

Date of Hearing: June 15, 2021

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

SB 436 (Dahle) – As Introduced February 16, 2021

SENATE VOTE: 37-0

SUBJECT: Community colleges: nonresident tuition.

SUMMARY: Removes the sunset date of provisions in current law, authorizing Lake Tahoe Community College (LTCC) to waive non-resident tuition fees and claim apportionment for a limited number of students residing in specified communities in the State of Nevada (in the Lake Tahoe Basin), thereby making the authorization permanent. Specifically, **this bill:**

- 1) Removes the sunset date of July 1, 2022, from provisions in current law, authorizing LTCC to waive non-resident tuition fees and claim apportionment for no more than 200 students that reside in the Nevada State communities of Incline Village, Kingsbury, Round Hill, Skyland, Stateline, or Zephyr Cove, thereby making the authorization permanent.
- 2) Makes clarifying and technical changes to existing law.

EXISTING LAW:

- 1) Authorizes the California Community Colleges (CCC) of the Board of Governors (BOG) to enter into an interstate attendance agreement with any statewide public agency of another state that is responsible for public institutions of postsecondary education providing the first two years of college instruction, and that is an agency of a state that is a member of Western Interstate Commission for Higher Education (WICHE) (Education Code (EC) Section 66801).
- 2) Authorizes a community college district to admit non-resident students and requires that these students be charged a tuition fee that is twice the amount of the fee established for in-state resident students, with certain specified exemptions. State statute prescribes a formula for the calculation of the non-resident fee. State law requires the non-resident tuition fee be increased to a level that is three times the amount of the fee established for in-state resident students (EC Section 76140).
- 3) Prohibits non-resident students from being reported as full-time equivalent students (FTES) for state apportionment purposes, except where: (1) the community college district has less than 1,500 FTES and is within 10 miles of another state and has a reciprocity agreement with that state; or, (2) if a community college district has between 1,501 and 3,000 FTES and is within 10 miles of another state and has a reciprocity agreement with that state, they can claim up to 100 FTES for state apportionment purposes (EC Section 76140(h) (i)).
- 4) Exempts no more than 200 students in any academic year from paying non-resident tuition fees if they attend the LTCC and reside in specified communities in the State of Nevada, and; (2) permits the LTCC District to count these persons as resident FTES for purposes of determining California apportionment funding (EC Section 76140 (a)(6)).

- 5) Sunsets the specified provisions (as enumerated above in numbers (2) – (4) inclusive), on July 1, 2022.
- 6) Provides that specified nonresident students exempted from paying nonresident tuition may be reported as resident FTES for purposes of state apportionment. These students are required to pay three times the amount of resident fees, and the apportionment rate is adjusted down accordingly (EC Section 76140(j)).

FISCAL EFFECT: Unknown. This bill is keyed non-fiscal by the Legislative Counsel.

COMMENTS: *Need for the measure.* According to the author, “This bill ensures that anyone in LTCC’s community, regardless of which side of the State Line they live on, can get an affordable, quality education from the college that’s closest to them.”

The author contends that, “This is a significantly better arrangement for the Tahoe community, and will provide easier access to higher education to more people, while contributing to the local economy with travel and transportation issues removed as barriers.”

Lake Tahoe Basin and LTCC. The Lake Tahoe Basin has been deemed a one-of-a-kind geographic, political, and economic region comprised of two states (California and Nevada), five counties, and multiple cities and municipalities. The Basin is subject to a single set of environmental and development regulations that directly influence the environmental and economic health of the entire region, making cross-border and regional coordination a prerequisite for revitalizing the local economy.

The LTCC is a single-college district serving approximately 2,000 FTES and is situated on the South Shore of Lake Tahoe, three miles from the California/Nevada border and eight miles from George Whittell High School in Nevada. The LTCC is the only public institution of higher education serving the workforce development needs of the Basin. The next nearest community college is approximately 25 miles away in Nevada; and, depending on road conditions, at least an hour drive, or an impossible drive depending on winter weather conditions and road and highway closures.

Western Interstate Commission for Higher Education (WICHE). California and Nevada, along with a number of other states, participate in WICHE. The WICHE oversees three student reciprocal exchange programs allowing students to attend out of state universities at a reduced rate. However, the CCC system currently does not participate in the Western Undergraduate Exchange (WUE), the WICHE exchange program serving undergraduates.

Prior reciprocity agreements. Between 1988 and 2011, California and Nevada operated under a “Good Neighbor Policy” (GNP) that complied with existing law (see EC Section 76140(j)) and allowed LTCC to provide a waiver of nonresident tuition for Nevada and claim the adjusted apportionment. However, in 2011, the Nevada Board of Regents voted to end the GNP, meaning that Nevada residents of the Tahoe Basin were required to pay the full nonresident tuition in order to attend LTCC.

In 2015, Nevada SB 414 (Settelmeyer), (Chapter 380), was signed into law on June 5, 2015, which, in part encouraged the Board of Regents of the University of Nevada to enter into a reciprocal agreement with the State of California in order to authorize waivers of nonresident tuition to certain residents of the Lake Tahoe Basin. According to the LTCCD, the Chancellor of

the Nevada System of Higher Education agreed to negotiate a GNP if California enacted similar legislation. The GNP between both states went into effect after the enactment of SB 605 (Gaines) of 2015, as described in the “Prior legislation” section of this analysis.

Following the passage of SB 605, the CCC BOG entered into the California Nevada Interstate Attendance Agreement (CNIAA) with the Nevada System of Higher Education. The CNIAA provides reciprocity for California Basin students to attend Western Nevada College (WNC) and pay resident fees.

Additionally, since the passage of SB 605, Nevada entered into the WICHE WUE. The WNC also participates in WUE, which provides California residents access to reduced nonresident tuition. Because WNC participates in the WUE, and the WUE provides identical benefits to those provided in CNIAA, there is not a need to extend the provisions of the CNIAA.

However, because the CCC system does *not* currently participate in the WUE, the provisions of this measure are necessary in order to continue to provide reciprocity to no more than 200 Tahoe Basin Nevada residents.

How many? To date, during the 2020-21 Academic Year, LTCC, under the CNIAA, admitted 33 students (headcount) and 18.79 FTES. Additionally, per WICHE’s most recent WUE Enrollment by State and Institutions Report, as of 2019-2020, WNC, pursuant to WUE, provided reciprocity to 26 California residents.

Prior legislation. SB 605 (Gaines), Chapter 657, Statutes of 2015, in part, until July 1, 2022, exempts persons residing in specified communities in the State of Nevada from paying non-resident tuition fees if they attend LTCC.

REGISTERED SUPPORT / OPPOSITION:

Support

Advance Learn Grow Earn
California Community Colleges Chancellor’s Office
California Teachers Association
Lake Tahoe Community College District (Sponsor)
Lake Tahoe Community College Foundation
Student Senate for California Community Colleges
Student Senate for Lake Tahoe Community College
Tahoe Chamber
Tahoe Prosperity Center

Opposition

None on file.

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