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California's \$133 Billion Payoff: Increasing College Degree Attainment and Closing Racial Equity Gaps Yields Incredible Economic Benefits for the State and Its Residents

California will generate **\$133 billion in additional state and federal revenue, and residents will gain \$435 billion in additional income by 2030** by increasing college degree production and closing racial equity gaps, according to *California's Biggest Return*, a publication released today by the Campaign for College Opportunity.

To reap billions in state and federal revenues, California must ensure 60% of Black; Latinx; Indian/Alaska Native; Asian American, Native Hawaiian and Pacific Islander; and white residents hold a degree or high-value credential by 2030. When California reaches the 60% college attainment for all racial/ethnic group milestone, individuals and the state win big! With an investment of \$79 billion, the state will see:

Additional revenue for California residents by 2030

- \$435 billion in cumulative additional income before taxes
- \$329 billion in cumulative additional money to spend or save after taxes
- A rise in the average income among Latinx Californians in the workforce by \$9,621 per year
- A rise in the average income among Black Californians in the workforce by \$4,196 per year
- A rise in the average income among American Indian/Alaska Native Californians in the workforce by \$8,882 per year

Additional state and federal revenue from income tax increases and savings on social services totaling \$133 billion by 2030

- \$62 billion in cumulative additional federal tax revenue
- \$44 billion in cumulative additional state tax revenue
- \$19 billion in cumulative state savings on Medicaid and Corrections expenditures
- \$5 billion in cumulative cost savings on joint federal/state programs (welfare, food stamp, disability programs)
- \$3 billion in cumulative cost savings on Medicare-related programs

The report lays out a roadmap for achieving the 60% for all attainment goal, including

- Raising high school graduation rates
- Raising the enrollment of adults in college
- Increasing transfers from community colleges to four-year institutions,

- Increasing graduation rate at universities
- Ensuring that 60% of Black Californians, 60% of Latinx Californians, and 60% of American Indian/Alaska Native Californians hold a degree or high-value credential

“It is time for state leaders to understand that racial equity pays off,” said Michele Siqueiros, president of the Campaign for College Opportunity. “When we set ambitious goals to ensure that more Black, Latinx, American Indian and Asian American Californians can earn their degrees, the state and nation benefit tremendously. Investing in higher education is not only the right thing to do, it makes the most financial sense.”

You can access “California’s Biggest Return” [here](#) and follow the conversation on social media with #CAHigherEdROI

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The Campaign for College Opportunity is a California non-profit bipartisan policy and research organization focused on a single mission: to ensure all Californians have an equal opportunity to attend and succeed in college in order to build a vibrant workforce, economy and democracy. For more information, visit www.CollegeCampaign.org/ Facebook.com/CollegeCampaign or follow @CollegeOpp on Twitter and Instagram.