

Date of Hearing: July 8, 2025

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

SB 550 (Cortese) – As Amended May 23, 2025

[Note: This bill is double-referred to the Assembly Committee on Judiciary and will be heard by that Committee as it relates to issues under its jurisdiction.]

SENATE VOTE: 29-6

SUBJECT: California State University, San Jose: law school

SUMMARY: Authorizes the California State University (CSU), San Jose, to absorb an independent nonprofit law school that is accredited by the California State Bar. Specifically, **this bill:**

- 1) Notwithstanding provisions that establish the mission of California's public and independent segments of higher education in order to authorize 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 to be incorporated into CSU, San Jose, as a constituent academic unit, if both of the following conditions are met:
 - a) The law school 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;
 - b) The governing boards of both institutions approve a merger agreement; and,
 - c) The CSU Trustees approve the merger agreement.
- 2) Requires, upon information into CSU, San Jose, the law school be recognized as an academic unit within California State University, San Jose, and operate under the university's policies, governance structure and budget.
- 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) States that this bill's provisions do not prevent CSU, San Jose from working with the CSU Chancellor to seek certification by American Bar Association of the law school.
- 5) Makes various legislative findings and declarations related to the special circumstances in the Silicon Valley region that condition a special law, including expanding affordable pathways to legal education.
- 6) States various findings and declarations related to state accredited law schools.

EXISTING LAW:

- 1) Establishes the CSU, under the administration of the Trustees of the CSU, the University of California (UC), under the administration of the Regents of the UC, the California Community Colleges (CCC), under the administration of the Board of Governors of the CCC, and independent institutions of higher education as four segments of postsecondary education in the state. (Education Code (EDC) Sections 66010, 70900, 66600, and California Constitution, Article IX, Section 9)
- 2) Differentiates the missions and functions of public and independent institutions of higher education. Under these provisions:
 - 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 CCC Board of Governors. 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;
 - c) The independent institutions of higher education are required to provide undergraduate and graduate instruction and research in accordance with their respective missions; and,
 - d) The mission and function of the CCC is the offering of academic and vocational instruction at the lower division level, and the CCC is authorized to grant the Associate in Arts and the Associate in Science degrees. The community colleges are also required to offer learning supports to close learning gaps, English as a Second Language instruction, adult noncredit instruction, and support services which help students succeed at the postsecondary level. (EDC Section 66010.4)
- 3) Authorizes the CCC Board of Governors, in consultation with the CSU and the UC, to establish baccalaureate degree programs that do not duplicate a baccalaureate degree program offered by the CSU or UC. Allows for the approval of 30 community college baccalaureate degree programs per academic year. Current law further requires the CCC Chancellor to consult and seek feedback from the CSU Chancellor, the UC President, and the President of the Association of Independent California Colleges and Universities on proposed baccalaureate degree programs, as specified, and establishes a mechanism for the assessment, consultation, and approval of programs where duplication is identified, as specified. (EDC Section 78040 et seq.)
- 4) Authorizes the CSU, in consultation with the UC President, to award professional or applied doctoral degrees statewide that do not duplicate UC doctoral degrees and satisfy certain requirements. It further requires a CSU campus seeking authorization to offer a professional or applied doctoral degree to submit specified information on the proposed doctoral degree for review by the CSU Chancellor's office and approval by the CSU Trustees, as provided. It

requires that the CSU Chancellor ensure, among other things, that a proposed doctoral program that receives written objections from the UC President's Office not be approved for implementation by the trustees unless and until a letter indicating a resolution of the written objections and a mutual agreement, signed by both the CSU Chancellor and the UC President, in support of the CSU offering the proposed doctoral program is submitted to the Assembly Committee on Higher Education and the Senate Committee on Education. (EDC Sections 66046.1 (b) and 66046.2 (b)(3))

FISCAL EFFECT: According to the Senate Committee on Appropriations:

While the CSU indicates that the bill's fiscal impact is unknown, the ongoing General Fund costs could be in the low millions of dollars each year. This estimate assumes unknown costs for facilities maintenance, faculty and staffing, accreditation, and other administrative costs associated with managing a law school.

COMMENTS: *Purpose.* According to the author, "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. Santa Clara County is home to nearly 2 million residents, but has no public law school. In a region where over 65% of the population identifies as Asian or Latino, both groups remain severely underrepresented among licensed attorneys statewide. Meanwhile, the average law school debt now exceeds \$130,000, and 67% of young lawyers report financial stress, deterring many from pursuing legal careers in public service."

"SB 550 authorizes the incorporation of an independent, state-accredited nonprofit law school into California State University, San José (SJSU) - establishing the first public law school in San José and Santa Clara County. 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."

Jurisdiction. The state has four segments of higher education: three public and one private. Each plays a vital and unique role for the state. Their mission statements are outlined in the Master Plan for Higher Education and by state statute. The CSU is to select its freshmen from the top one-third of high school graduates and maintain a student body comprised of 40 % lower division students and 60 % upper division students. State statute directs CSU to bear the most extensive responsibility for undergraduate and graduate instruction leading to bachelor and master's degrees in the liberal arts and sciences, the applied fields, and teacher education, including the authority to award doctoral degrees jointly with UC and independent colleges. UC is to be responsible for being the state's primary academic research institution. In addition to providing undergraduate and graduate instruction, UC has exclusive jurisdiction over instruction in the profession of law and graduate instruction in the professions of medicine, dentistry, and veterinary medicine, and doctoral degrees.

Despite the differentiation of mission, the Legislature has authorized the CSU to offer applied doctoral degrees beyond its original mission, so long as programs do not duplicate those offered by UC, which holds primary jurisdiction. The assignment of distinct missions is important as it helps to justify allocation of state resources for two separate public university systems, impede mission-creep among institutions, contain growth in costs, and facilitate college access for all

eligible California students. Further expansion of CSU through law profession instruction as proposed in this bill would signal the legislature's willingness to allow CSU to deviate further from their institutional mission and duplicate programs offered by the other segment with primary jurisdiction.

Accredited law schools in California. A professional law school offers specialized graduate degrees for careers in the legal profession. The UC has four law schools within its 10-campus system: Berkeley, Davis, Los Angeles, and Irvine. A fifth program is housed at UC College of the Law San Francisco, which is affiliated with UC but has its own governing board. The American Bar Association has accredited all five public law schools. Additionally, among California's independent nonprofit institutions of higher education, there are roughly 13 American Bar Association-accredited schools, including at the University of San Francisco, Stanford, and Santa Clara University. There are 20 non-public schools accredited by the State Bar, including Lincoln Law School of San Jose. In total, California is home to 38 accredited law schools, 18 accredited by the American Bar Association and 20 by the Committee of Bar Examiners of the State Bar of California. Notably three of the five UC programs are located in northern California. This bill authorizes CSU, San Jose to absorb a State Bar-accredited law school.

Other options. Tuition costs at a private university can be considerably higher than at a public university. If it is the desire of the Legislature to expand public law degree programs in the state, arguably there are more effective and efficient alternatives that do not require a departure from CSU's institutional mission. Targeted state support for UC as the segment with primary jurisdiction can increase the number of graduates prepared for the legal profession or facilitate greater proliferation of professional law degree programs. Additionally, improving alignment between CSU, San Jose undergraduate programs and a UC professional law school program such as Berkeley, Davis, or UC College of the Law San Francisco can help achieve regional increases or diversification goals.

Arguments in support. The Law Foundation of Silicon Valley wrote in support, stating that "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."

The Law Foundation additionally wrote that they support SB 550 (Cortese) because "...the combined cost of law school and living expenses in Santa Clara County make it difficult to hire and retain attorneys. When attorney positions are vacant for a long time, there is a significant

impact on our ability to deliver and provide high quality services to low-income community members. The California Justice Gap Study published by the State Bar of California in 2019 found that 60% of low-income Californians experienced at least one civil legal problem over the course of a year. These legal problems range from landlord-tenant, family law, and domestic violence issues and were described as having a severe negative impact on those who experienced them. Therefore, without increased access to an affordable law school, like that which SB 550 would provide, we are concerned that the unmet legal needs of low-income Californians will only increase.”

Arguments in opposition. The UC Office of the President wrote in opposition, stating that “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 [CSU offers] 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 non-duplication 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...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 Independent California Colleges and Universities also wrote in opposition, noting that “In recent years, there have been numerous efforts to expand the degree authority of [CCC] and the [CSU] systems. 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.”

Committee comments. As noted in the *Jurisdiction* section above, the Master Plan for Higher Education and existing law specifies that the UC has exclusive jurisdiction over instruction in the profession of law. Yet existing law also creates opportunities for higher education institutions to collaborate productively, as noted in the example of joint doctoral degree programs between CSU and UC, as well as CSU and independent institutions of higher education.

While the legislature has supported past mission expansion in both the CCC and CSU, the absorption of a non-profit law school proposed in SB 550 (Cortese) would be a significant departure from past mission expansions, which have often included pilot programs and studies to assess effectiveness.

The Committee has recommended, and the author has accepted, amendments that would instead create a pilot program between CSU, San Jose, and a non-profit law school that would allow the campuses to partner for a pilot program. Specifically, the amendments would:

- 1) Authorize CSU, San Jose, and an independent nonprofit law school, as part of the legal education pilot program, to jointly award a Juris Doctorate degree. CSU, San Jose, would additionally be authorized to partner with an independent nonprofit law school to jointly provide certificate and legal education programs at the undergraduate level.
- 2) Require both the CSU Board of Trustees and the governing board of the non-profit law school to approve the pilot program upon receipt of specified information, including a funding plan, as well as a description of the joint Juris Doctorate degree program's curriculum, faculty, and facilities. The campuses would also be required to submit documentation of consultation with the UC and other regional independent institutions regarding collaborative approaches to meeting regional workforce needs that require legal education.
- 3) This pilot will not be authorized to begin before January 1, 2027, will be six years in duration, and will commence following approval of the CSU Board of Trustees and the governing board of the non-profit law school.

Committee staff notes that the specific start and end dates of the pilot will not be codified, in order to give all stakeholders the time necessary to craft and present a plan for approval. Should the pilot receive approval, the respective boards would be required to notify the Legislature and the Legislative Analysts' Office (LAO).

- 4) The independent non-profit law school would be required to be continuously accredited by the Committee of Bar Examiners of the State Bar of California prior to the first joint degrees being awarded. If the independent nonprofit law school were to lose their accreditation, the pilot program would cease operation.
- 5) Specifies that a student in a joint Juris Doctorate program will not be charged fees higher than the mandatory systemwide fees, campuses fees, and graduate professional program fee charged for graduate degree programs CSU, San Jose.
- 6) Requires the LAO to conduct both an interim and a final evaluation of the legal education pilot program.
- 7) Sunsets the language following the completion of the pilot program.

In order to meet legislative deadlines, these amendments will be processed by the Assembly Committee on Judiciary.

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), Chapter 663, Statutes of 2023, authorizes 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 684 (Hueso), Chapter 936, Statutes of 2022, authorized CSU to offer the Doctor of Public Health (DrPH) degree, and specified that DrPH degree programs offered by the CSU will focus on health and scientific knowledge translation and transformative community leadership.

AB 927 (Medina), Chapter 565, Statutes of 2021, expanded and indefinitely authorized the CCC Baccalaureate Degree Pilot Program.

AB 422 (Arambula), Chapter 702, Statutes of 2017, authorized CSU to offer the Doctor of Nursing Practice (DNP) degree programs, and specified that the DNP offered by the CSU shall focus on the preparation of nursing faculty to teach in postsecondary nursing education programs and may also train nurses for advanced nursing practice or nurse leadership.

AB 2317 (Mullin), Chapter 267, Statutes of 2016, authorized the CSU to offer the Doctor of Audiology (Au.D) degree, and specifies that the Au.D degree programs at the CSU shall be focused on preparing audiologists to provide health care services.

SB 850 (Block), Chapter 747, Statutes of 2014, authorized the CCC BOG, in consultation with the CSU and the UC, to establish a baccalaureate degree pilot program. The pilot program allowed up to 15 participating community college districts to offer one baccalaureate degree, as long as it does not duplicate a degree program already offered by the CSU or the UC.

AB 2382 (Blumenfield), Chapter 425, Statutes of 2010, authorized the CSU to offer the Doctor of Physical Therapy (D.P.T.) degree, and specified that the D.P.T. degree programs at the CSU shall be focused on preparing physical therapists to provide health care services.

SB 724 (Scott), Chapter 269, Statutes of 2005, authorized the CSU to independently award the Doctor of Education (Ed.D) degree focused solely on preparing administrative leaders for California public K-14 schools.

REGISTERED SUPPORT / OPPOSITION:

Support

Dependency Advocacy Center
Latinos United for a New America
Law Foundation of Silicon Valley
Lincoln Law School

San Jose Councilmember Michael Mulcahy
San Jose State University Mock Trial Program
San Jose State University Pre-law Society
Santa Clara County Bar Association
Services, Immigrant Rights and Education Network

Opposition

Association of Independent California Colleges & Universities (AICCU)
University of California

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