

Prepared Statement

of

The Honorable Arne Duncan

Secretary United States Department of Education

Before the

Senate Judiciary Committee

Subcommittee on Immigration, Refugees and Border Security

On the

DREAM Act

June 28, 2011

Mr. Chairman, distinguished members of the Committee, I am pleased to be here today to discuss the Development, Relief, and Education for Alien Minors (DREAM) Act.

Thank you for the opportunity to appear before you at the first-ever Senate hearing on S. 952, or the “DREAM Act.” The Obama Administration strongly supports the DREAM Act. As the Subcommittee knows well, historically, the DREAM Act has been bipartisan legislation, and my hope is that Congress will work together again on this bill. Today, I will address the Department of Education’s support for this legislation and its importance for our country’s global competitiveness.

At the start of his term, President Obama established a bold goal for our nation: by 2020 the United States will again be the country with the highest proportion of college graduates. Both he and I believe that meeting this benchmark is crucial for the future success of our nation as it is a strategy for competitiveness, growth, and shared prosperity that is deeply rooted in the economic well-being of our country.

Boosting national education attainment has very real benefits. Multiple studies have shown a causal link between increases in educational attainment and economic growth.¹ And other studies have shown that increases in *high-quality* education can boost the annual Gross Domestic Product growth rate by more than 1 percentage point—equivalent to the growth gains from technological innovation.²

For individuals, earning a higher education credential provides substantial benefits. The unemployment rate for individuals holding a bachelor’s degree or higher is just 4.5 percent, about half the rate for high school graduates and less than one-third the rate for high school dropouts.³ Data from the Bureau of Labor Statistics (BLS) shows that the median weekly wage of bachelor’s degree holders is 83 percent higher than that of high school graduates who never attended college.⁴ This difference is growing over time. BLS data show that high school graduates in 1979 earned about 72 cents for every dollar that bachelor’s degree holders did; today they earn just 55 cents.⁵ In fact, the disparity today between weekly earnings for bachelor’s degree holders and high school graduates is greater than both the gender and racial pay gaps.⁶

And, of course, education has important civic benefits, helping students broaden their horizons and engage in their communities and our democracy.

¹ See for example

http://edpro.stanford.edu/hanushek/admin/pages/files/uploads/hanushek_woessmann%20%2020010%20international%20encyclopedia.pdf or <http://www.krueger.princeton.edu/krueger.pdf>.

² <http://edpro.stanford.edu/hanushek/admin/pages/files/uploads/growth.aer.dec2000.pdf>

³ <http://www.bls.gov/web/empsit/cpseea05.htm>

⁴ <http://stats.bls.gov/webapps/legacy/cpswktab5.htm>

⁵ Bureau of Labor Statistics data provided by the U.S. Department of Labor.

⁶ U.S. Department of Education analysis of Bureau of Labor Statistics data available at <http://www.bls.gov/news.release/wkyeng.t05.htm>.

In short, higher education provides significant societal and individual benefits for our country—it is an economic growth engine and a ticket to a middle-class lifestyle. The path to prosperity through higher education is particularly important to our American belief in equality of opportunity—the notion that anyone, regardless of their background or who their parents are, can thrive through hard work and ability.

That is why I am troubled to see the doors of higher education closed every year to thousands of students who were brought to this country as children, call America their home, and want to contribute to their country's well-being by pursuing higher education. These students were brought to America by their parents. Regardless of their academic abilities, they cannot access the same postsecondary opportunities as the peers they grew up with. They suffer the consequences of decisions their parents made before many of them could even walk or talk.

The DREAM Act would give them an opportunity to earn their legal status after a rigorous and lengthy process for those individuals whose parents brought them to this country when they were children.

The DREAM Act would cover those who meet a number of standards that demonstrate academic achievement and personal integrity. To qualify, individuals would need to prove that they came to this country at the age of 15 or younger, are 35 or younger at the time of enactment, and have been physically present here for a continuous period of at least 5 years before the date of enactment of the DREAM Act. They would also have to be admitted to an institution of higher education, or have obtained a high school degree or its equivalent, have demonstrated good moral character since their initial entry into the United States, and pass a rigorous background check to show that they are not a security threat and have not committed any crimes that either would make them inadmissible to this country or resulted in imprisonment or potential imprisonment that exceeds certain amounts of time. These are demanding standards.

Youth who fulfill these requirements would receive a conditional lawful permanent resident status for six years. The DREAM Act would give students a chance to earn unconditional lawful permanent resident status if they complete two years of higher education in good standing. They would need to pass additional background checks and demonstrate good moral character for the entire period of their conditional lawful permanent resident status. Only after meeting all of these requirements could they obtain lawful permanent resident status without conditions and be able to apply for citizenship; those who come up short along the way would be disqualified and could be subject to deportation.

It is important to dispel several misconceptions about the DREAM Act. First, the bill is not amnesty. The benchmarks that individuals would be required to meet to obtain conditional lawful permanent resident status are quite high. In fact, research

by the Migration Policy Institute suggests that the most promising individuals—those of the highest caliber—will be able to fulfill the DREAM Act requirements.⁷

Second, DREAM Act participation will not affect the availability of federal student loans or Pell Grants for citizens. Individuals who are in conditional lawful permanent resident status would be eligible to receive federal student loans, which they cannot access currently. Those loan funds are guaranteed by statute to be available for all students and do not score as a cost to the government. Students benefiting from the DREAM Act would not be eligible for Pell Grants and would not increase the shortfall we are currently facing in that program.

Students covered by the DREAM Act could also receive two other forms of federal student aid: Perkins Loans and Federal Work-Study Assistance. Both of these programs provide assistance at the school's discretion and the latter requires students to work or engage in community service activities.

Third, the DREAM Act will not encourage new undocumented immigration. The opportunities it would provide are not prospective or unlimited. Only young people who were already here for five years before the legislation is enacted into law would be eligible for lawful permanent resident status, and the period in which they could apply for adjustment under the DREAM Act is limited. Those who arrive after that time would not be eligible.

The DREAM Act is a common-sense piece of legislation that is in keeping with core American values. It goes against our basic sense of fairness to shut the educational door to young people because of the choices of their parents. We cannot let these individuals continue to live unfulfilled lives of fear and squandered hopes. We must rise above the heated political rhetoric and embrace this common-sense approach. And we need to do it now before we lose this generation.

Though I feel very passionately about the need to pass the DREAM Act because of the opportunities it provides promising young people and the message it sends about the value of hard work, this legislation is also crucial for meeting our national goals and future workforce needs.

Opening the doors of higher education to more talented youth will generate substantial additional income, and by extension, tax revenue. According to a 2010 study from the University of California, Los Angeles, the total number of students who would benefit from the DREAM Act could generate between \$1.4 and \$3.6 trillion dollars over their working lifetimes.⁸ Taxes paid on those earnings could result in hundreds of billions of dollars in additional tax revenue.

The President has set a 2020 goal to increase the proportion of adults who are college graduates by more than 50 percent. That's an estimated 8 million more

⁷ <http://www.migrationpolicy.org/pubs/DREAM-Insight-July2010.pdf>

⁸ <http://www.immigrationpolicy.org/sites/default/files/docs/No%20DREAMers%20Left%20Behind.pdf>

degrees beyond the additional 2 million due to growth in the college-going population. Passing the DREAM Act would improve access to institutions of higher education, which is good for students, and our nation, and will allow us to meet these important goals.

We also need more college graduates to maintain and grow our workforce. Georgetown University's Center on Education and the Workforce estimates that by 2018 we will be 3 million college graduates short of what the market demands, with the greatest shortfall occurring in high-need fields such as Science, Technology, Engineering and Mathematics (STEM).⁹ Given that employers already talk about a shortage of skilled workers, failing to produce enough graduates will significantly impair our country's ability to function in the 21st century economy. This is not a matter of one group taking jobs and degrees from another; to stay globally competitive we need more individuals across the country to enroll in and graduate from college.

Students served by the DREAM Act would also help us fill our significant shortages in STEM jobs and other high-demand fields. It is estimated that we will have 1.2 million new job openings in STEM fields by 2018 on top of the 1.6 million existing positions that will become open during this timeframe.¹⁰ And the President has called for 100,000 more STEM teachers over the next decade. But, historically, the number of science and engineering jobs has grown at a faster rate than the number of degrees we produce in those fields, with the difference only narrowing in the last few years. If we do not attract more individuals into these high-demand, high-skill fields, then we will not be able to meet our workforce demands. Having more students enter these high-demand fields as a result of the DREAM Act would put us one step closer toward filling these shortfalls.

Simply put, educating the individuals who would be eligible under the DREAM Act would benefit our country. Giving them access to an affordable postsecondary education will help these individuals reach their full potential and allow them to be a significant resource to our country. The students who will benefit from the DREAM Act were raised and educated in America. They have deep roots in America, the only home that many of them likely have ever known. They include volunteers who are committed to service in their neighborhoods. By gaining access to affordable postsecondary education, they will earn more, pay more taxes, and contribute to our country's well-being, all while exhibiting the values of hard work and perseverance that we encourage in all Americans.

Passing the DREAM Act will give promising young people an opportunity to achieve the American dream. And, in the process, we will sustain our economic competitiveness into the future. I strongly urge you to enact this solid, common-sense policy. Our nation will be better for it.

⁹ <http://cew.georgetown.edu/jobs2018/>

¹⁰ <http://cew.georgetown.edu/jobs2018/>

Thank you for your time and I will be happy to answer any questions.