AMENDED IN ASSEMBLY JUNE 25, 2025 AMENDED IN ASSEMBLY JUNE 13, 2025

SENATE BILL

No. 253

Introduced by Senator Umberg

(Coauthor: Assembly Member Dixon)

February 3, 2025

An act to amend Sections 6026.7, 6046.6, 6140, and 6141 6141, and 6141.3 of the Business and Professions Code, relating to attorneys.

LEGISLATIVE COUNSEL'S DIGEST

SB 253, as amended, Umberg. State Bar of California.

Existing law, the State Bar Act, provides for the licensure and regulation of attorneys by the State Bar of California, a public corporation governed by a board of trustees. Existing law authorizes the State Bar to establish an examining committee, also known as the Committee of Bar Examiners, with powers that include examining all applicants for admission to practice law. Existing law, the Bagley-Keene Open Meeting Act, generally requires all meetings of a state body to be open and public. The State Bar Act makes the State Bar subject to the Bagley-Keene Open Meeting Act, with specified exceptions. The Bagley-Keene Open Meeting Act authorizes a state body that is an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body to hold an open meeting by teleconference if certain requirements are satisfied.

This bill would specify that the Committee of Bar Examiners shall not be considered an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body for purposes of those provisions.

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Existing law prohibits the Committee of Bar Examiners from altering the bar examination in a manner that requires the substantial modification of the training or preparation required for passage of the examination, except after giving 2 years' notice of that change, and requires the committee to communicate and cooperate with the Law School Council.

This bill would specify what constitutes a substantial modification for purposes of those provisions and would instead require the Committee of Bar Examiners to communicate and cooperate with the Law School Council and their deans, or their designees, of law schools accredited by the American Bar Association or the committee. The bill would require the Committee of Bar Examiners to give notice if certain changes are made to the bar examination, including changing the functionality of testing software or materials, or if artificial intelligence is used in creating questions for or grading the bar examination. The bill would authorize the use of scaling on the bar examination, as specified.

Existing law, until January 1, 2026, requires the board of trustees of the State Bar to fix the annual license fee for active licensees for 2025 at a sum not exceeding \$400, and, for the annual license fee for inactive licensees for 2025, a sum not exceeding \$100.

This bill, until January 1, 2027, would require the board to fix the annual license fee for active licensees for 2026 at a sum not exceeding \$400, and the annual license fee for inactive licensees for 2026 at a sum not exceeding \$100.

Existing law requires certain revenue received from specified noninsurance and insurance affinity programs offered to licensees of the State Bar to go to the California Lawyers Association or an affiliated 501(c)(3) organization to support their respective diversity, equity and inclusion, access to justice, and civil engagement efforts. Existing law prohibits the California Lawyers Association from creating, operating, participating in, or soliciting its members for any affinity or royalty program involving similar insurance or noninsurance products or services with a percentage or share of costs being distributed to the California Lawyers Association.

This bill would require the California Lawyers Association or the affiliated 501(c)(3) organization to submit an annual report to the Legislature detailing their use of funds and a statement of compliance with the prohibition on creating, operating, or soliciting members for affinity or royalty programs involving similar products or services.

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Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6026.7 of the Business and Professions 2 Code is amended to read:
- 3 6026.7. (a) The State Bar is subject to the Bagley-Keene Open 4 Meeting Act (Article 9 (commencing with Section 11120) of 5 Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and all meetings of the State Bar are subject to the 7 Bagley-Keene Open Meeting Act.
 - (b) Notwithstanding any other law, the Bagley-Keene Open Meeting Act shall not apply to the Judicial Nominees Evaluation Commission or the State Bar Court.

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- (c) In addition to the grounds authorized in the Bagley-Keene Open Meeting Act, a closed session may be held for those meetings, or portions thereof, relating to any of the following:
- (1) Appeals from decisions of the Board of Legal Specialization refusing to certify or recertify an applicant or suspending or revoking a specialist's certificate.
- (2) The preparation of examination materials, the approval, the grading, or the security of test administration of examinations for certification of a specialist.
- (3) The preparation of examination materials, the approval, the grading, or the security of test administration of the California Bar Examination or the First-Year Law Students' Examination.
- (4) Matters related to the Committee of Bar Examiners' consideration of moral character, including allegations of criminal or professional misconduct, competence, or physical or mental health of an individual, requests by applicants for testing accommodations in connection with an application for admission to practice law, or appeals of the Committee of Bar Examiners' determinations.
- 30 (5) Information about a law school's operations that constitutes a trade secret as defined in subdivision (d) of Section 3426.1 of 32 the Civil Code.
 - (6) Matters related to the board's consideration of waiving confidentiality related to records of disciplinary proceedings under subdivision (c) of Section 6086.1.

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(d) Notwithstanding subdivision (e) of Section 11125.7 of the Government Code, the State Bar shall accept public comment in open session on all matters that are agendized for discussion or decision by the board of trustees, whether in an open or a closed session.

- (e) The Committee of Bar Examiners shall not be considered an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body, as described in Section 11123.5 of the Government Code, for purposes of the Bagley-Keene Open Meeting Act.
- SEC. 2. Section 6046.6 of the Business and Professions Code is amended to read:
- 6046.6. (a) (1) The Committee of Bar Examiners shall not alter the bar examination in a manner that requires the substantial modification of the training or preparation required for passage of the examination, except after giving two years' notice of that change.
- (2) This requirement does not apply to a change in the bar examination that is applicable only at the option of the applicant.
- (3) The following shall constitute a substantial modification for purposes of this section:
- (A) Changing the vendor or creator of the multiple choice questions from the National Conference of Bar Examiners.
- (B) If the Committee of Bar Examiners changes the vendor or creator of the multiple choice questions from the National Conference of Bar Examiners, any further change to a different vendor or creator. This subparagraph does not apply if the change in vendor or creator is to the National Conference of Bar Examiners.
 - (C) Changing the functionality of testing software or materials.
- (D) Changing the medium in which testing materials are provided.
- (b) The Committee of Bar Examiners shall communicate and cooperate with the Law School Council and deans, or their designees, of law schools approved by the American Bar Association or the Committee of Bar Examiners.
- (c) Scaling may be used on the bar examination for the purpose of maintaining an examination of uniform difficulty from year to year.

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(d) Any alteration to the bar examination that constitutes either of the following shall require at least 120 days notice:

- (1) Changing the functionality of testing software or materials.
- (2) Changing the medium in which testing materials are provided.
- (e) The Committee of Bar Examiners shall provide notice if artificial intelligence is used in creating questions for the bar examination or grading of the bar examination.

(d)

- (f) The changes made to subdivision (a) by the act that added this subdivision are to apply to any changes made from the July 2025 bar examination.
- SEC. 3. Section 6140 of the Business and Professions Code is amended to read:
- 6140. (a) The board shall fix the annual license fee for active licensees for 2026 at a sum not exceeding four hundred dollars (\$400).
- (b) The annual license fee for active licensees is payable on or before the date set by the State Bar, which shall not be less than 12 months from the prior year's due date. Individuals who qualify for a waiver pursuant to subdivision (b) of Section 6141.1 shall be permitted to pay fees on an installment basis, with interest and other costs directly associated with the use of an installment plan, in the manner determined by the State Bar. Additionally, if the board finds it appropriate and feasible, it may provide by rule for payment of fees on an installment basis with interest, by credit card, or by other means, and may charge licensees choosing any alternative method of payment an additional fee to defray costs incurred by that election.
- (c) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.
- SEC. 4. Section 6141 of the Business and Professions Code is amended to read:
- 6141. (a) The board shall fix the annual license fee for inactive licensees at a sum not exceeding one hundred dollars (\$100). The annual license fee for inactive licensees for 2026 is payable on or before the first day of February of each year. The annual license fee for active licensees is payable on or before the date set by the State Bar, which shall not be less than 12 months from the prior year's due date.

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(b) An inactive licensee shall not be required to pay the annual license fee for inactive licensees for any calendar year following the calendar year in which the licensee attains 70 years of age.

- (c) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.
- 6 SEC. 5. Section 6141.3 of the Business and Professions Code is amended to read:
 - 6141.3. (a) Except as provided in subdivision (b), the State Bar shall provide offers of discounts and other benefits to active and inactive licensees of the State Bar, including, but not limited to, insurance and noninsurance affinity programs, until December 31, 2018, and insurance affinity programs only, after December 31, 2018. Any revenue generated by these programs shall be used as follows:
 - (1) For all revenue received from January 1, 2018, until December 31, 2018, 50 percent of the revenue shall be used to assist the California Lawyers Association in transitioning to an independent entity, 25 percent of the revenue shall be distributed to qualified legal services projects and support centers as provided in Section 6216, and 25 percent shall be used to support the discipline functions of the State Bar or to support the Client Security Fund.
 - (2) For all revenue received on and after January 1, 2019, until December 31, 2019, 50 percent of the revenue shall be distributed to qualified legal services projects and support centers as provided in Section 6216, and 50 percent of the revenue shall be used to support the discipline functions of the State Bar or to support the Client Security Fund.
 - (b) Notwithstanding subdivision (a), if approved by the board of trustees, California ChangeLawyers, and Cal Bar Affinity, a subsidiary of California ChangeLawyers, the State Bar may transfer administration of the programs offering discounts and other benefits to active and inactive licensees of the State Bar under subdivision (a) to Cal Bar Affinity provided that any revenue received, less the administrative costs of the State Bar and Cal Bar Affinity in operating the programs, up to a maximum of 12 percent of the revenue received, and less the taxes incurred by Cal Bar Affinity in operating the programs, shall be distributed as follows from January 1, 2019, until December 31, 2019:

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(1) All of the revenue received from the noninsurance affinity programs shall be kept by California ChangeLawyers, which shall distribute 50 percent of that revenue to support the programs of California ChangeLawyers and 50 percent of that revenue to qualified legal services projects and support centers as provided in Section 6216.

- (2) For all revenue received from the insurance affinity programs, 50 percent of the revenue shall be kept by California ChangeLawyers, which shall distribute 50 percent of that revenue to support the programs of California ChangeLawyers and 50 percent of that revenue to qualified legal services projects and support centers in accordance with the formula provided in Section 6216, and 50 percent of the revenue shall be used to support the discipline functions of the State Bar or to support the Client Security Fund.
- (c) If approved by the California Lawyers Association, California ChangeLawyers, and Cal Bar Affinity, and provided the California Lawyers Association complies with the requirement in subdivision (e), all revenue received from the noninsurance affinity programs and the insurance affinity programs, less the administrative costs of the State Bar and Cal Bar Affinity in operating the programs, up to a maximum of 12 percent of the revenue received, and the taxes incurred by Cal Bar Affinity in operating the programs, shall be distributed as follows on and after January 1, 2020:
- (1) The first one hundred fifty thousand dollars (\$150,000) of revenue received in 2020 and the first one hundred fifty thousand dollars (\$150,000) received in 2021 shall go to the California Commission on Access to Justice, payable as follows:
- (A) Seventy-five thousand dollars (\$75,000) shall be paid on or before March 31, 2020, and seventy-five thousand dollars (\$75,000) shall be paid on or before June 30, 2020.
- (B) Thirty-seven thousand five hundred dollars (\$37,500) shall be paid on or before March 31, 2021, thirty-seven thousand five hundred dollars (\$37,500) shall be paid on or before June 30, 2021, thirty-seven thousand five hundred dollars (\$37,500) shall be paid on or before September 30, 2021, and thirty-seven thousand five hundred dollars (\$37,500) shall be paid on or before December 31, 2021.
 - (2) Any additional revenue shall be distributed as follows:

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1 (A) One-third of the remaining revenue shall go to California 2 ChangeLawyers.

- (B) One-third of the remaining revenue shall go to the California Lawyers Association or an affiliated 501(c)(3) organization to support their respective diversity, equity and inclusion, access to justice, and civic engagement efforts.
- (C) One-third of the remaining revenue shall go to California ChangeLawyers, which shall distribute that revenue to qualified legal services projects and support centers in accordance with the formula provided in Section 6216. However, in any year, a qualified legal services project or support center, as defined in Section 6213, may elect in writing to direct their allocation for that year to California ChangeLawyers for fellowships for law students and law graduates at qualified legal services projects and support centers. California ChangeLawyers shall utilize a competitive grant application process for determining grant awards. In awarding these statewide grants, preference shall be given to qualified legal services projects or support centers that serve rural or underserved communities and that serve clients regardless of immigration or citizenship status. The minimum grant amount shall be ten thousand dollars (\$10,000).
- (d) Given the public protection mission of the State Bar, the Legislature finds that it would be inappropriate for the State Bar to administer the program on a long-term basis. Therefore, should the program continue to operate after December 31, 2018, it is the intent of the Legislature that the program be administered by an entity other than the State Bar.
- (e) If the California Lawyers Association elects to accept any share of the affinity funds revenue under this section, the California Lawyers Association shall not create or operate, or participate in the creation or operation, or otherwise solicit its members, or arrange to have its members solicited, for any affinity or royalty program involving similar insurance or noninsurance products or services with a percentage or share of costs being distributed to the California Lawyers Association, other than as provided in this section. If the California Lawyers Association creates or operates, or participates in the creation or operation, or otherwise solicits its members, or arranges to have its members solicited for any affinity or royalty program involving the sale of insurance or noninsurance products or services with a percentage or share of

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costs being distributed to the California Lawyers Association, all 1 2 funds that would have been provided to the California Lawyers 3 Association from affinity or royalty programs that transferred from 4 the State Bar or are similar to programs that transferred from the 5 State Bar shall be provided to California ChangeLawyers, which shall distribute 50 percent of that revenue to support the programs 6 7 of California ChangeLawyers and 50 percent of that revenue to 8 qualified legal services projects and support centers as provided in subparagraph (C) of paragraph (2) of subdivision (c) of this 10 section.

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(f) The California Lawyers Association or the affiliated 501(c)(3) organization shall submit an annual report to the Legislature by January 31 of each year detailing their use of funds, as provided in subparagraph (B) of paragraph (2) of subdivision (c), and a statement of compliance with subdivision (e). The report shall cover the prior calendar year from January through December, except for the first report due on January 31, 2026, which shall cover the prior three calendar years of 2023, 2024, and 2025.