Date of Hearing: June 24, 2025

ASSEMBLY COMMITTEE ON JUDICIARY Ash Kalra, Chair SB 47 (Umberg) – As Amended April 24, 2025

PROPOSED CONSENT

SENATE VOTE: 38-0

SUBJECT: FEBRUARY 2025 BAR EXAM: AUDIT

KEY ISSUE: SHOULD THE STATE AUDITOR BE TASKED WITH EXAMINING THE ORIGINS OF AND CIRCUMSTANCES OF THE PROBLEMS THAT PLAGUED THE FEBRUARY 2025 ADMINISTRATION OF THE STATE BAR OF CALIFORNIA'S BIANNUAL GENERAL BAR EXAMINATION?

SYNOPSIS

The February 2025 administration of the State Bar of California's general bar examination devolved into an absolute calamity. The exam was plagued by technological, logistical, and customer service errors that were so significant that nearly 90 test takers were given the opportunity to retake the exam. Additionally, in the months since the full scope of the problems plaguing the February 2025 exam became known, the State Bar has had to adopt significant "scoring remedies" to provide some modicum of redress to affected test takers.

The root of the debacle apparently lies in the hasty development and deployment of a new California-specific bar exam that dropped all portions of the multiple choice exam developed by the National Conference of Bar Examiners. While the change to the exam was made to reduce cost, and move away from the large in-person testing setting that was highly unpopular with examinees, the speed with which the new exam was developed likely resulted in many of the problems that undermined the February 2025 exam administration. Nonetheless, in order to attempt to ensure that the calamity of the February 2025 exam never occurs again, this bill directs the State Auditor to examine the circumstances surrounding the February exam, including the development and awarding of vendor contracts and the actions of the State Bar upon learning of the looming disaster.

This non-controversial measure is author-sponsored. The bill, along with complementary provisions contained within SB 253 (Umberg, 2025), which is also pending consideration before this Committee, attempt to ensure that the root causes of the February 2025 exam debacle are fully understood before the State Bar will, generally, be permitted to proceed with another remotely administered bar examination.

SUMMARY: Directs the California State Auditor to audit the February 2025 bar examination. Specifically, **this bill**:

1) Requires the California State Auditor to conduct an audit of the February 2025 bar exam to evaluate the administration of the February 2025 bar exam and how the problems with the exam occurred.

- 2) Requires the audit mandated in 1) to evaluate the bidding and contracting process that the State Bar engaged in that led to awarding the contract to Proctor U, Inc., doing business as Meazure Learning, as well as the final terms of the contract, and determine the following:
 - a) Whether the process was conducted according to existing laws, regulations, and policies;
 - b) What evaluation criteria were used to determine whether Meazure Learning had experience with, and was capable of, conducting an examination similar to the State Bar examination;
 - c) Whether the State Bar appropriately evaluated and authorized any changes, including cost changes, to the executed contract; and
 - d) Whether there were appropriate protections from, and evaluations of, any potential conflicts of interest that may have existed between relevant staff at the State Bar and Meazure Learning.
- 3) Requires the audit mandated in 1) to evaluate the bidding and contracting process that the State Bar engaged in that led to awarding the contract to Kaplan, Inc. for administration of the State Bar examination multiple choice questions, as well as the final terms of the contract for those services, and determine all of the following:
 - a) Whether the processes were conducted according to existing laws, regulations, and policies;
 - b) What evaluation criteria was used to determine whether Kaplan, Inc. had experience with, and was capable of, creating relevant and appropriate questions similar to existing comparable entities like the National Conference of Bar Examiners; and
 - c) Whether the terms of the contract allowed for oversight and monitoring of the question development process, and whether the State Bar appropriately utilized its oversight and monitoring to ensure that sufficient processes were engaged in to develop questions, ensure accuracy, and ensure fairness in the question development
- 4) Requires the audit mandated in 1) to evaluate the process that the State Bar engaged in leading up to the administration of the February 2025 State Bar examination to ensure that the examination was conducted in a way that allowed participants to engage fairly in the examination process, and determine all of the following:
 - a) When and how the State Bar became aware of any potential problems with the administration of the examination, including limits or problems with examination locations, and how those potential problems were addressed;
 - b) How the process for remote examination employed for the February 2025 State Bar examination differed from the processes used for remote examination during the COVID-19 pandemic, and the reasons for those differences;
 - c) The process and reasoning for determining that a makeup examination date should be offered, and the timeline for making that determination; and

- d) The process for determining what specific equipment would be permitted for test-takers, such as white boards, and the reasoning and processes utilized to make any changes to those requirements leading up to the examination date.
- 5) Requires the audit mandated in 1) to be completed as quickly as possible and be submitted to the board of trustees, the Chief Justice of the Supreme Court, and to the Assembly and Senate Committees on Judiciary.
- 6) Requires the State Bar to pay the costs of the audit.

EXISTING LAW:

- 1) Establishes the State Bar Act and provides for the licensure and regulations of attorneys practicing in California. (Business and Professions Code Section 6000 *et seq.*)
- 2) Requires that in order to be certified to the Supreme Court for admission and a license to practice law, a person who has not been admitted to practice law in a sister state, United States jurisdiction, possession, territory, or dependency or in a foreign country must:
 - a) Be at least 18 years of age;
 - b) Have sufficiently demonstrated to the staff of the State Bar or members of the examining committee good moral character;
 - c) Have completed at least two years of college course work prior to studying law;
 - d) Have registered with the State Bar within 90 days of beginning the study of law;
 - e) Have either obtained a juris doctorate or completed a four-year course of study and apprenticeship program;
 - f) Have passed any examination in professional responsibility or legal ethics as the examining committee may prescribe;
 - g) Have passed the law student examination, if necessary; and
 - h) Have passed the general bar examination given by the examining committee. (Business and Professions Code Section 6060.)
- 3) Requires that in order to be certified to the Supreme Court for admission, and a license to practice law, a person who has been admitted to practice law in a sister state, United States jurisdiction, possession, territory, or dependency the United States may acquire hereafter must:
 - a) Be of the age of at least 18 years;
 - b) Be of good moral character;
 - c) Have passed the general bar examination given by the examining committee, unless that person has been an active licensee in good standing of the bar of the admitting sister state or United States jurisdiction, possession, or territory for at least four years immediately

preceding the first day of the examination applied for, they may elect to take the Attorneys' Examination rather than the general bar examination, as specified;

- d) Have passed an examination in professional responsibility or legal ethics as the examining committee may prescribe. (Business and Professions Code Section 6062 (a).)
- Requires the Board of Trustees of the State Bar of California, commencing January 1, 2022 and every two years thereafter, to contract with the California State Auditor's Office to conduct a performance audit of the State Bar's operations for the respective fiscal year. (Business and Professions Code Section 6145 (b).)
- 5) Specifies the specific criteria the California State Auditor's Office's was to examine in the 2023 audit, with a focus on the whether any proposals for additional funding or resources requested by the State Bar are necessary to meet the State Bar's public protection function. (Business and Professions Code Section 6145 (c)(2)(E).)

FISCAL EFFECT: As currently in print this bill is keyed non-fiscal.

COMMENTS: In August of 2024, trying to reduce costs and improve examinee experiences, the State Bar of California announced major reforms to the biannual general bar examination. The new exam would be developed by Kaplan Exam Services, administered by a testing company called Meazure Learning, and designed to permit students to take the exam remotely or at local testing centers in lieu of the mass testing facilities historically utilized to administer the California bar exam.

The first administration of the new exam, in February 2025, was an unmitigated disaster. The exam was plagued with technical problems, communication errors between the State Bar and examinees, and a less-than-transparent response to the debacle by State Bar leadership. Recognizing that some of the issues that plagued the 2025 exam could be repeated if the State Bar continued administering the bar exam remotely, this bill requires the State Auditor to examine what occurred during the February exam and report to the Legislature how various contracts were awarded and what senior State Bar officials did in the lead up to the exam. In support of this bill, the author states:

The failure of the State Bar in administering the February 2025 Bar Exam is unacceptable and unprecedented. Taking the bar exam is one of the most stressful times in a law school graduate's life. It entails an enormous investment financially, emotionally, and in time – often for both the test taker and their family. I am extremely sympathetic to the plight of examinees affected by this debacle and the real world consequences, including loss of job offers, delay in starting one's career, the financial effect, and extreme stress this entire situation has caused. Admitting persons to practice law in this state is a core responsibility of the State Bar. This includes administration of the Bar Examination.

I am also deeply troubled by the recent revelations from the State Bar that AI was used to draft certain multiple-choice questions on the February bar exam. This information was not disclosed to anyone—including, most astonishingly, the California Supreme Court. The entire roll out of the February bar exam, from its creation to administration, has proven to be an unmitigated disaster. Each new revelation raises more concerning questions. Questions about the decision-making process of the State Bar; questions about the performance of

current leadership; and questions about if the State Bar acted within its authority as granted by the California Supreme Court when designing the February bar exam.

I introduced SB 47 to require an audit of the February bar exam by the California State Auditor because it is imperative that an independent audit is conducted to provide oversight of this fiasco. While the California Supreme Court has plenary power over the State Bar in terms of admissions, the Legislature has regulatory oversight over the State Bar as well. There has been no need for the Legislature to exercise oversight over the Bar Exam in the past, but that is clearly not the case now. It is vital that we understand what went wrong and how it occurred in order to ensure that nothing like this ever happens again.

Seeking to respond to examinee feedback, in 2024, the State Bar proposed making significant changes to the bar examination. During the COVID pandemic, the bar exam temporarily moved online, sparing examinees the somewhat traumatic experience of sitting for a critical licensing examination in a room filled with hundreds, if not thousands, of other anxious exam takers. As a result of the online experience, the State Bar received feedback from examinees that they preferred taking the exam in a remote setting. (Cal Bar Office of Communications, State Bar, Kaplan, Sign Five-Year California Bar Exam Development Contract, State Bar of California (Aug. 13, 2024) available at: https://www.calbar.ca.gov/About-Us/News/News-Releases/statebar-kaplan-sign-five-year-california-bar-exam-development-contract.) At the same time that the State Bar was inclined to move away from the traditional exam model, the National Conference of Bar Examiners sought to force all exams back to in-person settings and announced the elimination of the multistate bar exam multiple choice questions as a stand-alone exam product. California would be impacted by that decision because it had always developed its own essay questions while relying on the multistate bar exam to generate multiple-choice questions. In the face of mandated in-person testing and the forthcoming inability to utilize California-specific essays in conjunction with the national multiple-choice exam, the State Bar opted to generate its own exam. (Ibid.)

Recognizing the need for assistance in developing and administering the exam, the State Bar contracted with Kaplan Exam Services, LLC to develop a new California-specific exam. In addition to choosing Kaplan, the State Bar contracted with ProctorU (d.b.a. Meazure Learning) to utilize remote exam technology to administer the exam. At the time Meazure Learning was retained, the relationship appeared beneficial for test takers in that the exam would primarily be conducted remotely. Meazure Learning could also offer examinees the ability to take the exam in person at a local test center. The new exam would save the State Bar significant costs by eliminating the need for large test centers.

In theory, this new exam should have provided examinees with the flexibility they desired in the post-pandemic exam environment. Indeed, the Chair of the State Bar's Board of Trustees, Brandon Stallings, noted, "This historic agreement allows us to provide applicants with exam options that they prefer and also helps us close a significant deficit in the State Bar Admissions Fund...I want to thank the Board of Trustees for its leadership and State Bar staff and our partners at Kaplan for their significant efforts in ushering in this agreement, which represents a generational change for applicants and the State Bar." (*Ibid.*) The State Bar, in conjunction with Kaplan and Meazure Learning, opted to deploy the new exam for the February 2025 general bar examination.

The February 2025 General Bar Exam was plagued with numerous technological and customer service problems. Immediately after the State Bar adopted the new exam, and announced a proposed November 2024 "trial" of the exam system, members of the legal community began raising alarms about the speed of the deployment of the new exam. In September 2024, the deans of California's most prominent law schools wrote to the State Bar, expressing their concerns. The deans argued, "Rushing implementation of something so important to individuals' lives and to the practice of law in the state of California is a mistake." (Julianne Hill, *California law deans have 'grave concerns' about new bar exam plans,* ABA Journal (Sept. 20, 2024) available at: https://www.abajournal.com/web/article/california-deans-declare-grave-concerns-about-new-bar-exam-plans.) After a second test run of the exam software in January, examinees' concerns about the new remote exam system began to spill into the public view via a popular Reddit page utilized by would-be examinees.

(https://www.reddit.com/r/CABarExam/.) The concerns spanned a range of issues: from examinees being unable to connect to the test system, experiencing system time lags, and receiving various error messages, to the general non-responsiveness of the State Bar's contractor's technical support staff. (*Ibid.*) By mid-February, it appeared that the State Bar had recognized the impending risk of a disastrous exam administration and preemptively offered a full refund to all February 2025 examinees who rescheduled their exam for July 2025. (Joe Patrice, *California Bar Exam Disaster Reaches Its 'Offer Everyone A Refund' Stage*, Above the Law (Feb. 18, 2025) available at: https://abovethelaw.com/2025/02/california-bar-exam-disaster-reaches-its-offer-everyone-a-refund-stage/.)

Unfortunately, many of the worst-case scenarios envisioned by the examinees came to fruition during the administration of the February exam. Examinees described delays of up to one hour to commence the online exam; frequent disconnections from the exam system; significant system lags for those who did connect; and the exam system preemptively saving and submitting incomplete answers prior to examinees completing portions of the exam. (Jennie Jarvie, '*Utterly Botched': Glitchy rollout of new California bar exam prompts lawsuit and legislative review*, Los Angeles Times (Feb. 28, 2025) available at: https://www.latimes.com/california/story/2025-02-28/utterly-botched-chaotic-roll-out-of-new-california-bar-exam.) As a result of the obvious technological issues that doomed the exam, nearly 90 students were offered the ability to retake the test. (https://calbar.primegov.com/Portal/Meeting?meetingTemplateId=1054.) Additionally, hundreds of test takers are now regular participants during public comment at State Bar Board of Trustees meetings, where they seek to vent their frustration at the State Bar and seek equitable remedies for the February exam debacle.

The public outcry regarding the testing irregularities experienced during the February exam also spurred the State Bar and the Committee of Bar Examiners to announce a series of "scoring remedies" designed to adjust test taker scores to compensate for the technical issues. (https://www.calbar.ca.gov/About-Us/News/News-Releases/CBE-Recommends-Scoring-Adjustments-for-February-Bar-Exam.) As a result of the most recent remedy approved by the Committee of Bar Examiners, the State Bar informed this Committee that approximately 63.37 percent of general bar exam and 81.45 percent of attorney exam takers passed the February exam, meaning that the February 2025 exam now has one of the highest pass rates in recent history.

The bill seeks a comprehensive understanding of what caused the failure of the February 2025 exam. Since 1999, with the passage of SB 144 (Schiff) Chap. 342, Stats. 1999, the Legislature has required the State Auditor to conduct a biennial audit of the State Bar. While the

audit generally focuses on the financial health of the State Bar, the Legislature has previously tasked the Auditor with examining specific aspects of the State Bar's operations. For example, in the wake of the Tom Girardi scandal, the Legislature asked the State Auditor to specifically examine the Bar's plans for reforming the Office of the Chief Trial Counsel. (SB 211 (Umberg) Chap. 723, Stats. 2021.)

This bill represents another directed request from the Legislature to the State Auditor related to the State Bar. This bill tasks the State Auditor with examining the formation of both the Kaplan and Meazure Learning contracts. The bill requires the State Auditor to determine if proper contracting processes were followed and if any conflicts existed between State Bar staff and these vendors. The bill also directs the State Auditor to examine the State Bar's actions once it became aware of the significant logistical and technological issues in the run-up to the February 2025 exam. Although not an urgency measure, the bill requires that the State Auditor produce their findings as quickly as possible. Finally, the bill requires the State Bar to pay for the audit.

New amendments to the primary state bar fee bill should prevent the bar from taking significant actions regarding the future of the bar exam before the audit results are released. Thanks to recent amendments adopted to SB 253 (Umberg, 2025), this year's primary bar fee bill, the two measures are now operating in concert. While this bill does not prevent the State Bar from embarking on another attempt at a remote examination, SB 253 now requires significant advanced notice be provided when the State Bar seeks to make meaningful changes to the bar exam. These provisions in SB 253 will, generally, prevent the State Bar from moving to a remote exam prior to the State Auditor releasing the findings of the audit regarding the failure of the last remotely administered exam.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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