

Important memo from your Office of Financial Aid

Federal Student Aid Penalties for Drug Convictions

Pursuant to Section 485 of the Higher Education Opportunity Act that was signed into law on August 14, 2008, schools are required to 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

(Taken from the 2015-2016 Federal Student Aid Handbook)

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. 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 (i.e., for a 1st or 2nd offense); or when he or she 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 eligibility after completing any of the following 3 options:

- 1) Successfully completing a rehabilitation program (as described below, which includes passing two unannounced drug tests from such a program);
- 2) Having the conviction 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; or
- 3) Successfully completing two unannounced drug tests which are part of a rehab program (the student does not need to complete the rest of the program).

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 school [financial aid office] that she has successfully completed the rehabilitation program.

When a student regains eligibility during the award year, Pell Grant, TEACH, and Campus-Based aid may be awarded 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.