LAO

May 15, 2025

Hon. Rob Bonta Attorney General 1300 I Street, 17<sup>th</sup> Floor Sacramento, California 95814

Attention: Ms. Anabel Renteria Initiative Coordinator

Dear Attorney General Bonta:

Pursuant to Elections Code Section 9005, we received the proposed statutory initiative related to an ethnic studies course at the California State University (CSU) (A.G. File No. 25-0003).

## BACKGROUND

*CSU Is a Public University System in California.* CSU provides undergraduate and graduate education with a focus on academic degrees through the master's level. Its 23 campuses enroll approximately 460,000 students. About 90 percent of CSU students are undergraduates and about 10 percent are graduate students. CSU receives funding from both the state and student tuition revenue.

*CSU Has Graduation Requirements.* CSU students must complete specific coursework requirements to receive their degree. For undergraduate students, graduation requirements include courses for one's major, general education (GE) courses, and an American Institutions and Ideals requirement (courses related to U.S. history, the U.S. Constitution, and California state and local government). To fulfill GE requirements, CSU students must complete a certain number of lower- and upper-division courses in different subject areas. Campuses have discretion to add courses to the minimum GE requirements. Undergraduate programs, however, generally are limited to a total of 120 units of coursework. A typical course is three units.

*Completing an Ethnic Studies Course Recently Became a CSU Graduation Requirement.* Chapter 32 of 2020 (AB 1460, Weber) requires CSU undergraduates to complete a three-unit ethnic studies course to graduate. The ethnic studies course could not increase the total number of units required to graduate. Thus, CSU implemented it by replacing a lower-division social

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sciences GE course with a lower-division ethnic studies GE course. As part of the implementation process, certain CSU faculty groups were tasked with developing core competencies for ethnic studies courses. (Core competencies refer to the skills and learning outcomes students are to attain.) Additionally, faculty at each campus developed additional ethnic studies courses and submitted them for review. Courses generally were reviewed at the department, campus, and system levels. The ethnic studies course requirement became effective for students graduating in the 2024-25 academic year.

## PROPOSAL

*Creates New Undergraduate and Graduate Ethnic Studies Requirement at CSU.* This measure requires CSU to add an upper-division ethnic studies course that is three units or higher to its graduation requirements for undergraduate students. Under this measure, students would now be required to take both a lower-division and upper-division ethnic studies course in order to graduate. This measure also requires all CSU students in postbaccalaureate-degree programs to complete one ethnic studies course that is three units or higher as a graduation requirement. The requirement for graduate students would not apply to (1) students who completed two ethnic studies courses during their baccalaureate coursework or (2) students who completed two ethnic studies courses at an accredited postsecondary educational institution.

*Includes Various Related CSU Requirements.* CSU must add the new course requirement without increasing the total number of units required to graduate from an undergraduate or graduate program. The measure directs CSU to collaborate with certain CSU faculty groups to develop core competencies for the ethnic studies courses, with the faculty groups needing to approve those core competencies before the start of the 2030-31 academic year. The new requirement would go into effect commencing with students graduating in the 2030-31 academic year.

## **FISCAL EFFECTS**

*Initial Costs to Establish New Courses.* About 90 percent of CSU undergraduate students do not currently complete an upper-division ethnic studies course and most graduate students do not complete an ethnic studies course during their postbaccalaureate-degree programs. As a result, under this measure, campuses would need to expand their ethnic studies undergraduate upper-division and graduate-level course offerings. To do so, campuses would need to hire more ethnic studies faculty. The number of faculty hired would vary depending on certain campus decisions, such as class size. CSU would also incur administrative costs to review new ethnic studies courses and revise graduation requirements. We estimate the total cost to implement the measure would be in the tens of millions of dollars annually during the initial years of implementation.

*Costs Would Decline Over Time.* Given that this new course requirement cannot increase the number of units required for students to graduate, the new ethnic studies courses likely would replace other currently offered courses. As a result, costs due to hiring new ethnic studies faculty would be largely offset over time by savings from eliminating other faculty positions for the courses that are replaced. Similarly, administrative costs associated with reviewing the new

ethnic studies courses would be largely offset over time by a corresponding decrease in administrative workload in other disciplines. The net fiscal impact could vary somewhat across campuses depending upon their specific implementation choices.

Summary of Fiscal Effect. This measure would have the following fiscal effect:

• Increased state costs in the tens of millions of dollars annually during initial implementation of the measure, with the bulk of costs phasing out over time.

Sincerely,

for Gabriel Petek Legislative Analyst

for Joe Stephenshaw Director of Finance