for Military Families

https://www.schev.edu/students/military

Comparing federal and state In-State Tuition Provisions

https://www.schev.edu/home/showpublisheddocument/276/63780 7172783830000

Photocopying Military ID Cards

https://www.schev.edu/home/showpublisheddocument/614/63781 0401501870000



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