SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair 2021 - 2022 Regular Session

SB 1141 (Limón) - Public postsecondary education: exemption from payment of nonresident tuition

Version: February 16, 2022 **Policy Vote:** ED. 5 - 0

Urgency: No Mandate: Yes

Hearing Date: April 18, 2022 Consultant: Lenin Del Castillo

Bill Summary: This bill expands eligibility for the exemption from paying nonresident tuition at a California public postsecondary institution established for long-term California residents, regardless of citizenship status, by reducing the number of years required to qualify for the exemption, from three to two, in full-time attendance or attainment of equivalent credits from specified California schools or a community college.

Fiscal Impact: The University of California (UC) estimates that this bill could result in a loss of nonresident supplemental tuition of approximately \$11 million each year. This estimate assumes that UC enrolls about 500 domestic nonresident students systemwide who transferred from a California community college who traditionally would be charged nonresident supplemental tuition.

The California State University (CSU) estimates systemwide revenue losses of between \$4.2 million and \$5.1 million each year as a result of this measure.

Background: Existing law establishes a variety of residency requirements for students attending the California Community Colleges (CCC) and the California State University (CSU). The determination of residency status is necessary to assess resident and non-resident fees and tuition. The Regents of the University of California (UC) may, by resolution, make these provisions of law applicable to the UC.

Established by AB 540 (Firebaugh, Ch. 814, Stats. of 2001), existing law exempts California nonresident students, regardless of citizenship status, from paying nonresident tuition at California public colleges and universities who meet specified requirements, including attendance at a California high school for three or more years.

Proposed Law: This bill expands eligibility for the exemption from paying nonresident tuition at a California public postsecondary institution established for long-term California residents, regardless of citizenship status. Specifically, the bill reduces, from three to two years, the minimum number of full-time attendance and attainment of credits a qualifying student must achieve at either a California school and/or community college or a California elementary and/or secondary school. The bill also removes the two-year cap on full-time attendance achieved in credit courses at a community college that may count towards the three-year total attendance requirement that applies in existing law.

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Related Legislation: AB 1620 (Santiago, 2019), nearly identical to this bill, would have expanded eligibility for the exemption from paying nonresident union at California's public postsecondary educational institutions by reducing from three to two, the minimum number of years for full-time attendance a qualifying student must attain at a California school. AB 1620 was held in the Assembly Appropriations Committee.

Staff Comments: Nonresidents of California, for purposes of paying tuition at a California public institution at UC, CSU or CCC, are charged a significantly higher tuition rate than the amount charged for resident tuition. Currently, California residents pay \$46 per unit while nonresidents pay \$346 per unit at the community colleges. At the CSU, undergraduate resident students pay \$5,742 per year in mandatory systemwide tuition fees, while nonresident students pay \$15,246. Within the UC system, undergraduate resident students pay \$13,104 per year while nonresident students pay \$44,130.