

# Research Summary: In-State Tuition Policies and the College Decisions of Undocumented Students

Michel Grosz and Annie Hines

College continues to be a worthwhile investment despite rising costs, yet rates of post-secondary enrollment are disproportionately low for disadvantaged groups. Among disadvantaged groups, undocumented immigrants face particularly high barriers to college. Their legal status makes them ineligible for federal financial aid, and they are also barred from in-state tuition under federal law, although state-specific policies can extend eligibility in practice. The status of undocumented immigrants, especially those who arrived as children, has been at the forefront of public policy debates for many years, most visibly through debate over the proposed federal DREAM Act and the Obama Administration's implementation of DACA, making them a relevant group to study in higher education.

In this paper, we study how a change in college tuition policy in Colorado affected the enrollment behavior of undocumented immigrants relative to similar other students. The Advancing Students for a Stronger Economy Tomorrow (ASSET) legislation (Colorado SB 13-033), passed in the spring of 2013, extends in-state tuition eligibility to students who graduated from high school in Colorado but are unable to provide proof of legal residence. Our methodology compares students likely to be affected by the policy change to those who were not, and we use student-level data from the Colorado Department of Higher Education.

We find that the effects of the policy on undocumented students were:

- a 16 percent increase in credit hours for new students;
- a 17 percent increase in the probability of full-time status;
- a 30 percent increase in persistence of first-year students into their second year;
- an increase in college applications;
- no change in the likelihood of having an application accepted.

The policy closed half the gap in enrollment credits between likely undocumented students and similar resident students. Our findings on college applications suggest that the policy induced students to apply who would not otherwise have applied to college, despite having similar academic ability. We also do not find evidence that ASSET crowded out enrollment of Colorado resident students who were not undocumented.

Taken together, our results show that the ASSET legislation in Colorado, and perhaps similar "state DREAM Acts," can increase the college enrollment of undocumented students. More generally, our results reinforce previous findings that students are sensitive to the cost of college and suggest that tuition policies can have large impacts on students who would otherwise not attend college.

---

Grosz: Federal Trade Commission, mgrosz@ftc.gov. Hines: University of California, Davis, email: ahines@ucdavis.edu. We are grateful to Beth Bean, Stephanie Ricker, Jay Shah, Michael Vente, and Maggie Yang of the Colorado Department of Higher Education for their generous support and expertise. The views expressed in this summary are those of the author and do not necessarily reflect those of the Federal Trade Commission or its commissioners. For the most recent draft of the full report, [click here](#).