

Federal Student Financial Aid Penalties for Drug Law Violations

In accordance with U.S. Department of Education regulations, if a student is convicted of a drug offense after receiving Federal financial aid money, he or she must notify their respective Financial Aid Office immediately. Further, that student will become ineligible for further federal financial aid and will also be required to pay back any and all aid received after the conviction.

Should a conviction result, a student can take advantage of rehabilitation programs that can make him or her eligible again for federal financial aid.

For students Convicted of Possession or Sale of Drugs (the following information is excerpted from the Federal Student Aid Handbook, Volume 1 – Student Eligibility):

A federal or state drug conviction can disqualify a student for Federal Student Aid (FSA) funds. Convictions only count if they were for an offense that occurred during a period of enrollment for which the student was receiving Title IV aid—they do not count if the offense was not during such a period. Also, a conviction that was reversed, set aside, or removed from the student’s record does not count, nor does one received when a juvenile, unless the student 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.

Periods of Ineligibility for Federal Student Aid if Convicted of a Drug Offense

	Possession of Illegal drugs	Sale of Illegal Drugs
1 st Offense	1 year from date of conviction	2 years from date of conviction
2 nd 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. A student regains eligibility the day after the period of ineligibility ends or when he successfully completes a qualified drug rehabilitation program. Further drug convictions will make him ineligible again. It is the student’s responsibility to certify to that s/he has successfully completed the rehabilitation program.