

DEPARTMENT OF VETERANS AFFAIRS

Veterans Benefits Administration

Vocational Rehabilitation & Employment Service

This information is posted for Guidance Only

VR&E Training Programs Subsistence Allowance Rate Increase

As of October 1, 2016

In some cases, a veteran requires additional education or training to become employable. A subsistence allowance is paid each month during training and is based on the rate of attendance (full-time or part-time), the number of dependents, and the type of training. The charts shown below reflect the rates as of **October 1, 2016.**

Based Upon 0.28% Consumer Price Index (CPI) Increase Chapter 31 Subsistence Allowance Rates As of October 1, 2016

The following Subsistence Allowance rates are paid for training in an *Institution of Higher Learning*:

| Number of Dependents | Full Time | Three Quarter Time | One Half Time |
|------------------------------|-----------|--------------------|---------------|
| No Dependents | \$607.14 | \$456.19 | \$305.24 |
| One Dependent | \$753.10 | \$565.65 | \$378.20 |
| Two Dependents | \$887.48 | \$663.52 | \$444.55 |
| Each Additional Dependent | \$64.68 | \$49.75 | \$33.19 |

Subsistence Allowance is paid for full time training only, in the following training programs: Non-pay or nominal pay on-job training in a federal, state, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; institutional non-farm cooperative.

| Number of Dependents | Full Time |
|---------------------------|-----------|
| No Dependents | \$607.14 |
| One Dependent | \$753.10 |
| Two Dependents | \$887.48 |
| Each Additional Dependent | \$64.68 |

The following rates are paid for Work Experience programs: Non-pay or nominal pay work experience in a federal, state, local or federally recognized Indian tribe agency:

| Number of Dependents | Full Time | Three Quarter Time | One Half Time |
|------------------------------|-----------|--------------------|---------------|
| No Dependents | \$607.14 | \$456.19 | \$305.24 |
| One Dependent | \$753.10 | \$565.65 | \$378.20 |
| Two Dependents | \$887.48 | \$663.52 | \$444.55 |
| Each Additional Dependent | \$64.68 | \$49.75 | \$33.19 |

Subsistence Allowance is paid for full time training only in the following training programs: *Farm Cooperative, Apprenticeship, or other On-Job Training:*

| Number of Dependents | Full Time |
|---------------------------|-----------|
| No Dependent | \$530.84 |
| One Dependent | \$641.94 |
| Two Dependents | \$739.84 |
| Each Additional Dependent | \$48.12 |

Subsistence Allowance is paid at the following rates for combined training programs: Combination of Institutional and On-Job Training (Full Time Rate Only):

| Number of Dependents | Institutional Greater than One Half | On-the-Job Greater than One Half |
|------------------------------|--|-------------------------------------|
| No Dependent | \$607.14 | \$530.84 |
| One Dependent | \$753.10 | \$641.94 |
| Two Dependents | \$887.48 | \$739.84 |
| Each Additional Dependent | \$64.68 | \$48.12 |

Subsistence Allowance is paid at the following rates for Non-farm Cooperative Training: Non-farm Cooperative Institutional Training and Non-farm Cooperative On-Job Training - Full Time Rate Only:

| Number of Dependents | FT Non-Farm Coop/Institutional | FT Non-Farm Coop/On- the-Job |
|------------------------------|-----------------------------------|---------------------------------|
| No Dependent | \$607.14 | \$530.84 |
| One Dependent | \$753.10 | \$641.94 |
| Two Dependents | \$887.48 | \$739.84 |
| Each Additional Dependent | \$64.68 | \$48.12 |

Subsistence Allowance is paid at the following rates for Independent Living programs: A subsistence allowance is paid each month during the period of enrollment in a rehabilitation facility when a veteran is pursuing an approved Independent Living Program plan. Subsistence allowance paid during a period of Independent Living Services is based on rate of pursuit and number of dependents. Independent Living subsistence allowance rates:

| Number of Dependents | Full Time | Three Quarter Time | One Half Time |
|------------------------------|-----------|--------------------|---------------|
| No Dependents | \$607.14 | \$456.19 | \$305.24 |
| One Dependent | \$753.10 | \$565.65 | \$378.20 |
| Two Dependents | \$887.48 | \$663.52 | \$444.55 |
| Each Additional Dependent | \$64.68 | \$49.75 | \$33.19 |

Subsistence Allowance is paid at the following rates for Extended Evaluation programs: A subsistence allowance is paid each month during the period of enrollment in a rehabilitation facility when a veteran requires this service for the purpose of extended evaluation. Subsistence allowance during a period of extended evaluation is paid based on the rate of attendance and the number of dependents. Extended Evaluation program subsistence allowance rates:

| Number of Dependents | Full Time | Three Quarter Time | One Half Time | One Quarter Time |
|---------------------------------|-----------|-----------------------|---------------|---------------------|
| No Dependents | \$607.14 | \$456.19 | \$305.24 | \$152.60 |
| One Dependent | \$753.10 | \$565.65 | \$378.20 | \$189.12 |
| Two Dependents | \$887.48 | \$663.52 | \$444.55 | \$222.27 |
| Each Additional Dependent | \$64.68 | \$49.75 | \$33.19 | \$16.56 |

*Institutional training also includes unpaid or nominally paid OJT or work experience in a Federal, State, local, or Indian tribal government agency.

Effective 10-01-2016, the maximum monthly rate for Chapter 31 Subsistence Allowance is \$2,569.

This maximum rate was calculated based upon full-time enrollment for a Veteran with the following dependents: spouse, mother, father and 25 children.

Election of alternate subsistence allowance under Public Law 111-377

As an informational addendum to this form letter, the following subsistence allowance option has been included. The law implementing this allowance option became effective in late fiscal year 2011, and is included here for use in comparing options for subsistence which may be open to the Veteran participant.

Public Law 111-377, Section 205 amended Title 38 of the United Sates Code, Section 3108(b), effective August 1, 2011. This change in the law authorizes VA to allow a Veteran, entitled to both a Chapter 31 subsistence allowance and Post 9/11 GI Bill Chapter 33 educational assistance, to elect to receive a payment in an alternate amount instead of the regular Chapter 31 subsistence allowance. The alternate payment will be based on the military BAH for an E-5 with dependents residing in the zip code of the training facility. Training in foreign institutions and training that is solely on-line or in-home will be based on the national average BAH.

The Department of Defense (DoD) sets BAH rates each calendar year, therefore, new BAH rates are effective January 1st each year, not October 1st. This option will be first applied on February 1st checks. BAH for <u>full-time</u> may be calculated at the DoD website:

- <u>https://www.defensetravel.dod.mil/site/bahCalc.cfm</u>
- Enter year ("2017"), zip code of the training facility (school, employer for OJT programs, or agency approved for work experience programs), and "E-5"
- Click "calculate"
- Use rate for E-5 with dependents

For training at a facility within a United States (U.S.) Territory (not solely online) identify the appropriate locality code (similar to a U.S. zip code) where the Veteran is enrolled in training.

Verify that the site is located in one of the U.S. Territories under which the Overseas Housing Allowance (OHA) under the Post-9/11 Chapter 33 is payable: American Samoa, Northern Mariana Islands, Puerto Rico, Virgin Islands and Guam.

Go to the Department of Defense website:

- <u>https://www.defensetravel.dod.mil/site/ohaCalc.cfm</u>
- Enter the year, month and day. If the term starts prior to the 15th day of the month, use the 1st day of the month in which the term begins; if the term starts on or after the 16th day of the month, use the 16th day of the month in which the term begins.
- Identify the designated locality code for the Territory using the locality code query: <u>https://www.defensetravel.dod.mil/site/locCodeCalc.cfm</u>
- Follow the steps above using Overseas Housing Allowance (OHA) rate of locality code instead of BAH rate of zip code.

The following table specifies payment of the alternate subsistence allowance that VA is calling the Post-9/11 subsistence allowance:

| Payment of <u>Post-9/11 subsistence allowance</u> in Accordance with Public Law 111-377 (effective August 1, 2011) ¹ | | |
|---|---|--|
| Type of Program | BAH Payment Increments | |
| Institutional: ² | | |
| Full-time | Entire <u>BAH</u> of institution ZIP code | |
| 3/4 time | 34 BAH of institution ZIP code | |
| 1/2 time | 1/2 BAH of institution ZIP code | |
| Nonpay or nominal pay on-job training in a Federal, State, local, or federally recognized Indian tribe agency; vocational course in a rehabilitation facility or sheltered workshop; institutional non-farm cooperative: | | |
| Full-time only | Entire <u>BAH</u> of agency or institution ZIP code | |
| Nonpay or nominal pay work experience in a Federal, State, local, or federally recognized Indian tribe agency: | | |
| Full-time | Entire <u>BAH</u> of agency ZIP code | |
| 3/4 time | 34 BAH of agency ZIP code | |
| 1/2 time | 1/2 BAH of agency ZIP code | |
| Farm cooperative, apprenticeship, or other on-job training (OJT): ³ | | |
| Full-time only | Entire <u>BAH</u> of employer ZIP code | |
| Combination of institutional and OJT (Full-time only): | | |
| Institutional greater than 1/2 time | Entire BAH of institution ZIP code | |
| OJT greater than ½ time ³ | Entire <u>BAH</u> of employer ZIP code | |
| Non-farm cooperative (Full-time only): | | |
| Institutional | Entire BAH of institution ZIP code | |
| On-job ³ | Entire <u>BAH</u> of employer ZIP code | |
| Improvement of rehabilitation potential: | | |
| Full-time | Entire <u>BAH</u> of institution ZIP code | |
| 3/4 time | 34 BAH of institution ZIP code | |

| 1/2 time | 1/2 BAH of institution ZIP code |
|--|---------------------------------|
| 1/4 time ⁴ | 1/4 BAH of institution ZIP code |
| Training consisting of solely distance learning: ⁵ | |
| Full-time | 1/2 BAH National Average |
| ³ / ₄ time | % BAH National Average |
| 1/2 time | 1/4 BAH National Average |
| Training in the home, including independent instructor: | |
| Full-time only | 1/2 BAH National Average |
| Training in an institution not assigned a ZIP code, including foreign institutions | |
| Full-time | Entire BAH National Average |
| ³ / ₄ time | 34 BAH National Average |
| 1/2 time | 1/2 BAH National Average |

¹ Effective August 1, 2011, the <u>Post-9/11 subsistence allowance</u> may be paid in lieu of subsistence allowance authorized in § 21.260(b), and is not adjusted to include dependents.

² For measurement of rate of pursuit, see §§ 21.4270 through 21.4275. Payments for courses being taken simultaneously at more than one institution are based on the <u>BAH</u> of the ZIP code assigned to the parent institution.

³ For on-job training, payment of the <u>P911SA</u> may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

⁴ The quarter-time rate may be paid only during extended evaluation.

⁵ Payment for training consisting of both distance learning and courses taken at a local institution is based on the <u>BAH</u> of the ZIP code assigned to the local institution.

⁶ Payment for training or OJT in an institution outside the US, but identified as a U.S. Territory, is based on the OHA rate for the locality code assigned to the institution.