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Fiscal Policy Institute releases DREAM Act calculations

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The Fiscal Policy Institute released a financial assessment of the New York state DREAM Act at the New York Immigration Coalition's lobbying day in Albany on Wednesday. The controversial bill would allow undocumented students -- many of whom were brought to the United States illegally by their parents, but at no fault of their own -- to apply for financial aid for college.

According to the report "the legislation would be fiscally and economically a sound investment for New York" saying the DREAM Act would cost about \$17 million per year, which is 2 percent of what the state pays in total Tuition Assistance Program funding.

The report also indicates that investment in higher education provides a "very strong return on investment," concluding students who obtain a two-year degree earn \$10,000 more per year than those without one, which adds an additional \$1,000 per year in state and local tax revenue. Students who earn a bachelor's degree earn an additional \$25,000 more per year which would add an additional \$3,900 per year to local and state tax revenue.

According to Fiscal Policy Institute calculations, if the DREAM Act were financed through state income taxes, the program would cost a taxpayer with an adjusted gross income between \$45,000 and \$49,000 per year 87 cents annually - "less than the price of a donut"- according to the report.

The report also notes that the national Deferred Action for Childhood Arrivals policy means undocumented immigrants of college age will be eligible to live and work in the state for renewable two year periods, and rather than keeping them in jobs paying them minimum wage, and often less, the state should assist these potential students so they are able to generate higher income, which would lead to the higher tax revenues for New York.



The Fiscal Policy Institute predicts the state would benefit financially if it adopts a program for undocumented immigrants to receive tuition assistance for college.