



To: **Chief Instructional Officers** – Barstow Community College, College of the Redwoods, College of the Siskiyous, Lake Tahoe Community College, Lassen College, Palo Verde College  
**Chief Student Services Officers**  
**Chief Business Officer**  
**Admissions & Records**

From: Wrenna Finche, Vice Chancellor, Fiscal Health & Accounting, College Finance & Facilities Planning  
Dr. Aisha Lowe, Vice Chancellor, Educational Services and Support

Re: WICHE/WUE Nonresident Tuition Adjustment for Qualifying Districts

### Overview

This memorandum provides guidance regarding the California Community Colleges entering into the Western Undergraduate Exchange ([WUE](#)) through the Western Interstate Commission for Higher Education ([WICHE](#)). Qualifying California community college districts, based on geographic and size parameters, may exempt certain nonresident students from the nonresident fee of three times the amount of the fee established for residents and instead charge one and one-half times that amount.

### Assembly Bill 1998 – Nonresident Tuition Fees: Western Undergraduate Exchange

Assembly Bill 1998 (Smith 2021) amended Education Code Section 66801 and was signed into law on September 23, 2022. This legislation authorizes the Board of Governors of the California Community Colleges to enter into an interstate attendance agreement, named the Western Undergraduate Exchange (WUE), 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 the Western Interstate Commission for Higher Education (WICHE).

California, Arizona, Oregon, and Nevada, along with a number of other states and territories, participate in WICHE. The WICHE oversees student reciprocal exchange programs allowing students to attend out of state colleges and universities at a reduced rate. The WUE is an agreement among WICHE's member states and territories, through which participating public colleges and universities provide nonresident tuition at a reduced rate.

Simultaneously, AB 1232 (McCarty 2021) amended Education Code Section 76140 subsections (h) and (i) permit community college districts that are within specified Full-Time Equivalent Student (FTES), have a boundary within 10 miles of the state border, and that have a reciprocity agreement with the bordering state or participate in WUE to offer a

discounted nonresident tuition fee for nonresident students. The discounted tuition fee for these students is now \$69 per unit, one and a half times the resident tuition fee of \$46 per unit. Qualifying districts may report resident FTES generated for these students as follows:

- Districts with fewer than 1,500 total resident and nonresident FTES may report all FTES generated under this program as resident FTES.
- Districts with more than 1,500 but fewer than 3,000 total resident and nonresident FTES may report up to a maximum of 100 FTES generated under this program annually as resident FTES.

### Qualifying Districts

It is important to note that this legislation increases the conditions for which a qualifying community college district can reduce the maximum tuition nonresident students are charged. An analysis using reported 2021-22 FTES and the geographic parameters have identified six districts that would qualify for these new exemptions under AB 1998.

**Table 1 Qualifying College Districts**

| Qualifying Districts per <a href="#">CCC GIS</a> | Applicable Statute from E.C. 76140     | Bordering State |
|--|--|-----------------|
| Barstow  | (i) may report up to 100 resident FTES | Nevada          |
| Lake Tahoe                                       | (i) may report up to 100 resident FTES | Nevada          |
| Lassen   | (h) no limit to reported resident FTES | Nevada          |
| Palo Verde                                       | (i) may report up to 100 resident FTES | Arizona         |
| Redwoods   | (i) may report up to 100 resident FTES | Oregon          |
| Siskiyou   | (h) no limit to reported resident FTES | Oregon          |

### Impact on State General Apportionment

The \$69 fee per unit charged under this program must be reported on the **Enrollment Fee Revenue Report** as a component of “Revenue 2 – Enrollment Fee - Students from Bordering States.” Ninety-eight percent of a district’s total enrollment fee revenue is applied toward the district’s total computational revenue, as calculated by the Student Centered Funding Formula, to determine the amount of state general apportionment funding for the district.

Districts may claim resident FTES on the **CCFS-320 Apportionment Attendance Report** for students admitted under this program, with districts reporting between 1,500 and 3,000 total resident and nonresident FTES limited to reporting a maximum of 100 resident FTES generated under this program annually.

### Clarifying Items

- This is optional. AB 1998 does authorize qualifying community college districts the option to enter into this WUE, through the WICHE, for a reduction in the nonresident tuition fee requirement. This does not require district participation.

- The language of Education Code Section 76140 (h) and (i) will allow the districts “whose boundaries are within 10 miles of another state” to provide the same benefits to students **from states** that participate in the WUE. This means that nonresident students from all participating WUE states may receive the reduced nonresident tuition fee as long as the community college district qualifies under these legislative parameters.
- Fluctuation in a district’s FTES is to be expected. Consequently, a district’s qualification for this fee reduction is subject to change. Accordingly, proper communications of potential fee fluctuations should be provided to students when marketing this option. This could be modeled after the timeline that is provided in Education Code Section 76140(d) where districts set nonresident fees each year and shall provide notice to nonresident students of fee changes.
- The Chancellor’s Office will reevaluate program participation qualifications on an annual basis. This will occur in November of the preceding academic year and will utilize reported FTES submitted data through the CCFS-320 Application. This will allow qualified community colleges adequate time for program planning.
- If a District becomes disqualified under Education Code Section 76140 (h) or (i) then participating students are no longer eligible for the discounted rate for the identified academic year. The community college should provide those students with sufficient notice that they may no longer be eligible for the discounted rate and that their rate will be subject to change for the upcoming academic year. Of note, agreements entered into between districts and WICHE must be evaluated to comply with this statute’s interpretation.

Colleges are expected to update websites and all relevant policies and procedures to reflect these changes. Please share this information with all college departments and pertinent staff that advise students on matters of residency and tuition exemption.

If you have any questions, please send them directly to [transfer@cccco.edu](mailto:transfer@cccco.edu).