

**S. 1095, Colonel John M. McHugh Tuition Fairness for Survivors Act of 2021**  
 As passed by the Senate on June 24, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2026	2021-2031
Direct Spending (Outlays)	0	*	*
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	0	0
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and zero.			

Under the Survivors' and Dependents' Educational Assistance program (SDEA), the Department of Veterans Affairs (VA) pays dependents of veterans who are permanently and totally disabled as a result of a service-connected disability or who have died while on active duty or as a result of a service-connected disability a monthly benefit while they are enrolled in school. Beneficiaries can receive payments for up to 36 months. The amount is determined by how many college credits the dependents earn during an academic term and is adjusted annually for inflation. The benefit for a full-time student is \$1,265 per month in 2021.

Under the bill, students could not use any VA education benefits at public schools that charge SDEA beneficiaries tuition and fees at amounts higher than the rates charged to state residents if those beneficiaries are living in the state where the school is located, regardless of whether they are state residents. Many schools offer in-state tuition to SDEA beneficiaries, and we anticipate that those that do not would choose to do so if the bill is enacted. Thus, some students using SDEA would pay less for education under the bill.

The amounts paid to most SDEA students are not affected by tuition rates. However, students who take few credits at out-of-state schools that charge very low tuition could receive reduced payments from VA. Benefits for students whose course load is considered less than half-time enrollment are limited to the tuition and fees charged by the school. Thus, reducing their costs would reduce the amount of their benefits if in-state tuition is lower than

the standard benefit rate. CBO estimates that very few students would be affected and the change in their benefits would be small; thus, enacting the bill would decrease direct spending by an insignificant amount over the 2021-2031 period.

On June 28, 2021, CBO transmitted a [cost estimate for H.R. 2167](#), the GI Bill National Emergency Extended Deadline Act, as passed by the House of Representatives on May 18, 2021. Section 4 of that bill is identical to S. 1095. Thus, CBO's estimates for section 4 of H.R. 2167 and S. 1095 are the same.

The CBO staff contact for this estimate is Paul B.A. Holland. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.