

New Estimates of Unauthorized Youth Eligible for Legal Status under the DREAM Act¹

This backgrounder discusses the major features of the DREAM Act and provides MPI's estimates of the number of young unauthorized persons likely to be eligible for immigration relief if the DREAM Act were to become law.

Highlights

The DREAM Act, incorporated into the Comprehensive Immigration Reform Act of 2006 (S.2611), offers unauthorized youth a path to *conditional legal status* if they arrived in the United States before age 16, have been in the country for five continuous years, and have graduated from high school or obtained a GED. Conditional legal residents who attend college or join the military within the six years of their conditional status will become eligible for *permanent legal status* in a "bargain" that is unprecedented in the history of US immigration policy because legal status has never before been conditioned on young adults' educational and military choices.

The law's enactment would *immediately* make 360,000 unauthorized high school graduates aged 18 to 24 eligible for conditional legal status. We estimate that of the 360,000 young people aged 18 to 24 immediately eligible for the conditional status under the DREAM Act; about 50,000 are currently enrolled in colleges and universities across the United States and thus are likely to be eligible for adjustment to permanent status. We also estimate that for a variety of reasons about 10 percent of conditional legal residents (or 31,000 persons) would not convert from conditional to permanent legal status. Thus, if the act is signed into law in 2006, about 279,000 unauthorized youth would be newly eligible persons for college enrollment or the US military.

We also estimate that about 715,000 unauthorized youth between ages 5 and 17 would become eligible for conditional and then permanent legal status under the proposed legislation sometime in the future.

With comprehensive immigration reform legislation deferred, the framers might consider expanding the number of pathways to permanent status to include such vocationally oriented programs as Job Corps, Department of Labor-certified apprenticeships, and

¹ In the Senate, the DREAM Act is known as the Development, Relief, and Education for Alien Minors Act (S. 2075). The DREAM Act is incorporated in the Comprehensive Immigration Reform Act of 2006 (S. 2611). In the House, it is called the American Dream Act (HR 5131) and it was introduced April 2006.

selected non-degree programs offered by proprietary post-secondary schools. These programs could help meet economic demands for non-college educated but technically trained labor.

DREAM Act in Brief

On May 25, 2006, the US Senate reached a bipartisan compromise on comprehensive immigration reform and passed a landmark immigration bill (S. 2611) that addresses the issues of the large and increasing presence of the unauthorized population, border security, worksite enforcement, and labor market demands for immigrant (skilled and unskilled) labor.

While the focus of debates over the bill and other “enforcement-only” proposals centered on unauthorized migrant workers, the fate of the unauthorized youth — who often have lived in the United States for years and have little or no connection to their countries of birth — gained less attention. The S.2611 bill, however, addresses this issue by incorporating the Development, Relief, and Education for Alien Minors Act (DREAM Act). The act would extend six-year conditional legal status to unauthorized youth who meet several criteria, including:

- Entry into the United States before age 16;
- Continuous presence in the United States for five years prior to the bill’s enactment;
- Receipt of a high school diploma or its equivalent (i.e., a GED); and
- Demonstrated good moral character.

Qualifying youth would be authorized to work in the United States, go to school, or join the military. If during the six-year period they graduate from a two-year college, complete at least two years of a four-year degree, or serve at least two years in the US military, the act’s beneficiaries would be able to adjust from conditional to permanent legal resident status. Otherwise, after six years their conditional status lapses.²

In short, the proposed legislation represents a powerful imperative for recipients of conditional status to either pursue a college education or join the military. It also provides a strong incentive for unauthorized children now in US schools to finish high school. And it may provide a strong incentive to recent unauthorized dropouts to complete their schooling or obtain a GED. Making legal status conditional on young adults’ educational and military choices has no precedent in US immigration policy.

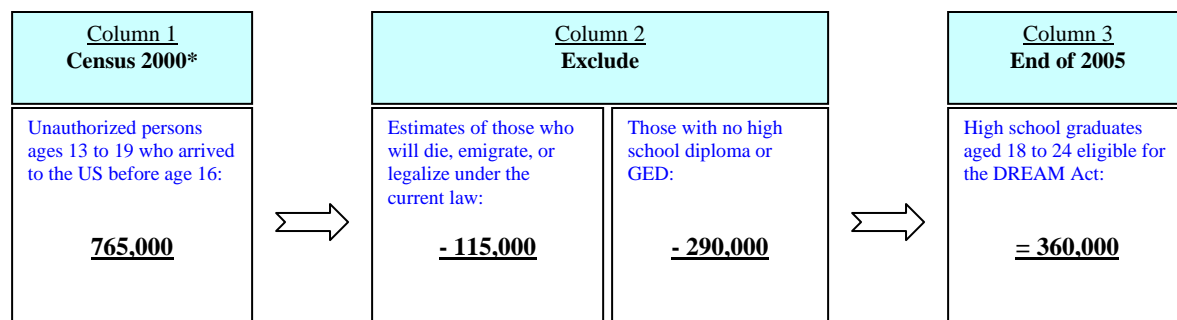
The Number of Unauthorized Youth Eligible for Conditional Legal Status under the DREAM Act

The inherent difficulty in estimating the size of the undocumented population, coupled with the fact that there is in some ways no precedent for the DREAM Act, makes the estimates we present in this backgrounder speculative. That said, the estimates should provide some parameters regarding the DREAM Act’s impacts on the number of immediate and eventual beneficiaries and, in turn, on post-secondary institutions and the military.

² The act stipulates that under certain circumstances the act’s beneficiaries in conditional legal status can obtain an extension of their conditional status beyond the six-year period or obtain an exceptional case waiver.

Figure 1 shows our estimates of the number of persons who would be immediately eligible for relief under the DREAM Act. Our focus is the eligible population between ages 18 and 24 as of the end of 2005. We focus on the 18-24 age group because it is the age group most likely to immediately qualify under the DREAM Act. Most youth under age 18 would not have graduated from high school or obtained an equivalent degree. Research suggests that most of those over 24 who have not already started college or joined the military do not do so. Latino high school graduates, and high school graduates in general, are substantially more likely to attend college before age 24 than afterward (Fry 2002); the ages of 18-24 also represent the target ages of military recruiting.

Figure 1. Estimates of the unauthorized population eligible for conditional status under the DREAM Act



* Estimates are based on the assumption that the act will be passed in 2006, therefore only persons present as of 2000 are included. If the act’s passage is delayed, the pool of potential beneficiaries will increase to include the additional persons who arrived five years prior to the act’s enactment. For this and other reasons, (e.g., an undercount of the unauthorized population in the 2000 Census data), we believe that our numbers may *underestimate* the pool of the DREAM Act applicants. For a brief overview of the estimations, see the Methodology section for more detail).

Column 3 of **Figure 1** shows the number of unauthorized youth aged 18-24 eligible for the DREAM Act after factoring in demographic estimates regarding those who will die, emigrate, or have not finish high school at the end of 2005.³ We estimate that about 360,000 young adults between ages 18 and 24 would be immediately eligible for conditional resident status under the DREAM Act.

It is also likely that a share of the 290,000 young people who currently do not have a high school degree or a GED diploma would also be eligible to apply for conditional resident status once they meet the law’s educational requirements. As a result, some of these young adults would have a new incentive to return to school and earn their high school or GED diploma.

³ The number also excludes those who we estimate would become lawful permanent residents (LPRs) under the current law even in the absence of the DREAM Act. These are unauthorized residents who are “known” to the US Citizenship and Immigration Services and have full legal statuses pending but are not yet fully legal (e.g., adjustment applicants waiting for their green cards to be issued, 245[i] beneficiaries, persons with, and applicants for, temporary protected status [TPS], Nicaraguan Adjustment and Central American Relief Act [NACARA] beneficiaries, asylum applicants, etc.).

In addition, there are about 715,000 unauthorized children between 5 and 17 years old who have yet to graduate from high school but who would be eligible for conditional and then permanent legal status under the act. It is difficult to predict how many would qualify. School completion rates have historically been extremely low among the potential eligible population, which is primarily composed of low-income Hispanics. According to the 2000 Census, only 40 percent of undocumented Hispanic males between ages 18 to 24 who arrived in the United States before age 16 had completed high school or obtained a GED. However, school completion rates might improve significantly given the incentives to graduate from high school that the DREAM Act provides.

The DREAM Act Beneficiaries: Going to College or Joining the US Military

If the DREAM Act becomes law, most 18-24 year olds who receive conditional status would either enroll in college or serve in the military. Some portion will be unable or choose not to go to college or join the military. Members of this group would eventually lose their legal status and be subject to deportation.

Figure 2 outlines the optional routes by which the estimated 360,000 conditional residents aged 18-24 would acquire permanent resident status under the DREAM Act. Again, given the lack of precedent for the DREAM Act and the unique mix of options and incentives the legislation provides, it is difficult to predict exactly how many people will fall within each group.

- **Currently in college:** To approximate the number of unauthorized students who would enroll in college even in the absence of the DREAM Act's passage, we obtained estimates of the number of apparently unauthorized students currently enrolled in colleges and universities in California and then extrapolated it to the nation as a whole. Some rough estimates suggest that about 1,620 students were enrolled in 2005 in the University of California and California State University system and took advantage of the tuition break provided by the California AB540 Act (California Senate Appropriations Committee 2006). The Act grants in-state tuition to certain non-residents, including unauthorized students. Extrapolating this number to the national level suggests that about 50,000 unauthorized students are currently enrolled in US colleges.⁴ This estimation technique is likely to overstate enrollment somewhat because only nine states in addition to California extend in-state tuition to unauthorized residents.⁵ These 10 states, however, together account for half of the nation's unauthorized population (see the Methodology section for more detail).
- **Youth who will choose college or the military:** The remaining 310,000 18-24 year olds, most of whom are currently in the civilian labor force, will need to graduate from a two-year college, complete at least two years of a four-year college program, or join the military to secure their permanent legal status. However, experience suggests that some will not succeed in becoming permanent residents. To approximate the share of the

⁴ The vast majority is in two-year colleges and as many as half are enrolled on a part-time basis.

⁵ These nine states are Texas, New York, Illinois, Washington, Utah, Kansas, Nebraska, New Mexico, and Oklahoma.

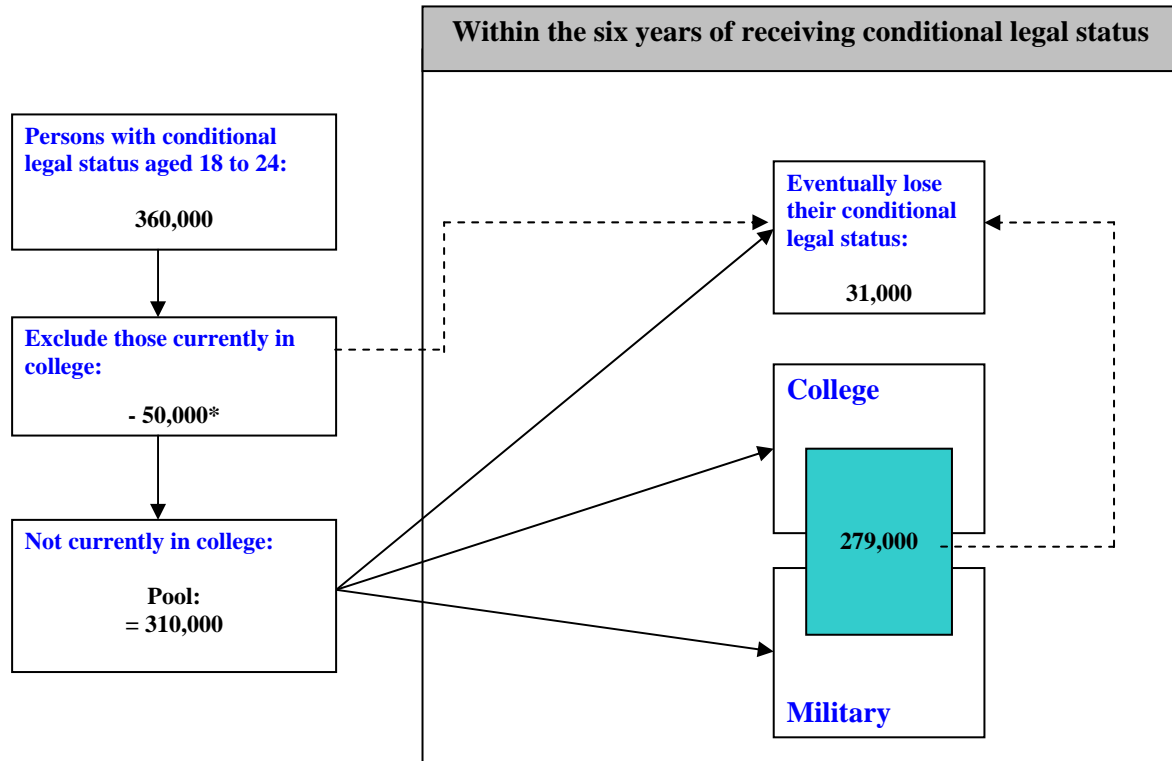
DREAM Act beneficiaries who would lose their conditional status and would not adjust to permanent resident status after six years, we used the percentage of the 1986 Immigration Reform and Control Act (IRCA) applicants who received temporary status but did not obtain permanent residency. Although the IRCA beneficiaries offer at best a rough approximation given the differing characteristics of the two legalization programs, their experience nevertheless provides a useful point of comparison. Thus, we assume that at least 10 percent of those receiving conditional status under the DREAM Act would not adjust to permanent residency.⁶ This measure of individuals who would not convert from conditional to permanent status may well be low. According to the National Center for Education Statistics, 64 percent of Hispanic high school graduates enrolling in community college leave without receiving a degree or certificate (Fry 2004).

Figure 2 shows that of the pool of 310,000 young persons available for college or military recruitment, about 279,000 would likely to meet the necessary requirements to adjust to permanent legal status. However, we cannot predict with certainty how many of these youth would choose college over the military as each of the options offers its unique incentives, including:

- College attendance: If the DREAM Act were enacted, it is possible that many of the 279,000 who qualify for the conditional status would choose college attendance over the military option. In addition to the very significant immigration benefits they would receive under the DREAM Act as a reward for going to college, many of the act's beneficiaries would also find college more affordable than they do now, as the DREAM Act would make them eligible for in-state tuition and some student loans (though they would remain ineligible for Pell grants, which provide financial assistance to low-income US-born undergraduate students).
- The military: A significant share of the 279,000 DREAM Act's beneficiaries may join the military as it offers college tuition and job training benefits, as well as for patriotic reasons. A 2004 survey of youth found that 45 percent of Hispanic males and 31 percent of Hispanic females between 16 and 21 years old reported that they were "very likely" or "likely" to serve on active duty in the next few years (compared to 24 percent of white males and only 10 percent of white females) (Asch, et al. 2005: 5). There are also special benefits available to non-citizen military recruits, such as expedited citizenship and special immigration preferences to military members' immediate families (Hattiangadi et al., 2005).

⁶ About 12 percent of the ICRA applicants who applied under the general legalization program and who had been in continuous residence in the United States since 1982 have not eventually obtained permanent legal residence (Cooper and O'Neil 2005).

Figure 2. Estimates of outcomes for DREAM Act beneficiaries after receiving conditional status



* To estimate the number of unauthorized students who would enroll in college even in the absence of the DREAM Act’s passage, we obtained rough estimates of the number currently enrolled in California colleges and universities and then extrapolated that number to the nation as a whole.

Expanded options. Finally, we should note that the economy’s continuing demand for non-college educated but technically trained workers, coupled with the historically low college-going rate for the population that stands to benefit from the DREAM Act, suggest that a wider range of vocational education-related paths to permanent status be made available. These could include the Job Corps, completion of a DOL-approved apprenticeship program or completion of selected non-degree programs offered by proprietary schools.

Methodology for estimating the number of unauthorized young persons eligible for conditional legal status under the DREAM Act as of the end of 2005

Below we briefly describe our assumptions behind our estimates of the unauthorized population eligible for the DREAM Act.

1. *Initial population size:* In our initial population, we included persons who were unauthorized as of Census 2000, between ages 0 and 19, and who entered the United States before age 16. Data are from the PUMS 5% 2000 Census file with imputations of legal status made by the Urban Institute.

2. *Demographic factors affecting the initial population between 2000 and 2005:* To estimate the population at the end of 2005, we subtracted the number of those who will die or emigrate between 2000 and 2005. We used the death rates by single year of age and by sex from the National Center for Health Statistics. To approximate the number of undocumented young persons who might have left the United States (voluntarily or due to being deported), we used the annual emigration rate of the foreign-born population with unauthorized status (2.06 percent) from Van Hook et al. (2006).

3. *Number of unauthorized who might become LPRs under the current legislation:* We also account for the number of unauthorized young persons who might legalize their status under the current immigration law even in the absence of the DREAM Act. These are unauthorized residents who are “known” to the US Citizenship and Immigration Services and have full legal statuses pending but are not yet fully legal (e.g., adjustment applicants waiting for their green cards to be issued, 245[i] beneficiaries, persons with, and applicants for, temporary protected status [TPS], Nicaraguan Adjustment and Central American Relief Act [NACARA] beneficiaries, asylum applicants, etc.). According to a recent Congressional Budget Office report (2006) regarding the costs associated with S. 2611, it is estimated that about one million of the current 11 million undocumented migrants (or 9 percent) would not be affected by the legalization provision under the bill because they would be able to adjust to permanent legal status under current law before year 2015 (the report draws on Passel 2006 estimations). We assumed that about 0.6 percent of current unauthorized young persons would be able to annually adjust their status even in the absence of the DREAM Act.

4. *Number of high school graduates:* The DREAM Act stipulates that only high school graduates (or those with a high school degree equivalent) will be eligible for conditional status. According to the 2000 Census, 40 percent of undocumented Hispanic men aged 18 to 24 who arrived in the United States before age 16 were high school graduates. The share of high school completers was higher among other groups of unauthorized young adults: 49 percent among Hispanic women, 84 percent among non-Hispanic men, and 89 percent among non-Hispanic women. We applied these rates of high school completion to estimate the population of high school completers by Hispanic origin and gender.

5. *Number of young unauthorized persons eligible for the DREAM Act as of 2005:* We subtracted those who died, emigrated, potentially legalized, or did not finish high school from our initial

population to obtain the number of unauthorized persons who would qualify for the conditional legal status under the DREAM Act.

We base our estimates on the assumption that the act will be passed in 2006; therefore only persons present as of 2000 are included. If the act's passage is delayed, the pool of potential beneficiaries will increase to include the additional persons who arrived five years prior to the act's enactment. For this and other reasons (e.g., an undercount of unauthorized population in 2000 Census), we believe that our numbers may *underestimate* the pool of the DREAM Act applicants.

6. Estimates of the undocumented young people who are likely to be enrolled in college as of 2005

To estimate the number of unauthorized students who are enrolled in college even in the absence of the DREAM Act's passage, we obtained rough estimates of the number currently enrolled in colleges and universities in California and then extrapolated that number to the nation as a whole. Some rough estimates suggest that about 1,620 students were enrolled in 2005 in the University of California and California State University system and take advantage of the tuition break provided by the California AB540 Act. The act grants in-state tuition to certain non-residents, including unauthorized students. In addition, about 18,000 students enrolled either full- or part-time in California community colleges qualified for in-state tuition under the same act (California Senate Appropriations Committee 2006). We assume that all 20,000 AB540-eligible students enrolled in California colleges and universities are unauthorized. Passel (2003) estimates that California accounts for about 40 percent of all undocumented students. Extrapolating California data to the national level thus gives us an estimate of about 50,000 unauthorized students who are enrolled in public colleges and universities. The 50,000 figure is a high-bound number since only nine states have legislation similar to the California AB540 Act. Moreover, not all students eligible for a tuition break under these laws are unauthorized.

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