

Federal Student Aid Penalties for Drug Convictions

Each institution must provide to each student, upon enrollment, a separate, clear and conspicuous written notice that advises the student that a conviction for any offense, during a period of enrollment for which the student was receiving federal financial aid program funds, under any federal or state law involving the possession or sale of illegal drugs will result in the loss of eligibility for any federal student grant, loan, or work-study assistance (HEA Sec. 484(r)(1)); (20 U.S.C. 1091(r)(1)).

Student Convicted of the Possession or Sale of Drugs

(Federal Student Aid Handbook- 2014-2015)

A federal or state drug conviction (but not a local or municipal conviction) can disqualify a student for FSA funds.

Convictions only count against a student for aid eligibility purposes (FAFSA question 23c) if they were for an offense that occurred during a period of enrollment for which the student was receiving federal student aid—they do not count if the offense was not during such a period, unless the student was denied federal benefits for drug trafficking by a federal or state judge (see drug abuse hold sidebar). Also, a conviction that was reversed, set aside, or removed from the student's record does not count, nor does one received when she was a juvenile, unless she was tried as an adult.

The chart below illustrates the period of ineligibility for FSA funds, depending on whether the conviction was for sale or possession and whether the student had previous offenses. (A conviction for sale of drugs includes convictions for conspiring to sell drugs.)

	Possession of Illegal Drugs	Sale of illegal drugs
1st Offense	1 year from date of conviction	2 years from date of conviction
2nd Offense	2 years from date of conviction	Indefinite Period
3+ Offenses	Indefinite Period	

If the student was convicted of both possessing and selling illegal drugs, and the periods of ineligibility are different, the student will be ineligible for the longer period. Schools must provide each student who becomes ineligible for FSA funds due to a drug conviction a clear and conspicuous written notice of his loss of eligibility and the methods whereby he can become eligible again.

A student regains eligibility the day after the period of ineligibility ends or when he successfully completes a qualified drug rehabilitation program that includes passing two unannounced drug tests given by such a program. Further drug convictions will make him ineligible again.

Students denied eligibility for an indefinite period can regain it, either after successfully completing a rehabilitation program (as described below, which includes passing two unannounced drug tests from such a program), or if a conviction is reversed, set aside, or removed from the student's record so that fewer than two convictions for sale or three convictions for possession remain on the record. In such cases, the nature and dates of the remaining convictions will determine when the student regains eligibility. It is the student's responsibility to certify to the institution that she has successfully completed the rehabilitation program; as


with the conviction question on the FAFSA, the institution is not required to confirm the reported information unless the institution has conflicting information.

When a student regains eligibility during the award year, the institution may award Pell Grant, TEACH, and Campus-Based aid for the current payment period and Direct Loans for the period of enrollment.

Standards for a qualified drug rehabilitation program

A qualified drug rehabilitation program must include at least two unannounced drug tests and satisfy at least one of the following requirements:

- Be qualified to receive funds directly or indirectly from a federal, state, or local government program.
- Be qualified to receive payment directly or indirectly from a federally or state-licensed insurance company.
- Be administered or recognized by a federal, state, or local government agency or court.
- Be administered or recognized by a federally or state-licensed hospital, health clinic, or medical doctor.

Note: Additional information is available in the FAQ sheet provided by the [U.S. Department of Education's Office of National Drug Control Policy](#) .