# **Tuition Equality:**

A Brighter Future for Tennessee







January 2016

# **Putting Their Dreams on Hold**

"By supporting tuition equality, you are supporting hardworking people that are willing to prove themselves - people who want to become doctors, engineers and nurses. We are part of your community. We are your neighbors, your friends."

- Christian, age 19, future mechanical engineer in Morristown

Each year, hundreds of undocumented high school students graduate in Tennessee with hopes of continuing their education and starting a career that benefits our state and strengthens our communities. Unfortunately, no matter their potential or how long they have lived in Tennessee, they must pay out-of-state tuition – more than three times the in-state rate – if they want to attend a public college or university. Not only are undocumented students required to pay more than three times as much as their documented neighbors, they are ineligible for public scholarships and federal loans. These policies combined have put college out of reach for many in Tennessee.

#### Annual in-state vs out-of-state tuition rates in select schools<sup>1</sup>

Tennessee Board of Regents Institution	In-State Tuition	Out-of-State Tuition
East Tennessee State University	\$6,630	\$23,796
Middle Tennessee State University	\$6,552	\$23,616
University of Memphis	\$7,410	\$19,122
Tennessee State University	\$6,198	\$19,554
Walters State Community College	\$3,702	\$15,318
University of Tennessee Institution	In-State Tuition	Out-of-State Tuition
UT Knoxville	\$12,436	\$30,856
UT Martin	\$8,326	\$22,270
UT Chattanooga	\$8,356	\$24,474

**Tuition equality policies improve educational outcomes:** States with policies or laws that offer in-state tuition to residents regardless of immigration status have seen a decrease in drop out rates and an increase college enrollment.<sup>2</sup> For example, one study found that in states that adopted tuition equality policies, the average high school drop out rate decreased by 7% – from 42% to 35%.<sup>3</sup> Another study, which looked specifically at Mexican born non-U.S. citizens, found that youth were 65% more likely to attend high school than their peers in states with no tuition equality policy.<sup>4</sup> Tuition equality policies have even been found to cause a small increase in college enrollment amongst U.S. born citizens.<sup>5</sup>

<sup>1.</sup> Tennessee Board of Regents data available here: https://www.tbr.edu/institutions; UT Chattanooga data available here: https://www.utc.edu/bursar/fee-schedule.php; UT Martin data available here: http://onestop.utk.edu/your-money/tuition-fees/ (all accessed January 19, 2016).

<sup>2</sup> See for example: Neeraj Kaushal, "In-State Tuition for the Undocumented: Education Effects on Mexican Young Adults," *Journal of Policy Analysis and Management*, Vol. 27, Issue 4, pp.771-792 (September 29, 2008); Stella M. Flores, "State Dream Acts: The Effect of In-State Resident Tuition Policies and Undocumented Latino Students," *Review of Higher Education*, Vol. 33, Issue 2, pp.239-283 (2010); Stephanie Potochinick, "How States Can Reduce the Dropout Rate for Undocumented Immigrant Youth: The Effects of In-State Resident Tuition Policies" (paper presented at the Population Association of America Annual Meeting, March 31–April 2, 2011); Robert Bozick and Trey Miller, "In-State College Tuition Policies for Undocumented Immigrants: Implications for High School Enrollment Among Non-citizen Mexican Youth," *Population Research and Policy Review*, Vol. 33, Issue 1, pp. 13-30 (February 2014).

<sup>3</sup> Stephanie Potochinick, "How States Can Reduce the Dropout Rate for Undocumented Immigrant Youth: The Effects of In-State Resident Tuition Policies" (paper presented at the Population Association of America Annual Meeting, March 31–April 2, 2011). Available here: http://paa2011.princeton.edu/papers/110491 (last accessed January 11, 2016).

<sup>4</sup> Robert Bozick and Trey Miller, "In-State College Tuition Policies for Undocumented Immigrants: Implications for High School Enrollment Among Non-citizen Mexican Youth," Population Research and Policy Review, Vol. 33, Issue 1, pp. 13-30 (Feb. 2014).

<sup>5</sup> Neeraj Kaushal, "In-State Tuition for the Undocumented: Education Effects on Mexican Young Adults," Journal of Policy Analysis and Management, Vol. 27, Issue 4, pp.771-792 (Sept. 29, 2008).

#### Christian<sup>6</sup>, 19-years-old, Morristown

Christian was born in Mexico, but his family settled in Morristown when he was just three-years-old. In the 5th grade Christian discovered that he was not a U.S. citizen. At the time, he did not understand what it meant to be undocumented. He said, "I didn't think it would be hurtful to me in any way. When I was young, I didn't think I was any different from others who were born here."

Christian loves science and worked hard throughout high school. He played football, took AP and honors classes, graduated with a 3.9 GPA, and dreamed of becoming a doctor. Christian was thrilled to be admitted to the University of Tennessee Knoxville where he planned to study pre-med. His dream was shattered when during a visit to the school an admissions officer told him, "You can still come to the university and study but we can't give you any funding and you will still have to pay out-of-state tuition." Christian said, "I felt shocked because I had excellent grades throughout high school — really good tests scores... From that moment, I gave up my pre-med dream because if I can't even go to university, what makes me think I can make it to med school and do a residency?"

After learning of the seemingly insurmountable barriers to his dream of becoming a doctor, Christian put his plans of attending university on hold. He began an internship at a local manufacturing company and enrolled part-time at a local community college. Recently, Christian had to withdraw from classes because he could not afford to pay the high tuition.



Tennessee needs more college graduates: A consensus has emerged that in order to compete in the global economy, attract businesses, and expand employment rates, our state must ensure that more of our residents obtain higher education. In a national context, Tennessee currently ranks near the bottom – 42nd place – with a current rate of 33.8% of college graduates.<sup>7</sup> Recognizing the need to meet increasing workforce and economic demands, Governor Bill Haslam launched the Drive to 55 initiative in 2013 with an ambitious goal of raising the percentage of college graduates to 55% by 2025. It is counterproductive for our state to limit the opportunities for undocumented students to pursue higher education.

**Tennessee is home:** For most undocumented students in Tennessee, this is the only home they know. As Christian (p. 2) said, "*I was born in Mexico, but to me,* 

I don't consider Mexico my country. I'm fluent in Spanish, but I don't know anything about Mexico. I didn't grow up there." Itzel (p. 5), expressed the same sentiment, "I grew up here. I can drive by my elementary school and remember all my teachers, my friends. I think those were the best memories I had because all my family was together. I hear other friends trying to move from Tennessee, but I want to stay because I grew up here. When I drive by my elementary school, I feel like I'm home." These students and their families live, work, and pay taxes in Tennessee. The most recent figures estimated that undocumented migrants contributed nearly \$109 million in sales and property taxes in a single year.8 Yet despite paying taxes in their home state, these students are still not considered residents and many must leave Tennessee in order to pursue more affordable education - robbing our state of both talent and revenue.

<sup>6</sup> Phone interview by TIRRC on November 10, 2015. Christian is a DACA recipient and would qualify for in-state tuition should HB675 pass.

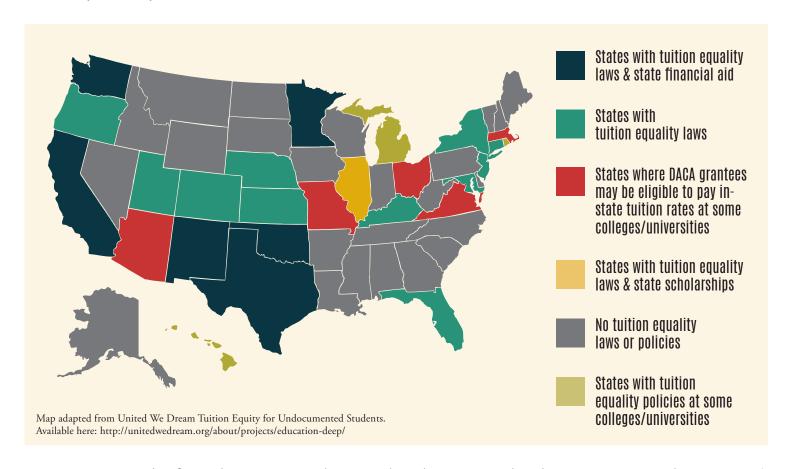
<sup>7</sup> Most recent data is from 2013. See: Lumina Foundation, A Stronger Nation Through Higher Education, April 2015. Available here: http://strongernation.luminafoundation.org/report

<sup>8</sup> The Institute on Taxation and Economic Policy, Undocumented Immigrants' State & Local Tax Contributions, April 2015.

**Tuition equality across the country:** 25 states have passed tuition equality laws or policies, and over 75% of immigrants in the U.S. live in a state that has such laws or policies. Even, states that neighbor Tennessee, including Alabama, Kentucky, Florida, and Ohio, grant some form of in-state tuition to undocumented students. Other states, such as California, Oklahoma, and Texas, offer undocumented students access to financial aid, including scholarships.

"If tuition equality passes, I would be able to stay close to home and go to college. Right now, it looks like I might be going out of state because of the cost, but if I could get in-state tuition, I would be able to achieve my dream of going to Tennessee Tech University to study engineering."

- Maria, age 17, future engineer in Nashville



**Moving tuition equality forward:** Since 2012, undocumented youth in Tennessee have been campaigning to change our state's tuition policies to make it easier to attend public institutions of higher education. In 2015, Senator Todd Gardenhire (R-Chattanooga) and Representative Mark White (R-Memphis) introduced a tuition equality bill (HB675/SB612). The bill, as amended, would allow the Tennessee Board of Regents and the University of Tennessee Board of Trustees to consider certain undocumented students as residents for the purpose of charging in-state tuition rates if they meet existing residency and academic requirements.

In April 2015, the bill passed the Senate with an overwhelming majority (21 to 12) but failed in the House of Representatives by only one vote. <sup>10</sup> Since this is the second half of a two-year legislative session, the Senate vote still holds and the bill does not need to go through the House of Representatives committees again. The House of Representatives will have the opportunity to vote one more time on HB675 in early 2016. If HB675 passes, it would put a college education within reach for 22,000 undocumented students and help drive Tennessee's economic growth.

<sup>9</sup> National Immigration Law Center, Immigrant-Inclusive State and Local Policies Move Ahead in 2014-2015, December 2015. Available here: http://www.nilc.org/document.html?id=1312

<sup>10</sup> HB675 received 49 "yes" votes and 47 "no" votes. Although receiving a majority of votes in favor of the bill, it failed to receive the constitutional majority of 50 votes that is required to pass a bill.

# **HB675/SB612: The Tuition Equality Bill**

The 2015 tuition equality bill would grant in-state tuition rates to students who are considered *lawfully present* and have graduated from a Tennessee high school, obtained a GED, or been homeschooled in Tennessee. The bill does not expand access to financial aid, like the HOPE scholarship.

#### What does it mean to be lawfully present?

Lawful presence means that a person has been authorized to be in the U.S. but does not have an immigration status (like a visa or greencard). Lawful presence is only given to people who meet certain criteria, individually apply, and go through the process of registering with the federal government. One of the ways that someone might be considered lawfully present is when they receive deferred action. Many undocumented students in Tennessee are eligible to apply for deferred action because of a program called Deferred Action for Childhood Arrivals (DACA).

Children who came to the U.S. at a young age are qualified for DACA if they meet certain criteria (see p. 5). If approved, the individual is authorized to live in the U.S. for two years, and receives a social security number and the opportunity to apply for a work permit. With work permits and social security numbers, the students can apply for some professional licenses, driver licenses, bank accounts, credit cards, etc. To apply, the individual must submit a lengthy application, biometrics, and pay an application fee of \$465. DACA must be renewed every two years. The U.S. Citizenship and Immigration Services has administered the DACA program since 2012.



#### Maria<sup>11</sup>, 17-years-old, Nashville

Maria will graduate in May 2016. Her family settled in Nashville from Guatemala when she was only four-years-old. Maria excels in the sciences, and explained, "I really like science and my engineering class a lot. We work with 3D printers, robots, and learn how to code." Maria likes engineering so much because, "You get to make cool stuff and make the world a better place." Maria would love to study mechanical or civil engineering, but she is also interested in political science. In addition to her 4.1 GPA, Maria serves as an ambassador of her school's Aviation and Transportation Academy, Vice-President of the Student Council, and an honors member of the Technological Student Association. Maria is also a published author who has presented her research across the country.<sup>12</sup>

"I'm undocumented but a paper doesn't define me. I can do as many things as my peers. Despite the obstacles, I'm never going to quit."

<sup>11</sup> Phone interview by TIRRC on November 10, 2015. Maria is a DACA recipient and would qualify for in-state tuition should HB 675 pass.

<sup>12</sup> See: Krista Craven, Jazmin Ramirez, Maria Robles, Rodrigo Robles, Diana Montero, Brenda Hernandez, "People Associate Being Undocumented with Color: How Undocumented Youth in Tennessee Navigate the Intersection of Immigration Status and Race", Issues in and Race and Society, 3(1), pp. 7-33 (2015).

#### Itzel<sup>13</sup>, 21-years-old, Memphis

Itzel graduated in 2011. She came with her parents to the U.S. from Mexico when she was six-years-old. Itzel was an honors student, member of the Spanish Honor Society, and the secretary of the Spanish art society. She played soccer outside of school and worked part-time to help out her mom who was very sick.

Itzel graduated with a 4.0 GPA and enrolled in a community college where she majored in nursing. However, she was unable to afford the out-of-state tuition and dropped out of school. She wants to go back to college, and if HB675 passes, she would attend the University of Memphis. She said she wants to be a nurse because, "When my mom was really sick, they couldn't find what she had. It was a very chaotic part of my life – getting her to the emergency room every night because she couldn't breathe. When my mom wanted to talk to a nurse in Spanish there wasn't one. I want to become a nurse to use my bilingual skills to help people. My goal is to go to St. Jude Hospital because my family has a history of cancer. I even volunteered for St. Jude's radiothon for a few years."



#### Criteria to qualify for DACA:

- Were **under 16** when they came to the U.S.;
- Have lived in the U.S. for at least five years continuously;
- Graduated from high school, received a GED, or currently be enrolled in an educational program;
- Have a **clean criminal record**;
- Arrived before June 15, 2007 and was 31 years old or younger in 2012.

DACA is not a permanent solution. Only an act of Congress will help the vast majority of these students get on a pathway to citizenship. In the meantime, they have registered with the federal government, and are authorized to live and work here for two years at a time. As such, they will be first in line when a pathway to citizenship becomes available to them.

# 22,000 total projected to be eligible 6,000 eligible in the future (under 15 years of age) 5,000 eligible but for education \*7,493 total approved DACA applications as of September 30, 2015 per U.S. Citizenship and Immigration Services.

<sup>13</sup> Phone interview by TIRRC on November 11, 2015. Itzel is a DACA recipient and would qualify for in-state tuition should HB 675 pass.

<sup>14</sup> Source: Migration Policy Institute, Deferred Action for Childhood Arrivals (DACA) Profile: Tennessee, 2009-2013. Available at: http://www.migrationpolicy.org/content/deferred-action-childhood-arrivals-daca-profile-tennessee (last accessed January 11, 2016).

# **Tuition Equality is Good for Tennessee**

"On virtually every measure of economic well-being and career attainment—from personal earnings to job satisfaction to the share employed full time—young college graduates are outperforming their peers with less education. And when today's young adults are compared with previous generations, the disparity in economic outcomes between college graduates and those with a high school diploma or less formal schooling has never been greater in the modern era."

- Pew Research Center, The Rising Cost of Not Going to College, February 11, 2014.

Tuition equality improves educational outcomes and is a return on investment: Tennessee already invests in the future of undocumented students through their primary and secondary education. 15 As the case studies in this paper show, most of these students work hard in school despite significant obstacles to higher education. Yet, even diligent students can be left with little motivation to succeed. As Maria (p. 4), said, "It started to hit me around ten years old that a piece of paper could determine everything. I was disappointed because I knew there was more school, and I thought 'what's the point of getting all these perfect grades because it will be impossible to go to college."16 On the contrary, access to in-state tuition would give undocumented students the opportunity to continue the state's investment in their education. Studies show that young adults with a higher education degree have more career opportunities, earn significantly more than their peers without college degrees, and are less likely to depend on public assistance.<sup>17</sup>

**Tuition equality gets us closer to the Drive to 55 and is revenue positive:** The fiscal review committee determined that the HB675/SB612 would actually make the state money. The bill is revenue positive because it allows more students to go to college by offering in-state tuition. <sup>18</sup> Due to the prohibitive cost of out-of-state tuition, in-state tuition represents revenue that would not otherwise be available. With our current tuition policies, only a small fraction of

undocumented graduates are enrolling in Tennessee public colleges and universities. <sup>19</sup> Many are leaving to other states where they have greater access to higher education or not enrolling in school at all. When talented students are forced to leave Tennessee, the whole state loses. Recognizing that tuition equality is aligned with the Drive to 55, the Tennessee Board of Regents adopted HB675 as one of their 2016 legislative priorities.

Tuition equality will help drive economic growth: Individuals with a bachelor's degree make on average \$1 million more in their lifetime than those without a high school diploma.<sup>20</sup> By adopting equitable tuition policies, Tennessee would generate additional revenue through the higher taxable incomes of a skilled workforce. In addition to increasing the economic power of undocumented youth, tuition equality will also help fill the skills gap in Tennessee. Speaking to the Jackson Chamber of Commerce in April 2015, Governor Haslam said, "[t]here are hundreds of thousands of jobs in Tennessee that are going unfilled because they're available, but we don't have the right people trained for them." Chambers of Commerce and other business associations support HB675 in order to produce a more educated workforce that can help Tennessee compete in a global market.

<sup>15</sup> The Supreme Court ruled it unconstitutional for states to deny public primary and secondary education to students on the basis of their immigration status in Phyler v. Doe 457 U.S. 2 (1982).

<sup>16</sup> Fiscal Review Note SB 612 - HB 675 (March 2015). Available here: http://www.capitol.tn.gov/Bills/109/Fiscal/SB0612.pdf (last accessed January 11,2016).

<sup>17</sup> See, for example: Pew Research Center, *The Rising Cost of Not Going to College*, February 11, 2014. Available at: http://www.pewsocialtrends.org/2014/02/11/the-rising-cost-of-not-going-to-college/ (last accessed January 11, 2016); Anthony P. Carnevale, Stephen J. Rose and Ban Cheah, *The College Payoff: Education, Occupations, Lifetime Earnings*, Washington D.C.: The Georgetown University Center on Education and the Workforce, 2014. Available at: https://cew.georgetown.edu/wp-content/uploads/2014/11/collegepayoff-complete.pdf (last accessed January 11, 2016).

<sup>18</sup> The Fiscal Review Note of the Tennessee General Assembly Review Committee estimates the bill will earn the state upwards of \$198,500 by 2018. This estimate is only based on an estimated 47 students enrolled or expected to enroll. See: Fiscal Review Note SB 612 – HB 675 (March 2015). Available here: http://www.capitol.tn.gov/Bills/109/Fiscal/SB0612.pdf (last access January 11, 2016). However, we believe this is significantly underestimating the number of students who would enroll if they were granted in-state tuition.

<sup>19</sup> Only five undocumented students are believed to be paying out-of-state rates at public institutions across the state. See: Fiscal Review Note SB 612 - HB 675 (March 2015).

<sup>20</sup> Carnevale, et al, figure 1, p. 3.

## Six reasons why tuition equality is good for Tennessee:

- 1. Upholds our values
- 2. Decreases high school drop out rates
- 3. Encourages college enrollment and supports the Drive to 55
- 4. Increases state revenue through college tuition
- 5. Grows Tennessee's tax base by increasing earning potential
- 6. Helps fill the skills gap, making Tennessee more competitive

### We can make tuition equality a reality in Tennessee

This spring, the Tennessee legislature will have another opportunity to pass tuition equality. Together, we can make sure that undocumented students in the class of 2016 will graduate with greater opportunity to pursue their dreams.

# **TAKE ACTION NOW:**

- Sign up for TIRRC's mailing list to receive updates and action alerts by visiting: www.tnimmigrant.org/subscribe
- Write a letter, email, or call your representative today! Encourage your friends and neighbors to do the same. Find your legislator by visiting: www.capitol.tn.gov/legislators
- Organize a meeting with students, teachers, and other community members and invite your representative to learn why you support tuition equality
- Become a member of TIRRC by visiting: www.tnimmigrant.org/membership

TIRRC has organized hundreds of students and allies across the state in support of HB675. **Join us!** Email Eben Cathey (**eben@tnimmigrant.org**) for details about how you can get involved in your city.