



HF 2320 – In-State Tuition, Illegal Aliens (LSB5649HV)

Staff Contact: Michael Peters (515.281.6934) michael.peters@legis.iowa.gov

Fiscal Note Version – New

Description

[House File 2320](#) requires the Board of Regents and the board of directors of a community college to adopt administrative rules to prohibit a Regents institution or community college from classifying a student as a resident of this State for purposes of tuition and fees unless the student provides proof of United States citizenship or proof that the individual is lawfully present in the United States.

Background

Iowa Community Colleges Background

Requirements for proof of Iowa residency are established for community colleges by the Iowa Department of Education. Residency status cannot be reclassified after the semester begins. If a student seeks to be reclassified after the term begins, the new classification will be effective at the start of the next term of enrollment. Iowa Code section [260C.14\(14\)](#), establishes the resident and nonresident statuses for determining the tuition rate per semester. **Figure 1** breaks down the community college enrollment by resident status using data from the Iowa Community Colleges Fall 2023 Enrollment Report, which can be found [here](#).

Figure 1 — Fall 2023 Community College Enrollments by Residence Status

Community College	Total Enrollment	Resident	Out-of-State	International	Joint Enrollment
Northeast Iowa	5,511	5,136	372	3	2,873
North Iowa Area	3,210	2,957	209	44	1,390
Iowa Lakes	2,749	2,168	507	74	1,177
Northwest Iowa	2,754	2,383	324	47	1,205
Iowa Central	6,232	5,370	751	111	2,412
Iowa Valley	2,988	2,569	315	104	1,364
Hawkeye	6,690	6,524	137	29	3,110
Eastern Iowa	12,288	9,769	2,508	11	5,321
Kirkwood	16,775	15,571	1,048	156	5,620
Des Moines Area	33,308	32,006	1,191	111	15,528
Western Iowa Tech	7,200	6,314	807	79	3,354
Iowa Western	8,210	5,530	2,563	117	2,615
Southwestern	1,943	1,799	110	34	920
Indian Hills	4,274	3,836	321	117	1,949
Southeastern	3,332	2,714	485	133	1,244
Total	117,464	104,646	11,648	1,170	50,082

The community colleges reported 117,464 total students enrolled in Fall 2023. Of that total, 50,082 high school students were taking classes through joint enrollment, which accounted for 42.6% of all enrollment. Of all students enrolled, 89.1% were classified as residents of Iowa, 9.9% were out-of-state students, and 1.0% were international students.

The community colleges each have a process currently in place for resolving residency or citizenship on a case-by-case basis. U.S. citizens are required to complete a residency status form and submit one of the following to verify citizenship status:

- Iowa driver's license.
- Iowa vehicle registration form.
- Iowa State income tax return, signed and dated.
- Iowa voter registration card.
- Proof of Iowa homestead credit on property taxes.
- Written and notarized documentation from an employer certifying that the person has been employed in Iowa for a minimum of 90 days.

Non-U.S. citizens, lawful permanent residents, and approved refugees may provide proof of legal immigration status through a U.S. permanent resident card. Appeals of residency or legal resident status can be submitted to the institution's admission's office. International students who are in the United States on any type of student visa cannot establish in-state residency.

Iowa Board of Regents Background

The undergraduate admission cycle begins in August and ends in May. Transfer students may be admitted for the fall or spring semester. Most graduate and professional students begin in the fall semester, although there are exceptions. Therefore, the verification process is ongoing throughout the calendar year. Iowa Code section [262.9\(17\)](#) establishes the resident and nonresident statuses for determining the tuition rate per semester. **Figure 2** breaks down the three Regents universities enrollments by resident status using data from the Iowa Board of Regents Fall 2023 Enrollment Report, which can be found [here](#).

Figure 2 —Fall 2023 Regents University Enrollments by Residence Status

	<u>Total Enrollment</u>	<u>New, First-Year</u>	<u>Residents</u>	<u>Out-of-State</u>	<u>International</u>	<u>Iowa Community College Transfer</u>
University of Iowa	30,042	5,064	16,885	11,653	1,504	595
Iowa State University	30,177	5,859	16,297	11,161	2,719	752
University of Northern Iowa	9,021	1,552	8,118	728	175	625
Total	69,240	12,475	41,300	23,542	4,398	1,972

Resident status for purposes of tuition classification is generally determined under the following circumstances:

- The student has graduated from an Iowa high school.
- The student has financially responsible parents or guardians residing in Iowa.
- The student is claimed annually as tax dependent on an Iowa income tax return that is classified as resident.
- The student has resided in Iowa for no less than 90 days prior to the start of the first day of a semester in which the student will be attending.

The Iowa Administrative Code establishes that an individual who comes to Iowa for educational purposes is to be classified as a nonresident. If a school determines an individual is a nonresident, the burden of establishing that the individual is an Iowa resident is upon the individual.

The Regents universities each have a process currently in place for resolving residency or citizenship on a case-by-case basis. If citizenship status cannot be confirmed through the Social Security Administration, students may be asked to provide one of the following documents in person to the Office of Student Financial Aid (OSFA):

- U.S. birth certificate.
- U.S. passport.

- U.S. passport card.
- Certificate of Naturalization.
- Certificate of Birth Abroad.
- Certificate of Citizenship.

Legal noncitizen status can be confirmed when a student submits the student’s Alien Registration Number. If United States Citizenship and Immigration Services (USCIS) of the U.S. Department of Homeland Security cannot confirm a student’s legal status, the following documents can be submitted to the OSFA:

- Permanent Resident Card (I-551) or Resident Alien Card (Form I-551).
- Arrival/Departure Record (CBP Form I-94) or Departure Record (Form I-94 or I-94A).
- Machine Readable Immigrant Visa (MRIV).
- Approval Notice from the USCIS (Form 1-797).
- Permanent Resident reentry permit (Form I-327) or Refugee Travel Document (Form I-571).
- Victims of Human Trafficking document (Form I-94) or a self-certification or eligibility letter from the U.S. Department of Health and Human Services.

Assumptions

- Each new student will be required to provide proof of United States citizenship or that the individual is lawfully present in the United States one time during the student’s enrollment at an institution of higher education.
- All currently enrolled students will need to provide verification upon enactment of this Bill and prior to the start of the next semester (Fall 2024).
- The Regents universities and the community colleges estimate each institution will require 100 hours of information technology (IT) development time at \$95 per hour.

Fiscal Impact

Both the Regents universities and the community colleges will require the development of an application to assist with the verification process. The fiscal impact of HF 2320 is estimated to be \$171,000 in one-time IT development costs. The cost per institution is estimated at \$10,000, or \$29,000 across all three universities and \$143,000 across all 15 community colleges. Existing staff will handle any additional duties for implementing and managing the process in future years.

Sources

Board of Regents
Iowa Association of Community College Trustees

/s/ Jennifer Acton

March 7, 2024

Doc ID 1446390

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.