Students and society as a whole enjoy a range of benefits due to their educational investment in SBCCD. A portion of these benefits accrues to state and local taxpayers in the form of higher tax receipts and a reduced demand for government-supported social services.

**SBCCD INCREASES TAX REVENUE**

- Approximately 98% of SBCCD’s students remain in California upon completing their educational goals. As students earn more, they pay higher taxes. Employers also pay higher taxes through their increased output and spending.
- Over the students’ working lives, state and local government in California will collect a present value of $217.6 MILLION in the form of higher tax receipts.

**SBCCD REDUCES GOVERNMENT COSTS**

- SBCCD students who achieve higher levels of education are statistically less likely to have poor health habits, commit crimes, or claim welfare or unemployment benefits.
- The improved lifestyles of students result in a reduced demand for government-supported services. Better health leads to reduced health care costs. Reduced crime leads to a reduced burden on the criminal justice system. Further, increased employability leads to fewer claims for welfare and unemployment benefits.
As a result, taxpayers in the state of California will see a present value of $23.1 MILLION in savings to government over the students’ working careers.

**SBCCD IS A SOLID INVESTMENT FOR STATE AND LOCAL TAXPAYERS**

- In FY 2013-14, state and local taxpayers in California paid $73.3 MILLION to support the operations of SBCCD.
- For every $1 of public money spent on SBCCD, taxpayers receive a cumulative return of $3.30 over the course of students’ working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an annual return of 9.8% on their investment in SBCCD. This return compares favorably with the 1.1% discount rate used by the federal government to appraise long-term investments.

**COMPARING TAXPAYER RATE OF RETURN TO DISCOUNT RATE**

<table>
<thead>
<tr>
<th>Discount rate</th>
<th>SBCCD</th>
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</thead>
<tbody>
<tr>
<td>1.1%</td>
<td>9.8%</td>
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</tbody>
</table>

**Discount rate**  **SBCCD**