

**Statement of Reasons for Amendment of
Title 5, California Code of Regulations, Section 41905.5**

In accordance with Education Code Section 68040 et seq., a California State University campus determines each student's California residency status for tuition purposes at the time of admission. A student is designated either a resident or nonresident for tuition purposes. The initial classification of residency requires that a student meet the requirements of physical presence in California and an intent to remain in California. A student who fails to demonstrate physical presence and intent to remain is classified as a nonresident.

A student who is deemed a nonresident for tuition purposes may request a reclassification to residency for a subsequent term. In addition to demonstrating physical presence and intent to remain in California at that time, a student must also satisfy financial independence requirements. The financial independence requirements include not being claimed by a parent as a dependent exemption for state and federal tax purposes, not having received more than \$750 in financial assistance from a parent and not having lived with a parent for more than six weeks during the calendar year the reclassification application is made and in any of the three calendar years prior to the reclassification application.

Currently, a lack of financial independence is an automatic disqualifier for a nonresident student seeking reclassification. As a result, reclassification requests must be denied even in a few circumstances where compelling arguments exist to support reclassification for the student.

Education Code section 68044 requires the CSU to adopt rules and regulations for determining a student's residency classification or reclassification as a California resident. The proposed amendment establishes the circumstances where financial independence shall not be considered in a reclassification analysis.