

# California State Assembly



## Agenda

### Assembly Budget Subcommittee No. 3 on Education Finance

Assemblymember David Alvarez, Chair

Wednesday, April 29, 2026

3:30 P.M. – State Capitol, Rm 126

### PART 2: HIGHER EDUCATION

ITEMS TO BE HEARD		
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Public Comment will be taken in person before or after the completion of all panels and any discussion from the Members of the Committee, at the discretion of the Chair.

## Items To Be Heard

### 6610 California State University

#### Issue 1: Growing CSU Campus Funding

The Subcommittee will revisit California State University (CSU) enrollment trends and funding for campuses that have higher enrollment growth than the rest of the system. The Subcommittee will explore if a one-time expenditure in the budget year could help invest in an ongoing opportunities to increase enrollment and improve workforce oriented expansion.

#### Panel

- Alex Anaya Velazquez, Department of Finance
- Natalie Gonzalez, Legislative Analyst's Office
- Mark Martin, California State University Chancellor's Office
- Nathan Evans, California State University Chancellor's Office

#### Background

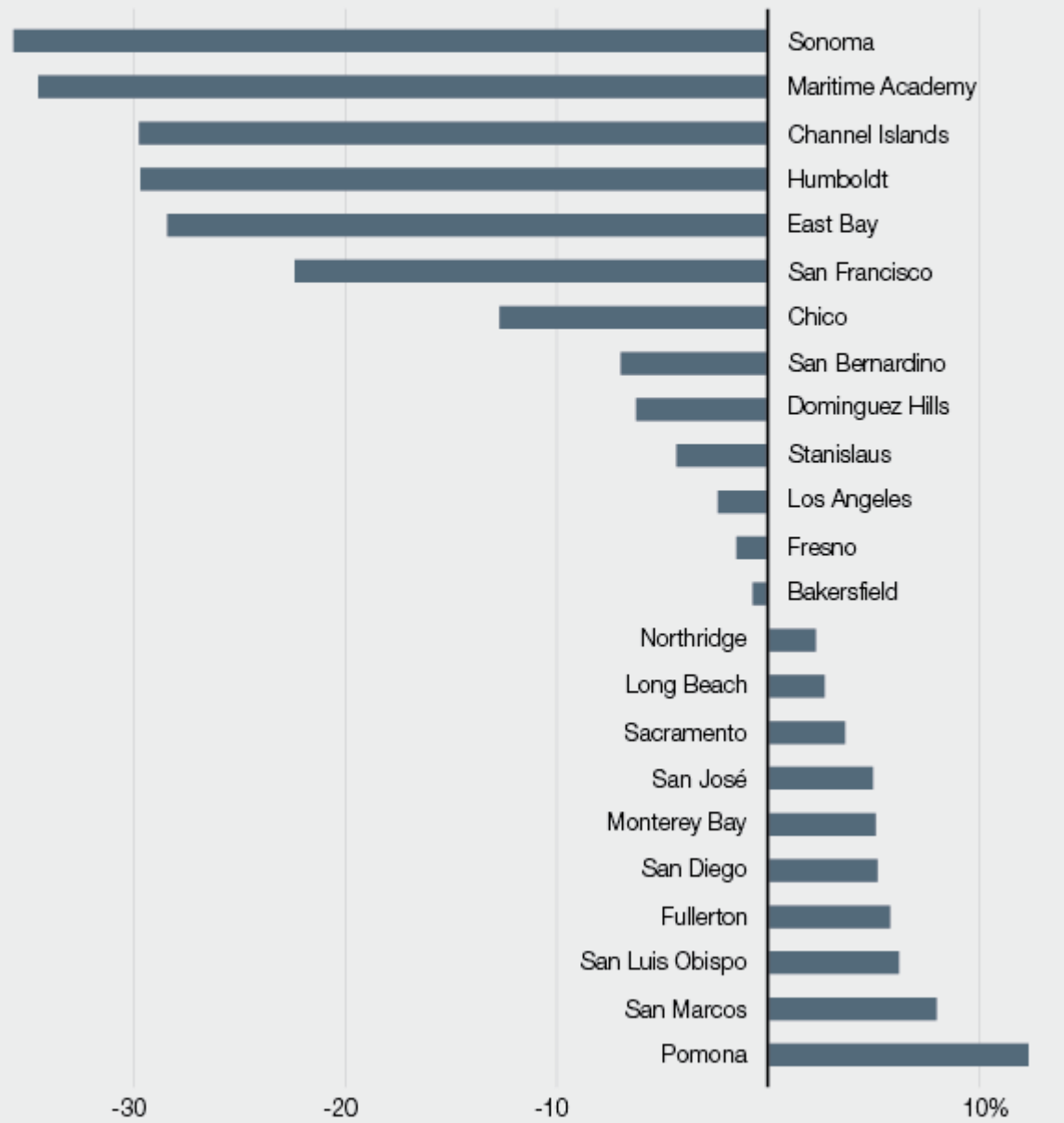
On April 7, 2026, the Subcommittee considered CSU's budget and enrollment. At that hearing the Subcommittee discussed that overall system enrollment growth was unevenly distributed across campuses. The LAO chart on the next page recalls that trend:

2024-25 CSU-determined enrollment targets, while 10 campuses exceeded them.

Figure 14

### More Than Half of CSU Campuses Are Below Their Enrollment Target

Resident Full-Time Equivalent Students Relative to Targets, 2024-25 Actual



### CSU Enrollment and Funding Equity

The Subcommittee held a hearing on December 8, 2025, to focus enrollment disparities between CSU campuses and how that translated into campus funding levels. This agenda item today allows that discussion to continue. The CSU provided the following enrollment data by campus, showing the overall decline in enrollment and subsequent rebound for most campuses since the COVID 19 pandemic:

Campus	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26 Projected
Bakersfield	8,351	8,882	9,131	9,603	9,738	8,556	7,906	8,290	8,688	9,060
Channel Islands	5,714	6,025	6,144	6,197	5,939	5,297	4,608	4,423	4,247	4,341
Chico	16,083	16,282	16,060	15,705	14,941	13,578	12,456	12,639	13,575	13,822
Dominguez Hills	11,118	11,609	12,076	13,284	13,729	12,543	11,824	11,280	11,240	11,315
East Bay	13,374	13,156	12,400	12,615	12,581	11,317	10,066	10,162	9,402	9,409
Fresno	21,024	21,530	21,338	20,915	21,466	20,776	19,920	20,232	20,979	21,595
Fullerton	32,158	32,747	32,295	32,671	33,687	31,590	31,735	33,652	35,420	37,355
Humboldt	7,771	7,631	7,066	6,367	5,608	5,062	5,086	5,485	5,539	5,773
Long Beach	30,741	30,485	30,466	31,543	32,362	31,860	31,509	32,552	34,245	36,296
Los Angeles	22,167	22,746	22,466	21,496	21,735	21,727	20,918	20,769	19,295	18,777
Maritime Academy	1,336	1,271	1,226	1,104	928	1,041	956	911	922	946
Monterey Bay	6,639	6,577	6,510	6,372	6,250	6,186	5,861	5,918	6,748	7,288
Northridge	31,085	31,358	30,795	30,870	31,328	29,895	28,757	30,468	31,377	32,040
Pomona	21,387	22,333	22,622	23,808	24,986	23,704	22,337	22,102	23,258	23,882
Sacramento	25,286	25,604	25,913	26,198	26,407	25,797	25,509	25,373	26,011	26,219
San Bernardino	17,113	16,909	16,653	17,164	15,999	15,330	15,335	15,849	15,747	16,416
San Diego	31,416	31,894	32,110	32,472	33,515	33,148	34,050	35,454	37,770	39,617
San Francisco	24,897	25,543	25,707	25,099	24,138	22,845	21,713	20,704	19,629	18,628
San Jose	25,551	27,076	26,909	27,388	27,571	27,276	26,029	26,263	27,592	29,423
San Luis Obispo	19,989	20,800	20,442	20,229	20,360	20,136	21,006	22,257	23,337	23,938
San Marcos	10,434	11,170	11,671	11,672	11,970	11,618	10,875	11,996	12,730	13,442
Sonoma	8,414	8,426	8,376	7,999	7,086	6,261	5,634	5,206	5,365	4,796
Stanislaus	8,015	8,357	8,457	8,908	8,900	8,128	7,768	8,122	8,124	8,232
System Initiatives	1,645	1,649	1,490	1,403	997	1,259	1,303	1,161	1,268	1,364
Grand Total	401,706	410,061	408,322	411,081	412,223	394,930	383,160	391,268	402,507	413,974

As stated at the April 7 hearing, ten campuses exceeded their enrollment targets in 2024-25, as shown in the chart below.

<b>Campus</b>	<b>Percentage difference between target and actual enrollment</b>	<b>FTE difference between target and actual</b>
Pomona	12.3%	2,499
San Marcos	8.0%	920
San Luis Obispo	6.2%	1,158
Fullerton	5.8%	1,887
San Diego	5.2%	1,578
Monterey Bay	5.1%	315
San José	5.0%	1,209
Sacramento	3.6%	882
Long Beach	2.7%	860
Northridge	2.2%	658
Bakersfield	-0.7%	-62
Fresno	-1.5%	-310
Los Angeles	-2.4%	-458
Stanislaus	-4.3%	-365
Dominguez Hills	-6.2%	-732
San Bernardino	-7.0%	-1,151
Chico	-12.7%	-1,918
San Francisco	-22.4%	-5,345
East Bay	-28.4%	-3,453
Humboldt	-29.7%	-2,192
Channel Islands	-29.8%	-1,773
Maritime	-34.6%	-475
Sonoma	-35.7%	-2,919

*Based on 2024-25 enrollment and revenue*

### **CSU Response**

As noted in the April 7<sup>th</sup> Agenda, CSU provided a written response to the Subcommittee's December 8<sup>th</sup> hearing with initial steps taken to address the impact of enrollment changes. These included:

1. Allocating \$20 million one-time to campuses with growth in both 2024-25 and 2025-26. The chart below illustrates the use of these funds.

**Additional Enrollment Funding Summary**

	2024-25 One-time Funding Allocation	2025-26 One-time Funding Allocation	TOTAL One-time Funding Allocations
Fullerton	\$6,720,000	\$1,183,000	\$7,903,000
Long Beach	754,000	2,458,000	3,212,000
Monterey Bay		1,180,000	1,180,000
Northridge	664,000	1,773,000	2,437,000
Pomona		2,076,000	2,076,000
Sacramento		2,193,000	2,193,000
San Diego	3,875,000	3,052,000	6,927,000
San Jose	467,000	3,920,000	4,387,000
San Luis Obispo	3,030,000	2,165,000	5,195,000
San Marcos	4,490,000		4,490,000
<b>TOTAL</b>	<b>\$20,000,000</b>	<b>\$20,000,000</b>	<b>\$40,000,000</b>

2. Reallocating enrollment funding between campuses. According to CSU, the equivalent funding of 10,077 FTE students has been redistributed between 2024-25 and 2026-27.

**Enrollment Reallocation Plan Summary**

	2024-25		2025-26		Projected 2026-27		Projected Three-Year Total	
	Resident FTES Target Reallocation	Resident Target Funding Reallocation	Resident FTES Target Reallocation	Resident Target Funding Reallocation	Resident FTES Target Reallocation	Resident Target Funding Reallocation	Resident FTES Target Reallocation	Resident Target Funding Reallocation
Bakersfield	0	\$0	0	\$0	25	\$230,000	25	\$230,000
Channel Islands	(184)	(1,474,000)	(179)	(1,743,000)	(289)	(2,772,000)	(652)	(5,989,000)
Chico	(467)	(4,127,000)	(453)	(4,394,000)			(920)	(8,521,000)
Dominguez Hills	(100)	(791,000)	0	0			(100)	(791,000)
East Bay	(376)	(2,990,000)	(364)	(3,298,000)	(589)	(5,252,000)	(1,329)	(11,540,000)
Fresno*	0	0	(56)	(35,000)	25	230,000	(31)	195,000
Fullerton	750	6,010,000	510	4,678,000	500	4,517,000	1,760	15,205,000
Humboldt	(228)	(1,919,000)	(221)	(2,137,000)	(358)	(3,385,000)	(807)	(7,441,000)
Long Beach	500	4,028,000	325	2,963,000	200	1,794,000	1,025	8,785,000
Los Angeles	(105)	(893,000)	(450)	(4,070,000)			(555)	(4,963,000)
Maritime	(43)	(384,000)	(41)	(417,000)			(84)	(801,000)
Monterey Bay	(200)	(1,725,000)	125	1,218,000	115	1,095,000	40	588,000
Northridge	150	1,187,000	180	1,611,000	125	1,110,000	455	3,908,000
Pomona	(117)	(960,000)	500	4,654,000	285	2,635,000	668	6,329,000
Sacramento	(426)	(3,510,000)	235	2,219,000	75	691,000	(116)	(600,000)
San Bernardino	0	0	0	0			0	0
San Diego	500	4,362,000	356	3,437,000	350	3,380,000	1,206	11,179,000
San Francisco	(737)	(6,011,000)	(715)	(6,559,000)	(1,156)	(10,424,000)	(2,608)	(22,994,000)
San Jose	150	1,208,000	240	2,202,000	530	4,774,000	920	8,184,000
San Luis Obispo	536	4,693,000	400	3,966,000	50	491,000	986	9,150,000
San Marcos	650	5,490,000	(147)	(1,391,000)	509	4,794,000	1,012	8,893,000
Sonoma	(253)	(2,199,000)	(245)	(2,325,000)	(397)	(3,771,000)	(895)	(8,295,000)
Stanislaus	0	0	0	0				
<b>Reduced</b>	<b>(3,891)</b>	<b>(\$32,304,000)</b>	<b>(3,397)</b>	<b>(\$31,362,000)</b>	<b>(2,789)</b>	<b>(\$25,604,000)</b>	<b>(10,077)</b>	<b>(\$89,270,000)</b>
<b>Gained</b>	<b>3,891</b>	<b>\$32,299,000</b>	<b>3,397</b>	<b>\$31,941,000</b>	<b>2,789</b>	<b>\$25,741,000</b>	<b>10,077</b>	<b>\$89,981,000</b>

**Staff Comments**

The Subcommittee has focused on enrollment decline at CSU campuses in prior hearings, but is now considering how the State can encourage and incentivize enrollment growth and workforce-related expansion at CSU campuses. This year, the Assembly has been concerned about the need for health care workforce training for all occupations. Recent federal HR 1 limitations on financial aid may reduce the availability of private higher education options for this important and scarce workforce.

Given the projected budget deficit, the Subcommittee may have some modest ability to make a one-time investment in programs that could potentially incubate new enrollment or workforce-adjacent expansion at CSU campuses that have demonstrated growth. However, these investments only make sense if there is a path for CSU to sustain them in future years with the CSU core funding, if they prove to be successful. The Subcommittee requested the CSU to provide some options for such investments, which we expect the system will outline at the hearing.

**Suggested Questions:**

1. Is CSU considering additional one-time funding for campuses with enrollment growth?
2. How does the CSU system encourage campuses to create programs that respond to workforce demands?
3. Does the CSU system have any plans to address health care workforce deficiencies?
4. Would the CSU system consider allocating future growth funding to continue one-time investments in enrollment or workforce focused programs?

**Staff Recommendation:** Hold Open.

**6440 University of California****Issue 2: UC Funding Proposals**

The Subcommittee will consider proposals to invest in the University of California

**Panel**

- Alex Anaya Velazquez, Department of Finance
- Florence Bouvet, Legislative Analyst's Office
- Dr. Deena McRae, University of California
- Dr. David Volz, UC Riverside
- Han Mi Yoon-Wu, University of California Office of the President
- Seija Virtanen, University of California Office of the President

**Background**

Subcommittee staff requested the UC to consider small one-time initiatives that would be aimed at expanding enrollment, reducing time to graduation, and increase workforce competitiveness, with and emphasis on health care workforce. In response the UC provided the following concepts for consideration:

**1. Health Professional Program Expansion Request**

Proposal: \$11 million in one-time funds available over four years

These funds would allow the following programs to be launched as pilots:

- DDS ASPIRE: \$1.9 million for a dentistry program. This program will train students to provide oral health care to populations who currently lack access, primarily in rural areas.
- PRIME Rx: \$1.8 million for a pharmacy program. Students will be selected for the program based on their interest in servicing populations at risk for health disparities, particularly migrant and immigrant communities.
- ACCESS: \$0.9 million for an optometry program. This program will train students to provide eye care to underserved communities.
- DVM-SERVE: \$0.9 million for a veterinary medicine program. This program will provide students with veterinary medical education along with skills in leadership, public health, and foundational business.

**2. Artificial Intelligence Initiative**

Proposal: \$10 million in one-time funds available over four years

Description: The initiative will leverage artificial intelligence and harness the collective power of UC's campuses, academic health centers, and national labs to address the world's most intractable challenges. This new initiative will help ensure that this technology serves and uplifts humanity, creates shared resources that drive innovation, and helps prepare the workforce of tomorrow. The initiative will analyze emerging trends, learning outcomes, and workforce needs, guiding the University of California in adapting curricula, teaching methods, and administrative strategies to ensure that UC students are ready to build, use, and control AI as they step into the workforce. By integrating data-driven insights, the project aims to ensure that students develop skills relevant to an AI-enhanced world while maintaining academic rigor and equity. The initiative will also explore ethical frameworks and policy recommendations for responsible AI adoption across campuses.

### 3. Student Disability Services

Proposal: \$10 million in one-time funds available over four years

Description: These funds would be spent on staffing to address wait times for accommodation appointments and support coordination, purchase of technology to assist students with disabilities, and other one-time campus improvements for accessibility. UC disabled student centers have wait times of a month for initial assessments. Campuses have seen an increase in the number of students requesting accommodations. In 2025-26, the UC Student Association requested additional funding for UC student disability centers.

### 4. Proof-of-Concept Funding

Proposal: \$4 million in one-time funds available over four years

Description: The Proof-of-Concept funds will be used to bridge the divide from research to commercial-ready technologies and accelerate the commercialization of early-stage concepts to solutions that benefit society. The Proof-of-Concept funds are necessary to traverse the so-called "Valley of Death" for new innovations between initial research and a developed prototype. While federal funding has supported fundamental basic and applied research, there is a significant lack of funding sources and amounts to develop technologies that bridge the gap from fundamental basic and applied research to validated, commercial-ready opportunities.

UCOP funded an initial \$2 million pilot Proof-of-Concept Fund in 2023, which catapulted promising early-stage concepts to license-ready technologies to either be licensed to existing companies or support the formation of spin-out companies that are mature enough to attract outside funding for successful translation. The pilot provided a toolkit, resources, and vital seed investment to help each of the ten UC campuses build campus POC programs that could now be expanded even further with additional resources. The \$2 million investment led to 17 new start-up companies being created and 26 prototypes

developed and tested. These companies have to date raised \$2.8 million in investment funds.

### Staff Comments

Per the request of Subcommittee staff, the UC also provided a copy of a \$10.6 million request proposed by the Regents to facilitate the improvement of Common Course Numbers.

The investment would make targeted enhancements to ASSIST, the official statewide database and online resource for transfer articulation, which serves thousands of California students, faculty, and staff of the three public higher education systems. The ASSIST public website ([www.assist.org](http://www.assist.org)) shows prospective transfer students how courses they complete at a community college will transfer credit to a baccalaureate degree-granting institution. The proposed enhancements, which have an estimated cost of \$10.6 million over three years, would improve ASSIST's functionality in important ways.

- The Explore Majors application will allow students to explore majors offered at CSU and UC campuses, view the required courses for those majors, and access the corresponding CCC preparation courses all in one place. This feature existed in a legacy ASSIST system and received approximately 500,000 unique hits per month. Funding constraints prevented the re-introduction of this tool in the current version of ASSIST, yet it remains one of the most requested enhancements among students and counselors.
- The Compare Majors feature will show side-by-side how courses taken by a student at multiple CCCs will satisfy major requirements at a specific CSU or UC, or how courses taken at a single CCC could fulfill major requirements at multiple CSUs and UCs. The tool will streamline the planning process for students and counselors by presenting information in a consolidated, user-friendly view.
- The Course Transfer Summary tool will allow prospective transfer students to select a course and identify every UC and CSU campus where the course is approved for transfer and/or would fulfill general education or major requirements. Currently, students must navigate through several different locations to find this information.

The University of California Office of the President, as the ASSIST proposal and fiscal sponsor, would oversee the ASSIST enhancements in consultation with the CSU Office of the Chancellor and CCC Chancellor's Office, pursuant to the ASSIST program's intersegmental governance structure.

**Suggested Questions:**

1. How would these proposed investments increase enrollment of improve workplace readiness outcomes for UC students?
2. How did the UC determine which proposals to place forward for consideration?
3. Can you articulate how the health program expansions would address health care workforce shortages?
4. How would the UC evaluate if the proposed pilot funding requests be continued with UC Core funding in future years?

**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 Christian Griffith.