SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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CONSENT

Bill No: AB 1155 Author: Fong (D)

Amended: 4/23/25 in Assembly

Vote: 21

SENATE EDUCATION COMMITTEE: 7-0, 6/18/25

AYES: Pérez, Ochoa Bogh, Cabaldon, Choi, Cortese, Laird, Limón

SENATE JUDICIARY COMMITTEE: 13-0, 7/8/25

AYES: Umberg, Niello, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern,

Valladares, Wahab, Weber Pierson, Wiener

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 71-0, 5/23/25 (Consent) - See last page for vote

SUBJECT: Law schools: externships: compensation

SOURCE: McGeorge School of Law Student Bar Association

DIGEST: This bill requires each American Bar Association (ABA)-accredited and California-accredited law school at the University of California (UC) or an independent institution of higher education, as defined, to allow students to receive compensation from an externship site while concurrently earning course credit.

ANALYSIS:

Existing law:

1) Establishes, under the California Constitution, the UC as a public trust to be administered by the Regents of the UC with full powers of organization and government, subject only to such legislative control as may be necessary to insure the security of its funds and compliance with the terms of the endowments of the university, and such competitive bidding procedures as may be made applicable to the university for construction contracts, selling

- real property, and purchasing materials, goods and services. (Constitution of California, Article IX, Section 9)
- 2) States, under the California Constitution, that the UC be entirely independent of all political or sectarian influence and kept free therefrom in the appointment of its regents and in the administration of its affairs. (Constitution of California, Article IX, Section 9 (f))
- 3) Provides that statutes related to UC (and most other aspects of the governance and operation of UC) are applicable only to the extent that the Regents of UC make such provisions applicable. (Education Code (EC) § 67400)
- 4) Provides that the Board of Trustees of the State Bar of California examining committee (Committee of Bar Examiners) is responsible for the approval, regulation, and oversight of degree-granting law schools that exclusively offer bachelor's, master's, or doctorate degrees in law, such as a Juris Doctor (J.D.). (Business and Professions Code § 6060.7)

This bill:

- 1) Requires each law school, beginning August 1, 2026, to allow its students to receive compensation from an externship site while concurrently earning academic course credit.
- 2) Specifies that its provisions do not change the course requirements set by a law school to award academic course credit for externships beyond allowing the employer to offer compensation.
- 3) Specifies that its provisions do not require externships offered through the law school to be compensated, and compensation decisions are to be at the discretion of the externship site.
- 4) Specifies that its provisions do not change the externship site criteria or the requirements set by each law school regarding new and existing externship sites to be offered to law students.
- 5) Requires that a law student be in good academic standing according to the rules set by the school to be eligible to earn compensation from an externship site.

- 6) Exempts paralegal certification program.
- 7) Specifies that its provisions do not bind employers or law students to an externship site for any future work.
- 8) Specifies that compensation of law school students does not require an employer to provide workers' compensation or other similar benefits.
- 9) Prohibits a law school from receiving restitution or compensation beyond tuition expenses from a law student for an externship opportunity.
- 10) Makes several related findings and declarations about law school affordability and experiential learning requirements imposed by the ABA and California-accredited law schools for degree completion.
- 11) Declares the Legislature's intent to allow law school students to accept compensation while concurrently earning academic credit for externships.
- 12) Defines all of the following terms for purposes of the bill:
 - a) "Compensation" to include, but is not limited to, financial compensation in the form of travel costs, stipends, minimum or higher hourly wages, or additional wages and benefits set by employers.
 - b) "Externship" to mean the field placement work performed by a law student at a state agency, nongovernmental organization, nonprofit organization, or for-profit firm, as part of their legal education, that is completed within the law school's course guidelines for the purpose of receiving law school credit.
 - c) "Externship site" or "employer" to mean the place of employment where a law student performs their externship that is approved by a law school to provide law students with practical field experience consistent with the requirements for academic course credit provided by the law school. An externship site may be in person, hybrid, or remote and includes any externship site regardless of whether the externship site is located in California or out of state.

- d) "Externship site criteria" to mean the factors or other requirements used by a law school to determine whether an externship site is eligible or approved for extern placement.
- e) "Law school" to mean an ABA-accredited or California-accredited law school at the University of California or an independent institution of higher education, as defined in subdivision (b) of Section 66010, that receives, or benefits from, state-funded student financial assistance or that enrolls students who receive state-funded student financial assistance.
- f) "Law student" to mean an individual enrolled at a law school. For purposes of this subdivision, "law student" includes individuals earning their Juris Doctor (J.D.), Master of Laws (LL.M.), or Doctor of Juridical Science (J.S.D.) degrees.

Comments

Need for this bill. According to the author, "California has 48 law schools offering Juris Doctor (JD) programs with over 17,000 students enrolled. The cost of completing a JD program averages nearly \$175,000 at ABA approved schools and over \$75,000 at State accredited schools. Currently, law schools have the discretion whether to allow students to receive compensation for externships where they receive academic course credit. AB 1155 requires all law schools to allow students to accept compensation from externship sites while concurrently earning academic course credit for experimental learning required by their accredited law school. AB 1155 will ensure all law students have the opportunity to be compensated for the important work they are doing in field placements and thus limit the financial burden of gaining a legal education."

Accredited law schools in California. This measure applies to ABA- and California-accredited law schools at UC and independent nonprofit institutions. Within the UC system, Berkeley, Davis, Los Angeles, and Irvine have law schools. UC College of the Law San Francisco is a public law school that is affiliated with UC but has its own governing board. ABA has accredited all five public law schools. Additionally, among California's independent nonprofit institutions, there are roughly 13 American Bar Association-accredited schools. The State Bar accredits several non-public schools. Staff notes that the bill requests UC Regents to comply with its provisions.

Related ABA activity urging law schools to allow monetary compensation. According to an ABA report, in August 2016, it approved a package of changes to the accreditation standards for law schools that eliminated the longstanding ban on students getting paid while earning academic credit for externships. However, the decision to adopt the changes was left up to each law school. ABA further reports that 49% of schools surveyed do not allow for students to receive credit if their field placement pays them. In 2024, the ABA passed a resolution that urges law schools to allow students to receive both monetary compensation and course credit for field placements. It also urges legal employers to consider adding monetary compensation for field placements for which students are also receiving course credit. This bill seeks to go further by mandating that law schools allow monetary compensation for field placements while students earn course credit. The bill specifies that the decision to offer compensation to a student be at the discretion of the externship site.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT: (Verified 8/18/25)

McGeorge School of Law Student Bar Association (source) California Competes: Higher Education for a Strong Economy California State Council of Service Employees International Union

OPPOSITION: (Verified 8/18/25)

None received

ASSEMBLY FLOOR: 71-0, 5/23/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas NO VOTE RECORDED: Bryan, Chen, Ellis, Nguyen, Sanchez, Schultz, Sharp-

Collins, Wicks

Prepared by: Olgalilia Ramirez / ED. / (916) 651-4105 8/21/25 16:45:42

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