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MTF Bulletin

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MTF Conference Preview: In-State Tuition & Financial Aid Eligibility

The Fiscal Year (FY) 2024 Senate Budget includes a proposal to expand in-state tuition rates and financial aid eligibility to undocumented students who attended at least three years of high school in Massachusetts. The Massachusetts Taxpayers Foundation (MTF) supports this policy proposal as a commonsense solution to expand access to affordable higher education, increase the number of educated workers, and stem declining enrollment trends at public institutions of higher education.

In 2006, MTF produced an analysis of the projected revenue gains for the state's public colleges and universities if undocumented students were allowed to attend these schools at in-state tuition rates. At that time, MTF estimated that public colleges and universities could receive up to \$2.7 million in additional revenue from undocumented students over the course of four years; assuming that undocumented students may forgo post-secondary school all together if required to pay out-of-state rates.

In an updated analysis, MTF estimates that expanding access to in-state tuition rates to undocumented students could generate **\$2.6 to \$3.5 million** in new revenue for community colleges, state universities, and the University of Massachusetts in the policy's first year of implementation.

Estimating Enrollment of Undocumented Students

Approximately 1,000 undocumented students graduate from high school each year in Massachusetts¹. Using data from the Department of Elementary and Secondary Education (DESE) on the percent of high school graduates attending post-secondary school each year, MTF estimates that between 27 and 36 percent of undocumented graduates may attend Massachusetts public colleges and universities. These estimates translate to just 0.5 percent of all high school graduates in the Commonwealth.

¹ Figure includes all undocumented high school graduates in Massachusetts. The Senate's proposal is limited to students who attended at least 3 years of high school in state. Therefore, the number of impacted students is likely less than 1,000 per year. (Source: <https://www.higheredimmigrationportal.org/state/massachusetts/>)

Estimated Annual Enrollment in Public Higher Education of Undocumented Graduates

<i>Number of Undocumented High School Graduates</i>	<i>Undocumented Graduates Attending Public Higher Education in Massachusetts</i>
1,000	270 – 361

MTF further assumes, based on statewide data from DESE, that the majority of undocumented students would enroll in community college.

Estimated Enrollment of Undocumented Graduates

	<i>Number of Enrolled Undocumented Students</i>
Community Colleges	176 – 235
State Universities	30 – 41
University of Massachusetts	64 – 85
Total Estimated Enrollment:	270 - 361

Revenue Impact of In-State Tuition for Undocumented Students

Based on the weighted averages of in-state tuition and fee costs for community colleges, state universities, and the University of Massachusetts system², undocumented students would generate approximately \$2.6 million to \$3.5 million in revenue for public higher education institutions.

Estimated Tuition and Fee Revenues from Undocumented Students

	<i># of Undocumented Students</i>	<i>Weighted Average Tuition & Fees</i>	<i>Estimated Revenues</i>
Community Colleges	176 – 235	\$6,886	\$1.2M – \$1.6M
State Universities	30 – 41	\$11,439	\$348K – \$464K
University of Massachusetts	64 – 85	\$16,205	\$1.2M – \$1.4M
Total Estimated Enrollment:	270 - 361		\$2.6M – \$3.5M

The enrollment estimates presented above include students with Deferred Action for Childhood Arrivals (DACA) status. In Massachusetts, DACA recipients have been eligible for in-state tuition at all public higher education institutions since 2012³. Additionally, some public colleges and universities may already offer in-state tuition rates to undocumented students. Exact data regarding

² <https://www.mass.edu/datacenter/tuition/appendixtuitionfeesweight7.asp>

³ <https://www.mass.edu/bhe/lib/documents/DACAMemo11-21-12.pdf>

the number of students benefitting from these policies is unavailable; however, their existence likely reduces the revenue impact of the Senate's proposal on public colleges and universities.

While theoretically, the shift from students paying out-of-state tuition rates to in-state tuition rates could result in decreased revenue for campuses; it is far more likely that undocumented students currently choose to forgo higher education all together due to high costs.

Expanding access to affordable higher education opportunities for undocumented students may also help to address two long-term challenges facing the Commonwealth: declining enrollment trends at public colleges and universities and a shrinking labor force.

Between the Fall of 2013 and the Fall of 2021, undergraduate enrollment at all Massachusetts public colleges and universities fell from 196.8K to 153.5K, a loss of over 20 percent⁴. Smaller student populations create financial instability for campuses due to the decline in revenue, and encouraging new subgroups of students to enroll in public post-secondary schools at higher numbers may help to offset this trend.

Additionally, as MTF has [reported extensively](#), the Commonwealth is facing multiple demographic headwinds that threaten to substantially shrink the state's labor force; including a concerning loss of young adults ages 26 to 35. Continued focus on building an educated workforce will be necessary to combat these losses and that includes improving the educational attainment of undocumented residents; a key objective of the Senate's policy proposal.

⁴ <https://tableaupub.mass.edu/t/MassachusettsDHE/views/Fall2021EnrollmentTrends-202208EBPMPresentation/Fall2021EnrollmentTrendsAugust2022Report?%3Aembed=y&%3AisGuestRedirectFromVizportal=y>