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)).

All annual notices normally sent to students' Coastal Carolina University e-mail addresses in August/early September.

Completing the FAFSA

Students who fill out their FAFSA online and answer "Yes" to question 23 will immediately receive a series of questions to determine their eligibility.

Students who fill out a paper FAFSA and answer "Yes" to this question will receive a worksheet with their SAR to determine whether the conviction affects their eligibility for federal student aid.

- If the date they regain eligibility falls before July 1, the worksheet will instruct them to change the response to a "1," indicating full eligibility for the award year.
- If the date falls between July 1, and June 30, they will not be eligible for part of the award year and will need to change the response to a "2."
- If the date falls after June 30, the students’ response will remain a "3." They will not be eligible for federal aid during the entire award year unless they complete a qualified drug rehabilitation program.

Students convicted of a federal or state offense of selling or possessing illegal drugs that occurred while they were receiving federal student aid should still complete and submit the FAFSA because they may be eligible for federal aid, and even if they aren’t, they may be eligible for state or institutional aid. Students who leave question 23 blank cannot be paid Title IV aid until they respond by submitting a corrected SAR or ISIR.

Student Convicted of the Possession or Sale of 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.

A federal or state drug conviction can disqualify a student for 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 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.)

<table>
<thead>
<tr>
<th></th>
<th>Possession of illegal drugs</th>
<th>Sale of illegal drugs</th>
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<tbody>
<tr>
<td>1st Offense</td>
<td>1 year from date of conviction</td>
<td>2 years from date of conviction</td>
</tr>
<tr>
<td>2nd Offense</td>
<td>2 years from date of conviction</td>
<td>Indefinite period</td>
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<tr>
<td>3+ Offenses</td>
<td>Indefinite period</td>
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The HEOA established the requirement for schools to provide each student who becomes ineligible for Title IV aid 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. Further drug convictions will make him ineligible again.

Students denied eligibility for an indefinite period can regain it only after successfully completing a rehabilitation program as described below 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 school that he/she has successfully completed the rehabilitation program.

When a student regains eligibility during the award year, schools can award Pell Grant 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 must 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.