

Familias Inmigrantes y Estudiantes en la Lucha

"For families and their education."

Information Sheet for In-State Tuition in Texas

1. What is HB 1403?

a. The Texas Dream Act, officially known as House Bill 1403, is a 2001 state law that allows certain undocumented students to qualify for in-state tuition and state financial aid at public colleges and universities in Texas. To be eligible, students must have lived in Texas for at least three years before graduating from a Texas high school, graduated or received a GED in Texas, and signed an affidavit stating their intent to apply for legal status as soon as they are eligible. As the first law of its kind in the United States, the Texas Dream Act was a landmark piece of legislation aimed at expanding access to higher education for immigrant youth who were raised and educated in Texas, regardless of their immigration status.

2. What happened in the Texas Congress this year?

 Earlier in 2025, the Texas legislature considered Senate Bill 1798, which aimed to repeal HB 1403 and impose consequences for misclassified students. That bill passed committee but never reached the House floor and ultimately stalled

3. What happened on June 4th, 2025?

- a. On June 4, 2025, the U.S. Department of Justice (DOJ) filed suit in the Northern District of Texas, Wichita Falls division, challenging the constitutionality of HB 1403, claiming it violated the Supremacy Clause by allowing undocumented students to receive benefits not available to U.S. citizens from other states.
- b. That same day, **Texas Attorney General Ken Paxton** joined the DOJ, filing a joint motion requesting the court to **permanently block the law**, rather than defending it.
- c. U.S. District Judge Reed O'Connor quickly granted the request, issuing a one-page order permanently enjoining enforcement of the law as it applied to undocumented individuals not lawfully present in the U.S.

4. Why is this impactful or important?

- a. The ruling **immediately affects approximately 57,000 undocumented students** currently in Texas higher education who benefitted from in-state tuition as residents.
- b. It also affects around **197,000 students under age 18** who are on track to graduate from Texas high schools and would have been eligible.
- c. **DACA recipients**, TPS holders, and other individuals considered "lawfully present" are **not affected** by the injunction—those students **MAY** still be eligible under the state's

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- requirement. However, such students comprise a **small portion** of undocumented enrollees.
- d. **Cost increase**: Out-of-state tuition is roughly **3–4× higher** than in-state tuition. For example, UT-Austin charges about \$10,800/year for residents versus \$40,500 for nonresidents—placing affordability out of reach for many undocumented students.
- e. **Economic impact**: Studies estimate rescinding in-state tuition rights for undocumented students could cost **Texas over \$460 million per year** in lost economic output and tax revenue.
- f. Rather than pursuing repeal through legislators, the state agreed to the federal lawsuit as a workaround. Critics argue this **bypassed democratic process**, undermining legislative intent and public support for HB 1403.

5. Where are we now?

- a. **FIEL Houston**, along with other advocates are looking for ways or avenues around this lawsuit so that our students can still maybe receive in-state tuition or at least be able to pay the higher cost of education.
- b. Most institutions that we have talked to are completely confused and do not understand the difference between "Legal Status" and "Legal Presence". Legal Status refers to being either a Legal Permanent Resident (LPR or Green Card Holder) or being a U.S. Citizen (at birth or naturalized). Legal Presence is someone who even though may not be an LPR or U.S. Citizen, is still authorized to be here such as: DACA Recipients, TPS Holders and some Asylum Seekers. The issue is that many schools are asking for "Proof of Legal Status" and the problem is that it can alienate those with DACA or that have "Legal Presence" but not "Legal Status. The lawsuit languages only refers to legal presence, not legal status.
- c. Most schools are asking for proof of legal status through holds on their accounts, we are noticing that they are flagging students who have previously submitted an "Affidavit of Intent to Become a Permanent Resident". We are told by students that the school will remove the hold if they can prove legal status.
- d. They have also altered **The Affidavit** to state they swear that they can prove that they are here lawfully.

e. Section 54.009 of the Texas Education Code States:

i. Sec. 54.009. INCREASE IN TUITION RATE OR FEES. "An institution of higher education that sets the tuition rates and fees for a semester or summer term and permits a student to register for that semester or summer term may not increase the tuition rate or fees charged that student for that semester or summer term after the student registers regardless of whether that student has paid the tuition and fees for that semester or summer term."

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Added by Acts 1997, 75th Leg., ch. 711, Sec. 1, eff. Sept. 1, 1997.

But schools are telling students that this **DOES NOT** apply to them because their residency status changes. So thus **THEY CAN** raise their tuition even though some have been enrolled since as early as March, 2025.

6. What does FIEL Recommend?

- a. **IF YOU ARE A DACA HOLDER or HAVE TPS or HAVE A WAY TO PROVE LAWFUL PRESENCE,** You should **PAY INSTATE TUITION!!!** They will ask you to fill out and notarized the new affidavit but should not charge you out of state tuition!
- b. IF YOU DO NOT HAVE A WAY TO PROVE LAWFUL PRESENSE, you may have to pay out of state tuition BUT we still encourage you to ask the school if there is anything else that can be done and if they offer more financial support to be able to cover the new cost of your tuition. If that is not an option, we recommend to maybe either lower you credit hours to something either more affordable or transfer to a community college where it could potentially be more monetary accessible for the time being.
- c. JOIN FIEL

7. Call to Action

- a. IF YOU ARE A STUDENT THAT IS AFFECTED BY THIS PLEASE REACH OUT. EITHER THROUGH EMAIL AT <u>ABESPINOSA@FIELHOUSTON.ORG</u> or via phone at 832.526.2479 or you can call the OFFICE at 713.364.3435.
- b. We need to organize as many students as we can so that we can enact systemic change and bring back the TEXAS Dream Act as it was prior to June 2025!
- c. We are also working on ways to legally challenge the state and or the universities so that they do not wrongfully categorize anyone that may qualify for In-State tuition. So we need you to step up and speak out!

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