An accurate 2020 Census is important for California

California has long been known for, and even defined by, its tremendous population growth. In 2018, the state almost certainly reached another demographic milestone, becoming the first to reach 40 million residents. Texas, the state with the second-largest population, has not yet reached 30 million. Equally remarkable is California’s diversity: its population includes large groups of immigrants from more than 60 countries, and no single race or ethnic group constitutes a majority. The rate of population growth has slowed in recent decades, but the number of people added to the state’s population has been substantial—323,000 each year, on average, from 2010 through 2017.

California is gearing up for the decennial census in 2020. An accurate count is crucial, as the census is used to allocate billions of dollars in federal funding and determine the number of congressional districts in each state. The state, along with community organizations and others, will need to make extra efforts to ensure that all Californians are counted. California has long had disproportionate shares of populations that are difficult to count, including young adults, renters, and immigrants. The challenge is particularly acute now. Not only is the 2020 Census underfunded, but federal rhetoric and actions on border security, deportation, and immigrant rights—along with the possible inclusion of a question about citizenship—could dampen participation. PPIC research shows that a poor count would cost California a seat in the House of Representatives; with an accurate count, the state might gain a seat.

In each of the next two decades, California will continue to gain millions of new residents; these gains will increase demand for infrastructure and public services—including education, transportation, housing, water, and health care.

Regional populations will shift and immigration will remain important

By 2030, California’s population is projected to reach 44 million. Annual growth rates are expected to be 0.8 percent, similar to the first decade of this century. Even so, average annual increases between now and 2030 will exceed 333,000—in that time frame, the state will add another 4 million residents.

- **Natural increase and international migration account for all of California’s growth.**
  Before 1990, most of California’s population growth came from migration, primarily from other states. Since 1990, most of the state’s growth has resulted from natural increase—that is, a greater number of births than deaths. Migration still adds to the state’s population, but those additions are relatively small, as positive flows of international migrants are partially offset by domestic migration losses. Population projections suggest this pattern will continue.
• Inland areas are growing at higher rates—though most residents still live along the coast.

The Department of Finance projects that the Inland Empire, the San Joaquin Valley, and the Sacramento metropolitan area will be the fastest-growing regions of the state over the next several decades. While inland areas have experienced faster growth than the coastal areas for many decades, inland growth has slowed since 2010, while growth has accelerated in the coastal regions. This decade, the fastest-growing regions have been the Inland Empire and the San Francisco Bay Area. Coastal (and bay) counties are still home to 69 percent of the state’s population.

• Latinos have replaced whites as the largest ethnic group.

While no ethnic group makes up a majority of California’s population, Latinos replaced non-Hispanic whites as the state’s largest ethnic group in 2015. By 2030, 41.5 percent of the state’s population will be Latino and 35.8 percent will be white. Latinos already make up 52 percent of children age 17 and younger.

• Immigration from Latin America has slowed, while immigration from Asia has increased.

Asia replaced Latin America as the largest source of California’s new immigrants in 2006. By 2015, almost three times as many immigrants were arriving from Asia as from Latin America, and China had replaced Mexico as the leading country of origin. Immigrants from Asia tend to be highly educated. About 60 percent of newly arrived adult immigrants (aged 25 to 64) from Asia have at least a bachelor’s degree, compared with 30 percent from Latin America and 35 percent of Californians born in the United States. Immigrants from India are the most likely to be highly educated: 85 percent of newly arrived adults have earned at least a bachelor’s degree.

• Three-quarters of California immigrants are legal residents of the United States.

California is home to almost 11 million immigrants—about a quarter of the foreign-born population nationwide. In 2017, the most recent year of data, 27 percent of California’s population was foreign born—about twice the US percentage. The share of immigrants in the state’s population is projected to remain at its present level over the next few decades. The vast majority of immigrants in California are legal US residents: half are naturalized citizens and another 26 percent have green cards, visas, or some other legal status. Still, more than 2 million undocumented immigrants live in California—nearly a quarter of the national total and more than 6 percent of the state’s population.
California’s population is aging

Even though California’s population is the seventh-youngest in the country, it is aging rapidly. In 2017, 14 percent of Californians were 65 and older, compared with only 9 percent in 1970. By 2030, that share will be 19 percent. The total number of adults 65 and older is projected to grow from 5.5 million in 2017 to 9.1 million in 2030.

- **By 2030, no ethnic group will compose a majority of the senior population.**
  The number of seniors in every major racial/ethnic group will increase by 2030. Whites—projected to grow by 53 percent (1,637,000 people) between 2016 and 2030—will remain the largest group of seniors. However, the most dramatic growth will occur among nonwhite populations, especially Latinos (118%, or 1,242,000 people) and Asians (61%, or 504,000 people). The African American senior population will increase by 90 percent, or 251,000 people.

- **The number of children will decrease.**
  From the 2016–17 to the 2026–27 school year, the number of children enrolled in public schools is projected to decrease by 3 percent, according to the California Department of Finance. This is a consequence of declines in birth rates and small increases in the number of women of childbearing age (15 to 44). During the 1990s, by contrast, the number of school-age children grew more than 20 percent. In many school districts, declining enrollment will lead to difficult choices about closing schools.

Looking ahead

The state’s growing, changing population continues to put pressure on housing, infrastructure, and public services—underlining the importance of an accurate census count as well as comprehensive immigration reform. There are several key areas to watch.

**2020 Census.** California has already taken measures to encourage full participation in the census, budgeting about $100 million to improve outreach and reduce the undercount. It will be important to target efforts where need is highest. PPIC has produced a series of maps that show the locations of hard-to-count groups. Trusted messengers, including community-based organizations, will need to play a key role in reaching households that are hard to reach or might be reluctant to participate.

**Immigration reform.** Immigration policy is a national concern, but it has enormous implications for border states like California. Over the years that Congress and the executive branch have been unable to agree on comprehensive reform, a patchwork of executive orders and court rulings has created discord and uncertainty. Majorities of Californians oppose building a wall along the Mexican border and support state and local governments making their own policies to protect
the legal rights of undocumented immigrants. A comprehensive solution should benefit California, which has the world’s fifth-largest economy and relies on its large immigrant population to fuel growth and innovation. Indeed, three out of every ten highly educated workers in California are immigrants.

**Housing.** California already faces a housing shortage. During this decade, the state has gained more than 2.5 million people, but there has been a net increase of only about 500,000 housing units. Continued population growth will put even more pressure on housing. California’s largest population group is young adults in their 20s. By 2030 these young adults will have reached the ages when adults typically establish their own households. As a result, housing demand will rise.

**Education.** The slight decline in the number of school-age children is likely to lead to further increases in per student funding as the state budget grows. Some districts will face difficult decisions about which schools to close as enrollment declines. Demand for higher education should remain strong as improvements in graduation rates boost the number of students graduating from high school and a greater share of students complete a college preparatory curriculum.

**Health and human services.** Meeting the needs of a large, rapidly growing, and increasingly diverse senior population poses challenges. For example, although they are not the largest group of Medi-Cal enrollees (the share of children enrolled is far larger), senior adults account for a much higher share of expenditures: annual costs per enrollee are at least five times higher for adults older than 50 than for children. Finding alternatives to nursing home care, which is especially expensive, will be critical.