

Date of Hearing: January 13, 2026

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 713 (Solache) – As Amended January 5, 2026

SUBJECT: Public postsecondary education: student employment

SUMMARY: Prohibits California public universities, beginning January 6, 2027, from disqualifying a student for employment due to their failure to provide proof of federal employment authorization. Specifically, **this bill**:

- 1) Prohibits the University of California (UC), the California State University (CSU), and the California Community Colleges (CCC) from disqualifying a student from being hired for an employment position due to their failure to provide proof of federal work authorization, except where:
 - a) Proof is required by federal law; and,
 - b) Proof is required as a condition of a grant that funds the particular employment position for which the student applied.
- 2) Specifies that, for the purposes of its provisions, the UC, CSU, and CCC must treat the prohibition on hiring undocumented noncitizens in the Immigration Reform and Control Act of 1986 (IRCA) as inapplicable because that provision does not apply to any branch of state government.
- 3) Specifies that, to the extent that any employment is considered a “benefit” for the purposes of federal law, the bill constitutes authorization by the state to provide that benefit to undocumented individuals pursuant to the exception in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).
- 4) Requires that the UC, CSU, and CCC implement its provisions by January 6, 2027.
- 5) Specifies that this bill applies to the UC, unless it is found to be inapplicable to the UC, in which case the bill shall apply only to the extent that the UC Regents make it applicable by an appropriate resolution.

EXISTING LAW:

- 1) Establishes the UC as a public trust to be administered by the Regents of the UC; and, grants the Regents full powers of organization and government, subject only to such legislative control as may be necessary to insure security of its funds, compliance with the terms of its endowments, statutory requirements around competitive bidding and contracts, sales of property and the purchase of materials, goods and services. (Article IX, Section (9)(a) of the California Constitution)
- 2) Confers upon the CSU Trustees the powers, duties, and functions with respect to the management, administration, control of the CSU system and provides that the Trustees are

responsible for the rule of government of their appointees and employees. (Education Code (EDC) Sections 66606 and 89500, et seq.)

- 3) Establishes the CCC under the administration of the Board of Governors of the CCC, as one of the segments of public postsecondary education in this state, and specifies that the CCC is comprised of community college districts. (EDC Section 70900)
- 4) Establishes the California Student Aid Commission (CSAC) for the purpose of administering specified student financial aid programs. (EDC Section 69510, et seq.)
- 5) Authorizes the Cal Grant Program, administered by the CSAC, to provide grants to financially needy students to attend college. The Cal Grant programs include both the entitlement and the competitive Cal Grant awards. The program consists of the Cal Grant A, Cal Grant B, and Cal Grant C programs, and eligibility is based upon financial need, grade point average, California residency, and other eligibility criteria, as specified in Education Code Section 69433.9. (EDC Sections 69430-69433.9)
- 6) Established AB 540 (Firebaugh, Chapter 814, Statutes of 2001), exempts California nonresident students, regardless of citizenship status, from paying nonresident tuition at California public colleges and universities who meet all of the following requirements:
 - a) Satisfied requirements of either (i) or (ii):
 - i) A total attendance of, or attainment of credits earned while in California equivalent to, three or more years of full-time attendance or attainment of credits at any of the following:
 - (1) California high schools;
 - (2) California high schools established by the State Board of Education;
 - (3) California adult schools established by any of the following entities:
 - (a) A county office of education;
 - (b) A unified school district or high school district; and,
 - (c) The Department of Corrections and Rehabilitation.
 - (4) Campuses of the CCC.
 - (5) A combination of those schools set forth in (1) to (4), inclusive.
 - ii) Three or more years of full-time high school coursework in California, and a total of three or more years of attendance in California elementary schools, California secondary schools, or combination of California elementary and secondary schools.
 - b) Satisfied any of the following:

- i) Graduation from a California high school or attainment of the equivalent;
 - ii) Attainment of an associate degree from a campus of the CCC; and/or,
 - iii) Fulfillment of the minimum transfer requirements established for UC or CSU for students transferring from a campus of the CCC.
- c) Stipulates that in the case of a person without lawful immigration status, the student must file an affidavit, as specified, stating that the student has filed an application to legalize the student's immigration status, or will file an application as soon as the student is eligible to do so. (EDC Section 68130.5)
- 7) Provides that a student who meets the nonresident tuition exemption AB 540 requirements or who meets equivalent requirements adopted by the UC is eligible to apply for any financial aid program administered by the state to the full extent permitted by federal law. (EDC Section 69508.5)
- 8) Requires CSAC to establish procedures and forms that enable students who meet the nonresident tuition exemption AB 540 requirements, or who meet equivalent requirements adopted by the UC Regents, to apply for, and participate in, all student financial aid programs administered by the State of California to the full extent permitted by federal law. (EDC Section 69508.5 (b))
- 9) Provides that a student attending a CCC, CSU, or UC who is exempt from paying nonresident tuition exemption AB 540 requirements is eligible to receive a scholarship derived from non-state funds received, for the purpose of scholarships, by the segment (i.e., CCC, CSU, or UC) at which the student is enrolled. (EDC Section 66021.7)
- 10) Establishes the DREAM Loan Program at UC and CSU campuses that elect to participate in the program. Under the program, an AB 540 student meeting specified requirements, including demonstrating financial need, may obtain a loan of up to \$4,000 per academic year, up to a maximum of \$20,000 as an undergraduate student. No more than \$20,000 as a graduate student. The repayment term for the loan is 10 years, and repayment commences following a six-month grace period beginning when the student graduates or ceases to maintain at least half-time enrollment. Eligibility for deferment or forbearance of loan repayments is consistent with the federal direct student loan program. (EDC Section 70033)

Federal law.

- 1) Makes it unlawful for a person or other entity to:
- a) Hire, recruit, or refer for a fee for employment in the United States an individual without authorization to work in the United States when the person or other entity knows the individual is not authorized to work in the United States; and,
 - b) Hire for employment in the United States an individual without complying with specified employment authorization verification processes, or if the person or other entity is an agricultural association or employer or farm labor contractor, to hire, or recruit or refer

for a fee an individual for employment without complying with specified employment authorization verification processes. (8 United States Code (U.S.C.) Section 1324a(a))

- 2) Establishes PRWORA and specifies that certain immigrants shall not be eligible for any state or local public benefit, except as provided:
 - a) Defines “state or local public benefit” to mean the following:
 - i) Any grant, contract, loan, professional license, or commercial license provided by an agency or state or local government or by appropriated funds of a State or local government; and
 - ii) Any retirement, welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of a State or local government or by appropriated funds of a State or local government.
 - b) Provides specified state or local public benefits that are exempt from the prohibition in (1). (8 U.S.C. Section 1621); and,
 - c) Specifies that a state may provide that undocumented immigrants who are not lawfully present in the United States are eligible for a state or local public benefit for which the individual would otherwise be ineligible under this Act only through the enactment of a state law after August 22, 1996, that affirmatively provides for that eligibility. (8 U.S.C. Section 1621(d)).

FISCAL EFFECT: Unknown.

COMMENTS: *Purpose.* According to the author, “California has a long-standing commitment to expanding access, affordability, equity, and student success in higher education. Since at least 2001, the Legislature has enacted multiple policies to support undocumented students, including eligibility for in-state tuition, access to state financial aid, loans, and grants. Despite these efforts, undocumented students continue to face significant financial and structural barriers that prevent them from fully accessing and completing higher education. One of the most significant barriers is the inability to access paid on-campus employment opportunities solely due to immigration status.”

“While California law has progressively expanded educational access and labor protections for undocumented individuals, it has not clearly authorized public higher education institutions to employ undocumented students. As a result, campus employment policies have been shaped by uncertainty and overly broad interpretations of the federal Immigration Reform and Control Act of 1986 (IRCA). This uncertainty has led UC, CSU, and CCC campuses to exclude undocumented students from employment opportunities despite being state entities and despite the absence of clear federal restrictions on state hiring decisions. This issue causes serious issues for undocumented students who may only be able to pursue unsafe employment (including under the table work).”

“State hiring is an area of traditional state control, and Congress must be ‘unmistakably clear’ when it intends to regulate state employment decisions. IRCA does not explicitly state that it governs a state’s own hiring practices when acting as an employer. Nevertheless, without explicit statutory direction, California’s higher education systems have continued to deny employment opportunities to undocumented students out of legal caution. Legislative action is therefore necessary to clarify state authority, ensure consistency across segments, and align campus employment practices with California’s broader higher education and equity policies.”

Background. The State has demonstrated a commitment to undocumented students by qualifying them for state aid programs that help make college more attainable. AB 540 (Firebaugh), Chapter 814, Statutes of 2001, and successor legislation has created a nonresident tuition exemption for certain students, including undocumented students, from paying nonresident tuition (higher than resident tuition) and/or allows them to apply and receive state aid at certain California public and private colleges. Since the enactment of AB 540, several legislative measures have modified or expanded eligibility for the exemption from nonresident tuition in order to better accommodate the diverse student population.

Existing employment challenges. On June 15, 2012, the U.S. Department of Homeland Security (DHS) announced that it would not deport certain undocumented youth who came to the United States as children. Under a directive from the DHS secretary, these youth may be granted a type of temporary permission to stay in the U.S. called "deferred action." This program became called Deferred Action for Childhood Arrivals (DACA).

In September of 2017, DACA was rescinded, a decision that placed millions of Californians at risk of losing their protection from deportation and work authorization that allowed them to be employed. Since the rescinding of the program several federal courts have provided rulings that have allowed current DACA recipients to continue to enroll in the program. These rulings have impacted current students, where multiple incoming classes have entered that are ineligible to receive DACA and work authorization. These students have limited access to career-relevant and sustainable work opportunities during college and after graduation. Additionally, many of these students do not qualify for critical social safety net programs like CalFresh.

Prior legislation and concerns. AB 713 (Solache) is essentially identical to AB 2586 (Alvarez, of 2024), with only the implementation date being revised. AB 2586 (Alvarez) was vetoed by the Governor, who wrote that “...this bill prohibits California public universities from disqualifying a student from employment due to their failure to provide proof of federal employment authorization. California has a proud history of being at the forefront of expanding opportunities for undocumented students who seek to realize their higher education dreams. Including immigrant students in opportunities to succeed through higher education is also important for local communities and California's economy”

“Since 2001, when the California DREAM Act (AB 540) was signed into law, the state has continually broadened access to financial aid opportunities and other supports for students who call California home, regardless of their immigration status. While I am proud of these efforts, I am unfortunately unable to sign this legislation at this time. Given the gravity of the potential consequences of this bill, which include potential criminal and civil liability for state employees, it is critical that the courts address the legality of such a policy and the novel legal theory behind this legislation before proceeding. Seeking declaratory relief in court - an option available to the University of California - would provide such clarity.”

California's higher education segments did not oppose AB 2586, but expressed concerns that included:

- 1) The exposure of undocumented students and their families to the possibility of criminal prosecution or deportation;
- 2) The possibility of employees involved in the hiring process like faculty, human resources, and legal professionals being subject to criminal or civil prosecution if they knowingly participate in practices deemed impermissible under federal law;
- 3) Civil fines, criminal penalties, or debarment from federal contracting if campuses were in violation of the Immigration Reform and Control Act (IRCA); and
- 4) The potential loss of billions of dollars in existing federal contracts and grants that are conditional on IRCA compliance.

UCLA legal analysis and UC Regents' actions. The UC has considered taking action on student employment for several years. As part of these efforts the UCLA Center for Immigration Law and Policy published a memorandum in September of 2022 analyzing whether the federal IRCA applies to States. In their memorandum it is asserted that "Nothing in 8 U.S.C. [Section] 1324a or anywhere else in IRCA comes close to meeting the U.S. Supreme Court's requirement of a clear statement that binds states. In stark contrast to IRCA, other federal statutes that do bind states mention them explicitly. These statutes include, among others, the Fair Labor Standards Act, the Family and Medical Leave Act, and the Age Discrimination in Employment Act."

"In short, when Congress passed IRCA, Congress did not curtail states' historic power to determine the employment qualifications of state employees. As a result, IRCA's prohibition on hiring undocumented persons does not bind state government entities. State entities can lawfully hire undocumented students irrespective of employment authorization status under federal law. And as the U.S. Supreme Court recognized long ago, California law provides definitively that the UC system is part of the State of California."

On May 18, 2023, the UC Regents adopted Regents Policy 4407, which stated that, in order to pursue the goal that all persons who are enrolled as UC students should have equal access to UC employment opportunities, the Chair of the Board of Regents would convene a Regents working group to work with the President of the UC to determine next steps.

On January 25, 2024, the UC Regents passed a motion on a 10-6 vote to suspend implementation of Regents Policy 4407 for one year, delaying the internal effort to create employment opportunities for students. In their letter of concern to the Committee, the UC wrote that "last year, a working group of the Regents of the [UC] studied this issue and sought a legal path forward. However, after receiving advice from both inside and outside legal counsel, we concluded that there were considerable risks for the University and the students we aim to support. This led the Regents to postpone further action until next year while we continue to examine ways to expand undocumented students' access to equitable educational experiences."

Recent California Supreme Court Decision. A recent court case, *Munoz v. The Regents of the University of California*, argued that the UC's current employment policy violated elements of

the California Fair Employment and Housing Act and specifically Section 11028 (f)(3) of Title 2 of the California Code of Regulations, which provides that it is “an unlawful practice for an employer or other covered entity to discriminate against an employee because of the employee’s or applicant’s immigration status, unless the employer has shown by clear and convincing evidence that it is required to do so in order to comply with federal immigration law.”

On November 4, 2025, the California Supreme Court upheld an August 5, 2025 ruling by the California Court of Appeal, First Appellate District, Division Four, that the UC policy violated California’s Fair Employment and Housing Act because it “facially discriminates based on immigration status and that, in light of applicable state law...the University abused its discretion when it relied on improper criteria in deciding to continue using its policy.” The UC was directed to reconsider of the policy “based on proper criteria.”

The opinion further states that said, “None of the authority cited by the University establishes . . . that an employer may engage in an ‘unlawful employment practice’—i.e., discriminate based on immigration status without a showing that such discrimination is required by federal law—based solely on concerns, however reasonable, that there may be significant consequences to adopting a contrary practice.”

Arguments in support. The UC Student Association wrote that “Currently, many students are not eligible for employment due to their immigration status, preventing them from filling vacancies on campuses and strengthening their professional experiences while enriching our public higher education institutions with diverse talent through student workers. We believe that this legislation is consistent with the state’s commitment to provide equitable access for students regardless of their background, in order to promote college affordability and career preparation for all students. However, undocumented students continue to be blocked from essential opportunities, with thousands of students in California unjustly barred from obtaining paid jobs on campus—including experiential jobs and paid opportunities needed for their degrees.”

They continued that “legal scholars have identified that the federal prohibition on hiring undocumented people (the Immigration Reform and Control Act of 1986 (IRCA) does not apply to state governments when they act as employers, such as California’s higher education systems, which means that the UC, CSU, and CCCs can authorize the hiring of undocumented students. Moreover, in August 2025, a California Court of Appeals unanimously ruled that the University of California’s policy denying educational employment opportunities to undocumented students is discriminatory, reaffirmed in October 2025 by the California Supreme Court, opening the door for California to pass AB 713 and remedy this discriminatory practice. Amidst ongoing federal attacks on our immigrant communities, California must remain steadfast in its commitment to advance dignity and justice for all Californians. By passing AB 713, California will continue to serve as a model.”

Immigrants Rising wrote in support, stating that “California invests in undocumented students’ right to a public K-12 education and their pursuit of postsecondary degrees, yet federal law bars those same graduates from meaningful employment. This gap produces a clear and unnecessary economic loss to California, turning years of public investment into reduced tax contributions, unrealized earnings, and limited innovation. Ensuring that undocumented students have equal access to campus jobs will also help California achieve equitable implementation of its Master Plan for Career Education, which aims to “prepare all learners for the workforce of tomorrow” by strengthening career pathways and prioritizing hands-on learning “so that all Californians can

navigate toward career-sustaining jobs.” A truly inclusive and strong economic California will require enabling individuals, regardless of immigration status, to fully participate in the workforce.”

Committee comments. California has continuously sought to increase equitable access to higher education with the hope of producing a more diverse workforce. While the provisions of the bill would expand job opportunities for undocumented collegiate students and potentially future workforce opportunities for undocumented graduates, a question remains as to the unintended consequences of employing undocumented students. The UC and CSU are currently being investigated by the Federal government, and – as noted in the background of the November 17, 2025 Assembly Higher Education Committee oversight hearing on the impact of the Federal Government on the future of higher education - both systems have disclosed employment records due to subpoenas. The question remains as to whether these students have more protections on campus as students or if being employed changes the level of protection an institution can provide if action is taken by the Federal government.

The Committee may wish to consider the legal exposure that becoming an employee may have to the student, and whether the students should be informed of the potential exposure that being an employee would create for federal intervention.

State statute encourages the establishment of Dream Resource Centers and requires that public higher education institutions designate an individual on campus who is knowledgeable in financial aid, social services, state-funded immigration legal services and other support services, to assist undocumented students. However, services on each campus vary and can range from having a designated center that is independent, sharing a space, and/or having a point of contact. This bill is silent on the issue of providing legal guidance to undocumented students. *Seemingly, support services are available to students, but if this is to be a precedent setting measure is it reasonable to place sole responsibility on students to actively seek them out prior to employment?*

Committee staff notes that it is unclear whether local community college districts can be considered state entities. There are specific requirements in existing law stipulating how community college districts are formed, which are determined by local county committees on school district organization.

The core question of this bill centers on the interpretation of Federal law on employment that is inherently outside of the jurisdiction and expertise of this of this Committee. The author makes a compelling argument based on the expert assessment of scholars in their field – yet a lack of action on this issue at the system level calls into question the potential ramifications to students and staff. What is clear is clear that, according to CSAC's 2023 report *Renewing the Dream – Improving Financial Aid & College Affordability for California's Undocumented Students*, there are over 75,000 AB 540 students in the UC, CSU, and CCC and virtually none of them can rely on DACA for employment eligibility – a major change from the experience of similar students only a few years prior.

Prior legislation. AB 2586 (Alvarez), of 2024, was essentially identical to this bill, though it would have had an implementation date of January 6th, 2025. That bill was vetoed by Governor Newsom, which is quoted on page five of this analysis.

AB 278 (Reyes, Ch. 424, Stats. 2023) established the Dream Resource Center Grant Program to provide students, including undocumented students, in California high schools with specified resources.

SB 633 (Gonzalez, Ch. 622, Stats. 2023) created the California DREAM Grant Program to provide grants to certain students attending a UC or CSU campus, and allowed the UC and CSU to fund the program using unspent California DREAM Loan Program funds.

SB 354 (Durazo, Ch. 526, Stats. 2019) expanded the provisions of the DREAM Loan Program to include eligible graduate students seeking a graduate or professional degree.

SB 1210 (Lara, Ch. 754, Stats. 2014) established the California DREAM Loan Program to assist undocumented students at UC and CSU campuses in financing their education. The California DREAM Loan Program is an affordable loan option that is offered to AB 540 students to assist in financing their education.

AB 131 (Cedillo, Ch. 604, Stats. 2011) provided students with AB 540 status eligibility for state financial aid such as the Cal Grant, and charged the California Student Aid Commission (CSAC) with establishing and administering procedures and forms to enable eligible undocumented students access to state aid. As a result, CSAC developed the California Dream Act Application.

AB 540 (Firebaugh, Ch. 814, Stats. 2001) provided undocumented students entering California public universities with in-state tuition when they have attended a California high school for at least three years, have graduated from a California high school or equivalent, and met other requirements.

REGISTERED SUPPORT / OPPOSITION:

Support

Alliance for a Better Community
California Democratic Party
California Federation of Teachers Afl-cio
California Immigrant Policy Center
California School Employees Association
California State University Employees Union (CSUEU)
California Undocumented Higher Education Coalition
Californians Together
College for All Coalition
Consejo De Federaciones Mexicanas (COFEM)
Friends Committee on Legislation of California
Immigrants Rising
Individual (12)
Inland Coalition for Immigrant Justice
Kid City Hope Place
Los Angeles Urban Foundation
San Bernardino Community Service Center, INC.
Southern California College Attainment Network
UAW Local 4811

UAW Region 6
Unite-la
University of California Student Association

Opposition

None on file

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