California K–12 Enrollment Declines Continue to Exceed Expectations
For the first time since the turn of the millennium, California’s K–12 public system enrolls fewer than 6 million students. Recently released statewide numbers show that enrollment fell by 110,000 students, or 1.8%, between 2020–21 and 2021–22. Enrollment has now declined for five straight years, with a decline of 270,761 students over the past two years, compared to 65,234 from 2016–17 to 2019–20. Moreover, recent declines have outstripped state projections. Why has enrollment fallen more sharply than anticipated? While we don’t yet have definitive answers, we can highlight important aspects of the decline.

Long-term demographic projections from the Department of Finance predicted that enrollment would decline over the coming decade, due to declining birth rates, growing net out-migration to other states, and lower international immigration. However, this year’s enrollment decline is much larger than the projected decline of only 0.4%.

A look at the differences between actual declines and the state forecasts across grade levels yields some insights. The largest gap is for kindergarten enrollment: it increased slightly—by roughly 8,000 students (1.7%)—but the expected increase was about 35,000 students (7.5%). Also notably, grade 1 enrollment fell by 18,000 students (4.3%), while it was expected to increase by 4,000 students (1%).
Enrollment projections for kindergarten and grade 1 anticipated a rebound from steep declines in 2020–21 that failed to materialize in 2021–22. While declines were larger than expected across almost all other grades, the gaps are smaller—ranging from 1.4 percentage points for grade 6 to 0.5 for grade 11. Taken together, declines in these grades were only modestly worse than expected—around 0.9 percentage points, on average.

Examining how declines vary across the state also yields important insights. Enrollment declined in most counties over the past year, but there were increases in some counties. Notably:

- Enrollment grew modestly in most of the Central Valley and some parts of Northern California.
- Calaveras County had the largest enrollment increase (4.5%), but San Benito and Lake Counties also saw increases above 4%.
- Alpine and Inyo Counties experienced the largest declines, though these counties enroll relatively few students.
- The San Francisco Bay Area experienced the largest regional decline; San Francisco, San Mateo, and Santa Clara Counties all had declines above 4%.
- All of the state’s coastal counties saw enrollment declines over the past year.

Unfortunately, we do not yet have enough data to fully understand the causes of these declines. Enrollment numbers from private school affidavits suggest private school enrollment grew over the past year, although not enough to match the gap between actual and predicted
declines. It’s also possible that more families may be homeschooling their children.

Larger than expected outflows of families (and lower inflows of new families to California) are another possible reason declines were larger than projected and didn’t bounce back in earlier grades after the first year of the pandemic.

It is also possible that families chose to delay enrolling their children in kindergarten, so that students who would otherwise have been eligible for first grade in 2021–22 were instead enrolled (or re-enrolled) in kindergarten. This could partially explain why enrollment was so much lower than projected for the youngest children. If this is indeed a major factor, we would eventually expect to see some rebound. However, the possibility that these declines are driven in part by decreased formal engagement with K–12 schools raises a potentially larger concern: if changes in migration and private school enrollment don’t fully account for declines that exceed demographic projections, it may be that some kids are “missing” from the system.

Since state funding is tied to enrollment, declining enrollment will continue to pose financial challenges for districts statewide in the coming years. Districts typically receive a one-year grace period after an enrollment decline, and this period was extended an additional year during the pandemic. These protections are set to expire in the 2022–23 school year, leaving many districts in danger of funding declines in the coming school year. The governor’s proposed budget offers a partial reprieve, allowing districts to use a three-year average if it is higher than current or prior year attendance.

State and federal stimulus funding and large year-over-year increases in General Fund dollars for K–12 schools should help the system weather enrollment declines over the next few years. In the longer term, however, abrupt funding cuts and downsizing would likely compound the challenges faced by schools across the state.
California’s New Baby Bust
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Who Stands to Gain from Changes in School Enrollment Funding?
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