



Coalition for Higher Education Act Reform

1623 Connecticut Avenue, NW • 3rd Floor • Washington, DC 20009

Voice: (202) 232-7111 • Fax: (202) 293-8344

E-mail: heareform@raiseyourvoice.com • Website: www.RaiseYourVoice.com

PRESS RELEASE

September 29, 2005

CONTACT:

Chris Mulligan – (202) 491-1544

Thousands Lose Financial Aid, Says GAO Study

WASHINGTON, DC – This week the Government Accountability Office (GAO) released “Drug Offenders: Various Factors May Limit the Impacts of Federal Laws that Provide for Denial of Selected Benefits” which highlights the impact of federal laws prohibiting drug offenders from receiving federal benefits. The report, requested by Reps. Robert C. Scott (D-VA) and Bobby L. Rush (D-IL), estimates that between 29,000 and 41,000 students per year have been denied federal student assistance because of a little-known federal ban on student financial aid for students with past drug convictions.

The GAO report verifies what opponents of the Higher Education Act (HEA) Drug Provision have been saying since the law’s inception in 2000. The report estimates that, for the academic years 2001-2004, between 17,000 and 23,000 students per year have been denied Pell Grants, and between 29,000 and 41,000 students per year have been denied federal student loans because of past drug convictions. The report also estimates that the total amount of Pell Grant dollars denied ranges between \$41 million and \$54 million per year and that \$100 million and \$164 million dollars per year were denied in student loans. With less than 1 percent of all federal financial aid applicants declared ineligible because of a drug conviction, it would take only a very small fraction of the student federal aid budget to restore financial aid to these students.

The report also pointed out that students who obtain a bachelor’s degree have a considerably higher annual income, noting “that there is a strong consensus among economists that formal education has a positive impact not only on personal income but also on society.”

Opponents of the law are enthusiastic about the report. Students for Sensible Drug Policy’s Campaigns Director, Tom Angell, said “The GAO’s report highlights the detrimental effects of a blanket federal policy denying financial aid to students with past drug convictions. The report confirms that tens of thousands of students are negatively affected by this law every year.”

For more information, please contact Chris Mulligan of the Coalition for Higher Education Act Reform (CHEAR) at 202-232-7111 (office) or 202-491-1544 (cell), or visit www.raiseyourvoice.com for a list of supporting organizations.

###