

**38 CFR Part 21****[Docket No. VA-2025-VBA-0172]****RIN 2900-AS38****Edith Nourse Rogers STEM Scholarship****AGENCY:** Department of Veterans Affairs.**ACTION:** Proposed rule.

SUMMARY: The Department of Veterans Affairs (VA) proposes to amend the Veteran Readiness and Employment and Education regulations to incorporate the provisions of the Harry W. Colmery Veterans Educational Assistance Act of 2017 (Colmery Act) that created the Edith Nourse Rogers STEM Scholarship (STEM Scholarship), which provides up to nine months of additional Post-9/11 GI Bill benefits to certain eligible individuals. This proposed rulemaking, which includes the rules necessary to provide this educational assistance to eligible individuals, would also incorporate the provisions of the Johnny Isakson and David P. Roe Veterans Health Care and Benefits Improvement Act of 2020 (Isakson-Roe Act) that further expanded the eligibility for the STEM Scholarship to individuals enrolled in a dual degree program that includes an undergraduate degree in a science, technology, engineering, and mathematics (STEM) field and to certain individuals enrolled in a covered clinical training program for health care professionals.

DATES: Comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments through www.regulations.gov under RIN 2900-AS38. That website includes a plain-language summary of this rulemaking. Instructions for accessing agency documents, submitting comments and viewing the rulemaking docket are available on www.regulations.gov under “FAQ.”

FOR FURTHER INFORMATION CONTACT: Thomas Alphonso, Assistant Director, Policy and Procedures, Education Service, Veterans Benefits Administration, (202) 461-9800.

SUPPLEMENTARY INFORMATION: On August 16, 2017, the President signed into law the Colmery Act, Pub. L. 115-48. Section 111 of the Colmery Act added a new section, 38 U.S.C. 3320, and provided VA the authority to establish the STEM Scholarship to provide up to nine months of additional Post-9/11 GI Bill benefits to eligible individuals. These benefits cannot be transferred to dependents. This section of the law was effective on August 1, 2019.

On January 5, 2021, the Isakson-Roe Act, Pub. L. 116-315, was signed into law. Section 1001 of the Isakson-Roe Act, entitled “Improvements to Edith Nourse Rogers STEM Scholarship Program of Department of Veterans Affairs,” amended 38 U.S.C. 3320. Previously, only individuals enrolled in a program of education leading to a standard, undergraduate college degree in an approved STEM field or enrolled in a program of education leading to a teaching certification after earning a post-secondary degree in a STEM field were eligible for the STEM Scholarship. The Isakson-Roe Act expanded the eligibility for the STEM Scholarship to include individuals enrolled in a dual degree program that includes a STEM undergraduate degree and certain individuals enrolled in a covered clinical training program for health care professionals. The Isakson-Roe Act also authorized VA to prioritize certain individuals for selection for the program when sufficient funds are not available in a fiscal year to provide additional benefits under this section to all eligible individuals. In addition, the Isakson-Roe Act excluded additional months of assistance under the STEM Scholarship from the calculation of the aggregate months of benefits available under the 48-month benefits limitation under 38 U.S.C. 3695.

The STEM Scholarship enables veterans to earn degrees that prepare them for

in-demand careers in the fast-growing science and technology economy. VA has been administering the STEM Scholarship since the statute was first effective on August 1, 2019, and is proposing to create a new regulation at 38 CFR 21.9800 to complete the implementation of the STEM Scholarship under 38 U.S.C. 3320.

Eligibility

Under 38 U.S.C. 3320(b), an individual is eligible for the STEM Scholarship if the individual is or was entitled to educational assistance under 38 U.S.C. 3311 (including spouses and children eligible for the Marine Gunnery Sergeant John David Fry Scholarship under 38 U.S.C. 3311(f) and Purple Heart recipients under 38 U.S.C. 3311(b)(11)) and either used all of the educational assistance to which they were entitled under section 3311 or will use all such assistance within 180 days of applying for benefits under 38 U.S.C. 3320. Individuals must either be pursuing a STEM degree or have already earned a STEM degree to be eligible for the STEM Scholarship. The specific types of programs of education that qualify for assistance under the STEM Scholarship are: a program of education leading to a post-secondary undergraduate degree in a STEM field; a dual degree program that includes an undergraduate college degree in an approved STEM degree field; a program of education leading to a teaching certification; or a covered clinical training program for health care professionals.

Individuals pursuing a post-secondary degree must have completed at least 60 standard semester credit hours (or 90 quarter credit hours) in a STEM program requiring at least the standard 120 semester credit hours (or 180 quarter credit hours) for completion to be eligible for the STEM Scholarship. Individuals enrolled in a teaching certification program must have earned a post-secondary degree in a STEM field to be eligible for the STEM Scholarship. Regarding covered clinical training programs for health care professionals, 38 U.S.C. 3320(b)(4)(B) and (C) explicitly refer to a covered clinical training program as a program in which an individual is enrolled after earning a

post-secondary degree or graduate degree, respectively, in a STEM field.

Section 3320(h) states that the term “covered clinical training program means any clinical training required by a health care professional to be licensed to practice in a State or locality.” Because section 3320(b)(4)(B) and (C) refers to clinical training programs that follow attainment of a post-secondary or graduate degree, covered clinical training programs for the purposes of the STEM Scholarship are separate, standalone clinical training programs that are not a component of an undergraduate or graduate degree program. For example, a medical residency after graduating from a Doctorate in Medicine program is considered to be a separate program of education than the Doctorate in Medicine program and is therefore eligible for the STEM Scholarship. Simply obtaining a Doctorate in Medicine does not automatically grant a license to practice medicine. The individual still needs to complete a medical residency to be eligible to become a licensed health care provider.

The eligibility requirements discussed in section 3320(b) are included in 38 CFR 21.9800(b) and (c). The definition for the term “covered clinical training program for health care professionals” is included in § 21.9800(m)(2).

Approval of the selected program of education

To be approved for the STEM Scholarship, the student’s program of education must meet VA’s current definition of a program of education as defined in 38 CFR 21.9505. The student must be enrolled in a program of education approved under Chapter 36 for VA educational assistance benefits. In addition, the program of education must lead to an undergraduate college degree, a teaching certification, or dual degrees that include a STEM undergraduate degree, or the program can qualify as a covered clinical training program for health care professionals.

Originally, as enacted by section 111 of Pub. L. 115-48, only an individual enrolled in an approved STEM field while pursuing a standard, undergraduate college

degree or an individual enrolled in a program of education leading to a teaching certification after earning a post-secondary degree in an approved STEM field was eligible for the STEM Scholarship. However, section 1001 of Pub. L. 116-315 expanded eligibility to include individuals enrolled in a dual degree program that includes an undergraduate degree in an approved STEM field, as well as individuals who have earned an undergraduate or graduate degree in an approved STEM degree field and are enrolled in a covered clinical training program for health care professionals. Covered clinical training, for the purposes of the STEM Scholarship, is defined as a separate, standalone clinical training program required for health care professionals to be able to practice in a State or locality and does not include clinical training that is part of an undergraduate or graduate degree program.

Further, section 1001 removed “a medical residency program” from the approved list of undergraduate STEM degree programs. Medical residency programs are graduate level programs and not a part of undergraduate degree programs. Therefore, the previous inclusion of “undergraduate college degree in . . . medical residency program[s]” was nonsensical. To eliminate any confusion and correctly categorize medical residencies, as well as to broaden the category to include other similar types of training programs, section 1001 created new categories for “clinical training program[s] for health care professionals” (post-undergraduate and post-graduate level). Therefore, the proposed regulation does not include “medical residency programs” in the list of approved STEM degree programs with the knowledge that such programs are now included in the new category of “a covered clinical training program for health care professionals.”

VA proposes to define the term “STEM field” as a field included in the Department of Education’s (ED) Classification of Instructional Programs (CIP Code) taxonomy within the two-digit series containing biological or biomedical science,

physical science, science technologies or technicians, computer and information science and support services, mathematics or statistics, engineering, engineering technologies or an engineering-related field, a health profession or related program, an agriculture science or natural resources science program, or other subjects and fields identified by the Secretary of Veterans Affairs as meeting national needs. In general, any other subjects and fields identified by the Secretary as meeting national needs would involve research, innovation, or development of new technologies using engineering, mathematics, health care, computer science, or natural sciences. VA would rely heavily on ED's CIP Code to match the statute's list of eligible STEM fields with individual programs of study. VA has made the decision to defer mostly to ED's classification scheme to leverage ED's expertise in these matters and ED's efforts in developing and maintaining the comprehensive CIP Code taxonomy. Furthermore, it would be problematic for ED to classify a program as non-STEM while VA classifies it as STEM; VA does not want to create inconsistencies in similar determinations between two Federal agencies; therefore, VA will rely heavily on ED's CIP Code categorization when determining the appropriate classification of a program of education. While VA recognizes that VA-designated STEM fields not listed under ED's CIP Code taxonomy could create classification differences, VA has statutory authority to use discretion to identify emerging STEM disciplines meeting national needs, particularly those directly supporting veteran workforce integration. VA will coordinate with ED to minimize inconsistencies. VA proposes to codify this definition in 38 CFR 21.9800(m)(1).

After completing an undergraduate degree in an approved STEM program, individuals may also qualify for the additional benefits if they are pursuing a teaching certification (typically obtained through a teaching preparation program or alternative teaching certification program). Teaching certification is the process by which prospective educators get teacher licensing to teach within a given area after

completing required coursework, degrees, tests, and other specified criteria.

The Secretary, or his or her designee, will maintain the STEM Designated Degree Program List, which will be a complete list of qualifying degree program categories organized by the CIP Codes and will be published on the GI Bill Web site at https://benefits.va.gov/gibill/docs/fgib/STEM_Program_List.pdf. Changes that are made to the STEM Designated Degree Program List will also be published in a notice in the Federal Register. All program categories included on the list must be consistent with the definition set forth in § 21.9800(m)(1). If the Secretary, or his or her designee, identifies other subjects or fields as meeting national needs, VA will notify Congress 90 days before approving any additional approved fields of study or subjects and will submit any analysis of labor market supply and demand used to identify such subjects or fields. VA is proposing to implement the provisions of 38 U.S.C. 3320(b)(4)(A)(i) and (g) in 38 CFR 21.9800(m).

Applying for the STEM Scholarship

An eligible individual would be required to apply for the STEM Scholarship by completing VA Form 22-10203 online, which would then be processed by the designated Regional Processing Office. The application process is no longer completed through paper submissions but is now being handled electronically. This streamlined process enables the applicant to log directly into a secured application portal with identification verification. The online application also requires applicants to provide the name and address of the school or training establishment they plan to attend and date they plan to start training. The school information provided by the applicant will be matched to VA's database of educational institution information. A portion of the application form must be completed by the School Certifying Official (SCO) within 12 months of the date VA receives the application. If VA does not receive a timely response from the school, a VA claims processor will follow up with the SCO, as only

complete applications will be considered for the STEM Scholarship. If a school fails to provide the requested information within the allotted time frame, VA reserves the authority to deny the application. VA is proposing to codify these standard procedures implementing the above application requirements in § 21.9800(d).

In accordance with 38 U.S.C. 3320(c), if VA determines that there are insufficient funds in a fiscal year to provide STEM Scholarship benefits to all eligible applicants, VA would prioritize eligible applicants according to particular criteria as described in the *Priority selection* section below. The two ways that VA has considered performing this prioritization of applicants are to create application cohorts by either withholding application decisions for a certain time period or until a certain number of applications are received. To balance the potential need to prioritize applications with the need to provide timely decisions on applications, VA has decided to create monthly cohorts for the purposes of performing the section 3320(c) prioritization. Candidates would be selected from the monthly cohort on the 7th day of each month. A scholarship would be only awarded if funds are available at the time of selection (the 7th of each month) and the applicant is of sufficient priority over other applicants in the respective monthly cohort. VA proposes to provide the priority selection criteria in 38 CFR 21.9800(g).

After VA reviews a STEM Scholarship application, it would issue either a STEM Scholarship denial letter or a STEM Scholarship acknowledgement letter. VA would send a denial letter if the applicant is ineligible for the STEM Scholarship or if there are insufficient funds available to select the applicant for the STEM Scholarship. If the applicant is ineligible, the denial letter would state the specific eligibility criteria that the applicant failed to meet. The acknowledgement letter would inform the applicant that they meet the STEM Scholarship eligibility criteria but that the scholarship selection process has not yet occurred at that juncture. The STEM Scholarship acknowledgement letter was a more critical status update to applicants when the STEM Scholarship

program was launched in 2019 because, at that time, the selection process was only done quarterly rather than monthly. Therefore, the acknowledgement letter served as an indication to applicants that they met the STEM Scholarship eligibility criteria, but that notification of a selection decision might have taken a few months until the end of each quarter. Even though selection is now done monthly, the acknowledgement letter would still serve as a useful indicator of the status of their application by advising the applicant that their STEM Scholarship application has been processed but they have yet to be selected for the program. They would receive an additional STEM Scholarship selection letter if they are selected to participate.

Once the applicant is officially selected for the STEM Scholarship, VA would send a STEM Scholarship selection letter to the candidate who then must take this letter to their school to certify their enrollment to VA. This selection letter for the STEM Scholarship program would act as a Certificate of Eligibility. After VA receives an official enrollment certification from the school, VA would send an award letter to the applicant. VA is proposing to codify provisions regarding decisions and notices of decisions in § 21.9800(h).

Beginning and discontinuance dates

Funding for STEM Scholarships is released on an annual basis beginning October 1st of each fiscal year. August 1st is the date that marks the beginning of the new academic year for STEM Scholarships. In order to prevent STEM funds in each fiscal year from being underutilized, the recipient would be required to begin using the benefit within six months of their selection or their scholarship would be forfeited. Recipients can reapply if their scholarship is forfeited and reestablish eligibility for the scholarship. Once a STEM Scholarship is awarded, the recipient must use the additional benefits from the STEM Scholarship within two years from the date that the award was first made (the beginning date) or by a discontinuance date under § 21.9635,

whichever comes first. VA is proposing to codify this beginning date language in § 21.9800(e) and discontinuance date language in § 21.9800(f).

Priority selection

When first enacted under the Colmery Act, 38 U.S.C. 3320(c) required VA to prioritize applications from the following eligible individuals: (1) individuals requiring the most credit hours to complete their program of education, and (2) individuals entitled to 100 percent of Post-9/11 GI Bill benefits (which includes veterans and servicemembers who have met certain active-duty service requirements, spouses and children eligible for the Fry Scholarship, and Purple Heart recipients).

When Congress amended the statute under the Isakson-Roe Act, it made the groups listed above optional prioritization groups by stating that, in the event that funding is not sufficient, VA “may give priority” to those individuals, see section 3320(c)(1), and added a new paragraph listing the following order of required prioritizations in section. 3320(c)(2): (1) individuals enrolled in an undergraduate STEM degree program; (2) individuals enrolled in a program of education leading to a teaching certificate; (3) individuals enrolled in a dual degree program where the individual is pursuing both a STEM undergraduate degree and a STEM graduate degree; (4) individuals who have earned an undergraduate degree and are enrolled in a covered clinical training program for health care professionals; (5) individuals who have earned a graduate degree and are enrolled in a covered clinical training program for health care professionals; and (6) all other eligible individuals.

Under proposed 38 CFR 21.9800(g)(1), for enrollment periods beginning before January 5, 2021 (the effective date of the Isakson-Roe Act amendments), VA would prioritize applications using the original mandatory prioritization criteria that were included in the Colmery Act. Under proposed § 21.9800(g)(2), for enrollment periods beginning on or after January 5, 2021, should VA need to prioritize applications among

eligible STEM Scholarship applicants due to insufficient funds, VA would first group applications using the priority criteria under 38 U.S.C. 3320(c)(2), and would then prioritize the eligible individuals within each group based on which applicants within the group have the most remaining required credit hours, per section 3320(c)(1)(A). VA believes that using the priority criteria of most remaining required credit hours under section 3320(c)(1)(A) is preferable to using the priority criteria of all individuals entitled to 100 percent of Post-9/11 GI Bill benefits under section 3320(c)(1)(B). The reason for this is because many recipients of VA educational assistance are entitled to 100 percent of Post-9/11 GI Bill benefits and, therefore, applying that criterion to a large group of applicants would not effectively serve the purpose of narrowing the pool of eligible applicants for prioritization in the event of insufficient funds. The following is an example of how VA would use this prioritization scheme:

VA has enough funds to provide STEM Scholarship benefits to all eligible individuals pursuing undergraduate STEM degrees, including dual undergraduate STEM degrees (priority group 1), all eligible individuals enrolled in teacher certificate programs (priority group 2), all eligible individuals enrolled in dual degree programs where the undergraduate and graduate degrees are both in a STEM field (priority group 3), but does not have enough funds to provide benefits to the rest of the STEM Scholarship eligible individuals. In this scenario, VA would prioritize within the group of individuals who have earned an undergraduate degree in a STEM field and are enrolled in a covered clinical training program for health care professionals (priority group 4) based on those who have the most remaining required credit hours to complete their program of education.

Section 1001 of Pub. L. 116-315 applies to terms that begin on or after January 5, 2021. Retroactive benefits would not be paid for terms or programs that began and ended prior to the January 5, 2021, date of enactment. However, students enrolled in

programs of education that began prior to January 5, 2021, and have a completion date after January 5, 2021, would become eligible for assistance for any additional terms beginning on or after January 5, 2021.

In addition, these changes apply to individuals who were deemed eligible for the STEM Scholarship prior to the date of enactment, but who did not begin their STEM program terms until on or after January 5, 2021. For example, if a student was eligible for the STEM Scholarship and attended a term that ran from November 1, 2020, to January 31, 2021, that term would not have been covered by the STEM Scholarship. However, if that same student began a new term on February 1, 2021, then that new term would have been evaluated for eligibility under the revised statute, with the amendments made by section 1001 of Pub. L. 116-315.

VA is proposing to codify the prioritization requirements in 38 CFR 21.9800(g).

Amount of assistance

Under the STEM Scholarship, VA is authorized to pay each eligible individual the monthly amount payable under 38 U.S.C. 3313 for not more than nine months, and the aggregate amount paid may not exceed \$30,000. Additionally, the total amount of STEM Scholarship benefits paid to all eligible individuals may not exceed \$25,000,000 for fiscal year 2019, \$75,000,000 for fiscal years 2020 to 2022, and \$100,000,000 for fiscal year 2023 and each subsequent fiscal year. In accordance with section 3313, students may be eligible for assistance with tuition and fees, a monthly housing stipend, and a stipend for books, supplies, equipment, and other educational costs. In accordance with section 3320(d), these same benefits are payable under the STEM Scholarship. VA is proposing to implement these provisions regarding the amount of assistance in 38 CFR 21.9800(i).

Additional assistance under Yellow Ribbon Program

Individuals who are entitled to the 100-percent level of the educational assistance

amounts listed in 38 U.S.C. 3313(c)(1) are also eligible to participate in the Yellow Ribbon Program under section 3317, if the schools they attend participate in this program. The Yellow Ribbon Program allows an institution of higher learning to voluntarily enter into an agreement with VA to fund half of the remaining tuition and fees in excess of the tuition and fees cap defined in the Post-9/11 GI Bill. Pursuant to section 3320(d)(2) and (3), colleges and universities are permitted to pay Yellow Ribbon benefits for STEM Scholarship recipients; however, VA is not authorized to match or issue any Yellow Ribbon payments for STEM Scholarship recipients. VA is proposing to implement the limits on the amount of VA benefits paid to educational institutions in 38 CFR 21.9800(j).

Prohibition on benefits transfer

Per 38 U.S.C. 3320(e), a participant who receives additional benefits under the STEM Scholarship cannot transfer any such benefits to his or her dependents. VA is proposing to implement this prohibition on transferring STEM Scholarship benefits in 38 CFR 21.9800(k).

Exclusion from aggregate assistance limitation

Under 38 U.S.C. 3695, individuals who receive educational assistance under multiple VA programs are generally capped at 48 months of aggregate assistance (individuals who receive Chapter 35 Survivors' and Dependents' Educational Assistance have a higher aggregate cap of 81 months). Per section 3320(d)(4), assistance received under the STEM Scholarship program does not count towards the 48-month aggregate assistance limitations contained in section 3695(a). VA is proposing to implement this provision under 38 CFR 21.9800(l).

Executive Orders 12866, 13563, and 14192

VA examined the impact of this rulemaking as required by Executive Orders 12866 (Sept. 30, 1993) and 13563 (Jan. 18, 2011), which direct agencies to assess all

costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. The Office of Information and Regulatory Affairs has determined that this rulemaking is not a significant regulatory action under Executive Order 12866, as supplemented by Executive Order 13563. This rule is not an Executive Order 14192 regulatory action because this rule is not significant under Executive Order 12866. The regulatory impact analysis associated with this rulemaking can be found as a supporting document at www.regulations.gov.

Regulatory Flexibility Act

The Secretary hereby certifies that this proposed rule would not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (5 U.S.C. 601-612). The factual basis for this certification is based on the fact that this rule would codify in regulations procedures for the Edith Nourse Rogers STEM Scholarship program that are already administered under current VA policies authorized by 38 U.S.C. 3320. The only operational requirement imposed on educational institutions is the certification of students' enrollment and information to VA, which would align with existing practices under VA education benefit programs. While some participating institutions may be small entities, VA anticipates that any economic impact would be minimal, as these administrative tasks are routine. Therefore, under 5 U.S.C. 605(b), the Secretary certifies that this proposed rule would not have a significant economic impact on a substantial number of small entities, and an initial or final regulatory flexibility analysis is not required.

Unfunded Mandates

This proposed rule would not result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of \$100 million or more (adjusted annually for inflation) in any one year.

Paperwork Reduction Act

Although this proposed rule contains collection of information under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3521), there are no provisions associated with this rulemaking constituting any new collection of information or any revisions to the existing collection of information. The collection of information for section 111 of the Colmery Act, Pub. L. 115-48, and section 1001 of the Isakson-Roe Act, Pub. L. 116-315, is currently approved by the Office of Management and Budget (OMB) and has been assigned OMB control number 2900-0878 under VA Form 22-10203, the Application for Edith Nourse Rogers STEM Scholarship. Both the applicants and their respective training institutions are required to complete the form. Applicants are required to provide the name and complete address of the school or training establishment they are planning to attend and date they plan to start training. Training institutions then certify the information provided to VA.

List of Subjects in 38 CFR Part 21

Administrative practice and procedure, Armed forces, Claims, Colleges and universities, Education, Employment, Reporting and recordkeeping requirements, Schools, Veterans, Vocational education.

SIGNING AUTHORITY

Douglas A. Collins, Secretary of Veterans Affairs, approved this document on December 12, 2025, and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs.

Taylor N. Mattson,

Alternate Federal Register Liaison Officer, Department of Veterans Affairs.

For the reasons stated in the preamble, the Department of Veterans Affairs proposes to amend 38 CFR part 21 as set forth below:

PART 21—VETERAN READINESS AND EMPLOYMENT AND EDUCATION

Subpart P—Post-9/11 GI Bill

1. The authority citation for part 21, subpart P continues to read as follows:

Authority: 38 U.S.C. 501(a), 512, chs. 33, 36 and as noted in specific sections.

2. Add § 21.9800 to read as follows:

§ 21.9800 Edith Nourse Rogers STEM Scholarship.

(a) *General.* The Edith Nourse Rogers STEM Scholarship provides additional Post-9/11 GI Bill benefits to certain eligible individuals. For the purposes of this section a post-secondary degree is defined as a standard, undergraduate degree. The Edith Nourse Rogers STEM Scholarship is hereinafter referred to as the “STEM Scholarship.”

(b) *Eligibility.*

(1) For the purposes of this section, an eligible individual is an individual who—

(i) Is or was entitled to Post-9/11 GI Bill educational assistance under § 21.9520;

(ii) Has used all the Post-9/11 GI Bill educational assistance to which the individual is entitled or, based on the individual’s rate of usage, will use all his or her Post-9/11 GI Bill educational assistance within 180 days of applying for benefits under this section; and

(iii) Is enrolled, at the time the individual applies for the STEM Scholarship, in a program of education that meets the requirements of paragraph (c) of this section.

(2) Individuals seeking to use the STEM Scholarship while enrolled in a program of education that leads to a post-secondary degree under paragraph (c)(3) of this section must have completed 60 standard semester credit hours or 90 quarter credit hours in a STEM field to be an eligible individual.

(3) Individuals seeking to use the STEM Scholarship while enrolled in a program of education leading to a teaching certification under paragraph (c)(4) of this section must have earned a post-secondary degree in a STEM field to be an eligible individual.

(4) Individuals seeking to use the STEM Scholarship while enrolled in a covered clinical training program for health care professionals under paragraph (c)(6) of this section must have earned either a post-secondary or graduate degree in a STEM field.

(c) *Approval of the selected program of education.* VA may approve a STEM Scholarship program of education if the program:

(1) Meets the definition of a program of education in § 21.9505;

(2) Meets the approval criteria as set in VA’s current definition of a program of education as defined in § 21.9505 and;

(3) Is a program of education that:

(i) Leads to a post-secondary degree from an educational institution that requires at least the standard 120 semester (or 180 quarter) credit hours for completion in a STEM field; or

(ii) Leads to a teaching certification; or

(iii) Leads to dual degrees that include a STEM undergraduate degree; or

(iv) Is a covered clinical training program for health care professionals.

These criteria are described by the following table –

<u>Program of Education Eligibility for STEM Scholarship</u>		
<i>*Chart assumes that all other requirements are met</i>		
Initial Degree/Program Type	Secondary Degree/Program Type	Eligible for STEM Scholarship
Enrolled in a standard, undergraduate degree program in an approved STEM field	None	Yes
Enrolled in a standard, undergraduate degree program in a non-STEM field	Enrolled in a standard, undergraduate degree program in an approved STEM field	Yes

Enrolled in a standard, undergraduate degree program in a Non-STEM field	Enrolled in a graduate degree program in an approved STEM field	No
Completed a standard, undergraduate degree program in an approved STEM field	Enrolled in a covered clinical training program for health care professionals or a program of education leading to a teaching certification	Yes
Completed a graduate degree program in an approved STEM field	Enrolled in a covered clinical training program for health care professionals	Yes
Enrolled in a graduate degree program in a non-STEM field	None	No

(d) *Applying for STEM Scholarship.* Individuals shall apply for the STEM Scholarship by completing the appropriate electronic form prescribed by the Secretary. A portion of the form must be completed by the School Certifying Official (SCO) within 12 months of the date VA receives the application. Only complete applications will be considered for the STEM Scholarship. VA reserves the authority to deny the application if the school fails to provide the requested information within the allotted time frame. Denied applicants may reapply; reapplications from scholarship recipients who reach their delimiting date per 38 U.S.C. 3321 or exhaust their scholarship award assistance under paragraph (i) of this section will be denied.

(e) *Beginning dates.* VA will determine the beginning date of a scholarship award under this section. In no case will the beginning date be earlier than August 1, 2019. The recipient is required to begin using the benefit within six months of their selection or the scholarship will be forfeited. When an eligible individual enters or reenters into a program of education (including a reentrance following a change of program or educational institution), the beginning date of his or her award of educational assistance under this section will be the latest of the following dates:

- (1) August 1, 2019;
- (2) Participant's first day of class; or

(3) The first day of class after the participant exhausts the remaining Post 9/11 GI Bill entitlement.

(f) *Discontinuance date.* The period of eligibility for an individual awarded educational assistance under this section will terminate on the earliest of the following:

(1) A discontinuance date per § 21.9635 (discontinuance dates per § 21.9635 will be applied to this scholarship); or

(2) Two years from the beginning date of the award as specified under paragraph (e) of this section.

(g) *Priority selection.*

(1) VA will establish monthly cohorts of scholarship applicants for the purpose of performing prioritization under 38 U.S.C. 3320(c).

(i) Candidates will be selected from each monthly cohort on the 7th calendar day of each month.

(ii) A scholarship will be awarded if:

(A) Funds are available at the time of selection; and

(B) The applicant is of sufficient priority over other applicants in the respective monthly cohort.

(2) For enrollment periods that begin before January 5, 2021, VA will give the following individuals priority consideration:

(i) Eligible individuals who require the most remaining program credit hours to complete their program of education; and

(ii) Individuals who are entitled to the 100 percent educational assistance rate under 38 U.S.C. 3311(b)(1), (2), (8), (9), (10), or (11).

(3) For enrollment periods that begin on or after January 5, 2021, in the event that there are not sufficient funds available in a fiscal year to provide additional benefits under this section to all eligible individuals, VA will give the following individuals priority

consideration in the order listed. Eligible applicants within each group will be further prioritized based on the most remaining required credit hours:

(i) Individuals enrolled in an undergraduate degree program in a STEM field;

(ii) Individuals enrolled in a program of education leading to a teaching certificate;

(iii) Individuals enrolled in a dual degree program where the individual is pursuing both an undergraduate degree in a STEM field and a graduate degree in a STEM field;

(iv) Individuals who have earned an undergraduate degree and are enrolled in a covered clinical training program for health care professionals;

(v) Individuals who have earned a graduate degree and are enrolled in a covered clinical training program for health care professionals;

(vi) All other eligible individuals.

(h) *Notices of decisions.*

(1) VA will provide written notice of a decision on an application made under this section, which shall clearly state the reasons for the decision and shall provide an explanation of the procedure for obtaining review of the decision. Each notification shall also include all of the following:

(i) Identification of the issues adjudicated.

(ii) A summary of the evidence considered by the Secretary.

(iii) A summary of the applicable laws and regulations.

(iv) Identification of findings favorable to the claimant.

(v) In the case of a denial, identification of elements not satisfied leading to the denial.

(vi) An explanation of how to obtain or access evidence used in making the decision.

(2) If VA denies an application due to ineligibility, VA shall state the specific eligibility criteria that the application did not satisfy. In the event that an applicant meets all the eligibility criteria but there is inadequate funding in the academic year, VA will notify the applicant that VA cannot approve the application due to limited funding. VA may issue an acknowledgement letter to inform the applicant that they meet the eligibility criteria but have not yet been selected. VA will issue a selection letter if they are selected.

(i) *Amount of assistance.* An eligible individual may receive additional educational assistance under this section, not to exceed a total of 9 months or \$30,000. Additional assistance under this section may consist of—

(1) Payment of tuition and fees directly to the educational institution in accordance with the rules in §§ 21.9640 and 21.9641;

(2) A monthly housing allowance in accordance with the rules in §§ 21.9640(b) and 21.9641(c); and

(3) A book stipend in accordance with the rules in §§ 21.9640(b) and 21.9641(d).

(j) *Additional assistance under Yellow Ribbon Program.* An eligible individual who receives additional assistance under the Yellow Ribbon Program may receive contributions from a school under § 21.9700. However, VA cannot match any dollar amount provided by the school.

(k) *Prohibition on transfer of benefits.* An eligible individual who receives additional educational assistance under this section is prohibited from transferring such additional assistance to a dependent.

(l) *Exclusion from aggregate assistance limitation.* Any additional benefits received under this section may not be counted toward the aggregate 48-month benefits limitation contained in 38 U.S.C. 3695(a).

(m) *Definitions.* For the purposes of this section the following definitions apply.

(1) *STEM field* means a field included in the Department of Education's Classification of Instructional Programs taxonomy within the two-digit series containing biological or biomedical science, physical science, science technologies or technicians, computer and information science and support services, mathematics or statistics, engineering, engineering technologies or an engineering-related field, a health profession or related program, an agriculture science or natural resources science program, or other subjects and fields identified by the Secretary as meeting national needs.

(i) The Secretary, or his or her designee, will maintain the STEM Designated Degree Program List, which will be a complete list of qualifying degree program categories, published on a website maintained by VA for such purposes. Changes that are made to the STEM Designated Degree Program List, including new subjects or fields identified by the Secretary to meet national needs, will be published in a notice in the Federal Register.

(ii) The Secretary, or his or her designee, may identify other subjects or fields as meeting national needs. In general, other subjects and fields identified as meeting national needs will involve research, innovation, or development of new technologies using engineering, mathematics, health care, computer science, or natural sciences.

(iii) The Secretary, or his or her designee, shall notify Congress 90 days before approving any additional subjects or fields on the basis of meeting national needs and shall submit any analysis of labor market supply and demand used to identify such subjects or fields.

(2) *Covered clinical training program for health care professionals* means clinical training required for a health care professional to be licensed to practice in a state or locality. This includes medical residencies and does not include clinical training that is part of an undergraduate or graduate degree program.

(Authority: 38 U.S.C. 3311, 3313, 3320, 3321, 3471, 3695, 5101(a)(1)(A), 5104)

[FR Doc. 2026-00634 Filed: 1/14/2026 8:45 am; Publication Date: 1/15/2026]