

BUSTER!

A Product of the Federal Interagency Reentry Council

MYTH: A person with a criminal record is not eligible to receive federal student financial aid.

FACT: Individuals who are currently incarcerated in a federal, state, or local correctional institution have some limited eligibility for federal student aid. In general, restrictions on federal student aid eligibility are removed for formerly incarcerated individuals, including those on probation, on parole, or residing in a halfway house.

- An individual incarcerated in a federal or state institution is ineligible to receive a Federal Pell Grant or federal student loans. Although an individual incarcerated in a federal or state prison is eligible to receive a Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal Work-Study (FWS), he or she is unlikely to receive either FSEOG or FWS due to the FSEOG award priority, which is that the grant must be given to those students who also will receive a Federal Pell Grant, and due to the logistical difficulties of performing an FWS job while incarcerated.
- Those incarcerated in correctional institutions other than federal or state institutions are eligible for a Federal Pell Grant, FSEOG, and FWS but not for federal student loans. Also, it is unlikely that incarcerated individuals in correctional institutions other than federal or state institutions will receive FSEOG or FWS due to school funding limitations and to the logistical difficulties of performing an FWS job while incarcerated.
- Incarcerated individuals may not receive federal consolidation loans.
- Upon release, most eligibility limitations (other than those noted below) will be removed. In addition, you may apply for aid in anticipation of being released so that your aid is processed in time for you to start school.
- You may be able to have your federal student loans deferred while you are incarcerated, but you must apply for a deferment and meet its eligibility requirements. To apply for deferment, contact the servicer of your loan(s). To find out what kind(s) of loan(s) you have, and/or to find contact information for your loan servicer, call 1-800-4-FED-AID (1-800-433-3243) or visit www.nslsds.ed.gov.
- If your incarceration was for a drug-related offense or if you are subject to an involuntary civil commitment for a sexual offense, your eligibility may be limited as indicated in the two bullets below.
- A student convicted for the possession or sale of illegal drugs may have eligibility suspended if the offense occurred while the student was receiving federal student aid (grants, loans, or work-study). When you complete the *Free Application for Federal Student Aid* (FAFSASM), you will be asked whether you had a drug conviction for an offense that occurred while you were receiving federal student aid. If the answer is yes, you will be provided a special worksheet to help you determine whether your conviction affects your eligibility for federal student aid. You may preview the worksheet in the FAFSA Information section at www.studentaid.ed.gov/pubs.
- If you have been convicted of a forcible or nonforcible sexual offense, and you are subject to an involuntary civil commitment upon completion of a period of incarceration for that offense, you are ineligible to receive a Federal Pell Grant.

For More Information:

To learn about applying for federal student aid, visit

www.studentaid.ed.gov.

For details on whether the drug conviction(s) of a particular individual would limit aid eligibility, visit

www.studentaid.ed.gov/pubs and view the “FAFSA Question 23 Student Aid Eligibility Worksheet” to establish if or when a conviction limits eligibility.

What is a REENTRY MYTH BUSTER? This Myth Buster is one in a series of fact sheets intended to clarify existing federal policies that affect formerly incarcerated individuals and their families. Each year, more than 700,000 individuals are released from state and federal prisons. Another 9 million cycle through local jails. When reentry fails, the social and economic costs are high -- more crime, more victims, more family distress, and more pressure on already-strained state and municipal budgets.

Because reentry intersects with health and housing, education and employment, family, faith, and community well-being, many federal agencies are focusing on initiatives for the reentry population. Under the auspices of the Cabinet-level interagency Reentry Council, federal agencies are working together to enhance community safety and well-being, assist those returning from prison and jail in becoming productive citizens, and save taxpayer dollars by lowering the direct and collateral costs of incarceration.

For more information about the Reentry Council, go to: www.nationalreentryresourcecenter.org/reentry-council