

Date of Hearing: June 20, 2017

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

SB 592 (Nielsen) – As Amended May 3, 2017

**SENATE VOTE:** 37-0

**SUBJECT:** Public postsecondary education: admissions data

**SUMMARY:** Requires, by July 1, 2018 and each year thereafter, the California State University (CSU) and the University of California (UC) to post on their respective Internet Web site uniform application, admission and freshman class profiles and additionally requires the UC to submit a report with specified information to the Legislature. Specifically, **this bill:**

- 1) Requires by July 1, 2018 and each year thereafter, the CSU to:
  - a) Publish on its Internet Web site, or to report using a successor technology, uniform application, admission, and freshman class profiles including, but not necessarily limited to, all standardized test scores and grade point averages; and,
  - b) Present the above information in the same statistical format employed in accordance with the Common Data Set Initiative or a successor database. This bill requires that the data published be presented in composite form as well as in subcategories representing instate, out-of-state, and international students.
- 2) Requires by July 1, 2018 and each year thereafter, the UC to:
  - a) Submit a report to the Legislature that includes, but not necessarily limited to, uniform application, admission and freshman class profiles including, but necessarily limited to, all standardized test scores and grade-point averages; and,
  - b) Present the above information in the same statistical format employed in accordance with the Common Data set initiative or a successor database. This bill requires that the data published be presented in composite form as well as in subcategories representing instate, out-of-state, and international students; and,
  - c) Post the report on its Internet Web site.
- 3) Specifies that for purposes of this bill in-state students include all students who qualify for in-state tuition.

**EXISTING LAW:**

- 1) Establishes the CSU administered by a board designated as the Trustees of the CSU. (Education Code (EC) Section 66602)
- 2) Establishes the UC under the California Constitution as a public trust to be administered by the Regents of the UC and grants the Regents full powers of organization and

government, subject only to such legislative control as may be necessary to insure security of its funds, compliance with the terms of its endowments, statutory requirements around competitive bidding and contracts, sales of property and the purchase of materials, goods and services. (Article IX, Section (9)(a) of the California Constitution)

**FISCAL EFFECT:** Pursuant to Senate Rule 28.8, the Senate Appropriations Committee determined that the cost of SB 592 was not substantial enough to meet the suspense threshold.

**COMMENTS:** *Need for the bill.* According to the author, “In recent years there has been mounting concern that the explosive growth in non-resident students attending California’s public universities has come at a cost to California high school students. Increasingly California students, parents and the press have raised concerns that nonresident applicants have been granted priority over California students. Last year the State Auditor issued a report that added credibility to these concerns. The report concluded that the University of California has strategically sought to admit less qualified out of state and international students in order to reap millions of dollar in additional fees paid by nonresidents.

“At some campuses more qualified California students have been denied admission or were not assigned to their school of choice. The report revealed that very few of the nonresident applicants (out of state and international) granted admission to the University of California were underrepresented minorities. While irregularities in non-resident admission practices have not been as pervasive within the California State University system two popular campuses, San Diego State and Cal Poly, have admitted a disproportionately high percentage of nonresident applicants.”

*Background.* The California State Auditor issued a report, *The UC, Its Admissions and Financial Decisions have Disadvantaged California Resident Students* on March 29, 2016. The report noted that, “...over the past several years, the university has failed to put the needs of residents first. In response to reduced state funding, it has made substantial efforts to enroll more nonresident students, who pay significantly more annual tuition and mandatory fees than resident students—\$37,000 compared to \$12,240 in academic year 2014–15. The results are stark: From academic years 2010–11 through 2014–15, total nonresident enrollment at the university increased by 82 percent, or 18,000 students, while resident enrollment decreased by 2,200 students, or 1 percent.”

The report specifically found that:

- a) Despite a 52 percent increase in resident applicants, resident enrollment increased by only 10 percent over the last 10 years while nonresident enrollment increased by 432 percent.
- b) The UC lowered the admission standard for non-residents and admitted nearly 16,000 nonresidents 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 nonresidents 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.

The UC challenged the Auditor's report findings, writing that "...UC's eligibility criteria arguably capture a larger pool than required under the Master Plan. Nonetheless, even in the leanest of budget years--and in years when other California institutions turned away tens of thousands of eligible Californians--UC has continued to offer admission to every California applicant who meets our criteria."

The UC also noted in their dissent that non-resident students pay substantially more than resident students - and that a portion of the non-resident's tuition goes towards funding enrollment for in-state students. According to UC, California residents paid \$12,294 dollars in tuition and fees in 2016-2017, while non-resident students paid \$38,976 dollars in tuition and fees.

*Current status of resident admissions.* According to the UC, over 6,400 California undergraduate residents were enrolled between fall 2015 and fall 2016. This fall, UC anticipates enrolling an additional 2,500 resident students as part of their state goal to add 10,000 more resident students by 2018.

According to CSU, California residents are prioritized in the admission process and notes that it has consistently enrolled 94 percent California resident students for the last decade. The Legislative Analyst's Office (LAO) details elements of CSU's resident enrollment management in their 2015 report, *Implementation Update: Reforming Transfer From CCC to CSU*. Specifically, "campus impactation" and "program impactation" are ways for CSU campuses to increase their base enrollment standards.

*Campus impactation.* An impacted campus may establish admission criteria for all nonlocal applicants that are stricter than systemwide minimum eligibility. Campuses may declare impactation at the freshman or transfer level, or both. Seventeen campuses are currently impacted for incoming freshmen, and 16 of those campuses also are impacted for transfers. According to the CSU, impacted campuses guarantee admission to all local applicants who meet systemwide eligibility requirements.

*Program Impactation.* Impacted programs may establish supplemental admission criteria for all applicants—local and nonlocal. As a result, CSU-eligible local students are not guaranteed admission to impacted programs, although campuses may award extra points or other consideration to help make them more competitive. While most CSU campuses have some impacted programs, six of the 23 campuses have now declared all of their majors impacted (Fullerton, Fresno, Long Beach, San Diego, San Jose, and San Luis Obispo).

*Current status of out-of-state admissions.* The UC reports that for the 2015-16 academic year, 15.5 percent of its undergraduates systemwide were nonresidents. According to the UC, nonresident enrollment for 2015-16 was capped at those campuses that had seen the largest growth. Berkeley (25 percent), Los Angeles (19 percent) and San Diego (17 percent) were directed to cap their enrollment of nonresidents at 20 percent.

According to the CSU, for the fall 2016 enrollment five percent of its undergraduates systemwide were nonresidents. Only two campuses exceed 10 percent, San Diego (12 percent) and San Luis Obispo (15 percent). As noted above, both of these campuses have declared

program impaction on all their undergraduate majors, eliminating any benefit for students living in the campuses' local service area. Additionally, CSU reports that the proportion of undergraduate non-resident students has been stable and there is no intent to grow non-resident admissions.

*Staff comments.* This bill does not impose a cap on non-resident enrollment nor require changes to UC or CSU admission policies. This bill requires CSU and UC to share freshman class profile information including standardized test scores and grade point averages disaggregated by in-state, out-of-state, and international students. Committee staff understands that at least one UC campus currently provides this data in the format proposed by this bill.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

None on file.

##### **Opposition**

None on file.

**Analysis Prepared by:** Kevin J. Powers / HIGHER ED. / (916) 319-3960