Financial Aid Penalties for Drug Violation

Regulation 34 CFR 668.40

A student is ineligible to receive financial aid if the student has been convicted of offenses involving the possession or sale of illegal drugs.

Convicted of Possession of Illegal Drugs

If a student is convicted of possession of illegal drugs:

- First conviction, the student will be ineligible to receive financial aid for a period of one year from the date of conviction.
- Second conviction, the student will be ineligible to receive financial aid for a period of two years from the date of conviction.
- Three or more convictions, the student will be ineligible to receive financial aid for an indefinite period after the date of the third conviction.

Convicted of Sale of Illegal Drugs

If a student is convicted of the sale of illegal drugs:

- First conviction, the student will be ineligible to receive financial aid for a period of two years from the date of conviction.
- Second or more convictions, the student will be ineligible to receive financial aid for an indefinite period after the date of the second conviction.

Drug Rehabilitation Program

A student may regain financial aid eligibility by successfully completing a drug rehabilitation program after the student’s most recent drug conviction.

In order for the regain financial aid, a student must successfully complete a drug rehabilitation program that includes:

- At least two unannounced drug tests
- The program has received or is qualified to receive funds directly or indirectly under a Federal, State, or local government program
- Is administered or recognized by a Federal, State, or local government agency or court
- Has received or is qualified to receive payment directly or indirectly from a Federally- or State-licensed insurance company.