

Office of Intercultural Relations

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Pathways for Undocumented Students: Options After Graduation

This document summarizes the career and post-graduation opportunities for students who are undocumented. Although options and resources for undocumented students are more restrictive than those available for their peers with work authorization, there are several opportunities students can pursue: graduate and professional school, freelancing and entrepreneurship (including starting a business, worker cooperatives, etc.), internships*, and marriage*. The last two are slightly different in that they are not considered income-generating options but will still be included in the summary below.

Sources consulted for the creation of this document can be found in the Endnotes Section, with special thanks to the *Immigrants Rising* Organization. For each of the income-generating pathways, consult the endnote sources for detailed guides and information on how undocumented students can engage with these opportunities.

Important Terminology

The options available to *Dreamers*, a word many undocumented students use to describe themselves, will depend on whether they qualify for DACA (Deferred Action for Childhood Arrivals).

> Undocumented

Refers to students who are not U.S. citizens or Permanent Residents of the United States, who do not hold a current visa to reside in the U.S., and who have not applied for legal residency in the U.S.

This includes people who entered the U.S. without inspection and government permission and those who entered with a legal visa that is no longer valid. For the purpose of this document, "undocumented" refers to students who do not qualify for DACA and so do not have work authorization.

> DACA Recipient or "DACAmented" i

Refers to people who have applied and received documentation under the 2012 Deferred Action for Childhood Arrivals (DACA) program (now rescinded). There are strict qualifications guidelines (including having established residency since 2007).

DACA Recipients receive temporary relief from forced removal processes as well as <u>work</u> <u>authorization in the U.S.</u> This means DACAmented students can apply to receive an SSN (Social Security Number) and apply to jobs that require an SSN. DACA recipients are not required to tell employers they have DACA, and employers are not expected to know this information. DACA renewal occurs every two years.

Summary of Pathways:

1. Graduate and Professional School

- a. Federal student aidⁱⁱ is restricted to US Citizens, US Nationals, and US lawful permanent residents. Undocumented and DACA students do not qualify for Federal Aid.
- b. State financial aidⁱⁱⁱ № for undocumented and DACA students is offered by various states (including Illinois^v), for an in-depth analysis of national state financial aid accessibility see <u>here</u>.
- c. Private/Other Scholarships are funding options that are open to students regardless of immigration status or, that are designed specifically for undocumented and DACA students. For a frequently updated list of scholarships see <u>here</u>.

2. Freelancing^{vi} and Entrepreneurship^{vii}

For most of these options, undocumented students will have to apply for an ITIN (Individual Taxpayer Identification Number) and, if they are hiring additional workers, an EIN (Employer Identification Number) from the IRS (Internal Revenue Service).

Undocumented Students are encouraged to work with the <u>Career Advancement Center</u> to search for entrepreneurship fellowships that would allow them to gain firsthand experience with some of the options below.

- a. Independent Contractors^{viii} ix are self-employed people. The work generated is of a specific type or falls under a specific category of work, and contracts for that work are limited to a pre-determined amount of time^x. Freelancers or Independent Contractors differ from employees in significant ways, more information on these distinctions can be found <u>here</u>. Independent Contractors are expected to pay taxes by submitting a W9 form and, for contracts exceeding \$600, a 1099 Form (submitted by the client/payer).
- b. "Gig" economy and consulting^{xi} is a sector of the US labor market that employs independent contractors or freelancers outside of "traditional" part or full-time employment. Gig options include selling products on sites like Etsy, driving for companies like Uber or Lyft, and can also refer to people providing professional services such as accounting, consulting, photography, etc. For more information on Independent Contracting, see above.

c. Starting a Business^{xii}

Businesses can offer a higher degree of identity protection for undocumented people, more flexibility (they are exempt from freelancer laws, unlike independent contractors), and more options for growth.

- i. Sole Proprietorship is a business owned and operated by one individual. An ITIN or SSN is required to start a business. Liability falls with the owner.
- **ii. Partnerships** is a business model where two or more people join together to own and operate a business. ITIN and SSNs are required to start a business. Liability falls with the owners.

- iii. C Corporations are a business model where income and losses are realized, and taxes are paid by the business with the goal of distributing profits to shareholders. C Corporations are formed under state-specific laws, so consultation of state-specific laws is needed before forming a C corporation, since some states might require an SSN.
- **iv. LLC** or Limited Liability Company is a type of business structure that combines the benefits of a Partnership, in terms of flexibility and tax efficiencies, with those of a Corporation, in terms of limiting liability. Other businesses that hire an LLC are not required to obtain any information about the members who run or work at the LLC.
- v. Worker Cooperatives^{xiii} xiv is a shared ownership business model that prioritizes values and community benefits. Members of a cooperative can be both workers and owners in this business structure. Other companies who hire a cooperative are hiring the entity as a whole, protecting the information of members, limiting the liability of individual members, and allowing for more flexibility of members (as opposed to being independent contractors).

3. Internships

Internships are a great way for undocumented and DACA students to explore different career fields, gain valuable hands-on experience, and develop networking skills. Undocumented students are limited to unpaid internships but can apply for other sources of funding such as scholarships, fellowships, and stipends. DACAmented students can apply for paid opportunities using their SSNs.

Internships are not considered an income-generating pathway for undocumented students.

4. Marriage^x⊻

While marriage is often brought up as a path for undocumented people to adjust their immigration status, the process is not straightforward and can come with a significant number of expenses. Marriage should never be brought up as an option during career consultations unless the student brings up and expresses a desire to discuss this topic based on the particulars of their individual experience.

Undocumented and DACA students often face stigma when dating non-undocumented people and the topic can be a source of stress for many people.

Marriage is not considered an income-generating pathway for undocumented students.

https://www.uscis.gov/DACA

ⁱⁱ <u>https://studentaid.gov/understand-aid/eligibility/requirements/non-us-citizens</u>

https://www.higheredimmigrationportal.org/states/

https://www.nilc.org/issues/education/basic-facts-instate/

<u>https://www.isac.org/resources-for-non-us-citizens/</u>

^{vi} <u>https://immigrantsrising.org/resource/income-and-career-alternatives-for-undocumented-students-webinar/</u>

^{xi} <u>https://grad.ucla.edu/asis/stusup/incomeoptionsundocstdntstoolkit.pdf</u>

- xiii <u>https://institute.coop/resource-guide</u>
- xiv https://files.constantcontact.com/677cfc13601/872fb4c8-7f2f-47e4-8bb0-e242035f0ee6.pdf
- ^w <u>https://citizenpath.com/marrying-an-undocumented-immigrant/</u>

^{vii} <u>https://immigrationhistory.org/item/1986-immigration-reform-and-control-act/</u>

viii <u>https://immigrantsrising.org/resource/5-tips-to-get-started-as-an-independent-contractor-freelancer/</u>

^{ix} <u>https://immigrantsrising.org/wp-content/uploads/Immigrants-Rising_Working-for-Yourself-Guide.pdf</u> <u>* https://immigrantsrising.org/wp-content/uploads/Immigrants-Rising_Basic-Facts-About-</u> Entrepreneurship.pdf

^{xii} <u>https://immigrantsrising.org/wp-content/uploads/Immigrants-Rising_Choosing-a-Business-Structure-</u> <u>Guide.pdf</u>