

California State Assembly



Agenda

Assembly Budget Subcommittee No. 3 on Education Finance

Assemblymember David Alvarez, Chair

Wednesday, March 13, 2024

1:00 P.M. – State Capitol, Rm 127

ITEMS TO BE HEARD		
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Public Comment will be taken in person after the completion of all panels and any discussion from the Members of the committees.

Items To Be Heard

Issue 1: Student Access – LAO Overview

The Subcommittee will hear a presentation from the LAO regarding a recently published report on student access and enrollment issues.

Panel

- Lisa Qing and Jennifer Pacella, Legislative Analyst's Office

Issue 2: UC Enrollment Update and Proposal

The Subcommittee will discuss UC enrollment issues.

Panel

- Gabriella Chavez, Department of Finance
- Ian Klein, Legislative Analyst's Office
- Seija Virtanen, University of California Office of the President

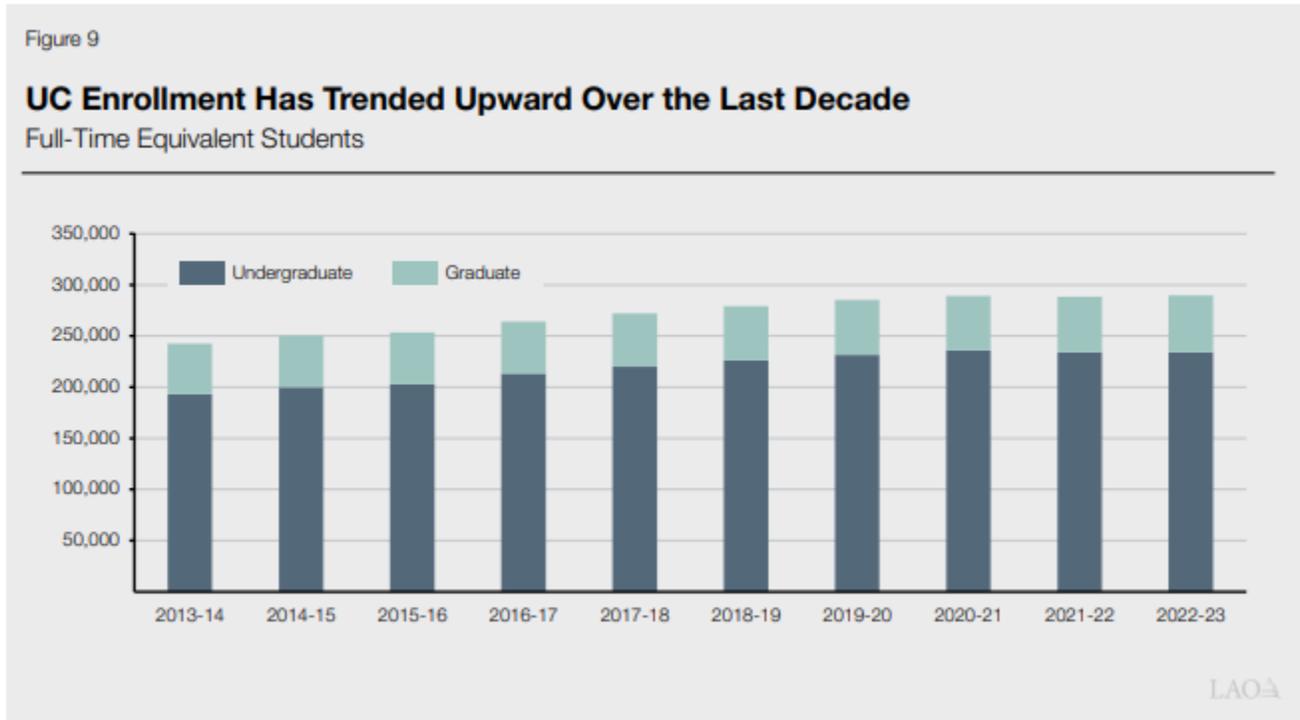
Background

State Typically Sets Resident Enrollment Targets and Provides Associated Funding.

Over the past two decades, the state's typical enrollment approach for UC has been to set systemwide resident enrollment targets. These targets typically have applied to total resident enrollment, giving UC flexibility to determine the mix of undergraduate and graduate students. If the total systemwide target has included growth (sometimes the state leaves the target flat), the state typically has provided associated General Fund augmentations. Augmentations have been calculated using an agreed-upon per-student funding rate derived from the "marginal cost" formula. This formula estimates the cost to enroll each additional student and shares the cost between the state General Fund and student tuition revenue. In 2023-24, the total marginal cost per student is \$21,137, with a state share of \$11,640.

UC Enrollment Has Grown Over the Past Decade. As Figure 9 shows, UC enrollment has increased every year but one (2021-22) over the past decade. Total enrollment has grown by approximately 47,000 FTE students (19 percent). As total enrollment has increased, the share of undergraduate and graduate students has remained about the same, with about 80 percent being undergraduates and 20 percent being graduate students. Undergraduate enrollment growth has varied somewhat across UC campuses. Over the past decade, UC Santa Cruz has

experienced the least amount of growth. UC San Diego has added the greatest number of undergraduates, and UC Merced has grown at the fastest rate.



Rising demand at most UC campuses has led to low admission rates. The number of applicants to UC has soared during the 2000s, and particularly in recent years. Several UC campuses are among the ten most applied-to campuses in the country. The LAO notes that in 2013, about 129,000 unique resident applicants applied to UC. (Some applicants apply to multiple UC campuses.) By 2022, UC had about 168,000 unique applicants, reflecting a 30 percent increase. This growth in applications has led to a significant lowering of admissions rates, or the percentage of applicants who are admitted. The charts on page 5 indicate admissions rates by campus, and applications, admissions and enrollment of California public high school students to UC systemwide.

Freshman Admission Rates Are Decreasing at Nearly All UC Campuses

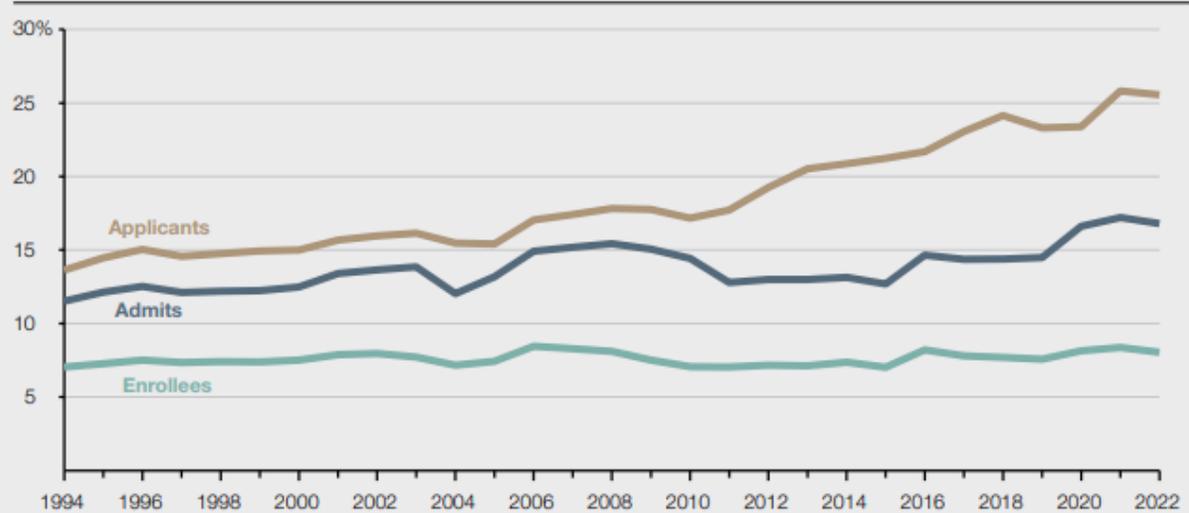
Percent of California Resident Freshman Applicants Who Are Admitted in Fall Term

	2002	2012	2022
Los Angeles	25%	19%	9%
Berkeley	26	18	14
Irvine	58	38	18
San Diego	44	32	24
Santa Barbara	52	42	27
Davis	64	45	32
Santa Cruz	84	61	43
Riverside	83	61	67
Merced	—	77	92

Figure 10

Access to UC for Public High School Graduates Has Not Changed Much Over Time

Share of California Public High School Graduates Applying, Admitted, and Enrolling at UC



LAOA

UC enrolls a significant number of out-of-state and international students. UC steadily increased its enrollment of undergraduate nonresident students throughout the 2010s, with most campuses reporting large increases. Nonresident undergraduates pay additional tuition above what Californians pay (nonresident supplemental tuition will be \$34,200 in 2024-25), and this revenue has become a critical piece of many campus budgets. The state does not contribute any funding to support nonresident students specifically. Concerned with the growth of nonresident students and its impact on Californians’ access to UC, the Legislature has taken two major actions over the last few years:

- The Budget Act of 2016 required the UC Board of Regents to adopt a cap on nonresident enrollment as a condition of receiving enrollment funding. The Regents eventually adopted a policy limiting nonresident enrollment at 18% of undergraduates for five campuses, and locking in current levels of nonresident enrollment at four other campuses (Berkeley, Los Angeles, San Diego and Irvine.)
- The Budget Act of 2021 included a five-year plan to reduce nonresident enrollment at the Berkeley, Los Angeles and San Diego campuses to 18% of undergraduates, by providing funding to replace nonresidents with California students. The program provides UC with an additional \$31 million ongoing General Fund annually from 2022-23 through 2026-27 for this student swap, which will add about 4,500 Californians combined to the three campuses (About 900 students per year). UC’s 2023-24 enrollment estimates suggest the campuses have reduced nonresident enrollment and added California enrollment per the plan. The chart below shows California resident and nonresident undergraduate headcounts for three years at each campus, and the percentage of nonresidents.

Campus	2021-22			2022-23			2023-24 estimated		
	Nonresident	CA resident	Nonresident % of total enrollment	Nonresident	CA resident	Nonresident % of total enrollment	Nonresident	CA resident	Nonresident % of total enrollment
	A	B	C = A/(A+B)	D	E	F = D/(D+E)	G	H	I = G/(G+H)
Berkeley	7,524	23,364	24.4%	7,428	24,201	23.5%	7,094	24,963	22.1%
Davis	5,284	25,147	17.4%	5,373	24,988	17.7%	5,329	25,298	17.4%
Irvine	5,413	22,664	19.3%	4,877	22,619	17.7%	4,992	23,439	17.6%
Los Angeles	7,265	23,774	23.4%	6,845	24,500	21.8%	6,528	25,458	20.4%
Merced	33	7,988	0.4%	32	7,994	0.4%	38	8,017	0.5%
Riverside	729	21,156	3.3%	887	21,138	4.0%	927	20,670	4.3%
San Diego	7,530	24,386	23.6%	6,937	24,934	21.8%	6,450	26,165	19.8%
Santa Barbara	4,005	18,403	17.9%	4,180	18,376	18.5%	4,062	18,398	18.1%
Santa Cruz	1,464	15,620	8.6%	1,341	15,597	7.9%	1,210	15,980	7.0%
UC Total	39,247	182,502	17.7%	37,900	184,347	17.1%	36,630	188,388	16.3%
Total BK, LA, SD	22,319	71,524	23.8%	21,210	73,635	22.4%	20,072	76,586	20.8%

The percentage of low-income students has dropped significantly. The number of low-income students at UC has dropped during the past decade, from 41% of the undergraduate student body in Fall 2014 to 33% in Fall 2023. The drop accelerated during the pandemic and does not appear to be recovering, based on Fall 2023 estimates. The charts on the next page show headcounts and percentages of undergraduates who receive a federal Pell Grant. Pell Grant eligibility is often used as a proxy for low-income students.

All Campus, Fall term, by Campus		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Grand Total		80,307	79,741	80,795	83,108	82,795	81,226	79,412	78,539	76,645	77,487
Number receiving Pell grant	Berkeley	8,446	8,334	8,131	8,183	8,224	8,132	8,377	8,604	8,873	9,303
	Davis	11,296	11,190	11,292	11,434	11,217	11,000	10,651	10,365	9,694	9,890
	Irvine	11,270	11,286	11,573	12,341	11,888	11,732	11,357	11,151	10,688	10,505
	Los Angeles	10,444	10,228	10,428	10,486	10,067	9,621	8,990	8,732	8,786	9,209
	Merced	3,568	3,779	4,134	4,714	5,038	5,186	5,180	5,084	4,905	4,911
	Riverside	10,672	10,430	11,043	10,812	10,876	11,358	11,345	11,296	10,698	10,445
	San Diego	9,534	9,396	9,640	10,368	11,038	10,850	10,622	10,638	10,878	11,392
	Santa Barbara	7,702	7,939	7,880	8,224	8,242	7,748	7,423	6,959	6,566	6,351
	Santa Cruz	7,375	7,159	6,674	6,546	6,205	5,599	5,467	5,710	5,557	5,481
Grand Total		41.2%	40.1%	38.4%	38.3%	37.2%	35.9%	35.1%	34.1%	33.3%	33.2%
Percent of population receiving Pell grant	Berkeley	31.1%	30.3%	27.7%	26.8%	26.7%	25.9%	27.2%	27.0%	27.3%	28.1%
	Davis	41.0%	39.6%	38.4%	38.0%	36.5%	35.5%	34.2%	32.7%	30.7%	31.1%
	Irvine	46.0%	44.7%	42.3%	42.1%	40.0%	38.6%	38.3%	37.9%	37.3%	35.6%
	Los Angeles	35.2%	34.6%	33.8%	33.8%	31.9%	30.5%	28.4%	27.2%	27.1%	27.9%
	Merced	60.6%	60.6%	60.7%	63.9%	63.9%	63.6%	62.6%	61.1%	58.8%	58.7%
	Riverside	56.8%	56.1%	55.8%	53.9%	52.8%	51.5%	50.0%	49.4%	46.7%	46.1%
	San Diego	38.4%	35.3%	34.3%	36.3%	36.4%	35.2%	33.4%	31.9%	32.9%	33.7%
	Santa Barbara	38.1%	38.5%	36.5%	37.1%	35.7%	33.2%	32.0%	30.1%	28.0%	27.3%
	Santa Cruz	45.3%	44.1%	39.3%	37.2%	34.9%	32.0%	31.8%	32.0%	31.8%	30.8%

Cell sizes smaller than 5 are suppressed for some demographic categories. In cases where the suppressed cell can be deduced from the group total the next largest cell is also suppressed regardless of size.

UC may miss its enrollment target. Last year’s Budget Act set an expectation that UC grow by 7,800 resident undergraduate FTE students in 2023-24 over the 2021-22 level. This growth target consisted of three components. First, the state provided \$51.5 million to grow resident undergraduate enrollment by 4,730 students. Second, the state provided \$30 million for UC to replace an additional 902 nonresident students with resident students at its three highest-demand campuses. Third, the state directed UC to grow by an additional 2,168 resident students using part of its General Fund base augmentation, per the UC’s compact with the Governor. Altogether, the state expected UC to enroll a total of 203,661 resident undergraduate FTE students in 2023-24. The budget act included provisional language allowing the administration to reduce funding if UC fell short of this target. In this case, the Director of the Department of Finance may reduce UC funding at the state marginal cost rate of \$11,640 for each student slot below the target.

Based on data from the summer and fall 2023 terms, UC estimates that its resident undergraduate enrollment is 1,383 FTE students below the 2023-24 Budget Act target for 2023-24. UC indicates that it likely will get closer to its target for 2023-24 over the coming months. UC will finalize its 2023-24 enrollment counts later this year after it has better data on student unit-taking. UC has indicated it plans to add 4,741 FTE students in 2024-25, which includes meeting the previous enrollment target, an additional 1% growth per the compact with the Governor, and

the California students replacing nonresidents at Berkeley, Los Angeles and San Diego. The chart shows estimated California undergraduate FTE in the current year and proposed enrollment in 2024-25.

Campus	2023-24 Estimated	2024-25 Proposed	Change, 2023-24 to 2024-25
Berkeley	26,692	27,225	533
Davis	26,364	26,697	333
Irvine	25,416	25,876	460
Los Angeles	27,970	28,635	665
Merced	8,409	9,107	698
Riverside	21,499	22,140	641
San Diego	28,760	29,250	490
Santa Barbara	19,564	19,964	400
Santa Cruz	17,604	18,125	521
UC total	202,278	207,019	4,741

UC planning for more enrollment growth throughout rest of 2020s. UC announced in 2021 a plan to add between 23,000 and 33,000 FTE by 2030, assuming state support for the growth. Features of the plan include:

- UC Merced and UC Riverside will account for between 30 and 35 percent of the proposed or aspirational undergraduate enrollment growth.
- UC Berkeley, UCLA, and UC San Diego will account for more than half or half the growth, with growth dependent on the state funding the swap of nonresidents for California residents
- All UC undergraduate campuses will expand capacity by improving timely graduation and eliminating equity gaps and through summer, online, and off-campus opportunities
- All UC campuses propose to grow graduate students to meet state workforce needs, expand research capacity, support undergraduate learning, and grow and diversify future researchers and professoriate

Governor's 2024-25 Budget

Consistent with his compact with UC, the Governor expects UC to increase resident undergraduate enrollment by 1 percent annually through 2026-27. Under the compact, UC is expected to accommodate enrollment growth from within its 5 percent annual base General Fund increases. The Governor's budget makes no changes to these enrollment expectations, although it delays the planned base General Fund increase until 2025-26.

The Governor's budget also maintains the expectation that UC continue to reduce nonresident enrollment by a total of 902 FTE students at the Berkeley, Los Angeles, and San Diego campuses in 2024-25, replacing those students with resident undergraduates. As with the base funding deferral, the Governor proposes to defer \$31 million ongoing General Fund that otherwise would have been provided in 2024-25 to continue implementing the nonresident enrollment reduction plan. The \$31 million is intended to backfill UC for the associated loss of nonresident supplemental tuition revenue. Under the Governor's approach, UC would use other means to implement the plan as it awaits state funds next year.

LAO Comments

Undergraduate Demand for UC Remains High. Based on preliminary data, UC estimates the number of unique resident applicants in fall 2024 will increase over fall 2023. New unique resident freshman applicants are expected to grow by 1.3 percent, marking another year of being the highest number of such applicants in UC history. UC estimates the number of transfer applicants will grow 9.7 percent, likely indicating some rebound in the transfer pipeline.

Despite High Demand, Some Signs That Meeting Targets Is Becoming Somewhat More Difficult. While the new freshman cohort is estimated to increase for 2023-24, UC indicates that several campuses needed to go further into their waitlists later in the admissions cycle last year, which left a few campuses short of their enrollment targets. Additionally, UC's first-to-second-year retention rate declined for three consecutive years (from 2019 through 2021) - dropping by 0.9 percentage points. UC attributes this decline to challenges students encountered during the COVID-19 pandemic. Even a small decline in retention rates makes meeting enrollment targets more difficult.

Demographic Trends Could Potentially Limit Growth in Out-Years. While the number of new freshmen enrolling at UC has increased in four of the past five years, demographic trends could limit this growth moving forward. Based on the most recent projections from the Department of Finance, the number of high school graduates in California is expected to peak in 2023-24. The number of high school graduates is projected to decline by 40,097 students (9 percent) from 2023-24 to 2026-27. Such a decline typically would translate into smaller new freshman cohorts in the out-years. More broadly, California's college-age population (ages 18-24) already has been declining and is projected to continue declining. Since 2012, California's college-age population is estimated to have declined by about 10 percent. Over the next five years, it is projected to decline by another 4 percent. This demographic trend also is expected to relieve enrollment pressure at UC.

CSU Has Enrollment Capacity. As we discuss in the 2024-25 Budget: California State University, CSU's existing enrollment level is substantially lower than its funded target. We estimate CSU could enroll an additional approximately 24,000 FTE students from within its existing budget, accounting for all the state enrollment funding CSU has been provided to date.

Were the state not to be able to afford enrollment growth at UC over the next year, the impact on students would be mitigated given the additional room available at CSU.

Budget Situation Has Changed From June 2023. When the state set its enrollment expectations for UC in the 2023-24 Budget Act, the state budget condition appeared notably better than it does today. As we noted in *The 2024-25 Budget: Overview of the Governor's Budget*, the state now faces large projected operating deficits for the next several years. Should the Legislature wish to continue funding resident undergraduate growth at UC, these increased costs would require a like amount of other budget solutions elsewhere

Revert Any Unearned 2023-24 Enrollment Growth Funds. After the state enacts the 2024-25 budget, UC will finalize its enrollment counts for 2023-24. If actual enrollment that year falls short of the state target, we recommend the state revert any unearned funds as part of the 2025-26 budget. Existing provisional budget language allows this reduction to occur administratively, without requiring legislative action. (Legislative action would be needed only if the Director of Finance chose not to exercise this authority.) Based on UC's 2023-24 enrollment estimates as of February 2023, \$16 million in enrollment growth funding has been unearned.

Hold UC's Resident Undergraduate Enrollment Target Flat for 2024-25 and 2025-26. Consistent with our recommendation in the previous section of this brief to hold state funding for UC flat, we recommend holding UC's enrollment target at the current level of 203,661 resident FTE students for 2024-25 and 2025-26. While student demand to attend UC generally is strong, the state budget at this time cannot afford to fund enrollment growth at UC unless it can find spending reductions or revenue increases elsewhere in the budget. Moreover, even without raising UC's enrollment target for 2024-25 or 2025-26, UC still could add some students. At its existing funded level, UC still has some room to grow (by as many as 1,383 FTE students). Furthermore, CSU has considerable room to accommodate undergraduate enrollment growth within its existing funded level.

Reserves Are an Option for Keeping the Nonresident Enrollment Reduction Plan on Track. Given student demand is so strong at the Berkeley, Los Angeles, and San Diego campuses, the state might want to request that UC use its system reserves for the specific purpose of keeping the nonresident enrollment reduction plan on track. If UC were to continue implementing this plan in 2024-25, as it now expects to do, more than 1,000 slots for resident undergraduate students would become available at UC's highest-demand campuses. Though the associated enrollment costs are ongoing, using system reserves for this specific purpose for a year or two would help relieve substantial enrollment pressures at these campuses. While using reserves for ongoing enrollment costs is not sustainable over many years, the approach might be considered on a temporary basis given the nonresident enrollment reduction plan has been such a high legislative priority.

Staff Comments

The Administration, Legislature and UC are aligned in the desire for UC to grow its California enrollment. Demand at most campuses remains extremely high and is growing, with UC expecting another record-year of applicants for Fall 2024. Long-term, UC must increase capacity at its campuses through capital projects, land or site acquisition or expansion, and improving and accelerating graduation rates. The state is supporting \$16.6 million ongoing General Fund to support the debt service costs on a \$155 million campus expansion project at UC Riverside and a \$94.5 million project at UC Merced. Both UCLA and UC Berkeley are working on projects that could expand capacity at sites nearby their campuses – UCLA acquired the Marymount California University in Ranchos Palos Verdes for \$80 million in 2022, and Berkeley is partnering with NASA to establish a research park and campus outpost at Moffett Field in Silicon Valley. More expansions should be pursued.

In the short-term, it is frustrating to see that UC may fall short of its state-funded enrollment target for 2023-24 while reporting tremendous demand. UC notes that its FTE has fluctuated recently due to lower student retention rates and students taking fewer courses. Nonetheless, the Subcommittee could question whether UC is admitting enough students to hit state targets.

The Legislature has long been concerned about nonresident enrollment at UC, and its impact on access for Californians. It is good news to see nonresident enrollment declining, and the percentage of California undergraduates at most campuses growing, although this shift is coming at a significant cost to the state. The five-year plan at the Berkeley, Los Angeles and San Diego campuses requires the state to pay about \$33,000 per student, or about three times as much as routine California enrollment growth funding.

The state and UC must continue to work together to improve access to UC in a constrained state-funding environment. Progress has been made, but too many very qualified Californians continue to be turned away by UC campuses each year.

Suggested Questions:

- Which campuses will grow the most during the next few years under UC's enrollment plan? What are the barriers to more enrollment growth?
- How can the most in-demand campuses add capacity and improve admission rates?
- Why has UC experienced a loss in low-income students? What can UC do to ensure more low-income students are admitted and enrolled?
- How can UC continue its trend of lowering nonresident enrollment?
- How can UC better ensure it hits state-funded enrollment targets?

Staff Recommendation: Hold Open.

Issue 3: CSU Enrollment Update and Proposal

The Subcommittee will discuss CSU enrollment issues.

Panel

- Devin Mitchell, Department of Finance
- Lisa Qing, Legislative Analyst's Office
- Nathan Evans, California State University

Background

State typically sets enrollment target and provides funding. In most years, the state sets enrollment growth expectations for CSU in the annual budget act. These growth expectations apply to resident students. In some years, the state sets expectations for total resident enrollment. In other years, it sets expectations only for resident undergraduates, with no expectation for resident graduate students. CSU tracks a running total of these growth expectations, which it commonly refers to as its enrollment target or “funded level.” CSU’s funded enrollment target in 2023-24 is 387,114 resident FTE students. CSU does not track this target separately for undergraduates and graduate students. Typically, the state supports resident enrollment growth at CSU by providing a General Fund augmentation based on the number of additional students CSU is to enroll. The per-student funding rate is derived using a “marginal cost” formula. This formula estimates the cost of the additional faculty, support services, and other resources required to serve each additional student. Those costs are shared between state General Fund and student tuition revenue. In 2023-24, the total marginal cost per student is \$14,749, with a state share of \$10,070.

CSU Also Offers Self-Supported Courses. Like the other public higher education segments, CSU offers some self-supported courses (also referred to as extended education or professional and continuing education). Self-supported courses generally charge student fees intended to cover the full cost of offering them, without any state subsidy. Self-supported course offerings include an array of academic courses, professional certificate programs, and personal enrichment courses offered throughout the year. In 2022-23, CSU enrolled 26,334 FTE students in self-supported courses. These students are not counted toward state enrollment targets.

After steady growth between 2014 and 2020, most CSU campuses have lost enrollment since pandemic. With state support, CSU added about 30,000 FTE students between 2014-15 and 2020-21 - the equivalent of one large campus. (See chart on next page.) Enrollment fell significantly in 2021-22 and 2022-23, however, with CSU attributing the drop to a combination of fewer community college transfer applicants, more drop-outs, and students taking fewer courses. Specifics include:

- Transfer applications dropped from more than 114,000 in Fall 2019 to about 93,000 in Fall 2023;
- First-time, first-year undergraduate retention from first year to second year fell from 85% in Fall 2019 to 82% in Fall 2022;
- And average unit load for undergraduates fell from 13.37 units per term in Fall 2019 to 13.15 in Fall 2023.

Only four CSU campuses (Fullerton, Long Beach, San Diego, and San Luis Obispo) report growth in FTE students when comparing Fall 2019 to Fall 2023. Northern California campuses, many of which were seeing enrollment demand soften even before the pandemic, report particularly significant losses. Seven campuses (Bakersfield, Channel Islands, Chico, East Bay, Humboldt, San Francisco, and Sonoma) are now enrolling at least 20% fewer students than four years ago.

CSU Fall California Undergraduate Enrollment FTES

CSU Campus	2019	2020	2021	2022	2023	% Change
Bakersfield	8,530	8,611	7,573	6,686	6,809	-20%
Channel Islands	6,119	5,919	5,293	4,541	4,166	-32%
Chico	14,923	14,389	13,022	11,686	11,687	-22%
Dominguez Hills	12,433	12,941	12,100	10,973	10,103	-19%
East Bay	10,668	10,759	9,626	8,222	7,927	-26%
Fresno	18,733	19,591	18,977	17,986	18,172	-3%
Fullerton	28,711	30,194	28,509	28,569	30,497	6%
Humboldt	5,821	5,125	4,496	4,478	4,657	-20%
Long Beach	27,667	28,769	28,117	27,451	28,570	3%
Los Angeles	19,589	19,629	19,830	19,071	18,191	-7%
Maritime	944	923	896	836	782	-17%
Monterey Bay	5,812	5,699	5,711	5,348	5,135	-12%
Northridge	28,581	28,991	28,158	25,977	26,296	-8%
Pomona	22,867	24,197	23,109	21,617	21,163	-7%
Sacramento	24,364	24,738	24,289	23,493	23,087	-5%
San Bernardino	16,036	14,715	14,000	14,035	13,383	-17%
San Diego	24,286	25,335	24,273	24,928	25,775	6%
San Francisco	21,069	19,758	18,709	17,647	16,804	-20%
San Jose	22,847	23,064	23,015	21,702	21,924	-4%
San Luis Obispo	16,740	17,398	16,639	16,629	17,725	6%
San Marcos	11,471	11,794	11,619	10,786	11,314	-1%
Sonoma	7,648	6,792	5,967	5,239	4,833	-37%
Stanislaus	8,282	8,443	7,556	7,182	7,021	-15%

CSU reports increased FTE for 2023-24, likely meeting enrollment target. Most of the growth occurred during summer, however, and headcount is down. The 2023-24 Budget Act stated an intent for CSU to increase resident undergraduate enrollment by 4,057 FTE students, bringing its resident undergraduate enrollment level to 330,080 FTE students in 2023-24. This growth expectation is relative to CSU’s actual enrollment level in 2022-23. It is unrelated to the funded enrollment target that CSU has been tracking for more than a decade. CSU estimates it is enrolling 331,139 resident undergraduate FTE students in 2023-24, thus somewhat exceeding the expectation set in the budget act.

As of December 2023, CSU estimates it is enrolling a total of 368,042 resident FTE students in 2023-24—an increase of 5,788 students (1.6 percent) from the previous year. However, of the estimated increase of 5,788 resident FTE students in 2023-24, 5,459 FTE students are attributed to the summer 2023 term. The LAO notes that California undergraduate headcount – the total number of students enrolled – is actually down by nearly 2,500 students in Fall 2023 when compared to Fall 2022. CSU appears to have dramatically increased state-supported summer courses, and simultaneously decreased self-supported summer courses.

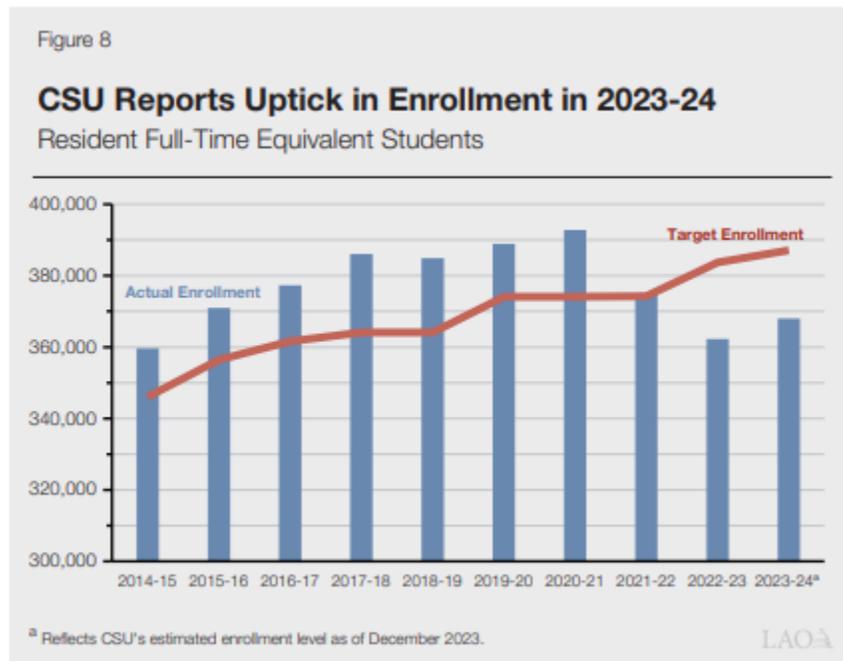


Figure 9

Total Summer Enrollment Grew Only Modestly in 2023-24

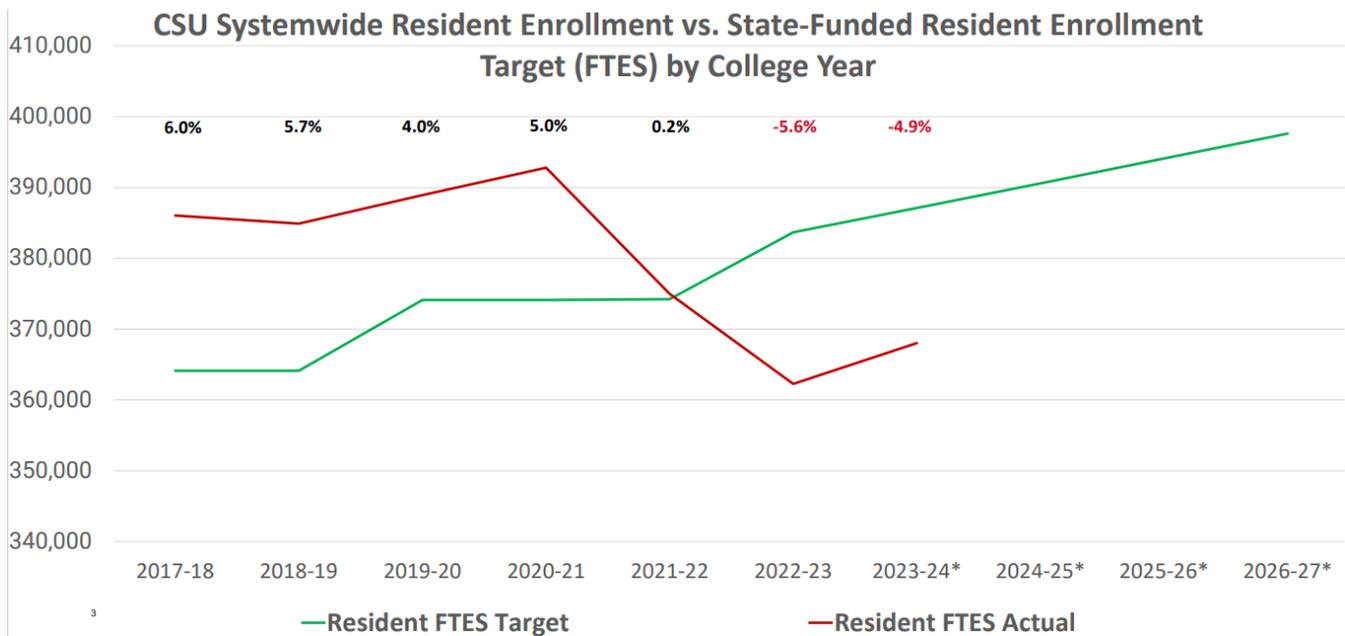
Summer Resident FTE Students^a

	2021-22	2022-23	2023-24	Change From 2022-23	
				Amount	Percent
State-supported FTE students	5,547	5,836	11,295	5,459	94%
Self-supported FTE students	14,608	13,050	8,345	-4,705	-36%
Totals	20,155	18,886	19,640	754	4%

^a Reflects annualized full-time equivalent students across all student levels.

FTE = full-time equivalent.

Despite hitting 2023 Budget Act target, CSU remains under historical target. As noted previously, the state has provided differing enrollment targets in the past, with some targets specific to undergraduate students, and some including graduate students. CSU believes it will end 2023-24 at about 5% below its historical funded target. The chart below includes both undergraduate and graduate students, and shows actual enrollment versus the funded enrollment target.



CSU Intends to Catch Up to Enrollment Target by 2026-27. CSU's actual enrollment level was significantly below its funded enrollment target at the start of the compact period in 2022-23. As a result, it would need to grow actual enrollment by more than 1 percent annually (the rate at which the target is increasing) to catch up to the target. Accordingly, CSU plans to grow actual enrollment by 2 percent to 3 percent annually for the next few years. Under this plan, CSU effectively would catch up to its enrollment target by the last year of the compact in 2026-27.

Figure 13

Under CSU's Plan, Enrollment Would Reach Target by 2026-27

Resident Full-Time Equivalent Students

	2022-23	2023-24	2024-25	2025-26	2026-27
Enrollment target under compact	383,680	387,114	390,582	394,085	397,623
Annual percentage growth	-	0.9%	0.9%	0.9%	0.9%
CSU's planned enrollment level	362,254	368,042	376,794	387,091	397,823
Annual percentage growth	-	1.6%	2.4%	2.7%	2.8%
CSU's planned enrollment relative to target	-5.6%	-4.9%	-3.5%	-1.8%	0.1%

CSU Plans to Allocate New Enrollment Growth Funding to Certain Campuses in 2024-25.

The 1 percent increase in CSU's enrollment target set forth in the compact equates to 3,468 additional resident undergraduate FTE students in 2024-25. CSU plans to allocate an associated \$38 million in new funding to campuses, corresponding to the state share of the marginal cost of adding those students. (CSU estimates it would also generate \$17 million in additional student tuition revenue from this growth.) CSU indicates it would allocate those funds among nine campuses that are planning for growth above their 2023-24 funded target. Originally, CSU intended to cover the cost from within its base increase. Under the Governor's budget proposal to delay that increase, CSU instead would likely use its reserves.

CSU Also Plans to Reallocate Existing Enrollment Funding Among Campuses.

In addition to providing new enrollment growth funding, CSU plans to reallocate some existing enrollment funding among campuses in 2024-25. Eight campuses are currently more than 10 percent below their enrollment target. For each of these campuses, CSU plans to reduce its enrollment target and associated funding by 3 percent in 2024-25 and reallocate those amounts to campuses currently at or above their target. (These reallocated funds would be in addition to any funds the campus receives from the new \$38 million for enrollment growth in 2024-25.) CSU also intends to repeat a similar reallocation process in 2025-26 and 2026-27.

Nonresident enrollment has grown at two CSU campuses.

About 95% of undergraduates at CSU are California residents. That percentage has remained roughly the same for the past decade. However, two campuses – San Diego and San Luis Obispo – have a much larger share of out-of-state and international students. CSU enrollment data indicates that the percent of undergraduates who are nonresidents has grown from about 9% at San Diego in 2013-14 to nearly 15% in 2022-23, and from about 10% at San Luis Obispo to 17%. Nonresident FTES grew more at Cal Poly SLO over the last decade than resident FTES.

CSU System												
FTES College Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Change	% Change
Systemwide Resident	351,954.6	359,679.3	370,959.1	377,290.1	386,034.7	384,913.2	388,927.3	392,793.3	374,973.1	362,253.6	10,299.0	2.9%
Systemwide Nonresident	18,630.3	22,551.9	24,398.2	24,415.9	24,026.8	23,409.3	22,154.0	19,429.4	19,956.4	20,906.6	2,276.3	12.2%
Total	370,584.9	382,231.3	395,357.3	401,706.1	410,061.5	408,322.5	411,081.3	412,222.6	394,929.5	383,160.3	12,575.4	3.4%
% Nonresident	5.0%	5.9%	6.2%	6.1%	5.9%	5.7%	5.4%	4.7%	5.1%	5.5%		

San Diego State												
FTES College Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Change	% Change
CA Resident	26,569.1	26,741.8	27,069.3	27,403.9	27,605.7	27,522.9	27,915.0	29,268.4	28,556.2	29,095.4	2,526.3	9.5%
Nonresident	2,522.1	3,091.4	3,602.6	4,011.7	4,288.2	4,587.3	4,556.9	4,246.7	4,591.4	4,954.8	2,432.7	96.5%
Total	29,091.1	29,833.2	30,671.9	31,415.6	31,893.9	32,110.2	32,471.8	33,515.2	33,147.6	34,050.1	4,959.0	17.0%
% Nonresident	8.7%	10.4%	11.7%	12.8%	13.4%	14.3%	14.0%	12.7%	13.9%	14.6%		

Cal Poly SLO												
FTES College Year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Change	% Change
CA Resident	16,365.0	16,565.3	16,717.4	17,065.6	17,707.2	17,352.0	17,069.8	17,033.9	16,640.6	17,435.9	1,070.8	6.5%
Nonresident	1,894.8	2,285.0	2,768.9	2,923.7	3,093.3	3,089.7	3,158.7	3,326.5	3,495.4	3,570.5	1,675.7	88.4%
Total	18,259.9	18,850.2	19,486.3	19,989.2	20,800.5	20,441.7	20,228.6	20,360.4	20,136.0	21,006.4	2,746.5	15.0%
% Nonresident	10.4%	12.1%	14.2%	14.6%	14.9%	15.1%	15.6%	16.3%	17.4%	17.0%		

CSU tuition policy requires that non-resident students pay two forms of tuition. The first is the one that every student pays—State University Tuition (\$5,742/year for an undergraduate in 2023-24). The second is Non-Resident Supplemental Tuition (\$396 per unit). CSU reports that it collects approximately \$360 million of revenue per year from non-resident students, and campuses keep all nonresident revenue. The state does not provide any direct support for nonresident students.

The CSU Board of Trustees does not have a policy on the number or percentage of nonresident undergraduates campuses can enroll. However, about five years ago, the Chancellor’s Office and the San Luis Obispo campus agreed on a cap on nonresident students of 15% of the undergraduate student body. At the same time, the campus imposed a new fee for each non-resident student, with some of the revenue used for financial aid.

Governor’s 2024-25 Budget

The Governor’s Budget defers a 5% ongoing General Fund increase (\$240 million) to 2025-26, but the Administration expects CSU to continue work toward the goals of its compact with the Administration, which includes 1% annual enrollment growth. This expectation is added to CSU’s funded enrollment target, bringing that target from 383,680 resident FTE students in 2022-23 to 397,623 resident FTE students in 2026-27.

LAO Comments

CSU’s Actual Enrollment Level Is Notably Below Its Funded Enrollment Target. In 2023-24, CSU’s estimated enrollment level of 368,042 resident FTE students is 19,072 students (4.9 percent) below its enrollment target. This target reflects the number of students for which CSU has previously received ongoing state support, either directly or from within its base funding. Given that CSU is notably below its target, it could add many more students before it

needs to allocate new funding for enrollment growth, indicating new funding for enrollment growth is unwarranted at this time. New funding is particularly unwarranted if those funds are to come from CSU's reserves, as they likely would under the Governor's budget. It would be more prudent to use those reserves to temporarily cover operating costs that cannot be avoided.

Enrollment Growth in 2023-24 Is Overstated Due to Shift in Summer Courses. When the Legislature sets enrollment growth expectations for CSU in the state budget, it intends for CSU to add more students. The majority of the increase in FTE students that CSU is reporting in 2023-24 is unrelated to adding more students and instead stems from shifting summer courses from self-supported to state-supported. This approach to enrollment growth does not appear to align with legislative intent. Moreover, given the state's projected budget deficits, the state likely cannot afford to begin supporting activities that were previously self-supported. Based on the decline in self-supported enrollment from the previous summer, we estimate CSU shifted 4,705 resident FTE students from self-supported to state-supported in summer 2023. If not for this shift, we estimate CSU would be enrolling only 363,337 resident FTE students in 2023-24—23,777 students fewer than its funded enrollment target.

Enrollment Growth Is Likely to Be Relatively Low in 2024-25. While the 2024-25 admissions cycle remains in its early stages, early indicators suggest CSU could see some growth from its current enrollment level. The growth rate likely would not be large, as potential increases in new freshman could be offset by continued challenges related to new transfer students and continuing students.

- ***New Freshmen.*** The number of high school graduates in California is projected to increase by 0.7 percent in 2023-24, potentially leading to an increase in the incoming freshman class for fall 2024. As of January 2024, CSU is reporting a 5 percent year-over-year increase in freshman applicants for fall 2024.
- ***New Transfer Students.*** In contrast to freshman applicants, transfer applicants for fall 2024 are about flat year over year. This suggests the transfer pipeline has yet to recover from community college enrollment declines during the pandemic.
- ***Continuing Students.*** Since fall 2021, CSU's incoming cohorts (particularly new transfer students) have been smaller than pre-pandemic levels. Some of these smaller cohorts will remain at CSU in 2024-25, likely leading to fewer continuing students. In addition, it remains to be seen whether retention rates begin to recover from the declines seen since the start of the pandemic.

Demographic Trends Are Likely to Limit Growth in Out-Years. Whereas CSU has seen increases in new freshmen over the past few years, demographic trends could limit this growth moving forward. Based on the most recent projections from the Department of Finance, the number of high school graduates in California has peaked. The number of high school graduates

is projected to decline by 40,097 students (9 percent) from 2023-24 to 2026-27. All else equal, this would translate to smaller new freshman cohorts in the out-years.

Most CSU Campuses Are Already Meeting Student Demand. In the past, a key reason the Legislature has funded CSU enrollment growth was to expand access to eligible students who might otherwise not be admitted. This issue is less of a concern today. Over the past few years, admission rates have increased at nearly all CSU campuses, and fewer campuses and programs are impacted. A majority of campuses are currently below their enrollment targets—several by more than 10 percent. Moreover, CSU’s plan to reallocate existing enrollment targets among campuses can help expand capacity at those campuses that continue to have unmet enrollment demand without requiring additional state funds.

As Starting Point, Hold CSU’s Funded Enrollment Target Flat for 2024-25. We recommend holding CSU’s enrollment target flat at the current level of 387,114 resident FTE students. CSU is 19,072 FTE students (4.9 percent) below this current target, meaning the system could add that many more students without additional funding. Given the relatively low enrollment growth expected in 2024-25 and the out-years, CSU is likely to remain below its current funded target for at least a couple more years. We see no rationale for increasing the target by 1 percent annually as the compact proposes, particularly if CSU would draw down its reserves for this purpose.

If More Budget Solution Is Needed, Consider Aligning CSU Funding With Its Actual Enrollment. One of the first options the state tends to consider when facing budget deficits is aligning funding with actual caseload. This is an approach the state has used across sectors of its budget—from education programs to health and social service programs. Given CSU’s funded enrollment target is substantially higher than its actual enrollment level, the Legislature could achieve notable budget savings using this approach. We estimate it could achieve \$239 million in ongoing General Fund savings if it reset CSU’s funded enrollment target at 363,337 FTE students—reflecting its estimated 2023-24 enrollment level, adjusted to remove the estimated number of students shifted from self-supported courses. (It could set the enrollment target at a higher level for less corresponding savings.) Depending on the severity of the state budget condition, the Legislature could apply such a reduction retroactively to 2023-24 or beginning in 2024-25. This option is unlikely to have a direct impact on student access, as the new target would be based on the number of students CSU currently enrolls. It could, however, impact CSU operations, as it would reduce the amount of funding available for its operating costs. Nonetheless, having this option available could help balance the budget, particularly were the state budget condition to deteriorate further over the coming months.

Staff Comments

CSU was beginning to face uneven demand across its system even before the pandemic. Now, a smaller community college transfer pool, regional demographic shifts, and slightly worsening student outcomes have led to major enrollment declines at multiple campuses. Most Northern California campuses are significantly below their funded enrollment levels. At the same time, demand for a few Southern California campuses is very strong, and the Subcommittee may wish to discuss nonresident enrollment limits or other ways to boost capacity at the most sought-after campuses. Both the state and CSU have made efforts to boost enrollment:

- The 2021 Budget Act provided the Humboldt campus with \$433 million one-time General Fund and \$25 million ongoing General Fund to convert to a polytechnic university and attract more students. (Of this funding, \$201 million was converted to CSU bonds, with the state paying \$16 million ongoing General Fund to cover debt service.)
- CSU is shifting its internal enrollment funding formula to steer more money toward higher-growth campuses. The Channel Islands, Chico, East Bay, Humboldt, Maritime Academy, San Francisco, Sonoma and Monterey Bay campuses will receive less funding in 2024-25. The Fullerton, Long Beach, Los Angeles, Northridge, Pomona, San Diego, San Jose, San Luis Obispo and San Marcos campuses will receive additional funding to support higher enrollment.
- CSU states that the Chancellor's Office has created marketing and communication campaigns to promote all 23 campuses, launched programs to attract more CCC transfer students, and is working with the California College Guidance Initiative to increase partnerships between high schools and campuses to increase the number students that are CSU eligible to apply for admission. In addition, campuses that will have FTES and funding enrollment reductions were instructed to create a strategic enrollment management plan to address enrollment and retention issues.

While CSU may meet its FTE target per the most recent budget act, the Subcommittee may wish to more closely examine how CSU is using summer enrollment. Most of the FTE growth in 2023-24 appears to be for summer courses. CSU states that about half of its campuses have increased their state-supported summer course offerings, to better serve students and increase capacity. CSU also notes that students can use federal, state and institutional financial aid to access state-supported summer courses. However, it is not clear if shifting students from self-support to state-support is the best use of state dollars, as this shift does not appear to be increasing student headcount.

Suggested Questions:

- How are CSU campuses with significant enrollment decline working to attract more students? How can the state help support this effort?
- How confident is CSU that it will meet its state-funded enrollment levels in the next few years?
- Why did a significant amount of FTE shift from summer self-support programs to state-funded programs? What are the pros and cons of this shift?
- Without this increased summer state-supported FTE, would CSU have missed its enrollment target per the 2023 Budget Act?
- How has the growth of nonresident enrollment at the San Diego and San Luis Obispo campuses impacted California students' access to those two campuses?
- Has CSU considered a systemwide or campus-specific limit on nonresident enrollment?
- Given the historical enrollment tracking that shows CSU is under-enrolled, what would a proper enrollment target be for 2024-25?
- How will CSU's shift in enrollment funding toward more in-demand campuses impact both the in-demand campuses and the campuses that will lose funding?

Staff Recommendation: Hold Open.

Issue 4: California Community Colleges Enrollment Update and Proposal

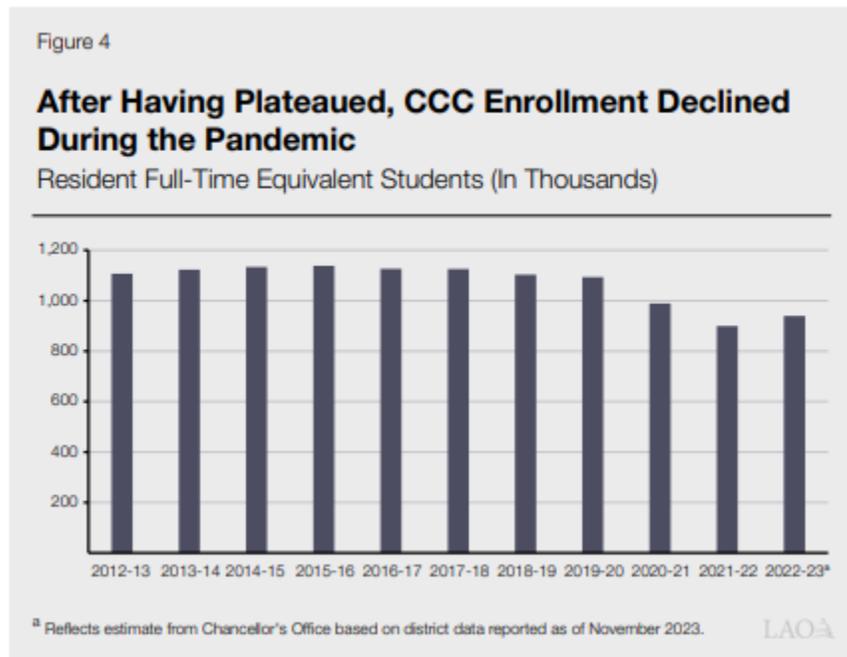
The Subcommittee will discuss CCC enrollment issues.

Panel

- Justin Hurst, Department of Finance
- Paul Steenhausen, Legislative Analyst's Office
- Wrenna Finche, California Community Colleges Chancellor's Office

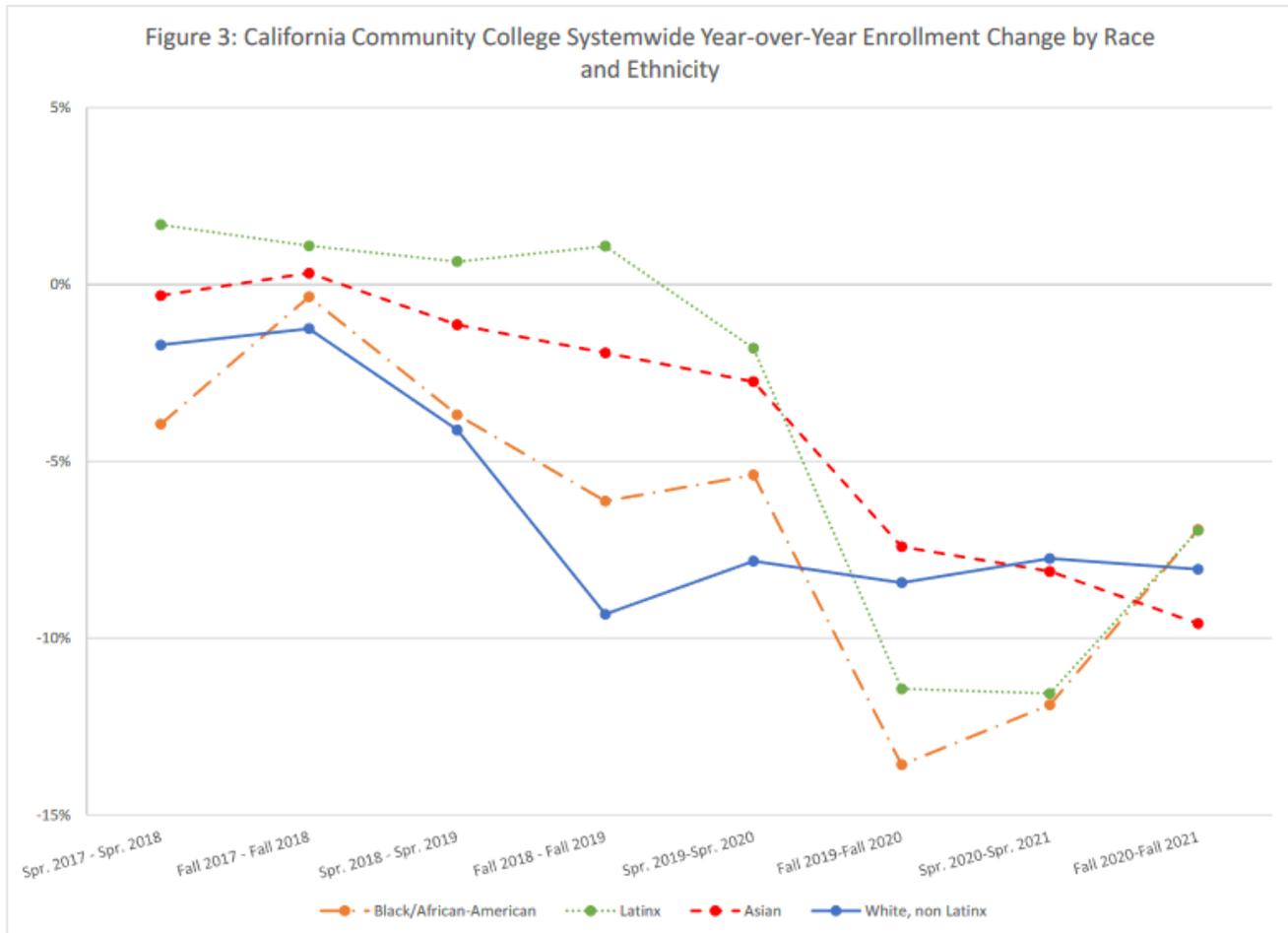
Background

Colleges saw major decline in enrollment during pandemic. CCC enrollment grew slightly after the Great Recession, but began to decline even before the COVID 19 pandemic. During the pandemic, colleges recorded a nearly 20% drop in three years, or more than 200,000 FTES.

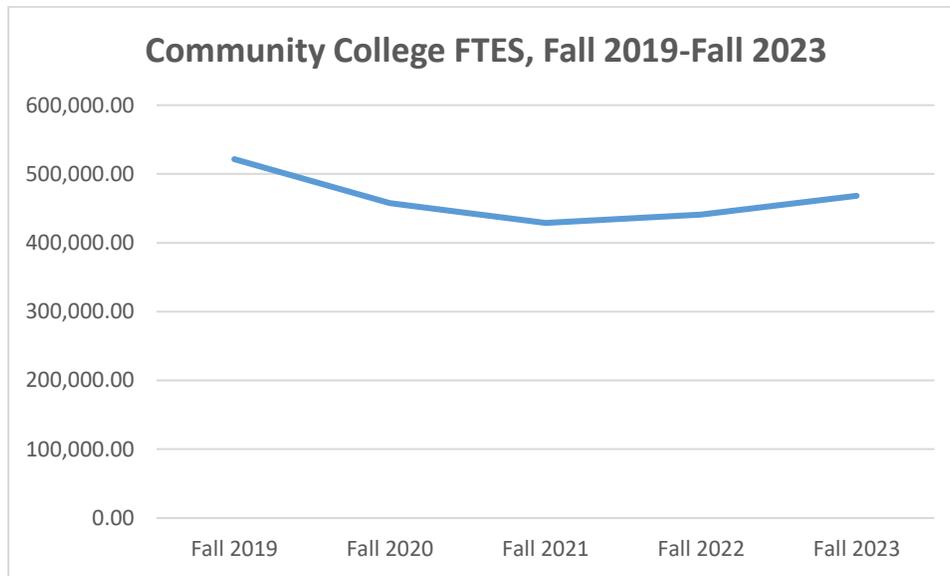


This enrollment loss was more pronounced among some student groups. For example, although all racial and ethnic groups experienced large decreases in enrollment during the pandemic, a study published in 2022 (“The Impact of COVID-19 on Community College Enrollment and Student Success: Evidence from California Administrative Data,” Fairlie and Bulman) found that Black and Latino students experienced the largest effects, as the chart on the next page indicates. The report notes that from Fall 2019 to Fall 2020, enrollment dropped by 20 percent (17,500 students) among Black students. Latino students, who represent nearly half of all CCC students, experienced year-over-year drops of 2 percent in spring 2020, 11 percent in Fall 2020,

12 percent in Spring 2021, and 7 percent in Fall 2021. Latino enrollment in the community college system dropped by 18 percent (135,000 students) from Fall 2019 to Fall 2021



Enrollment is rebounding. After three years of enrollment drops, data from the Chancellor’s Office indicates that enrollment rose overall in 2022-23—increasing by an estimated 4 percent (in FTE terms) over 2021-22 levels. Fall 2023 data, while preliminary, suggests continued growth in 2023-24. The chart on the next page compares FTE students between Fall 2019 and Fall 2023, and is based on information posted in the Chancellor’s Office Datamart system.



Many colleges have increased outreach to students, and developed strategies to enroll special populations of students. Community college enrollment is often impacted by unemployment rates, with enrollment increasing as more people seek to re-train or gain new skills. Thus, a rise in the unemployment rate between 2022 and 2023 may have helped boost recent college enrollment. In addition, most colleges have become more aggressive in seeking out students. The state provided \$120 million in one-time Proposition 98 General Fund in 2021-22 and about \$145 million in 2022-23 and 2023-24 for student retention and recruitment activities, although the 22-23 and 23-24 funding was flexed in the 2023 Budget Act and colleges could use the funding for other purposes. The funding allowed colleges to contact and support students who left college early, and many colleges believe this outreach was effective.

In addition, most colleges have developed or are developing dual enrollment programs, which allow high school students to take community college courses and programs, often on the high school campus, to earn both high school and college credits. Colleges also are providing more programming inside state prisons and county detention facilities. Colleges are funded for serving dual enrollment and incarcerated students at a flat per-student rate of \$7,345 in 2023-24, which is comparable to the average overall per-student rate for regular credit instruction through the Student Centered Funding Formula (SCFF). Unlike with regular credit instruction, however, colleges receive SCFF funding for dual enrollment and incarcerated students based entirely on enrollment and regardless of student outcomes.

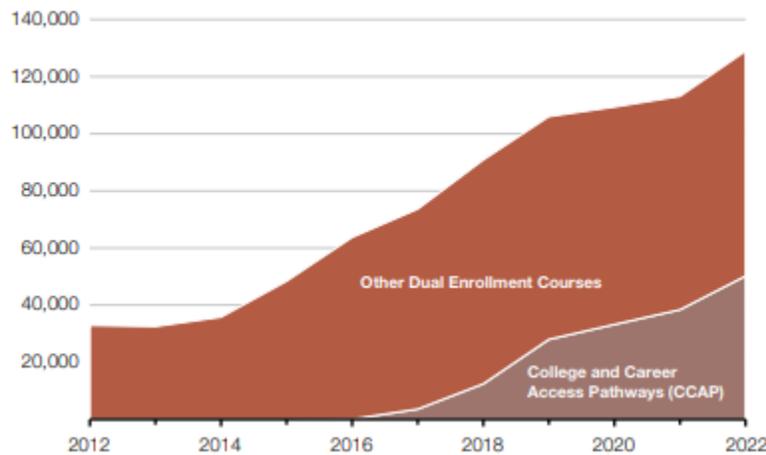
The charts on the next page show the growth in enrollment of dual enrollment students and incarcerated students.

Unused enrollment growth funding may be used for backfilling apportionment shortfalls.

For many years, the annual budget act has contained provisional language allowing the CCC Chancellor’s Office to allocate unused systemwide enrollment growth funding to backfill any shortfalls in CCC apportionment funding. Shortfalls can occur as a result of colleges generating lower-than-budgeted enrollment fee revenue or local property tax revenue. The provisional budget language allows the Chancellor’s Office to redirect unearned growth funds in this way after underlying apportionment data has been finalized, which occurs after the close of the fiscal year. After addressing any apportionment shortfalls, remaining unused enrollment funding flows into the Proposition 98 Reversion Account. Funds in this account may be redirected for any one-time Proposition 98 purpose.

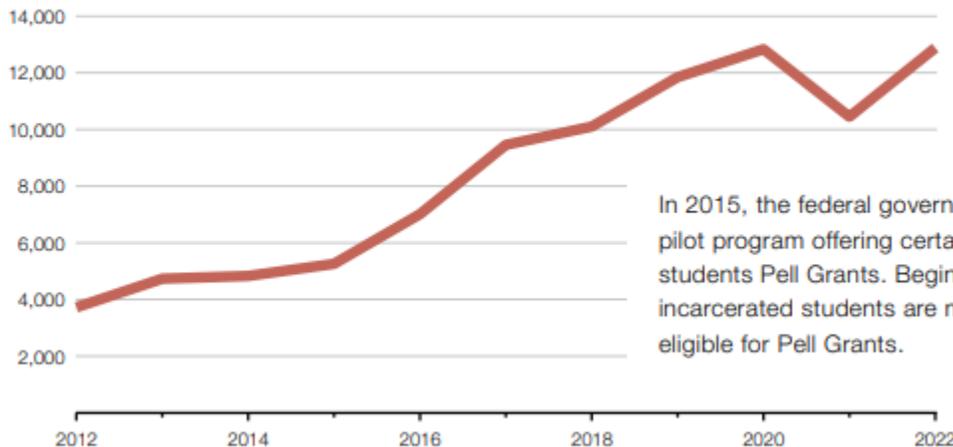
CCC Has Seen Rapid Growth in Dual Enrollment

Fall Headcount of CCC Dual Enrollment Students



CCC Is Also Serving More Incarcerated Students

Fall Headcount of CCC Incarcerated Students



In 2015, the federal government created a pilot program offering certain incarcerated students Pell Grants. Beginning in July 2023, incarcerated students are more broadly eligible for Pell Grants.

Governor's 2024-25 Budget

The Governor's Budget includes \$30 million ongoing Proposition 98 General Fund for 0.5 percent systemwide CCC enrollment growth in 2024-25. This equates to about 5,400 additional FTE students. The average base rate for each of these students is \$5,440. To be eligible for these growth funds, a district must first recover to its pre-pandemic enrollment level. The Governor's proposed enrollment growth rate of 0.5 percent is the same rate the state has adopted the past three years. The Governor's budget also continues the practice of including provisional language redirecting any unearned enrollment growth funds first to backfilling apportionment shortfalls.

LAO Comments

Likely That Some of 2022-23 Growth Funding Will Not Be Earned by Districts. Based on data reported by the Chancellor's Office to our office in early February 2024, \$19 million of \$27 million in 2022-23 enrollment growth funding had been earned by districts. The Chancellor's Office has identified no apportionment funding shortfalls for 2022-23. The Chancellor's Office plans to release final 2022-23 enrollment and funding data by the end of February 2024. Any 2022-23 growth funds not earned by districts or not needed for an apportionment shortfall would become available for other Proposition 98 purposes, including Proposition 98 budget solutions. (The June 2023 budget swept the entire \$24 million in enrollment growth funding from 2021-22, as none of it was earned.)

Better Information Is Coming on 2023-24 Enrollment. As of this writing, estimating 2023-24 CCC enrollment remains difficult given that the Chancellor's Office is still processing Fall 2023 district enrollment submissions and the spring 2024 term is just beginning. By the time of the May Revision, the Chancellor's Office will have provided the Legislature with preliminary enrollment data for 2023-24. This data will show which districts are reporting enrollment increases and declines and the magnitude of those changes. It also will show how many districts are on track to earn any of the 2023-24 enrollment growth funds. Apportionment data for 2023-24, however, will not be finalized until February 2025, such that the Legislature might not want to take any associated budget action until next year. At that time, if some or all of the 2023-24 enrollment growth funds end up not being earned by districts or needed for an apportionment shortfall, the Legislature could redirect available funds for other Proposition 98 purposes, including Proposition 98 budget solutions.

Several Factors Could Guide 2024-25 Enrollment Growth Decision. If some districts are on track to grow in 2023-24, it could mean they might continue to grow in 2024-25. Student demand also might increase in 2024-25 if the state's unemployment rate continues to tick upward, the job market weakens, or entry-level wage growth slows. These developments often are accompanied by an increase in the number of individuals seeking reskilling or upskilling. By providing funding for enrollment growth in 2024-25, the state could encourage and reward districts for expanding access to students. Countering these growth pressures, however, is

demographic data indicating declines in both the college-age population (ages 18-24) and the broader working-age adult population (ages 25-64) in the state.

Sweep 2022-23 Growth Funds. Once 2022-23 enrollment and funding data are finalized later this fiscal year, we recommend the Legislature use any unearned enrollment growth funds to help achieve Proposition 98 budget savings. Based upon preliminary data, \$8 million would be available as savings. This action could be one of several ways the Legislature achieves Proposition 98 savings. Given the notable downward revisions in the Proposition 98 minimum guarantee over the budget window, such savings would help the state balance the budget.

Consider Forthcoming Data, Together With State's Budget Condition, to Decide on Growth Funding for 2024-25. We recommend the Legislature also use updated enrollment data, as well as updated data on available Proposition 98 funding, to make its decision on CCC enrollment growth for 2024-25. If the updated enrollment data indicate districts are growing in 2023-24, the Legislature could view the Governor's proposed growth funding in 2024-25 as warranted. Ultimately, though, the Legislature will want to weigh the benefits of providing more access to individuals seeking a CCC education with the need to find General Fund savings to address the state's significant budget problem. Were updated revenue estimates at the May Revision to suggest a more significant budget problem for the state, we recommend the Legislature not provide any growth funding for community colleges in 2024-25.

Staff Comments

The recent decline in community college enrollment is one of the most significant issues in California higher education. The decline has impacted statewide enrollment trends, with a smaller percentage of Californians attending college now than previously, and the other segments, particularly CSU, where typically about half of undergraduates are CCC transfer students. Based on enrollment data available on the Chancellor's Office Datamart system, only 13 of 73 districts finished the 2022-23 year with a higher number of FTE students than in 2019-20.

Both 2022-23 and Fall 2023 numbers do show good news, however, as most districts report growth instead of decline. State dollars used to recruit and retain students appears to have had some impact, although it is difficult to determine specific cause-and-effect. What is clear is that many colleges are expanding their programs to serve more "non-traditional" students, which can be good for college budgets and also the communities they are serving. Dual enrollment programs, and programs for the incarcerated, have grown in recent years, and some districts are expanding noncredit programs or experimenting with shorter-length courses to attract more students.

The Subcommittee may wish to work with the Chancellor's Office and districts to continue to expand services and provide higher education opportunities to more Californians.

Suggested Questions:

- What are the most effective practices for colleges in increasing enrollment? How can the state help to increase access to enrollment throughout the system?
- Have colleges been able to increase enrollment of Black and Latino students in the past year, to address the significant declines during the pandemic?
- Are there regional differences in enrollment patterns?
- How many districts are on track to fully rebound from the pandemic enrollment losses by the end of 2023-24?

Staff Recommendation: Hold Open.

This agenda and other publications are available on the Assembly Budget Committee's website at: [Sub 3 Hearing Agendas | California State Assembly](#). You may contact the Committee at (916) 319-2099. This agenda was prepared by Mark Martin.