



## “Three Californias” Initiative and the UC System

### Executive Summary

During the 2014 election cycle, venture capitalist and tech billionaire Tim Draper personally funded a ballot initiative campaign that would have divided California into six states, including a carve-out of Silicon Valley and “West California” centered on Los Angeles. The initiative failed to qualify after about one-third of the signatures submitted were rejected by the Secretary of State.

At the time, opponents called Draper’s plan “an embarrassing distraction that would cause political chaos and greater inequity” and “a solution in search of a problem” ([Los Angeles Times](#), September 12, 2014).

In August 2017, Draper filed paperwork with the Attorney General proposing a 2018 ballot initiative, this time to divide California into three states, tentatively named Northern California, Southern California, and California. However, as the Los Angeles Times noted, much the other hundreds of efforts to dissolve California’s long-standing borders, “None, including Draper’s new effort, spell out the complicated choices on water rights, economic benefits or border disputes.” ([Los Angeles Times](#), August 31, 2017)

This research brief looks at just one of these consequences – the potential impact on University of California students who might be forced to pay out-of-state tuition should California be broken into three states.

Students at the University of California could face over \$2 billion in increased tuition as nearly 90,000 California resident students find themselves reclassified as “out of state.” Notably, although Draper’s Three Californias plan creates half as many divisions compared to his 2014 proposed initiative, it reduces the number of new non-resident students living in the state – and the additional tuition they would pay – by just 18%.

**Methodology**

If Draper’s initiative were to pass, the ten UC campuses would be split among the three new states as follows:

- *Northern California:* Davis, Berkeley, Merced, Santa Cruz, San Francisco
- *Southern California:* Irvine, Riverside, San Diego
- *California:* Los Angeles, Santa Barbara

Over half of UC students would find themselves reclassified as a non-resident student and could face higher out-of-state tuition.

**Figure 1. California Resident Freshman Reassigned as Non-Residents<sup>1</sup>**

UC Campus <sup>2</sup>	UC California Resident Freshman			% of CA students to potentially pay out-of-state tuition
	# of CA residents in same state	# of CA residents in a new state	Total UC California Resident Freshmen	
Berkeley	1,661	1,720	3,382	50.9%
Davis	2,670	1,088	3,759	29.0%
Irvine	1,327	2,105	3,432	61.3%
Los Angeles	1,616	1,925	3,542	54.5%
Merced	466	459	926	49.6%
Riverside	1,661	2,040	3,701	55.1%
San Diego	1,038	2,182	3,220	67.8%
Santa Barbara	1,562	2,329	3,892	59.9%
Santa Cruz	1,532	1,320	2,853	46.3%
<b>TOTAL:</b>	<b>13,533</b>	<b>15,168</b>	<b>28,707</b>	<b>52.8%</b>

Source: “[Where do UC's California Resident Freshmen Come From?](#),” University of California, Fall 2009; Forward Observer calculations<sup>3</sup>

<sup>1</sup> UC data on the home counties of their students is given regionally, and has been adjusted by population where these regions differ from the borders proposed by Draper.

<sup>2</sup> UC San Francisco is not included in this analysis as it serves graduate students only.

<sup>3</sup> Forward Observer calculations use the same data sets as in [our analysis](#) of the 2014 initiative in order to make direct impact comparisons.

Assuming that the total undergraduate population of each campus has a similar geographic composition of CA residents as its freshman class, we estimate nearly 90,000 students of the 168,772 undergraduate California resident students could be forced to pay out-of-state tuition.

**Figure 2. Undergraduate California Resident Students Reclassified as “Out-of-State”**

UC Campus	CA Resident Undergraduates	% Reclassified as Non-Residents	Students Reclassified as Non-Residents
Berkeley	22,307	50.9%	11,354
Davis	23,956	29.0%	6,947
Irvine	21,347	61.3%	13,086
Los Angeles	23,126	54.5%	12,604
Merced	4,109	49.6%	2,038
Riverside	18,069	55.1%	9,956
San Diego	22,064	67.8%	14,959
Santa Barbara	18,387	59.9%	11,014
Santa Cruz	15,407	46.3%	7,133
	<b>168,772</b>	<b>52.8%</b>	<b>89,092</b>

Sources: [“Fall Enrollment Headcounts,”](#) University of California, Accessed September 11, 2017; Forward Observer calculations

The University of California estimated tuition and fees at \$13,900 for California resident students in 2014, with non-resident students paying an additional \$22,878 in “supplemental tuition.” This would create a new burden of over \$2 billion across the UC System for these 89,092 formerly in-state students.

**Figure 3. Increased Tuition and Fees for New “Out-of-State” Students**

UC Campus	Students Reassigned as Out-of-State	Additional Tuition Owed
Berkeley	11,354	\$259,762,829
Davis	6,947	\$158,938,957
Irvine	13,086	\$299,374,896
Los Angeles	12,604	\$288,346,762
Merced	2,038	\$46,626,828
Riverside	9,956	\$227,773,803
San Diego	14,959	\$342,240,970
Santa Barbara	11,014	\$251,974,014
Santa Cruz	7,133	\$163,198,863
<b>TOTAL:</b>	<b>89,092</b>	<b>\$2,038,237,922</b>

Sources: [“Where do UC’s California Resident Freshmen Come From?”](#), University of California, Fall 2009; [“Fall Enrollment Headcounts,”](#) University of California, Accessed September 11, 2017; Forward Observer calculations

Although Draper’s Three Californias plan creates half as many divisions compared to his 2014 proposed initiative, it reduces the number of students reclassified as out-of-state – and the additional tuition paid by currently in-state undergrads – by just 18%.

**Figure 4. “Six Californias” vs. “Three Californias” Change in Impact**

<b>Proposed Initiative</b>	<b>“Out-of-State” Students</b>	<b>Burden on CA Undergrads</b>
“Six Californias”	109,310	\$2,500,794,180
“Three Californias”	89,092	\$2,038,237,922

Sources: [Where do UC’s California Resident Freshmen Come From?](#), University of California, Fall 2009; [Fall Enrollment Headcounts](#), University of California, Accessed September 11, 2017; Forward Observer calculations