



July 18, 2011

The Honorable Michael O. Moore
Chair, Joint Committee on Higher Education
State House, Room 215
Boston, MA 02133

The Honorable Tom Sannicandro
Chair, Joint Committee on Higher Education
State House, Room 472
Boston, MA 02133

Dear Senator Moore and Representative Sannicandro:

In anticipation of this week's hearing, the Foundation has been asked to provide analyses of two issues related to legislative proposals to allow undocumented immigrants to pay in-state rates for tuition and fees at the 29 institutions of public higher education in Massachusetts.

The specific requests are:

1. To update the Foundation's 2006 analysis of the potential revenues from allowing undocumented immigrants to pay in-state rates.
2. To determine the amount spent statewide to educate undocumented immigrants through the 12th grade, as required by a 1982 Supreme Court decision.

The summaries of our analyses of these two requests are attached.

Please feel free to contact us with any questions or comments.

Sincerely,

Michael J. Widmer

cc: Senator Sonia Chang-Diaz
Representative Denise Provost



Revenues from Undocumented Immigrants Paying In-State Rates (Update of 2006 Report)

To update our 2006 report, we adjusted enrollment figures based on new data from the Pew Research Center and recalculated revenues based on the latest rates for tuition and fees.

Enrollment Estimate

According to *Unauthorized Immigrant Population: National and State Trends, 2010*, the Pew Hispanic Center estimates that there were approximately 160,000 undocumented immigrants in Massachusetts in 2010, about 1.4 percent of the national undocumented immigrant population. The Pew report also estimates that approximately one million undocumented children under 18 are currently living in the United States. Assuming 1.4 percent of those children live in Massachusetts, there are 14,285 undocumented children under age 18 in Massachusetts, or about 800 for each year.

Alternatively, the Urban Institute estimates that 65,000 undocumented immigrants graduate from high school each year in the United States. Assuming that 1.4 percent of those students live in Massachusetts, 910 undocumented students graduate from the state’s high schools each year.

The Foundation’s previous analysis estimated that 40 percent of undocumented graduating students would enroll in the state’s higher education system each year. Some graduates would choose not to go to college, some would need financial aid which they cannot legally receive, and others would not meet the proposed legislation’s eligibility criteria.

Using the 40 percent figure, between 315 and 365 of the total undocumented students graduating from high school would actually enroll in one of the state’s public higher education institutions in the first year that they were eligible for in-state rates. Each year, an additional 315 to 365 new undocumented high school graduates would enroll in the public system.

Enrollment would stabilize over time as students complete programs or withdraw. Our enrollment projections, detailed in Table 1, assume that community college enrollment would level off after the second year because programs are generally for two years. Once stabilized, we expect community college enrollment would remain between 504 and 584 students each year.

For state universities and UMass, which are four-year programs, we assume that enrollment would not level off until after the fourth year. In years one through four, these programs would add between 63 and 73 students each year. By year four, total enrollment in state universities and UMass would be between 252 and 292.

Table 1: Estimated Enrollment

	Year 1	Year 2	Year 3	Year 4
Community Colleges	252-292	504-584	504-584	504-584
State Universities	16-18	32-37	48-54	64-72
UMass System	47-55	95-110	141-165	188-220
Total:	315-365	630-730	693-803	756-876



Revenue Estimate

The tuition and fees from undocumented immigrants would constitute new revenues for the state’s higher education campuses because few, if any, undocumented immigrants are currently enrolled and paying out-of-state rates. This small number of new students could be accommodated by the 29 campuses at virtually no additional cost.

We assume that 80 percent of the undocumented students would enroll in community colleges, 15 percent in the University of Massachusetts system, and five percent in state universities. This follows the enrollment trend of undocumented immigrants in Texas, which has tracked data since 2001.

In the first year, the state’s public higher education campuses would receive between \$1.8 million and \$2.1 million in new revenues, as shown in Table 2. By the fourth year, new revenues from undocumented students would total between \$6.4 million and \$7.4 million.

In the first two years, community colleges would receive the bulk of those revenues. Revenues would be more evenly distributed after the second year because enrollment at community colleges would level off while continuing to increase at state universities and UMass. In the fourth year, for example, community colleges would receive between \$2.9 million and \$3.4 million, state universities would receive between \$630,000 and \$717,000, and UMass would receive between \$2.8 million and \$3.3 million.

Table 2: Estimated Revenues

	Total Enrollees	Total New Revenues¹
Year 1	315-365	\$1.8 to \$2.1
Year 2	630-730	\$3.9 to \$4.5
Year 3	693-803	\$5.0 to \$5.8
Year 4	756-876	\$6.4 to \$7.4

¹ Revenues are calculated using the 2010-2011 average in-state rates for tuition and fees for each type of institution, as reported by the state’s Department of Higher Education. We project annual increases of 8.4 percent for community colleges and 10.7 percent for state universities and UMass based on annual growth rates of tuition and fees since 2001-02. These estimates assume that all students would pay full tuition and fees for two semesters.



Statewide Spending on Elementary and Secondary Education for Undocumented Immigrants

We used two approaches to determine statewide spending on educating undocumented students:

- spending on 12 years of education for a single graduating class of undocumented students; and
- spending on all undocumented public elementary and secondary students in a given year.

Under a 1982 Supreme Court ruling, the states have an obligation to provide public elementary and secondary education for all residents, regardless of immigration status. For a student graduating from a Massachusetts high school in 2012, the total cost to provide 12 years of public elementary and secondary education is about \$132,000. The \$132,000 is the sum of the statewide average per pupil spending each year for the 12-year period from 2000-01 to 2011-12, as reported by the state’s Department of Education.

Grade	Year	Per Pupil Spending, Statewide Average
1	2000-01	7,561
2	2001-02	8,005
3	2002-03	8,273
4	2003-04	8,591
5	2004-05	10,600
6	2005-06	11,209
7	2006-07	11,858
8	2007-08	12,448
9	2008-09	13,006
10	2009-10	13,053
11	2010-11*	13,510
12	2011-12*	13,983
Total:		132,097

**Estimates, assuming 3.5 percent annual growth in costs.*

As detailed in the previous analysis, we estimate there are between 800 and 910 undocumented students per grade. Over a 12-year period, the cost to educate the class of students graduating in 2011-12 would be between \$105 million and \$120 million, based on the per pupil cost of \$132,000. Our estimate assumes that 100 percent of undocumented students graduate and do so within 12 years. Since per pupil spending grows each year, the spending on each future graduating cohort would increase slightly from the current \$105 million to \$120 million range.

An alternative approach is to calculate the costs of the entire undocumented student population for a single year. As shown in the table above, we estimate that the statewide average per pupil spending would be \$13,983 during the 2011-12 school year. With between 800 and 910 undocumented students per grade (between 9,600 and 10,920 total), the total statewide cost of



undocumented students would be between \$134 million and \$153 million for the 2011-12 school year.

In sum, depending on which method is used, total spending on elementary and secondary education of undocumented students in Massachusetts is either between \$105 million and \$120 million over 12 years for a single graduating class or between \$134 million and \$153 million for all students for one year.