

Georgia's Workforce Development, Economy Damaged by Barriers to Higher Education for Undocumented Students

By Melissa Johnson, Policy Analyst

New federal policy provides Georgia an opportunity to increase access to higher education for many young Georgia immigrants who are now eligible to work without threat of deportation. Current policies that prevent these potential students from paying in-state tuition rates or even from attending Georgia universities outright undercut the state's ability to compete for jobs both nationally and globally.¹

Specifically, these policies hinder the state's competitiveness in critical ways:

- They fail to create the same **diverse, attractive workforces** that 27 other states, including regional competitors Texas, Florida, and Virginia, will foster with more inclusive tuition policies.
- They undermine Georgia's goal to create 250,000 additional college graduates by 2020 to meet workforce needs outlined in Gov. Nathan Deal's Complete College Georgia Initiative.
- They **fail to capitalize on Georgia's investments in its K-12 school system** by erecting barriers for undocumented students to continue their education in the state.

Georgia's state and local governments also miss out on potential tax revenue by limiting the educational prospects of undocumented immigrants. **The state can add an estimated \$10 million per year to state and local coffers through a more skilled, higher earning workforce if it allows Georgians to pay in-state tuition at any public college or university if they are eligible to work without threat of deportation.**

The Atlanta Journal-Constitution illustrated the negative consequences of Georgia's policies on undocumented college students through the story of Marlon Portillo in early 2015. Marlon was valedictorian of Atlanta's Carver Health Sciences and Research High School in 2015. He dreamed of studying engineering at Georgia Tech, but he cannot because his parents brought him to the United States illegally when he was 10 years old.

Georgia policy prevents Marlon from admission to Georgia Tech, although he is qualified to live and work in the United States without threat of deportation under the federal Deferred Action for Childhood Arrivals. This news came as a surprise to Marlon's counselor who thought since Marlon's parents paid taxes that he could have easily enrolled in a Georgia college.

A private university in Tennessee recognized Marlon's potential and offered him a partial scholarship. Marlon, a Georgia high school valedictorian, will leave the state to attend college because of Georgia's policies.²

Georgia's Immigrant Population Holds Great Potential

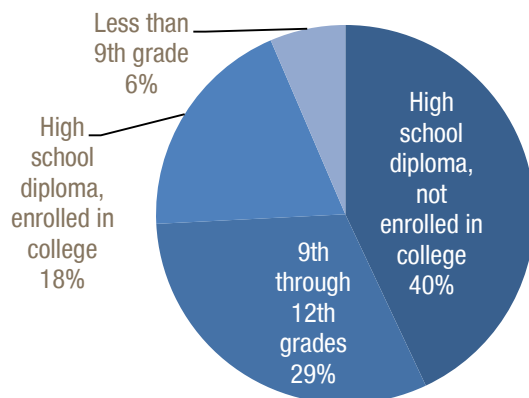
Immigrants already make significant contributions to Georgia's economy. From 2006 to 2010, more than 60,000 new immigrant business owners in Georgia collected net business income of \$2.9 billion.³ Immigrants also represented 13 percent of the state's workforce in 2013.⁴ Undocumented immigrants alone paid more than \$352 million in state and local taxes in 2012, the most recent year of available data.⁵

Federal Policy Change Should Lead Georgia to Increase Access to Higher Education

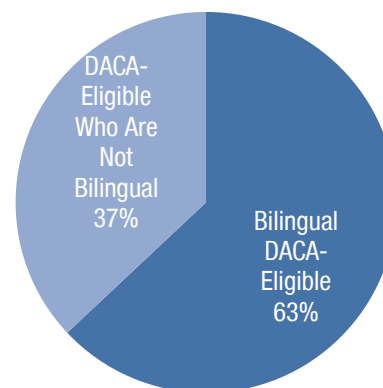
A new federal policy was created in 2012 to allow some undocumented immigrants brought here as children outside of their control to live and work in the United States without the threat of deportation. The new policy, called Deferred Action for Childhood Arrivals (DACA) is targeted at people brought to the United States before they were 16 and who had lived continuously in the country for five years as of June 2012. An estimated 49,000 Georgia residents are eligible for relief under this policy or its 2014 expanded version. It allows approved applicants to work in the United States for two years with a renewal period near the end of their term if they meet educational or military service requirements.⁶

Ninety-three percent of Georgia residents able to work under the program without the expanded eligibility are either high school graduates or enrolled in school. Given the strict educational eligibility requirements, this is not surprising. These immigrants bring significant skills and talents that could add to the vitality of Georgia's economy and workforce. Many of these Georgians likely possess language skills that are especially valuable to Georgia businesses operating in an increasingly global economy. Nationwide, more than 60 percent of DACA eligible individuals are bilingual.⁷

Most Eligible for DACA in Georgia are High School Graduates or Enrolled in School



Most Eligible for DACA Nationally are Bilingual



Source: Migration Policy Institute *Deferred Action for Childhood Arrivals (DACA) Profile: Georgia and "DACA at the Two-Year Mark: A National and State Profile of Youth Eligible and Applying for Deferred Action,"* August 2014. Totals may not add to 100 because of rounding.

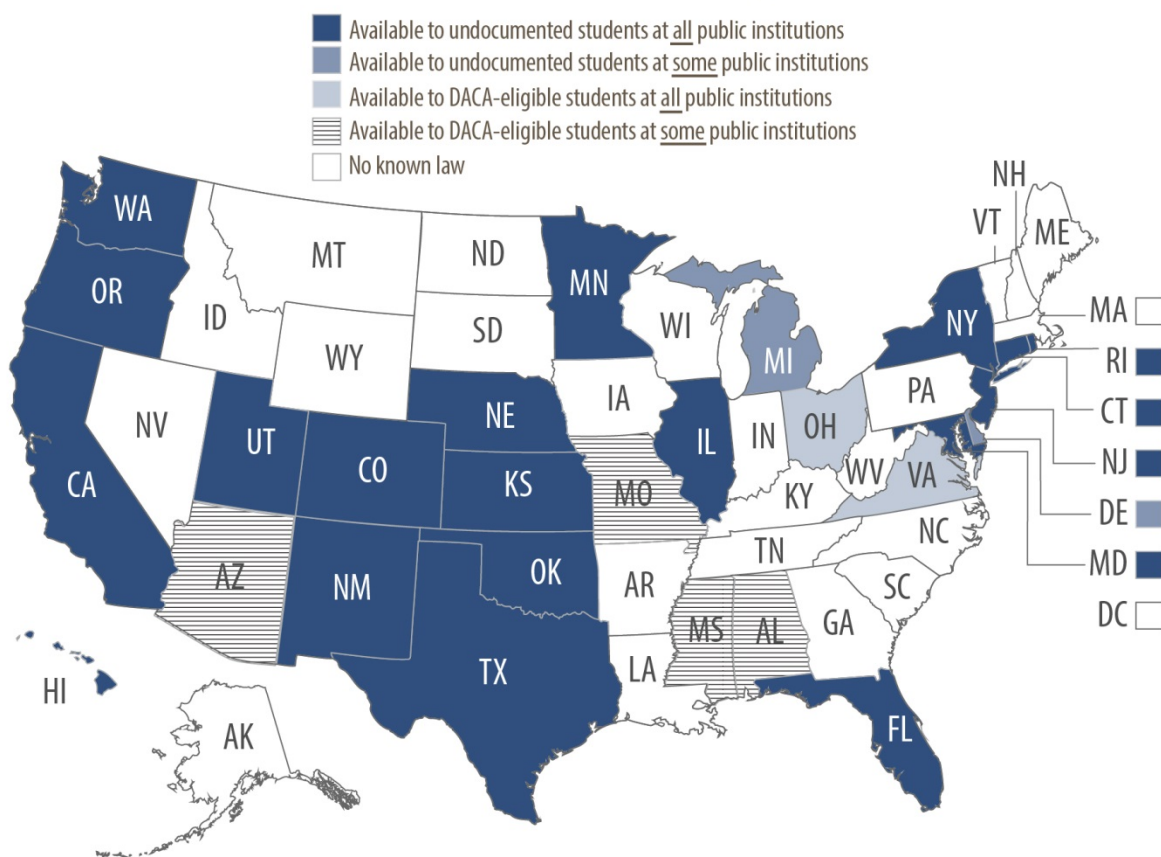
Georgia's Higher Education Policies for Undocumented Students Weaken State's Workforce

Georgia's policies create barriers to higher education for undocumented students, including those eligible to work without threat of deportation. This places the state firmly behind the competition and hinders Georgia's workforce in a number of ways:

More inclusive tuition policies will help build a diverse and skilled workforce. Business leaders value diversity among potential employees. Companies participating in the governor's High-Demand Career Initiative identified the need to attract more women and minorities. They want to align their hiring practices and employee demographics with Georgia's diverse population.

Twenty Seven States Offer at Least Partial Access to In-State Tuition

Access to in-state tuition for undocumented and DACA-eligible students



GEORGIA BUDGET & POLICY INSTITUTE

Source: Center for American Progress

Barriers to higher education for undocumented students undermine state and local investments in Georgia's public school system. The U.S. Supreme Court recognizes the right to a kindergarten through high school education for all students, regardless of immigration status. The court recognizes depriving undocumented students of a grade school education "imposes a lifetime hardship on a discrete class of children not accountable for their [undocumented] status."⁸

State, local, and federal governments now spend an average of \$8,406 per year on a Georgia student's K-12 education.⁹ *That amounts to more than \$1 billion the public spends educating DACA-eligible Georgians over the course of five years.*¹⁰

Georgia can maximize this billion dollar investment in K-12 education by allowing DACA-eligible residents to continue their education at Georgia colleges. Forty percent of Georgians eligible for the program are high school graduates, not yet enrolled in college. The high cost of out-of-state tuition is seen as the main factor pricing higher education out of the reach of most DACA recipients and undocumented immigrants in Georgia, according to a Migration Policy Institute study.¹¹

Restricting access to higher education thwarts state efforts to increase the number of Georgia's college graduates.

Georgia's governor launched the Complete College Georgia Initiative in August 2011 to strengthen the state's competitiveness by significantly increasing the number of Georgians with postsecondary school credentials.

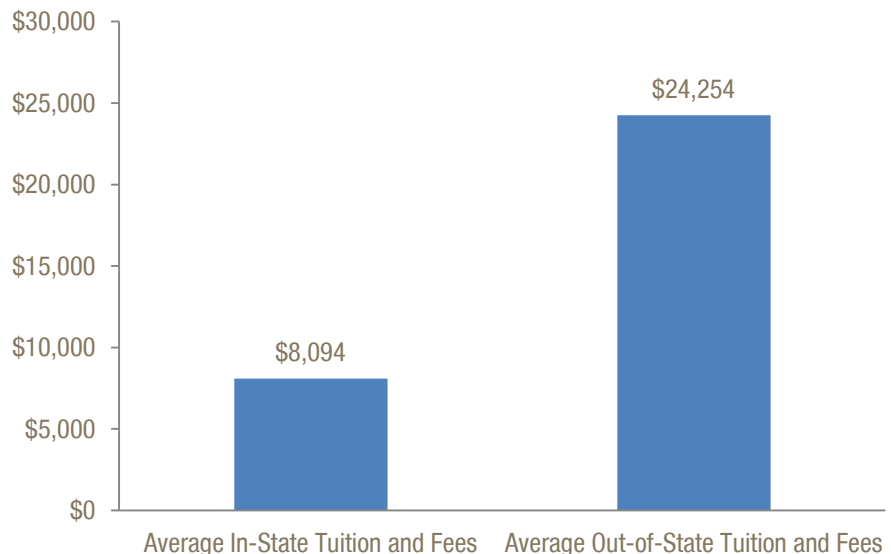
Georgia needs 250,000

additional college graduates to meet its workforce demands by 2020, according to the initiative. The Initiative specifically calls for more African-American, Hispanic and other students traditionally underrepresented in college to complete their degrees.¹²

Georgia's DACA-eligible immigrants are likely to fall in two categories: 66 percent of them were born in Mexico or Central America¹³ and are also traditionally underrepresented in postsecondary classrooms.¹⁴

Higher tuition is also a significant barrier to postsecondary education.¹⁵ Students who pay out-of-state tuition rates shell out an average of \$16,160 more per year at Georgia's four-year institutions compared to students paying the in-state tuition rate.

Out-of-State Tuition at Georgia's Four-Year Public Colleges Nearly Triple In-State Rate



Source: The College Board, Annual Survey of Colleges, October 2014

Higher tuition is more of a barrier to college attendance for DACA-eligible Georgians than the overall population, as 66 percent of them earn low incomes.¹⁶ A low-income family of three earns less than \$40,180 per year.¹⁷

Georgia can add more than 5,000 college graduates to the workforce if DACA-eligible Georgians who are high school graduates but not attending college can secure college degrees at a rate similar to minority Georgians ages 25 to 54.¹⁸ This estimate, based on 2013 figures, can increase if more of the approximately 14,000 undocumented students now enrolled in Georgia's K-12 school systems who likely qualify for DACA, are also able to graduate

college.¹⁹ These graduates could command higher salaries and provide more tax revenue as described in the final section of this report.

Improving Georgia's Higher Education Policies Boosts State and Local Revenue

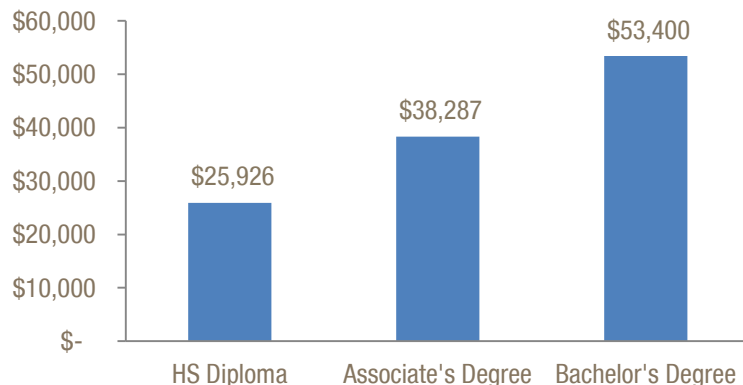
Immigrants already make significant contributions to Georgia's economy. Undocumented immigrants paid nearly \$352 million in state and local taxes in 2012, the most recent year for available data.²⁰ Allowing immigrants who qualify for deferred action to further their education in Georgia can help them contribute even more to Georgia's economic vitality.

Georgia is now missing out on about \$10 million in tax revenue per year by disqualifying academically-eligible Georgians from discounted in-state tuition rates.

- People with bachelor's degrees pay an average of \$2,268 more per year in state and local taxes than high school graduates. People with associate's degrees pay \$954 more. The state can add more than 5,000 potential college graduates if Georgia's DACA-eligible high school graduates enjoyed better access to Georgia's colleges and universities. That can deliver about \$9.4 million in new tax annual revenue for Georgia's state and local governments.²¹

- The state can also add an estimated 345 more college graduates per year if DACA-eligible high school seniors can pay discounted in-state tuition at any Georgia public college or university. These new college graduates would pay more than \$713,000 in additional state and local taxes per year.²²

Georgians Without College Degrees Earn Much Less than Workers Who Have One
Annual median earnings by educational level, 2013 dollars



Source: Universe of high school graduates include those for all adults 25 and over. U.S. Census Bureau American Community Survey, 2013 1-yr. estimate. Universe for degree holders includes those age 25 to 64 who have positive earnings, working 35 or more hours per week. 2013 American Community Survey 1-year Public Use Microdata Sample (PUMS)

Conclusion: Georgia is Missing Opportunity to Invest in State's Workforce and Economy

Georgia's barriers to higher education for undocumented immigrants trip up people eligible to work without threat of deportation. These policies undercut the strength of the state's workforce. Academically qualified immigrants brought to Georgia as children outside their control should be allowed to pay the discounted in-state tuition at any public college or university. That would remove Georgia's competitive disadvantage with other states with more inclusive policies. It would also capitalize on the investments by the K-12 school system and add to the state's pool of college graduates. Investing in the education of these Georgia residents results in tremendous returns to the state for years to come.

ENDNOTES

¹ Senate Bill 492 passed in 2008, bars undocumented students from paying tuition at the in-state rate to the university system. University System of Georgia Policy 4.1.6, prohibits the state's most selective schools from admitting persons not lawfully present in the United States. University System of Georgia Policy 4.3.4, enacted in October 2010 and effective the fall of 2011, also requires Georgia colleges and universities to verify the "lawful presence" of every successfully admitted person applying for resident tuition. Technical College System of Georgia Procedure V.B.3.a, prohibits undocumented students from paying tuition at the in-state rate to the technical college system through its citizenship requirements for establishing Georgia residency for tuition purposes. "Eligible Non-Citizens" as defined in the Title IV of the Federal Higher Education Act meet these requirements. Students eligible for DACA are not included in this definition.

² Molly Bloom, "Atlanta valedictorian's immigration status alters college plans," Atlanta Journal-Constitution, May 22, 2015.

³ "Open for Business: How Immigrants Are Driving Small Business Creation in the United States," Partnership for a New American Economy, August 2012.

⁴ American Community Survey, 2013 one-yr. estimate Table S0501.

⁵ Matthew Gardner, Sebastian Johnson, Meg Wiehe, "Undocumented Immigrants – State and Local Tax Contributions," Institute on Taxation & Economic Policy, April 2015.

⁶ "Consideration of Deferred Action for Childhood Arrivals (DACA)," US Citizenship and Immigration Services, <http://www.uscis.gov/humanitarian/consideration-deferred-action-childhood-arrivals-daca>. DACA specifically requires applicants to demonstrate that they came to the United States before the age of 16, have lived in the country continuously for at least five years at the time of the program's June 15, 2007 announcement; were physically present in the United States as of June 15, 2012 and at the time they request deferred action; had no lawful status on June 15, 2012; currently attend school, have earned a high school diploma or equivalent, or are honorably discharged veterans of the U.S. armed forces; have not been convicted of a felony, significant misdemeanor or three or more other misdemeanors, and do not otherwise pose a threat to national security or public safety; are age 15 or older at the time of the request, unless they are currently in removal proceedings or have a final removal or voluntary departure order; and were under age 31 at the time of the program's announcement.

President Obama announced executive action to expand the DACA program on Nov. 20, 2014. The expanded program would include people of any age who entered the United States before the age of 16 and lived in the country continuously since Jan. 1, 2010. The expanded program also extended the renewable period of DACA work authorization from two to three years. The administration did not expand the program as planned due to a federal court order won by several states, including Georgia, that challenged the administration's expansion of DACA and other executive action. The Administration plans to implement the DACA extension pending a ruling on the merits of the case.

⁷ "DACA at the Two-Year Mark: A National and State Profile of Youth Eligible and Applying for Deferred Action," Migration Policy Institute, August 2014.

⁸ *Plyler v. Doe*, 457 U.S. 202 (1982).

⁹ Georgia Department of Education; School System Financial Reports; Expenditure reports; FY 2014.

¹⁰ Sixty-six percent of the 40,000 Georgia residents eligible for DACA under the 2012 executive order are between the ages of 15 and 21. Individuals eligible for DACA under the 2012 executive order must have resided in the US since 2007, eight years ago. A 21-year old who has been in the country for eight years likely attended five years of grade school, while a 15-year old who has been in the country for eight years will likely attend 10 years of grade school. An estimated \$1.1 billion in federal, state, and local spending has gone to educate Georgians eligible for DACA under the 2012 guidelines who are 21 years of age or younger, assuming they spent a minimum of five years in Georgia public schools.

¹¹ Sarah Hooker, Michael Fix, and Margie McHugh, "Education Reform in a Changing Georgia: Promoting High School and College Success for Immigrant Youth," Migration Policy Institute, March 2014.

¹² "Georgia's Higher Education Completion Plan 2012," Complete College Georgia, November 2011.

¹³ Deferred Action for Childhood Arrivals (DACA) Profile: Georgia, Migration Policy Institute Data Hub.

¹⁴ Compare educational attainment of non-citizen foreign-born immigrants in Georgia to Georgians born in the United States. American Community Survey, 2013 one-yr. estimate Table S0501.

¹⁵“White House Task Force on Middle Class Families Staff Report: Barriers to Higher Education,” Middle Class Task Force, The Vice President of the United States.

¹⁶ Deferred Action for Childhood Arrivals (DACA) Profile: Georgia, Migration Policy Institute Data Hub.

¹⁷ 2015 Federal Poverty Guidelines, US Department of Health and Human Services.

¹⁸ This college graduate estimate was achieved by applying the degree attainment rate of Hispanic or non-white Georgians ages 25 to 54 with an Associate’s Degree or higher to the estimated 40 percent of 40,000 Georgia residents eligible for DACA under the 2012 program who are likely high school graduates not enrolled in college. This analysis used data from the Migration Policy Institute Profile Deferred Action for Childhood Arrivals (DACA) Profile: Georgia, and Working Poor Families Project, Analysis of American Community Survey, 2013 (Washington, D.C.: Population Reference Bureau). More than 8,000 Georgia residents are also eligible for DACA under the program’s expansion announced in 2014. Georgia could add even more college graduates by allowing these residents to pay the in-state tuition rate as well.

¹⁹ An estimated 35 percent of Georgia’s DACA-eligible population is currently enrolled in Georgia’s K-12 system. Migration Policy Institute Deferred Action for Childhood Arrivals (DACA) Profile: Georgia. This estimate of DACA-eligible students was achieved by multiplying the 35 percent by the 40,000 Georgia residents eligible for DACA under the 2012 program.

²⁰ Matthew Gardner, Sebastian Johnson, Meg Wiehe, “Undocumented Immigrants – State and Local Tax Contributions,” Institute on Taxation & Economic Policy, April 2015.

²¹ This analysis assumes that DACA-eligible Georgians who are high school graduates not attending college were able to secure college degrees at a rate similar to minority Georgians ages 25 to 54 (32.1 percent). Working Poor Families Project, Analysis of American Community Survey, 2013 (Washington, D.C.: Population Reference Bureau). This analysis also assumes high school graduate earns \$25,926 on average and pays 10.2 percent of their income in state and local taxes each year, an associate’s degree-holder earns \$38,287 and pays 9.4 percent of their income in state and local taxes, and a bachelor’s degree holder earns \$53,400 per year and pays 9.2 percent of their income in state and local taxes. See “Who Pays: A Distributional Analysis of the Tax Systems in All 50 States” Fifth Edition, Institute of Taxation and Economic Policy, January 2015 and US Census Bureau American Community Survey, 2013 1-yr. estimates. Of these college graduates, 34 percent were 2-year degree holders and 66 percent were 4-year degree holders in accordance with Georgia’s fall 2013 enrollment at public institutions. See Table 304.60, 2013 Digest of Education Statistics, National Center for Education Statistics. Two-year degrees were assumed to be associate’s degrees and 4-year degrees were assumed to be bachelor’s degrees. Associate’s degree holders pay on average \$954 more per year in state and local taxes than high school graduates and bachelor’s degree holders pay on average \$2,268 more per year in state and local taxes than high school graduates. Methodology adapted from Chris Stiffler, “A Sizeable Return on Investment: Cost and Benefits of Colorado’s Asset Bill,” Colorado Fiscal Institute, February 2013.

²² This analysis takes the estimated 11,600 DACA-eligible students enrolled in Georgia’s 9th - 12th grades and the 2,400 enrolled in a grade lower than 9th grade and divides the total by five to produce 2,800 DACA-eligible high school seniors. See Migration Policy Institute Deferred Action for Childhood Arrivals (DACA) Profile: Georgia. Applying Georgia’s high school graduation rate of 72.5 percent to these senior yields 2,030 DACA-eligible high school graduates. See “Georgia’s high school graduation rate increases again,” Press Release, Georgia Department of Education, October 30, 2014. Forty percent of DACA-Eligible high school graduates stayed in Georgia without attending college according to the Migration Policy Institute. Applying that rate to DACA-eligible high school graduates produces an estimated 812 additional DACA-eligible college students at Georgia’s public colleges and universities. Once again, 66 percent of these college students are assumed to be bachelor’s degree students and 34 percent are assumed to be associate’s degree students. See footnote 21. The analysis applies Georgia’s 54.5 percent graduation rate for bachelor’s degree students at public colleges and 19 percent graduation rate for associate’s degree students at public colleges. Graduation Rates by State: Georgia, The Chronicle of Higher Education, <http://collegecompletion.chronicle.com/>. Accessed August 1, 2015. This yields an estimated 52 associate’s degree graduates and 292 bachelor’s degree graduates. Associate’s degree holders pay on average \$954 more per year in state and local taxes than high school graduates and bachelor’s degree holders pay on average \$2,268 more per year in state and local taxes than high school graduates. See footnote 21.