

# Federal Student Financial Aid Penalties for Drug Law Violation



Under the Higher Education Act, students become ineligible for federal student aid upon conviction during any period of enrollment of any offense involving the possession or sale of illegal drugs. 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 he/she was a juvenile, unless the student was tried as an adult.

The FAFSA form asks if the student has ever been convicted of a drug-related offense. Failure to answer the question will automatically disqualify the student from receiving Federal aid. Answering this question falsely, if discovered, could result in fines up to \$20,000, imprisonment, or both.

According to the United States Department of Education, if a student is convicted of a drug offense after receiving Federal aid, he or she must notify Financial Aid Services immediately and that student will be ineligible for further aid and required to pay back all aid received after the conviction.

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. 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.

## **Possession of Illegal Drugs**

1st offense 1 year from date of conviction  
2nd offense 2 years from date of conviction  
3+ offenses Indefinite period

## **Sale of Illegal Drugs**

2 years from date of conviction  
Indefinite period  
Indefinite period

Students denied eligibility for an indefinite period can regain it only after successfully completing an approved rehabilitation 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.