# SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair 2015 - 2016 Regular

Bill No: SCA 12

**Author:** Runner and Huff

Version: April 13, 2016 Hearing Date: April 20, 2016

**Urgency:** No **Fiscal:** Yes

Consultant: Kathleen Chavira

Subject: University of California: students

**NOTE:** This measure has been referred to the Committees on Education and Elections and Constitutional Amendments. A "do pass" motion should include referral to the Elections and Constitutional Amendments Committee.

#### SUMMARY

This measure proposes to modify Article IX of the State Constitution to require the Regents of the University of California (UC) to ensure that priority in admissions is given to applicants who are California residents.

### **BACKGROUND**

The California Constitution establishes the UC, 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)

### **ANALYSIS**

This constitutional amendment proposes to place before the voters a change to the California Constitution to require that the Regents act in the best interests of the people of California and honor a fiduciary duty to California residents, as specified by ensuring that priority in admissions is given to applicants who are California residents.

### STAFF COMMENTS

- 1) **Need for the bill.** According to the author, while UC admission websites proclaim that the UC prioritizes admission of California residents, at several UC campuses non-residents are granted admission at a dramatically higher rate than California students. Increasingly, students and parents share the perception that California students are being passed over for less qualified non-residents willing to pay more. This constitutional amendment would reiterate that the primary purpose and obligation of the UC is to serve the students of California.
- 2) **Current status of out-of-state admissions.** The UC reports that for the 2014-15 academic year, 13 percent of its undergraduates systemwide were non-

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residents. The UC also notes that the average for other comparable public institutions nationally is 26 percent. The chart below summarizes the level of enrollment of non-residents at all University of California (UC) campuses for the 2012 and 2013 academic years. According to the UC, non-resident enrollment for 2015-16 was capped at those campuses that have seen the largest growth, Berkeley (25 percent), Los Angeles (19 percent), and San Diego (17 percent) was directed to cap their enrollment of non-residents at 20 percent.

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000112	Fall 2012		Fall 2013	
Berkeley	25774		25951	
California	20463	79%	19478	75%
Out-of-State	2641	10%	3131	12%
International	2670	10%	3342	13%
Total Non-Resident	5311	21%	6473	25%
Davis	25817		26693	
California	24165	94%	24365	91%
Out-of-State	598	2%	709	3%
International	1054	4%	1619	6%
Total Non-Resident	1652	6%	2328	9%
Irvine	22309		23605	
California	20517	92%	20948	89%
Out-of-State	518	2%	590	2%
International	1274	6%	2067	9%
Total Non-Resident	1792	8%	2657	11%
Los Angeles	27941		28674	
California	23540	84%	23234	81%
Out-of-State	1642	6%	2185	8%
International	2759	10%	3255	11%
Total Non-Resident	4401	16%	5440	19%
Merced	5431		5837	
California	5319	98%	5645	97%
Out-of-State	31	1%	27	0%
International	81	1%	165	3%
Total Non-Resident	112	2%	192	3%
Riverside	18583		18658	
California	17896	96%	17832	96%
Out-of-State	288	2%	268	1%
International	399	2%	558	3%
Total Non-Resident	687	4%	826	4%
San Diego	22676		23805	
California	19686	87%	19778	83%
Out-of-State	1066	5%	1271	5%
International	1924	8%	2756	12%
Total Non-Resident	2990	13%	4027	17%
Santa Barbara	18989		19372	
California	17665	93%	17720	91%
Out-of-State	789	4%	897	5%
International	535	3%	755	4%
Total Non-Resident	1324	7%	1652	9%
Santa Cruz	15978		15695	
California	15562	97%	14986	95%
Out-of-State	374	2%	552	4%
International	42	0%	157	1%
Total Non-Resident	416	3%	709	5%
University Total	183498		188290	
California	164813	90%	163986	87%
Out-of-State	7947	4%	9630	5%
International	10738	6%	14674	8%
Total Non-Resident	18685	10%	24304	13%

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3) **BSA Audit.** On March 29, 2016, the California State Auditor released a report, The University of California, Its admissions and Financial Decisions have Disadvantaged California Resident Students. The report lists as its key findings that the university has undermined its commitment to residents in an effort to increase its revenue by recruiting and enrolling non-residents. The report specifically cites that:

- a) Despite a 52 percent increase in resident applicants, resident enrollment increased by only 10 percent over the last 10 years while non-resident enrollment increased by 432 percent.
- b) The University lowered the admission standard for non-residents and admitted nearly 16,000 non-residents over the past three years with academic scores that fell below the median of admitted residents.
- c) Admitted residents were increasingly denied their campus of choice, yet admitted non-residents were always admitted to one of their campuses of choice.
- d) Mandatory fees doubled for residents while they increased for nonresidents at a much lower rate.

According to the report, in 2011, the UC Board on Admissions and Relations with Schools (BOARS) eliminated wording in its 2009 nonresident undergraduate admissions principles that nonresidents "should demonstrate stronger admission criteria than CA residents by generally being in the upper half of those ordinarily eligible" for admission. BOARS revised its principles to state that admitted nonresidents should "compare favorably to California residents admitted" and left application of this standard to campuses.

In response, the UC asserts that its admissions policies overwhelmingly favor Californians, and that state funding determines how many California residents the UC enrolls.

- 4) **Constitutional amendment requirements.** As a proposed Constitutional Amendment, this measure would not go into effect unless approved by the majority of voters at a statewide election. This proposal requires a 2/3 vote of each house in order to be submitted to the voters. It does not require approval by the Governor.
- 5) Conflicting Legislation? Legislative counsel has noted a potential conflict between this bill, and SCA 1 (Lara), also on the Committee's agenda today, as both propose changes to Section 9, Article IX of the California Constitution. While the provisions of each proposed Constitutional amendment do not appear to be in conflict, this bill has been referred to the Senate Committee on Elections and Constitutional Amendments which has jurisdiction over bills to amend the constitution and can appropriately determine any necessary amendments to address a conflict.

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Related legislation? While this Committee has heard several bills that propose to restrict undergraduate non-resident enrollment this measure imposes no such restriction. In response to recent policies adopted by the UC in regard to non-resident admissions, this bill imposes a broad responsibility on the Regents to ensure that California resident students who apply to the UC are extended priority in admissions.

# **SUPPORT**

None received.

### **OPPOSITION**

None received on this version.

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