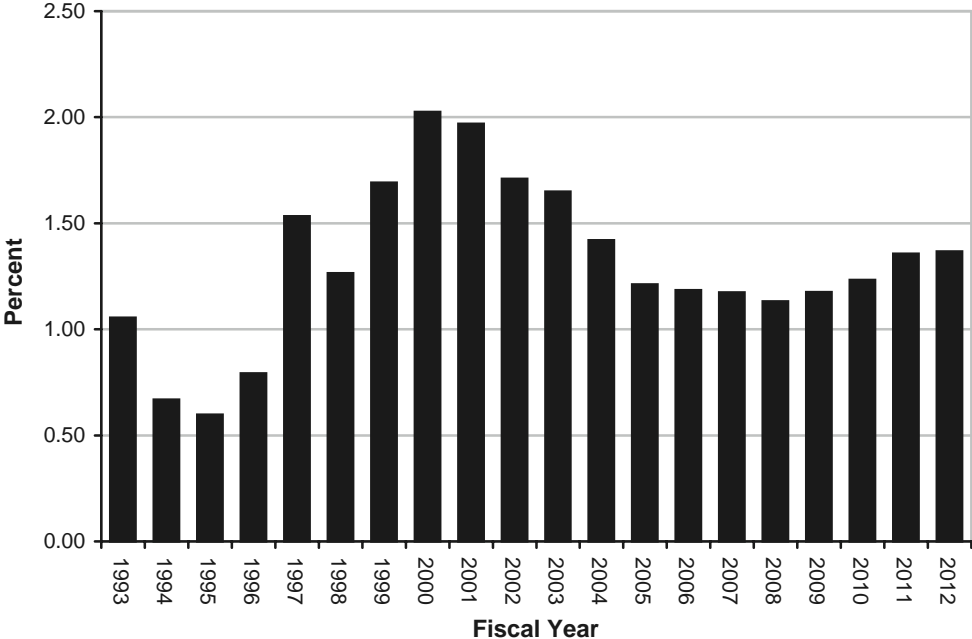


DEMOGRAPHIC INFORMATION

POPULATION OVERVIEW

With nearly 38 million people as of mid-2007, California’s population continues to experience strong growth. Despite a slowdown in the mid-1990s, the state has grown in excess of 1 percent per year since 1997 (see Figure DEM-01).

Figure DEM-01
California's Annual Population Growth Rate



DEMOGRAPHIC INFORMATION

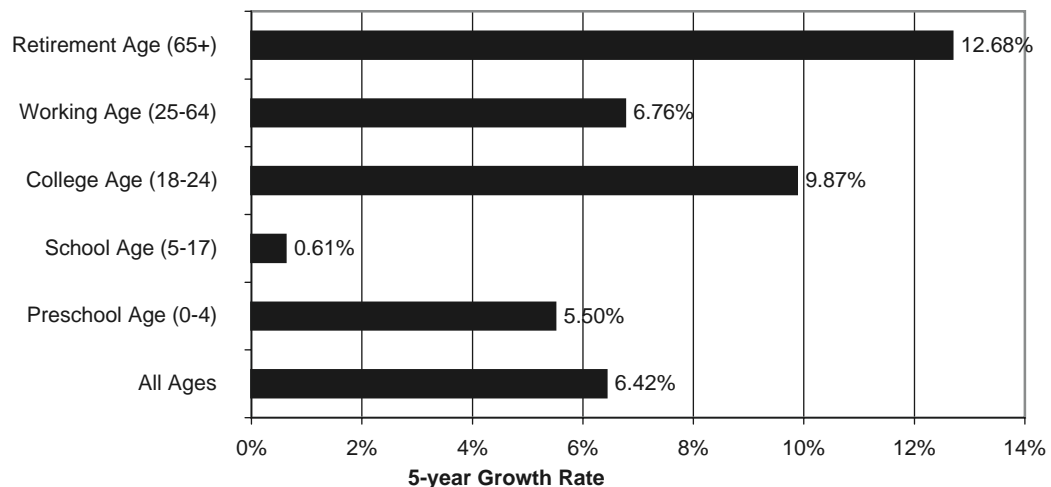
- The July 1, 2007, estimate of the population is 37,771,000.
- It is forecast to be 38,199,000 in 2008 and 38,648,000 in 2009. This reflects a short-term annual growth rate of almost 1.2 percent.

Through the next five years, the state will grow by an average of 485,100 people each year. Natural increase (more children being born than people dying) will account for twice as much growth (67 percent vs. 34 percent) as net migration (people moving to California from other states and other countries, less those moving out).

By July 2012, California will add nearly 2.4 million people to exceed 40 million, a five-year growth rate of 6.4 percent. This compares to the 6.8 percent overall population growth over the five-year period since 2002.

- Population growth rates vary significantly by age group. The state’s projected total five-year population growth of 6.4 percent is slightly higher than the 5.5 percent growth in the preschool age group. By far, the slowest growing age group over the next five years is the school-age group with a growth rate of 0.6 percent. On the other hand, the college-age group will grow 9.9 percent. The working aged population will grow by 1.4 million, or nearly 7 percent and retirement-age group will soar more than 12 percent (see Figure DEM-02).

Figure DEM-02
**Projected California Population Growth
 Rate by Age Group (2007-2012)**



DEMOGRAPHIC INFORMATION

- In fall 2006, K-12 public school enrollment was a little less than 6.3 million students. Starting in 2003 and continuing through 2012, school enrollment growth will be slower than that of the general population because the number of births in the state declined in the 1990s. However, it should be noted that births increased again in 2006 for the fifth year in a row.
- Beginning in 2003 and continuing in 2004, K-12 public school enrollment growth was below 1 percent. Prior to these years, enrollment growth had not been less than 1 percent since 1983—more than 20 years earlier. School enrollment growth rates turned negative in 2005 and are expected to continue to decline through 2010 and then turn positive. There was a slight jump in school enrollment in fall 2006, but this was due to a change in reporting rather than an actual increase in school enrollment.