Incarcerated students are not eligible for federal student loans, but they are eligible for certain grants. A student is considered to be incarcerated if the student is serving a criminal sentence in a federal, state, or local penitentiary, prison, jail, reformatory, work farm, or similar correctional institution. However, a student who is in a halfway house or home detention or is sentenced to serve only weekends is not considered incarcerated.

The Department of Education launched the Second Chance Pell pilot program in 2015. This pilot program is testing new models to allow incarcerated students to receive Pell Grants and pursue postsecondary education. Through the pilot program, incarcerated individuals who otherwise meet Title IV eligibility requirements—and are eligible for release, particularly within the next five years—can access Pell Grants to pursue postsecondary education and training while incarcerated. As of June 2018, the program provides Pell Grants to people in state and federal prisons through partnerships with 65 colleges in 27 states. Incarcerated individuals are not eligible to receive other types of federal student aid under this pilot program.

There are also limits on institutional eligibility to participate in the federal student aid program related to incarceration; an otherwise eligible institution may become ineligible if, in its latest complete award year, more than 25% of its regular students are incarcerated.

**Footnotes**


233 34 C.F.R. § 600.2.


235 Vera Inst. for Justice, Fact Sheet: Second Chance Pell Experimental Sites Initiative Update (June 2018). See also Press Release, U.S. Dep’t of Educ., 12,000 Incarcerated Students to Enroll in Postsecondary Educational and Training Programs Through Education Department’s New Second Chance Pell Pilot Program (June 24, 2016).


**Source:** National Consumer Law Center, Student Loan Law [6th ed.], updated at www.nclc.org/library

**Source URL:** https://library.nclc.org/sl/010605

**Links**
