

Academic

Chair
Oakley

UNIVERSITY OF CALIFORNIA

BERKELEY • DAVIS • IRVINE • LOS ANGELES • MERCED • RIVERSIDE • SAN DIEGO • SAN FRANCISCO



SANTA BARBARA • SANTA CRUZ

OFFICE OF THE PRESIDENT

Robert C. Dynes
President

1111 Franklin Street
Oakland, California 94607-5200
Phone: (510) 987-9074
Fax: (510) 987-9086
<http://www.ucop.edu>
July 5, 2006

ACADEMIC COUNCIL CHAIR OAKLEY

Dear John:

Thank you for your letter of May 25 transmitting the Academic Senate *Memorial to The Regents--Non-resident Tuition for Graduate Students* and conveying the Senate's recommendation that nonresident tuition be eliminated for graduate students.

Because of the importance of the graduate student support issues facing the University, we intend to initiate a longer-term discussion with The Regents on this topic, beginning at their July meeting. At that meeting, we plan to frame the problem, including the need to provide competitive support for nonresident students, and the ways the University might address the problem. Within this context, and in accord with *Standing Order 105.2.e*, the Memorial will be forwarded to The Regents as part of the July meeting mailing packet along with the recently completed report from the Graduate Student Support Advisory Committee in order to inform the scheduled discussion of graduate student support issues.

As we discussed previously, State law has long provided that all students who are classified as nonresidents must pay nonresident tuition in addition to other mandatory fees, and both State and federal law address conditions under which students may be classified as resident students for tuition purposes. In 1990, the legislature adopted and the Governor signed Senate Bill 2116 (Chapter 792), which established State policy on the adjustment of nonresident tuition. The State's policy provides that the University must establish a methodology for annually adjusting nonresident tuition levels taking into consideration, at a minimum, the following two factors: (1) the total nonresident charges imposed by our public comparison institutions; and (2) the full average cost of instruction. A copy of the legislation is enclosed.

Please let Provost Hume or me know if you have any questions.

Sincerely,
/s/ Robert C. Dynes
Robert C. Dynes

Enclosure

cc: The Regents of the University of California
Chancellors
bcc: Members, President's Cabinet
Special Assistant Kao

Senate Bill No. 2116

CHAPTER 792

An act to add Section 69052 to the Education Code, relating to postsecondary education.

[Approved by Governor September 11, 1990. Filed with Secretary of State September 13, 1990.]

LEGISLATIVE COUNSEL'S DIGEST

SB 2116, Morgan. Postsecondary education: nonresident tuition. Existing law requires that a student in a public postsecondary institution classified as a nonresident shall be required to pay, in addition to other fees required by the institution of higher learning attended by the student, nonresident tuition, to be assessed as specified. Existing law authorizes the governing bodies of the segments of public postsecondary education in the state to adopt rules and regulations relating to the method of calculation of the amount of nonresident tuition, the method of payment, and the method and amount of refund.

This bill would express the intent of the Legislature that California's public institutions of higher education shall establish nonresident tuition policies consistent with their resident tuition policies. The bill would require that each segment of public postsecondary education shall develop its own methodology for establishing the nonresident tuition level and its annual nonresident tuition adjustment.

The bill would provide that the University of California, the Hastings College of the Law, the California State University, and the California Maritime Academy should endeavor to ensure that any increases in nonresident tuition at those institutions are gradual, moderate, predictable, and equitably borne by all nonresident students and provide at least a 10-month notice of the increase.

The bill would provide that its provisions would not be applicable to the Regents of the University of California or to the Board of Directors of the Hastings College of the Law unless the regents or the board of directors, as appropriate, adopt a resolution to make the provisions applicable and would provide that it is not applicable to the California Community Colleges.

The bill would specify that its provisions would not be applicable under specified economic conditions.

The people of the State of California do enact as follows:

SECTION 1. Section 69052 is added to the Education Code, to read:

69052. (a) It is the intent of the Legislature that California's

public institutions of higher education shall establish nonresident student tuition policies which are consistent with their resident student fee policies. Nonresident student tuition shall be determined by each of the public postsecondary segments through the adoption of a methodology which annually establishes the nonresident student tuition rate. It is further the intent of the Legislature that, while the public institutions are to be provided flexibility in establishing their nonresident tuition, under no circumstances shall the level of nonresident tuition plus required fees fall below the marginal cost of instruction for that segment.

(b) The following state policies regarding nonresident student tuition are hereby established:

(1) Unless otherwise prescribed by statute, an admission fee and rate of tuition fixed by each public postsecondary governing board shall be required of each nonresident student. Each public postsecondary education governing body shall develop its own methodology for establishing the nonresident tuition level and its annual adjustment level of nonresident student tuition, unless otherwise prescribed by statute.

(2) As California's public postsecondary education segments annually adjust the level of nonresident tuition they charge out-of-state students, the nonresident tuition methodologies they develop and use should take into consideration, at minimum, the following two factors:

(A) For the University of California and the California State University, the total nonresident charges imposed by each of their public comparison institutions, as identified by the California Postsecondary Education Commission.

(B) The full average cost of instruction of their segment.

(3) It is the intent of the Legislature that under no circumstances shall an institution's level of nonresident tuition plus required student fees fall below the marginal cost of instruction for that segment.

(4) The nonresident student tuition at the University of California, the California State University, the Hastings College of the Law, and the California Maritime Academy should endeavor to ensure that increases in the level of nonresident tuition are gradual, moderate, and predictable by providing nonresident students with a minimum of a 10-month notice of tuition increases.

(c) No provision of this section shall be applicable to the Regents of the University of California or to the Board of Directors of the Hastings College of the Law unless the regents or the board of directors, as appropriate, adopt a resolution to make those provisions applicable.

(d) No provision of this section shall be applicable to the California Community Colleges.

(e) In the event that state revenues and expenditures are substantially imbalanced due to factors unforeseen by the Governor

and the Legislature, including, but not limited to, initiative measures, natural disasters, or sudden deviations from expected economic trends, the nonresident student tuition at the University of California, the California State University, the Hastings College of the Law, and the California Maritime Academy, shall not be subject to the provisions of this section.

O