Federal Student Financial Aid Penalties for Drug Law Violations

A student who is convicted of a federal or state offense of selling or possessing illegal drugs that occurred while they were receiving federal student loses Title IV eligibility for a period of time specified in law.

The period of ineligibility is dependent on the type of conviction and is outlined in the following tables.

Possession of a Controlled Substance Ineligibility Period

First Offense	1 year
Second Offense	2 years
Third Offense	Indefinite

Sale of a Controlled Substance Ineligibility Period

First Offense	2 years
Second Offense	Indefinite

A student who has lost eligibility for financial aid based on the possession or sale of a controlled substance may regain eligibility before the above stated ineligibility period if the student successfully completes a drug rehabilitation program that:

- 1. Includes at least two unannounced drug tests; and
- 2. Has received or is qualified to receive funds directly or indirectly under a Federal, State, or local government program;
 - a. Is administered or recognized by a Federal, State, or local government agency or court:
 - b. Has received or is qualified to receive payment directly or indirectly from a Federal or
- 3. State licensed insurance company; or
 - a. Is administered or recognized by a Federal or State licensed hospital, health clinic or medical doctor.