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## **De Sueño a Realidad: Examining Inequities in Higher Education Costs for Undocumented Immigrants in the United States.**

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### **Executive Summary**

With rising tuition rates across the United States, there has been little attention toward the realities and experiences faced by undocumented immigrants seeking to attend institutions of higher learning. Their experiences vary significantly from state to state, as 22 states offer some form of tuition or aid support, while the remaining states are either restrictive or have no specific policy in place. At a time when undocumented immigrants in the United States are being targeted through increased immigration enforcement, there is a need to explore and expand beyond the major narratives informing the country. Education is considered to be the great equalizer in the U.S., and it is now past time to ensure equitable access to higher education for all. This brief examines policy on tuition for undocumented students, exploring examples of states that restrict access and those that expand access using two case studies of states with vastly different approaches to undocumented youth: New York and Texas. This brief recommends several policy pathways, including a Federal tuition equity framework and State-level university infrastructure, to advance the standardization of tuition for undocumented students.

### **Background**

In the United States, the cost of attending a four-year college or university has risen dramatically for students. The average cost of attendance for a four-year college or university has risen about 93 percent between AY 2005-06 and AY 2025-26.<sup>1</sup> This increased cost can be attributed to many different factors, such as declining state funding, rising costs to keep up with competitor colleges, and fluctuations in student enrollment.<sup>2</sup> However, for undocumented students in the United States, costs have always seemingly remained high despite this. Due to their immigration status, undocumented immigrants do not qualify for federal tuition assistance through FAFSA, and many do not qualify for state benefits as well.<sup>3</sup> This has led to undocumented students having to pay high tuition amounts at many colleges and universities, often in the very cities and states where they have spent the majority of their lives.

Undocumented students are an important part of the higher education landscape, with 15.2% pursuing advanced degrees and 84.8% pursuing an undergraduate degree. Many of these students concentrate in high-demand fields such as STEM and are positioned to fill critical roles that support the U.S. workforce and economy. While Latinos make up the majority of the undocumented population in the United States, the undocumented population in higher education is fairly diverse. Within higher education, the undocumented student population is also racially and ethnically diverse, with 53.3% identifying as Hispanic, 21.8% as Asian, 11.7% as Black, and 9.4% as White.<sup>4</sup> Although all undocumented students face significant barriers related to legal status, these challenges are compounded for Black and Afro-Latino undocumented students. In addition to navigating legal precarity in higher education, these students experience heightened racial profiling and criminalization, lower educational

attainment rates, and limited access to employment opportunities.<sup>5</sup> This results in layered forms of marginalization at the intersection of both race and immigration status.

With over 400,000 undocumented students pursuing higher education and no standardized federal policy on tuition or aid, states across the nation have taken varying stances.<sup>6</sup> 20 states in the United States currently provide in-state tuition for undocumented students in the United States.<sup>7</sup> 17 states offer some form of state financial aid as well.<sup>8</sup> Other states, however, have more restrictive practices, with 10 states blocking access to either in-state tuition and/or state financial aid for students.<sup>7</sup> Three states in the United States actively block enrollment for undocumented students in public institutions: Alabama, Georgia, and South Carolina.<sup>7</sup> In recent years, established laws in Texas, Florida, Kentucky<sup>9</sup>, and Oklahoma<sup>10</sup> have been challenged, shifting policies from providing in-state tuition to undocumented students to requiring undocumented students to pay out-of-state tuition rates, impacting students in their respective upcoming academic years<sup>11</sup> We have recently seen similar policies in Virginia<sup>12</sup>, California<sup>13</sup>, Illinois<sup>14</sup>, and Minnesota<sup>15</sup>, all being challenged as well. These vast differences in policies have created varying effects on student outcomes in these states and, in some cases, have made students choose to move to a new state to pursue higher education.

In many cases, these students not only have limited support from states but also lack institutional support structures and accessible information from university systems. These information gaps contribute to increased amounts of mental health struggles for these students, often linked to “fear of deportation, institutional discrimination, and financial precarity.”<sup>16</sup> Universities themselves might offer access to mental health services, but they aren’t always built to serve “students with diverse and liminal immigration statuses effectively, especially when services are hard to access.”<sup>17</sup> Without adequate state or institutional support, many students often face difficult decisions alone, such as deciding whether or not to forgo higher education altogether or to attend institutions that might not meet their academic or personal needs due to cost. The disparities set the stage for deeper policy challenges, and there are various ways states attempt to manage this issue.

## **Problem Analysis**

There are various implications when it comes to this issue that not only affect the students involved but also affect other key stakeholders, such as the university systems, local, state, and federal governments, which create ripple effects across all the aforementioned areas. However, these implications vary from state to state depending on whether policies toward undocumented students generate positive or negative outcomes. The student impacts are already well documented in the states where they can attend with in-state tuition and aid versus the states where they cannot.

One example of a state that has experienced a shift in policies on providing tuition assistance to undocumented students is Texas. In 2001, Texas was the first state in the country to “allow undocumented students who graduated from a Texas high school and met certain other requirements to access in-state tuition and state financial aid through the “Texas Dream Act.””<sup>18</sup> By the beginning of 2025, Texas contained the second-highest number of undocumented college students in the nation.<sup>19</sup> Requirements of these students included: Graduation from a Texas High School, residing in Texas for 3 years before their graduation date, and a signed affidavit that students will apply for permanent residency at the earliest possible time.<sup>20</sup> The Texas Dream Act was a catalyst for many other states, such as California, to pilot similar programs. However, pressure from the current administration and stricter immigration policies at both the state and federal levels has quickly blocked most undocumented students in Texas from accessing in-state tuition due to court orders.<sup>21</sup> This has put students, who are undocumented and currently attending college, in limbo.

This sudden change has created confusion and uncertainty at both the student and university levels. A coalition of immigrant rights organizations and legal advocacy groups has cautioned that these schools lack “dedicated, trained staff to assist students with questions about the in-state tuition changes.”<sup>22</sup> This sudden reversal highlights

the instability and frailty of state-level protections for undocumented students, revealing how easily progress can be undone by shifting political climates. For students in Texas, this uncertainty has translated into disrupted educational plans, financial strain, and heightened anxiety about their futures. And for universities, this has led to administrative confusion and can prompt students to leave the state, resulting in a loss of talent and tax contributions. Reactionary state policies ultimately undermine student and societal outcomes.

While some states have reverted to their policies, others have taken strides to expand access to undocumented students. New York State expanded access to higher education for undocumented students in 2019. The José Peralta New York State DREAM Act (NYSDA) helps level the playing field and make higher education more accessible to undocumented immigrants in New York State.<sup>23</sup> Much like the “Texas Dream Act,” the NYSDA includes a clause that undocumented immigrants have to establish residency in the state by attending a high school in New York for two years and earning a diploma.<sup>24</sup> It then provides in-state tuition and state-funded scholarships for these students to attend a New York college or university. Projections indicate positive impacts not only for students but also for the state and local economy.

According to the New York City Mayor’s Office of Immigrant Affairs, over 181,000 New York City residents alone could stand to benefit from access to lower in-state tuition and scholarships.<sup>25</sup> On average, individuals who benefit from the NYSDA have already contributed upwards of 1.3 billion dollars to New York City’s economy.<sup>26</sup> With the increased earnings associated with gaining a bachelor’s degree, this number can be expected to rise.<sup>27</sup> This example shows us how inclusive policies can yield benefits that extend far beyond individual students. By removing these financial barriers, the state has strengthened its workforce, expanded its tax base, and ultimately strengthened the idea that higher education serves the public good. Compared with the adverse outcomes and confusion seen in Texas, the New York experience suggests that expanding educational access is a sound economic investment. The New York model can offer insight into how state and federal policymakers can collaborate to create equitable and sustainable pathways for higher education.

## **Policy Recommendations**

To address the inequities that undocumented students face when it comes to accessing and affording higher education, there must be coordinated policy action between the state and federal levels. The current state-by-state approach has created inequitable outcomes and, in some cases, has left students’ academic careers in limbo due to sudden policy changes. One way to address this is for the federal government to establish a framework for tuition equity for undocumented students. Congress could pass legislation that works to standardize access to in-state tuition rates for undocumented students. This could include residency and graduation criteria that eligible students must meet.

While federal movement on this issue through legislation might be difficult, the introduction of a bill can lead to movement toward tuition equity for all. The federal government could also work to incentivize states to adopt tuition equity policies by offering matching grants or performance-based funding for states that enter into a specific compact that extends in-state tuition and state financial aid to undocumented students, as seen with Medicaid expansion incentives.<sup>28</sup> State legislatures should also work with universities and university systems to create infrastructure to ensure that these students can succeed and thrive in the higher education system. As the Texas example illustrates, many universities simply lack the staff and expertise to help these students, and creating offices and infrastructure would help these students thrive.

Policymakers should also work to ensure that these offices and new infrastructure created to support undocumented students work to serve all undocumented students regardless of racial, ethnic, or cultural background. This requires moving beyond a one-size-fits-all approach and intentionally accounting for the diverse experiences within the undocumented student population. This includes culturally responsive staffing and training to ensure that universities and staff can effectively serve Black and Afro-Latino and non-Latino

undocumented students. Finally, encouraging greater data transparency with strong safeguards for student safety and privacy would allow policymakers and researchers to understand the impact of tuition equity policies.

## Conclusion

As tuition rates continue to rise across the United States, the inequities faced by undocumented students in higher education remain one of the most overlooked issues. The current patchwork of state policies, which range from comprehensive, inclusive laws to bans on enrollment, has created a landscape of unequal opportunity, where geography and where someone settles down determine a student's access to an affordable education. This inconsistency within our education system not only hinders undocumented students' academic and professional aspirations but also undermines the broader societal and economic benefits that a community could receive.

As this brief explains and illustrates through the case studies of New York and Texas, there are two trajectories that the nation is facing. One vision emphasizes restriction and destabilizes students' lives and futures; the other embraces inclusion and recognizes the benefits of equitable education access. As these state trends continue to unfold, it is evident that we need to create a federal framework in order to standardize tuition equity and promote institutional support, all while collecting data that promotes better policy while protecting students' rights and data. Education has to remain a cornerstone of opportunity in the United States, regardless of one's immigration status. The country should ensure equitable access to higher education for undocumented students, not just to support our students but to support our nation's future. Through policy, collaboration, and compassion, the U.S. can move closer toward realizing the statement that education serves as a great equalizer for all.

## Endnotes

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<sup>1</sup> “Average Cost of College by Year.” *Education Data Initiative*. Last updated September 23, 2025 <https://educationdata.org/average-cost-of-college-by-year>

<sup>2</sup> “College Costs Have Risen Dramatically in the Last 20 Years. Here’s Why.” 2025. NPR. November 20, 2025. <https://www.npr.org/2025/11/20/nx-s1-5600854/college-costs-have-risen-dramatically-in-the-last-20-years-heres-why>.

<sup>3</sup> “How Undocumented Students Can Get College Financial Aid,” U.S. News & World Report, accessed November 6, 2025 <https://www.usnews.com/education/best-colleges/paying-for-college/articles/how-undocumented-students-can-get-college-financial-aid>

<sup>4</sup> “Undocumented Students in Higher Education,” Higher Ed Immigration Portal, accessed December 22, 2025, [https://www.higheredimmigrationportal.org/effective\\_practice/undocumented-students-in-higher-education/](https://www.higheredimmigrationportal.org/effective_practice/undocumented-students-in-higher-education/)

<sup>5</sup> Russell, F. S., and Reyna Rivarola, A. R., “What does it mean to be UndocuBlack? Exploring the double invisibility of Black undocumented immigrant students in U.S. colleges and universities,” *New Directions for Higher Education* 203, (2023), 61-76. <https://doi.org/10.1002/he.20480>.

<sup>6</sup> “Undocumented Students in U.S. Higher Education,” Presidents’ Alliance on Higher Education and Immigration. June 11, 2024. Accessed November 6, 2025. <https://www.presidentsalliance.org/undocumented-students-in-us-higher-education-june2024/>

<sup>7</sup> “Data Tools: Tuition & Financial Aid by State,” Higher Ed Immigration Portal, accessed November 6, 2025, <https://www.higheredimmigrationportal.org/undocumented-daca-students/data-tools/>.

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<sup>8</sup> “U.S. State Policies on DACA & Undocumented Students,” Presidents’ Alliance on Higher Education and Immigration, accessed November 6, 2025, <https://www.higheredimmigrationportal.org/states/>.

<sup>9</sup> Blake, Jessica. 2025. “Kentucky to End In-State Tuition for Undocumented Students.” Inside Higher Ed | Higher Education News, Events and Jobs. 2025. <https://www.insidehighered.com/news/quick-takes/2025/09/25/kentucky-end-state-tuition-undocumented-students/>.

<sup>10</sup> “Oklahoma Reversal on In-State Tuition for Dreamers Hurts Students, Undermines Education and State Economy - Presidents’ Alliance.” 2025. Presidents’ Alliance. August 8, 2025. <https://www.presidentsalliance.org/press/oklahoma-reversal-on-in-state-tuition-for-dreamers-hurts-students-undermines-education-and-state-economy/>.

<sup>11</sup> “Halting of Texas In-State Tuition for Undocumented Students:Explainer.,” National Immigration Forum, accessed November 6, 2025, <https://forumtogether.org/article/blocking-of-texas-in-state-tuition-for-undocumented-students-explainer/>.

<sup>12</sup> Knott, Katherine. 2025. “Virginia Agrees to Scrap In-State Tuition for Undocumented Students.” Inside Higher Ed | Higher Education News, Events and Jobs. 2025. <https://www.insidehighered.com/news/government/state-policy/2026/01/02/virginia-agrees-scrap-state-tuition-undocumented-students>.

<sup>13</sup> Weissman, Sara. “DOJ Sues California over In-State Tuition for Noncitizens.” *Inside Higher Ed | Higher Education News, Events and Jobs*, 24 Nov. 2025, [www.insidehighered.com/news/government/politics-elections/2025/11/24/doj-sues-california-over-state-tuition-noncitizens](http://www.insidehighered.com/news/government/politics-elections/2025/11/24/doj-sues-california-over-state-tuition-noncitizens).

<sup>14</sup> Spitalniak, Laura. 2025. “DOJ Sues Illinois over In-State Tuition for Undocumented Students.” Higher Ed Dive. September 3, 2025. <https://www.highereddive.com/news/doj-sues-illinois-state-tuition-undocumented-students-lawsuit-bondi-Pritzker/759138/>.

<sup>15</sup> Spitalniak, Laura. 2025. “DOJ Sues Minnesota over In-State Tuition for Undocumented Students.” Higher Ed Dive. June 26, 2025. <https://www.highereddive.com/news/doj-sues-minnesota-over-in-state-tuition-for-undocumented-students/751777/>.

<sup>16</sup> Vega, Blanca Elizabeth, “Burdened and Fatigued: The Hidden Costs of Supporting Undocumented Students in Postsecondary Contexts.” *Frontiers in Public Health* 13, (2025): Article 1644643. <https://pmc.ncbi.nlm.nih.gov/articles/PMC12500578/>.

<sup>17</sup> Ibid.

<sup>18</sup> “Halting of Texas’ In-State Tuition for Undocumented Students:Explainer,” National Immigration Forum, accessed November 6, 2025, <https://forumtogether.org/article/blocking-of-texas-in-state-tuition-for-undocumented-students-explainer/>.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Jessica Priest, “Confusion Reigns as Texas Colleges Scramble to Comply with Ban on In-State Tuition for Undocumented Students,” *The Texas Tribune*, August 19, 2025, <https://www.texastribune.org/2025/08/19/texas-colleges-undocumented-immigrants-tuition-ruling/>

<sup>23</sup> CNN, “New York Passes Their Own ‘DREAM Act’,” January 23, 2019, <https://www.cnn.com/2019/01/23/politics/new-york-dream-act>.

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<sup>24</sup> Ibid.

<sup>25</sup> New York City Mayor's Office of Immigrant Affairs, *Fact Sheet: The Impact of the New York State DREAM Act in New York City*, October 2019, <https://www.nyc.gov/assets/immigrants/downloads/pdf/NYS-Dream-Act-Fact-Sheet-2019.pdf>.

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

<sup>28</sup> “New Incentive for States to Adopt the ACA Medicaid Expansion: Implications for State Spending,” Kaiser Family Foundation, accessed March 17, 2021 <https://www.kff.org/medicaid/new-incentive-for-states-to-adopt-the-aca-medicaid-expansion-implications-for-state-spending/>