



Senators Bartolomeo and Witkos, Representatives Willis and Betts, and members of the Higher Education and Employment Advancement Committee, thank you for the opportunity to speak today on ***SB 398, An Act Assisting Students Accepted Into The Deferred Action For Childhood Arrivals Program With The Cost Of College***

For the record, my name Erika Steiner, and I am the Chief Financial Officer of the Connecticut State College and University system, comprised of 17 public institutions of higher education in this state.

As we sit here, the Board of Regents (BOR) is debating or has just finished debating a resolution that has already passed the Academic and Student Affairs Subcommittee. As written, the resolution expresses that the Board of Regents for Higher Education supports the goal of offering some form of financial aid to all students, regardless of federal immigration status. It further states that the BOR will constructively work with the Connecticut General Assembly on measures that would achieve this goal while also mitigating the financial risk to the Board and its institutions. This recognizes the BOR's access and affordability mission, as well as its commitment to serving the needs of the residents of Connecticut.

With the idea that the Board of Regents supports the goal of this legislation in mind, we believe that legislation, as a sole remedy to the issue of providing Deferred Action for Childhood Arrivals (DACA) students with financial aid, opens up the current tuition set aside without providing any additional funding, and will have a negative fiscal impact to our institutions.

Because students in this class are not eligible to receive federal financial aid, it is anticipated that students eligible under this legislation would arrive at our institutions with a level of unmet financial need significantly higher than our current system average. An increase in this average, because our institutions lack the funding necessary to meet current need, would result in fewer students being served. As a result, and based on what we know to be the effects of student financial aid packages on enrollment and retention, we anticipate that a decrease in the number of students served would result in a decrease of both enrollment and retention.

Aside from the actual enrollment effects, the fact that many students in this population are not able to provide easy verification of family income through the filing of the Free Application for Federal Student Aid (FAFSA) or the production of federal tax returns means that significant administrative burdens are possible in the verification of student need.

Modeling what the cost would be to serving every DACA eligible student, we made a number of assumptions. If we assumed 1) that all applications for DACA status received by the Federal Government from Connecticut were ultimately approved (given the approval rate is around 99%, this assumption is reasonable), 2) that 50% of the population enrolled at Connecticut Community Colleges, 3) that the students enrolled full time, and 4) that 100% of their needs must be met through financial aid, the estimate of impact would include:

Potential DACA Connecticut Population		5,173
x 50% Enroll in CCCs		2,587
x Annual Tuition & Fees FY15	\$	3,786
= Total Estimated Cost	\$	<u>9,792,489</u>

Since, in order to qualify for DACA, one must, among other criteria, be less than age 31 as of June 15, 2012 and at least age 15 at application, be currently enrolled in school, and have graduated high school or obtained a general development certificate (GED), or be an honorably discharged veteran, we believe that a significant number of DACA students will attend. But, this figure represents what we believe to be the very high end of potential cost.

In an additional attempt to work through the cost implications of this proposal, I spoke at length with representatives from Texas, New Mexico, and Washington – all states that have implemented legislation to afford aid to certain undocumented students. The bottom line is that each state indicated similar troubles in estimating fiscal impact beforehand, but each state also determined that, once students began utilizing the programs, there was indeed an impact. In each state, funding was appropriated by the legislature to cover these costs.

I should point out that the other proposal currently on the table, supported by the Governor and detailed in Section 1 of HB 6845, that would set aside a small subset of funding from the Governor’s Scholarship Program (\$150,000 in FY16/\$300,000 in FY17) to a third-party organization, is more preferable in two ways: 1) it caps the amount of aid awarded to the amounts described, which would result in a knowable number of students served by the program, and 2) it places the burden of administration of the program on an outside party, and makes an allowance for those costs. However, because students in this population do not have access to federal student aid, primarily Pell Grants, they still would face a potentially significant gap between need and awarded aid. Additionally, the proposal utilizes a small portion of funding already available to institutions through the Governor’s Scholarship Program, meaning that fewer currently eligible students would be served.

Thank you for the opportunity to testify. I look forward to your questions.

CT BOARD OF REGENTS FOR HIGHER EDUCATION RESOLUTION

concerning
ACCESS TO FINANCIAL AID FOR STUDENTS
REGARDLESS OF FEDERAL IMMIGRATION STATUS
in the CONNECTICUT STATE COLLEGE AND UNIVERSITY SYSTEM
February 26, 2015

WHEREAS, One of the five goals of the CSCU system is to promote equity in higher education by eliminating achievement disparities among different ethnic, racial, economic, and gender groups; and

WHEREAS, many potential students who are undocumented immigrants are denied access because they are now not eligible for student financial aid; and

WHEREAS, due to 8 U.S.C. § 1621 and 8 U.S.C. § 1621(a), which prohibit the provision of state or local public benefits, which can be reasonably construed to include all forms of financial aid offered by an institution, regardless of funding source, to non-qualified aliens or nonimmigrants, such students affected by PA 11-43 remain ineligible for state and institutional financial aid; and

WHEREAS, 8 U.S.C. § 1621 further specifies that states retain the authority to provide state or local public benefits, including financial aid, to immigrant students otherwise ineligible to receive such benefits, through the affirmative passage of state legislation; and

WHEREAS, a preliminary financial analysis indicates there is a potential for significant cost impact to institutions that would result from allowing a new population of students to access certain forms of state and institutional aid, and that such analysis needs to be further refined; and

WHEREAS, the Student Advisory Committee and the Faculty Advisory Committee have both formally submitted resolutions of support for the offering of financial aid to all students, regardless of federal immigration status; now therefore

BE IT RESOLVED THAT, the Board of Regents for Higher Education supports the goal of offering some form of financial aid to additional students, regardless of federal immigration status; and

BE IT FURTHER RESOLVED THAT, the Board of Regents for Higher Education will constructively work with the Connecticut General Assembly on measures that would achieve this goal while also mitigating the financial risk to the Board and its institutions.