SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2025-2026 Regular Session

SB 550 (Cortese) Version: March 26, 2025 Hearing Date: April 29, 2025 Fiscal: Yes Urgency: No AM

SUBJECT

California State University, San Jose: law school

DIGEST

This bill authorizes a law school accredited by the Committee of Bar Examiners (CBE) of the State Bar of California to be incorporated into California State University (CSU), San Jose as a constituent academic unit if certain conditions are met.

EXECUTIVE SUMMARY

As outlined in the Master Plan for Higher Education and by state statute, the primary mission of the California State University (CSU) is undergraduate and graduate instruction through the master's degree. The University of California (UC) was granted exclusive jurisdiction in the professions of medicine, dentistry, and veterinary medicine. However, the Legislature has authorized the CSU to expand its mission and offer certain professional doctoral degrees.(*See* Prior Legislation section, below.) This bill authorizes a law school accredited by the CBE to be incorporated into SJSU, which would establish the first public law school in the CSU system. The author argues this is necessary to address the lack of public legal education opportunities and the affordability of legal education in this state.

The bill is author sponsored and supported by the advocacy organizations representing immigrants and legal services organization's and the Lincoln Law School of San Jose. The bill is opposed by the Association of California Colleges and Universities and the University of California (UC). The bill passed the Senate Education Committee on a vote of 5 to 1.

SB 550 (Cortese) Page 2 of 10

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Differentiates the missions and functions of public and independent institutions of higher education.
 - a) The primary mission of the CSU is to offer undergraduate and graduate instruction through the master's degree in the liberal arts and sciences and professional education including teacher education. The CSU is authorized to establish two-year programs only when mutually agreed upon by the Trustees and the California Community Colleges (CCC) Board of Governors (BOG). The CSU is also authorized to jointly award the doctoral degree with the UC and with one or more independent institutions of higher education.
 - b) The UC is authorized to provide undergraduate and graduate instruction and has exclusive jurisdiction in public higher education over graduate instruction in the professions of law, medicine, dentistry and veterinary medicine. The UC is also the primary state-supported academic agency for research. (Ed. Code § 66010.4.)
- 2) Provides that the Committee of Bar Examiners is responsible for the approval, regulation, and oversight of degree granting law schools that award the juris doctor (J.D.) professional degree in California and which are not approved by the American Bar Association (ABA). (Bus. & Prof. Code § 6060.7.)
- 3) Requires a law school that is not approved by the American Bar Association (ABA) to publicly disclose on its website, as specified, all of the following information:
 - a) admissions data;
 - b) tuition, fees, and financial aid;
 - c) conditional scholarships;
 - d) enrollment data;
 - e) number of full-time and part-time faculty, technically trained librarians, and administrators;
 - f) average class size of each required course and the number of clinical offerings;
 - g) employment outcomes for graduates; and
 - h) bar passage data. (Bus. & Prof. Code § 6061.7(a).)
- 4) Defines the terms in (a) through (f), below, for the purposes of 3), above.
 - a) "Admissions data" means information from the most recently enrolled fall semester class including the total number of applications, the total number of accepted students, and the 75th, 50th, and 25th percentile scores for the undergraduate grade point averages and law school admission test scores of admitted students.

- b) "Bar passage data" means the most current cumulative bar pass rates defined and reported by the examining committee of the State Bar." Conditional scholarship" means any financial aid award, the retention of which is dependent upon the student maintaining a minimum grade point average or class standing other than that ordinarily required to remain in good academic standing.
- c) "Curricular offering" means only those courses offered in the current and past two academic years.
- d) "Employment outcomes for graduates" means the results of a survey by the law school, taken three years after graduation, that breaks down the employment rate of graduates in each of the first three years after graduation, including the rate of employment of graduates in jobs where a Juris Doctor degree is required by the employer and the rate of employment of graduates in jobs where a Juris Doctor degree is an advantage in employment.
- e) "Enrollment data" means information about the number of students who are admitted to the school per class per year for the past three years, the number of students who transfer to and from the school per class per year for the past three years, and the number of students who do not continue to attend the school each year for the past three years on either a voluntary or involuntary basis.
- f) "Transfer or articulation agreement" means an agreement between the law school and any other college or university that provides for the transfer of credits earned in the program of instruction. (Bus. & Prof. Code § 6061.7(g).)

This bill:

- 1) Authorizes a law school accredited by the CBE that has operated continuously as an independent nonprofit institution to be incorporated into CSU, San Jose as a constituent academic unit, if both of the following conditions are met:
 - a) the law school maintains its accreditation by the Committee of Bar Examiners of the State Bar of California at the time of incorporation; and
 - b) the governing boards of both institutions approve a merger agreement.
- 2) Provides that, upon incorporation into CSU, San Jose, the law school will be recognized as an academic unit within CSU, San Jose, and will operate under the university's policies and governance structure.
- 3) Requires the CSU, San Jose to work with the Chancellor of the CSU to coordinate with the appropriate regulatory bodies to ensure compliance with all legal and accreditation requirements applicable to the law school.
- 4) Makes the following findings and declarations of the Legislature:

- a) CSU, San Jose is a public institution within the CSU system that plays a crucial role in expanding educational access and professional training in the heart of Silicon Valley.
- b) State-accredited law schools provide essential opportunities for students seeking legal education and professional development.
- c) Incorporating a state-accredited law school into California State University, San Jose will enhance access to legal education, expand the university's academic offerings, and strengthen the pipeline of legal professionals in California.
- d) This act facilitates the incorporation of a state-accredited law school that has operated as an independent nonprofit institution and seeks to merge into CSU, San Jose to continue providing legal education under public governance.
- 5) Provides that the Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the urgent need to expand affordable pathways to legal education in underserved communities, the unique alignment between the mission of the CSU, San Jose and the educational needs of the region, the role of CSU, San Jose as a public anchor institution in Silicon Valley, and the distinct absence of a law school within the CSU system.

COMMENTS

1. Stated need for the bill

The author writes:

California is facing a crisis in affordable legal education. Law school remains out of reach for many due to cost, limited public options, and geographic disparities. Despite serving nearly half a million students across 23 campuses, the California State University (CSU) system currently has no law school, leaving communities – especially in Silicon Valley – without a public pathway to legal careers. Meanwhile, state-accredited nonprofit law schools are providing valuable, accessible education to diverse student populations, often with deep community ties and public service missions. Merging one into a CSU campus provides a rare opportunity to expand public legal education quickly and affordably.

SB 550 authorizes the incorporation of an independent, state-accredited nonprofit law school into California State University, San José — establishing the first public law school in the California State University system. This transformative step will enhance educational opportunity, promote equity in the legal profession, and fill a major gap in California's public higher education infrastructure. SB 550 (Cortese) Page 5 of 10

2. Law schools in California

In California, there are three types of law schools: ABA accredited law schools; California accredited law schools, and unaccredited law schools. The CBE is responsible for the approval, regulation, and oversight of law schools that are not ABA accredited. There are 18 ABA accredited law schools in the state, five of which are UCs. There are 20 California accredited laws schools in the state, and six unaccredited law schools operating in the state. An ABA accredited law school must maintain a 75 percent bar passage rate of its graduates within two years of graduation. (ABA Standard 316). California accredited law schools must maintain a minimum, five-year cumulative bar passage rate of 40 percent or more.¹ Graduates from a California accredited law school may not be able to take a bar exam in another state or be licensed to practice law in a jurisdiction other than California, as most states require graduation from an ABA accredited law school as a prerequisite to taking that state's bar exam and being licensed to practice law.

There is currently one California accredited law school in San Jose – Lincoln Law School in San Jose. Though the bill does not specifically provide that this is the California accredited law school that would be incorporated into CSU, San Jose, it is a very likely candidate due to its location in San Jose. The Board of Trustees of Lincoln law School San Jose writes in support of this bill and states:

Becoming a law school as part of San Jose State University would enable Lincoln to divert a major portion of significant resources currently expended on recruitment to other priorities. The school would be able to expand its capacity to serve diverse under-served communities. Further, it would be able to increase its course offerings and improve the content of its curriculum.

Lincoln Law School in San Jose was continuously accredited by the CBE from 1993 until January 1, 2023.² In August of 2020, the school was issued a notice of noncompliance by the CBE and placed on probation for failure to meet the minimum bar passage rate requirement of 40 percent.³ In August of 2022, the CBE terminated the schools accreditation effective January 1, 2023 because it did not improve its bar passage rate to the minimum requirement.⁴ The school just recently became re-accredited by the CBE on March 14, 2025.⁵

¹ State Bar of Cal, *law Schools*: Law schools in California accredited by the State Bar's Committee of Bar Examiners, available at <u>https://www.calbar.ca.gov/Admissions/Law-School-Regulation/Law-Schools</u>. ² Lincoln Law School, *Accreditation*,

https://lincolnlawschool.edu/#:~:text=Accreditation,the%20CBE%20in%20August%202024.

³ Lincoln Law School of San Jose's Disclosure Statement – Spring 2024, at p. 5, available at <u>https://lincolnlawschool.edu/wp-content/uploads/2024/01/Disclosure-Statement-Spring-2024.pdf</u>. ⁴ *Ibid*.

⁵ Fn. 2, supra.

SB 550 (Cortese) Page 6 of 10

3. Consumer protection concerns

Though Lincoln Law School in San Jose is clearly moving in the right direction, its history of losing accreditation and then becoming reaccredited highlights the need for guardrails to protect consumers of legal education. This is especially true as having a California accredited law school housed in CSU, San Jose, may lead consumers to believe that it is an equivalent academic program to UC law schools or other state university law schools that are ABA accredited. Most California accredited law schools are a 4-year program. Any school wishing to incorporate should have to demonstrate that it can maintain accreditation for at least the entirety of a student's legal education and an additional year in which graduates would most likely attempt the Bar Exam. As such, the Committee may wish to amend the bill to provide that only a California accredited law school that has been continuously accredited for at least five years at the time of incorporation to be eligible to be incorporated into CSU, San Jose. Additionally, the Committee may wish to make it explicit that, should CSU, San Jose incorporate a California accredited law school, nothing prevents CSU, San Jose from seeking ABA accreditation of that legal education program. Lastly, the Board of Trustees of the CSU should have to approve any proposed incorporation. This requirement is the same for UCs, which have to get approval by the UC Regents before opening any new law school.

4. Committee Amendments

The specific amendments described in 3), above, are as follows:

Section 89285 of the Education Code is amended to read:

89285. (a) Notwithstanding any other law, including Section 66010.4, a law school accredited by the Committee of Bar Examiners of the State Bar of California that has operated continuously as an independent nonprofit institution may be incorporated into California State University, San Jose as a constituent academic unit, if both *all* of the following conditions are met:

(1) The law school maintains its accreditation has been continuously accredited for a *minimum of five years* by the Committee of Bar Examiners of the State Bar of California at the time of incorporation.

(2) The governing boards of both institutions approve a merger agreement.

(3) The Board of Trustees of the California State University system approves a merger agreement.

(b) Upon incorporation into California State University, San Jose, the law school shall be recognized as an academic unit within California State University, San Jose, and shall operate under the university's policies and governance structure.

(c) California State University, San Jose shall work with the Chancellor of the California State University to coordinate with the appropriate regulatory bodies to ensure compliance with all legal and accreditation requirements applicable to the law-school. School, including, but not limited to, Section 6061.7 of the Business and Professions Code.

(*d*) Nothing in this section prevents the California State University, San Jose from working with the Chancellor of the California State University to seek certification by the American Bar Association of a law school incorporated pursuant to this section.

5. Statements in support

Latinos United for a New America writes in support, stating:

Latinos United for a New America (LUNA) supports the incorporation of a stateaccredited nonprofit law school into San José State University because it aligns with our mission to empower immigrant and low-income Latino communities through education, civic engagement, and systemic change.

Establishing a public law school in San José State University would provide accessible legal education pathways for local students, particularly first-generation college-goers, and help cultivate a new generation of legal advocates rooted in the community. This initiative would also expand culturally competent legal services in areas like immigration, housing, and workers' rights — issues central to the lives of the families we serve. By embedding a law school within a public university, we can build long-term capacity for justice and equity in the South Bay, ensuring that legal empowerment is not a privilege, but a public good.

The Law Foundation of Silicon Valley writes in support, stating:

[...]California is facing a crisis in affordable legal education. Law school remains out of reach for many due to high cost, limited public options, and geographic disparities. In the state, there are five public law schools, all associated with the University of California ("UC") system. Despite serving nearly half a million students and having geographic diversity, the Cal State system currently has no law school, leaving many qualified aspiring law students with limited affordable options. With anticipated changes to the Federal Public Service Loan Forgiveness Program, originally signed into law in 2007 by President George W. Bush, student loans are becoming a less viable option for students to pay for the high cost of law school if they want to work in the public interest sector. Consequently, legal aid organizations will continue to experience ongoing attorney recruitment challenges and staffing shortfalls. There is no doubt that the high cost of law school and the heavy burden of law school debt put substantial pressure on even the most public service oriented graduate to pursue higher paying private attorney work outside of public service. This causes real challenges for legal aid organizations, like the Law Foundation. We support SB 550 because the combined cost of law school and living expenses in Santa Clara County make it difficult to hire and retain attorneys. [...]

6. Statements in opposition

The University of California writes in opposition, stating:

The California Master Plan for Higher Education was adopted in 1960 and establishes the functions of each public higher education segment. Under the plan, the California Community Colleges (CCCs) have an open admission policy with responsibility over lower division undergraduate courses; the California State Universities (CSU) offer bachelor's and master's degree programs; and UC maintains the exclusive authority to offer doctoral degrees. Over the years, legislation has been enacted to change these responsibilities.

Current law authorizes CSU to offer joint degrees with UC for applied or professional doctoral degrees with a review process that would ensure nonduplication of existing UC degree programs. An evaluation of this program will be conducted by the Legislative Analyst's Office by December 2028. There have been additional laws passed to allow CCCs to offer bachelor's degree programs as well.

In 2011, the California Postsecondary Education Commission was defunded by the Governor and since then the state has lacked a higher education coordinating body. Currently, the Legislature is considering multiple bills on this subject, with additional considerations around labor market needs and careers. Changes to the Master Plan for Higher Education may be better examined within this body.

While UC appreciates the author's intent of offering a public law degree program in San Jose, UC has law schools in San Francisco, Berkeley, Davis, Los Angeles, and Irvine. Two of these locations are about an hour away from San Jose and are accessible through public transit.

The Association of California Colleges and Universities writes in opposition, stating:

[...]We have repeatedly raised concerns about legislation that proposes piecemeal expansions in degree authority at our public segments of higher education, particularly when the proposed expansion is duplicative of existing degree offerings. While SB 550 does not necessarily create a new standalone authority for

law degrees to be offered by the CSU system, we are concerned that by authorizing a single CSU campus to absorb and offer existing program it functionally sets a new precedent for degree authority.

Rather than continue this piecemeal approach to new degree offerings, we believe that this discussion, and others like it, should be considered by a statewide higher education and workforce coordinating entity. There are several such proposals for such an entity in deliberation this year, including Assembly Bill 95 (Fong), Senate Bill 638 (Padilla), and the Newsom Administration's proposed California Education Interagency Council. Such an entity could look to address statewide and regional workforce needs that are not being adequately met by educational pipelines through a variety of approaches and collaborations, without necessarily creating new degree authorities that are duplicative of existing offerings.

SUPPORT

Dependency Advocacy Center Latinos United for a New America Law Foundation of Silicon Valley Lincoln Law School of San Jose San Jose State University Pre-Law Society Services, Immigrant Rights and Education Network

OPPOSITION

Association of California Colleges and Universities University of California

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation:

AB 2633 (Alvarez, Ch. 729, Stats. 2024) authorized the CSU to award undergraduate, graduate, and doctoral degrees jointly with international institutions of higher education.

AB 656 (McCarty, Ch. 663, Stats. 2023), authorized the CSU to award professional or applied doctoral degrees statewide, provided that only 10 baccalaureate degree programs are approved per academic year and do not duplicate doctoral degrees offered by the UC, as specified.

SB 550 (Cortese) Page 10 of 10

AB 829 (Bloom, Ch. 18, Stats. 2019) authorized the CSU to establish Doctor of Occupational Therapy degree programs that are distinguished from doctoral degree programs at the University of California.

PRIOR VOTES:

Senate Education Committee (5 Ayes, 1 Noes)
