

**CENTER for PUBLIC POLICY PRIORITIES**

**SB 1819 by Campbell**

***Senate Committee on Veteran Affairs & Military Installations, Sub-Committee on Border Security  
Monday, April 6, 2015***

**CPPP position: AGAINST**

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The Center for Public Policies (CPPP) appreciates the opportunity to submit this written testimony to the Subcommittee on Border Security in opposition to SB 1819, introduced by Senator Donna Campbell. CPPP is an independent public policy organization established in 1985 that uses data and analysis to advocate for solutions that enable Texans of all backgrounds to reach their full potential. We believe in a Texas that offers everyone the chance to compete and succeed in life, and envision a Texas where everyone is healthy, well-educated, and financially secure.

CPPP respectfully urges the Committee to vote against SB 1819 for the following reasons.

- **Texas is a leader in recognizing the economic value of helping all Texas students go to college, regardless of their immigration status.**

In 2001, the Texas Legislature had the foresight and vision to be the first state to extend in-state tuition to Texas resident non-citizen students. HB 1403 had full bi-partisan support, passed almost unanimously, and was signed by Governor Perry, who recognized that having more Texas students go to college was good for the Texas economy. One in six Texans is an immigrant, with over 4.2 million immigrants calling Texas home. Immigrants are more likely to be of prime working age and are more likely to be engaged in the workforce compared to U.S.-born Texans. As workers, entrepreneurs, innovators, taxpayers and consumers, immigrants in Texas are major drivers of the state's economy.<sup>1</sup>

- **Allowing resident non-citizen students of Texas to pay in-state tuition is good for the Texas economy.**

In 2013, 24,770 resident non-citizen students paid a total of \$51.6M in tuition and fees.<sup>2</sup> They contribute significantly to the budget of their colleges and universities and to the state economy. As data from the Higher Education Coordinating Board (THECB) shows, resident non-citizen students are attending colleges and universities, paying tuition, and contributing to the economy all over the state. As illustrated by the map and charts submitted with this testimony, there are resident non-citizen students enrolled in public colleges and universities in all ten higher education regions of Texas. In 2013, 17,628 of these students attended institutions in rural areas, and 7,108 attended urban institutions. The following table provides the number of resident non-citizen students at public colleges and universities located within the member districts of the Senate Committee on the Veteran Affairs

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<sup>1</sup> Center for Public Policy Priorities, [Immigrants Drive the Texas Economy](#), Sept. 17, 2014.

<sup>2</sup> Texas Higher Education Coordinating Board THECB, Response to Mexican-American Legislative Caucus, Feb. 25, 2015.

and Military Installations. It also estimates the amount of in-state tuition paid by these students in 2013.<sup>3</sup>

State Senator	District	Resident Non-Citizen Students	Est. Total In-State Tuition Paid
Donna Campbell	25	2204	\$ 11,602,102
Konni Burton	10	2149	\$ 3,532,650
Brian Birdwell	22	2636	\$ 5,650,452
Sylvia Garcia	6	2,962	\$ 5,659,054
Robert Hall	2	108	\$ 729,354
Eddie Lucio, Jr.	27	235	\$ 966,170
Jose Rodriguez	29	533	\$ 2,102,972

Because the law requires non-citizen students to reside for at least three years before they are entitled to pay in-state tuition rates, they and their families are and have been contributing to the state economy and to the tax base for at least three years. For example, in 2010, undocumented immigrants in Texas paid an estimated \$1.6 billion in state and local taxes.<sup>4</sup> In part, these taxes help support Texas institutions of higher education. In 2011, immigrants of all status contributed \$65 billion in economic output to the state of Texas in terms of wages, salary and business earnings.<sup>5</sup>

As the state of Texas has recognized, extensive research documents the positive economic impact of a college degree.<sup>6</sup> A college-educated workforce increases economic vitality through higher personal incomes, a broader tax base, less reliance on public assistance, lower unemployment rates, lower crime rates, and better overall community well-being and opportunity.<sup>7</sup> Allowing resident non-citizen students to pay in-state tuition makes college significantly more affordable for them, and thus increases the likelihood that they will obtain colleges degrees.<sup>8</sup> A college degree creates opportunities for these Texans to pursue jobs that pay higher wages, which enables them to contribute at a higher level to the Texas economy.

- **The current in-state tuition law for resident non-citizen students does not impact admissions of Texas citizen students.**

The current in-state tuition law for resident non-citizen students does not “take away slots from Texas citizen students,” as some proponents of SB 1819 have asserted. All students, regardless of

<sup>3</sup> Id. Average tuition for was not available for all campuses that have resident non-citizen students, so the total tuition paid by all resident non-citizen students in each district is actually higher.

<sup>4</sup> Undocumented Immigrants’ State and Local Tax Contributions. Institute on Taxation and Economic Policy. July, 2013.

<sup>5</sup> Economic Policy Institute analysis, State of Working Texas, 2007-2011 American Community Survey (ACS).

<sup>6</sup> The Ray Perryman Group, A Tale of Two States—And One Million Jobs!!: An Analysis of the Economic Benefits of Achieving the Future Goals of the “Closing the Gaps” Initiative of the Texas Higher Education Coordinating Board, March 2007. Figures are in 2006 Dollars.

<sup>7</sup> Id.

<sup>8</sup> See Center for Public Policy Priorities, The Cost of College: How Texas Students and Families are Financing College Education, June 2012.

immigration or residency status, compete for admission to Texas public colleges and universities. Any student (with the required credentials) can apply for admission to a Texas college, including students who live in Texas, and students who live in other states and countries. Colleges and universities have wide discretion in setting admissions policies. The current in-state tuition law has no impact on the college admissions process for non-citizen resident students. Admissions and tuition rates are governed by two distinct policies.

There is no evidence that U.S.-born Texans are losing out to students. Enrollments overall have been up for the last decade, and Texas has largely met (or exceeded) the enrollment goals under state's *Closing the Gap* education plan.<sup>9</sup> Thus, SB 1819 would not impact whether or how many non-citizen resident students are admitted by particular public colleges and universities.

- **The current in-state tuition law for resident non-citizen students, by itself, has no impact on the amount of state revenue provided to state colleges and universities.**

Texas' public colleges and universities are funded through a range of sources, including tuition, state and local funds, and private funds. The current in-state tuition law, by itself, has no impact on the amount of general revenue that particular public colleges and universities receive from the state. The amount of general revenue provided to public colleges and universities is calculated according to a range of factors, not according to whether or not any particular student qualifies as a resident, or the number of resident and non-resident students at particular institutions.<sup>10</sup> State funding per full-time equivalent student in Texas public colleges and universities actually decreased by 22% between 2008 and 2012.<sup>11</sup>

- **It is not accurate to consider the difference between in-state and out-of-state tuition for resident non-citizen students to be a "cost" to Texas taxpayers.**

As explained above, the amount of general revenue that the state provides to specific public colleges and universities has no relationship to the number of students at those colleges who are paying in-state or out-of-state tuition (regardless of immigration status).<sup>12</sup> Thus, it is not accurate to calculate the difference between in-state and out-of-state tuition for resident non-citizens as a "cost" to Texas taxpayers. Accordingly, the current in-state tuition law is not leading to rising costs for Texas taxpayers.

The only general revenue dollars that Texas spends specifically on resident non-citizen students is through state-funded grants programs. In 2013, only 2,318 of these students received a total of \$9.52 million in state-funded grants.<sup>13</sup> These grants make it more affordable for low-income students to

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<sup>9</sup> See THECB, *Closing the Gaps Higher Education Plan*, <http://www.thecb.state.tx.us/index.cfm?objectid=858D2E7C-F5C8-97E9-0CDEB3037C1C2CA3>.

<sup>10</sup> Community colleges are funded in part on the number of contact hours (total number of hours students are in class) in the base year (the year or two prior to the budget). The formulas at public 2- and 4-year institutions are calculated based on projected need for faculty (salaries and benefits), instruction in various fields of study, etc.

<sup>11</sup> See Table A.1., Demos, [http://www.demos.org/sites/default/files/publications/TheGreatCostShift2014-Brief\\_0.pdf](http://www.demos.org/sites/default/files/publications/TheGreatCostShift2014-Brief_0.pdf)

<sup>12</sup> Legislative Budget Board, *Financing Higher Education in Texas Legislative Primer*, Feb. 2013.

<sup>13</sup> Texas Higher Education Coordinating Board THECB, *Response to Mexican-American Legislative Caucus*, Feb. 25, 2015.

attend college, which is a smart investment for the Texas economy for the reasons stated under the first point above. Some non-citizen resident students also receive financial aid. In 2013, only 4,109 resident non-citizen students received state-authorized loans, state-supported grants, and other institutional/non-state financial aid.<sup>14</sup> State-authorized loans are not funded through General Revenue, but operate with student loan repayments.<sup>15</sup>

## **Conclusion**

CPPP respectfully urges the Subcommittee to vote against SB 1819. Texas should remain a leader in recognizing the economic value of helping all Texas students complete college, including smart, qualified, aspiring young people who have lived in Texas with their families for over three years and are non-citizens.

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<sup>14</sup> Texas Higher Education Coordinating Board THECB, Response to Mexican-American Legislative Caucus, Feb. 25, 2015.

<sup>15</sup> THECB, Overview: Eligibility for In-State Tuition and State Financial Aid Programs, Feb. 2015.