

TO: Chief Business Officers
Chief Instructional Officers

FROM: Lorena Romero, Director
Fiscal Standards and Accountability Unit

RE: 2025-26 Nonresident Tuition and Capital Outlay Fees

Education Code section 76140 requires each district governing board to establish the nonresident tuition fee for the succeeding fiscal year by March 1.

Nonresident Tuition Fee

Education Code section 76140 specifies seven options to determine the nonresident tuition fee.

- **Option A.1 – District Average Cost**

The district expense of education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by district total FTES in the preceding fiscal year.

- **Option A.2 – District Average Cost with 10 Percent or More Noncredit FTES**

If noncredit FTES is equal to or greater than 10 percent of total FTES, the district expense of credit education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by district total credit FTES in the preceding fiscal year.

- **Option B.1 – Statewide Average Cost**

The statewide expense of education in the preceding fiscal year increased by the projected percent increase in the Consumer Price Index divided by statewide total full-time equivalent students (FTES) in the preceding fiscal year.

- **Option B.2 – Highest Statewide Average Cost**

The highest amount calculated pursuant to Option B.1 for the succeeding fiscal year, current fiscal year, or past four fiscal years.

- **Option C – Contiguous District**

An amount not to exceed the fee established by the governing board of any contiguous district. Districts choosing this option may consult with contiguous districts regarding adopted fees and may use a contiguous district's fee adopted in the current or prior year. For example, if a district chooses to base their 2025-26 fee on that of a contiguous district, the district may use the contiguous district's fee applicable to the 2024-25 academic year or 2025-26 academic year.

When using this option, districts may not set their fee amount less than the districts actual cost or the statewide average cost, whichever is less. For additional information, please see [Legal Opinion O 07-01 – Options for Setting Nonresident Tuition](#).

The Chancellor's Office may request additional documentation if a district chooses Option C.

- Option D – Between Statewide Average Expense of Education and District Expense of Education

Fees adopted must be greater than statewide average expense of education and less than the district expense of education.

- Option E – Comparable States Average

No greater than the preceding fiscal year average nonresident tuition fees of public community colleges in at least 12 states comparable to California in cost of living.

As a reminder, if a district chooses to adopt Options B.2 or E, existing law requires districts to use the additional revenue generated by the increased nonresident tuition to expand and enhance services to resident students. In no event shall the admission of nonresident students come at the expense of resident enrollment.

Gradual, Moderate, and Predictable Fee Increases

The California Education Code establishes the methods available to community college districts to calculate nonresident tuition fees and states that increases in these fees "shall be gradual, moderate, and predictable," presumably to mitigate the potential for financial hardships disrupting educational progress. In the event that the nonresident tuition fee calculation would result in a significant year-over-year increase, districts should consider adopting the fee (option A.1-E) along with a reasonable, phased implementation plan to meet the "gradual, moderate, and predictable" requirement. Districts may also implement installment payments as a strategy for making fee increases more manageable. A year-over-year increase is expected under all implementation plans for nonresident tuition fees, as outlined in the California Education Code.

Nonresident Capital Outlay Fee

Pursuant to Education Code section 76141, a district may charge a capital outlay fee to nonresident students, other than those with exemptions for nonresident fees pursuant to AB 540. The nonresident capital outlay fee is calculated as the lesser of (1) the district capital outlay expenditures in the preceding fiscal year divided by total FTES or (2) fifty percent of the nonresident tuition fee adopted pursuant to Education Code section 76140.

Processing Fee for Students from Foreign Countries

Education Code section 76142 states, a district may charge nonresident applicants who are both citizens and residents of a foreign country a processing fee not to exceed the lesser of (1) the actual cost of processing an application and other documentation required by the federal government or (2) \$100. This fee may be deducted from the tuition fee at the time of enrollment.

Exemptions

Below is a table of mandatory and optional exemptions to nonresident tuition.

Description	Education Code Reference	Optional or Mandatory?
A special part-time student, other than a person excluded from the term "immigrant," for purposes of the federal Immigration and Nationality Act.	76140(a)(4)	Mandatory
A nonresident student who is a United States citizen who resides in a foreign country due to deportation and meets the requirements listed in the statute	76140(a)(5)	Mandatory
A student who was a member of the Armed Forces stationed in California on active duty for more than one year immediately prior to being discharged. This is a one-year exemption.	68075.5.	Mandatory
A special visa holder from Iraq and Afghanistan or refugee. This is a one-year exemption.	68075.6	Mandatory
A student who lives in California and meets the definition of "covered individual" under federal law and is eligible for federal GI benefits.	68075.7	Mandatory

2025-26 Nonresident Tuition and Capital Outlay Fees
January 16, 2025

A student who has three or more years of full-time attendance in a California public school, college, or adult school, has earned a high school diploma or associate degree, or completed transfer requirements in California, and filed an affidavit confirming the student's eligibility for the exemption. (Exemption known as AB 540)	68130.5	Mandatory
Dependents of any individual killed in the September 11, 2001, terrorist attacks on the World Trade Center in New York City, the Pentagon building in Washington, D.C., or the crash of United Airlines Flight 93 in southwestern Pennsylvania.	68121, 76300	Mandatory
Students who had a change of residence to a place outside the state due to a job transfer, was made at the request of the employer of the student, spouse, or parents, and the absence from the state was for a period of not more than four years.	76143	Mandatory
Students enrolled in only noncredit courses.	76380	Mandatory
Students enrolled in apprenticeship courses.	76350	Mandatory
Any surviving spouse or surviving child of a deceased person who was a California resident and was killed in the performance of active law enforcement or active fire suppression and prevention duties in California.	68120	Mandatory
Any surviving spouse or child of a licensed physician, licensed nurse, or first responder, who died of COVID-19 during the COVID-19 state of emergency in California.	68120.3	Mandatory
Students who have been granted a T or U Visa. This is a one-year exemption.	68122	Mandatory
All nonresidents who enroll for six or fewer units.	76140(a)(1)	Optional
Any nonresident who is both a citizen and resident of a foreign country, if the nonresident has demonstrated a financial need for the exemption.	76140(a)(2)	Optional

A student who, as of August 29, 2005, was enrolled, or admitted with an intention to enroll, in the fall term of the 2005–06 academic year in a regionally accredited institution of higher education in Alabama, Louisiana, or Mississippi, but could not attend due to Hurricane Katrina.	76140(a)(3)	Optional
A student who attends Lake Tahoe Community College and who has residence within specified counties.	76140(a)(6)	Optional
<p>A student who is a nonresident, and enrolls in a credit English as second language (ESL) course at a California Community College and meets any of the following requirements:</p> <ul style="list-style-type: none"> • A recent immigrant, as defined in Section 1101(a)(15) of Title 8 of the United States Code. • A recent refugee, as defined in Section 1101(a)(42) of Title 8 of the United States Code. • A person who has been granted asylum by the United States, as defined in Section 1158 of Title 8 of the United States Code. <p>This exemption shall apply only to individuals who, upon entering the United States, settled in California and who have resided in California for less than one year. Also, this exemption only applies to tuition fees for credit ESL courses.</p>	76140(a)(7)	Optional
A student who is a nonresident, low-income resident of Mexico, registers for lower divisions courses at specified community colleges, and has residence within 45 miles of California-Mexico border.	76140(a)(8)	Optional
A student attending a community college that has entered an interstate attendance agreement and participates in a student exchange program, allowing certain students to attend at a reduced rate.	76140(h)(i)(j)	Optional
A student who has been hired by a California public agency as a peace officer and has enrolled in police academy training courses.	76140.5	Optional

To learn more about these exemptions, refer to Education Code sections listed above, the [Residency For Tuition Purposes- General Overview \(revised February 2024\)](#) document, and the Chancellor’s Office’s [Legal Advisory 18-02](#).

Tuition Fee Worksheet

The attached worksheet provides data for the computation of the nonresident tuition and capital outlay fees. This year, the worksheet has been converted to an Excel format.

Action Requested/Contact Information

Submit the attached worksheet to the Chancellor's Office by **Friday, February 28th, 2025**, via email to fiscalstandards@cccco.edu. If you have questions about this memo, please feel free to contact us at fiscalstandards@cccco.edu.

ATTACHMENT: FS 25-01 Supplement 2025-26 Nonresident Fee Worksheet