



# The State Bar *of California*

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## **OPEN SESSION AGENDA ITEM 50-10 NOVEMBER 2019**

**DATE:** November 14, 2019

**TO:** Members, Board of Trustees

**FROM:** Amy Nuñez, Program Director, Admissions

**SUBJECT:** Conform Schedule of Charges and Deadlines Regarding Multijurisdictional Practice Program (MJP) Fees and Foreign Legal Consultant Fees with Licensee Fees

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### **EXECUTIVE SUMMARY**

This agenda item proposes to align the deadline for renewal of registration and payment of fees for the Registered In House Counsel Program, the Registered Military Spouse Program, the Registered Legal Aid Attorney Program (collectively, the Multijurisdictional Practice, or MJP, Program) and the Foreign Legal Consultant Program (FLC) with the time frame for payment of attorney licensing fees.

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### **BACKGROUND**

In 2010, the deadline for payment of annual licensing fees was moved from the traditional February 1 date to March 1. The date after which a penalty would be assessed for late payment was extended to March 30. These changes were necessary because the annual fee bill was vetoed in 2009, and no authorizing statute was enacted until January 25, 2010.

As best as staff is able to ascertain, at that same time, the deadline for renewal of participation in the MJP and FLC Programs, payment of renewal fees, and the assessment of penalties for late payment, was amended to align with the deadlines for payment of licensing fees. (This change would have been necessary because the fee assessed for these programs is the same as the fee assessed on licensees.)

Each year, the Schedule of Charges and Deadlines, found in Appendix A to the Rule of the State Bar, is updated to reflect the current amount of licensee fees and the correct deadline for payment of those fees. The deadlines for renewal and payment for the MJP and FLC programs were never updated following 2010, and still reflect the March 1 payment deadline and March 30 as the date after which penalties for nonpayment would be assessed.

Rule 1.10 of the Rules of the State Bar provides that an amendment to an appendix to the Rules of the State Bar (in this case, Appendix A, the Schedule of Charges and Deadlines) does not require circulation for public comment.

## **DISCUSSION**

Although the Schedule of Charges of Deadlines provides that the deadline for renewing participation in the MJP and FLC program, and the payment of fees therefor, is March 1, program participants are informed annually that the deadline is February 1. The current online billing system to inform active and inactive licensees of the amount of licensing fees owed is used for participants in the MJP Program. These participants receive similar notifications about impending deadlines that licensees do. (Participants in the FLC program are not part of the online billing system.)

Staff considered whether to change the technology and practice to match the Schedule of Charges and Deadlines, or to change the Schedule to match the technology and past practice. Staff concluded that it makes the most sense to align the deadlines in the Schedule, having a consistent date for payment of fees, and conforming to past practice. Changing the billing system and to reflect a different due date for the MJP program could be technologically complicated, and staff determined this was not the optimal approach, especially as the billing cycle for attorney licensing fees is fast approaching.

In reviewing the relevant entries in the Schedule of Charges and Deadlines for the purpose of this agenda item, staff identified outdated references to “membership” or “members” and is therefore proposing in this agenda item to change those to “licensee” to reflect the current nomenclature.

## **FISCAL/PERSONNEL IMPACT**

None

## **RULE AMENDMENTS**

Appendix A, Schedule of Charges and Deadlines

## **BOARD OF TRUSTEES POLICY MANUAL AMENDMENTS**

None

## **STRATEGIC PLAN GOALS & OBJECTIVES**

Goal: None

## **RECOMMENDATIONS**

**It is recommended that the Board of Trustees approve the following resolution:**

**RESOLVED**, that the Board of Trustees approves the modifications to the Schedule of Charges and Deadlines, included as Attachments A and B, to align the renewal, payment, and penalty assessment deadlines for the Multijurisdictional Practice Program Fees and Foreign Legal Consultant Program fees with the deadlines for payment of licensee fees.

## **ATTACHMENT(S) LIST**

- A.** Proposed Modifications to the Schedule of Charges and Deadlines for the MJP Program and the FLC Program – Redline Version
- B.** Proposed Modifications to the Schedule of Charges and Deadlines for the MJP Program and the FLC Program – Clean Version

**ATTACHMENT A – REDLINE VERSION****TITLE 3, DIVISION 3, CHAPTER 1, ARTICLE 1****REGISTERED MILITARY SPOUSE ATTORNEYS**

*Fees adopted by the Board of Trustees or mandated by statute.  
effective **January 1, 2019.***

<i>Rule</i>	<i>Description</i>	<i>Amount</i>	<i>Deadline</i>
3.351(A)(1)	Application for registration as attorney applicant for admission	Equivalent to Admissions Registration fee. See Rule 4.16	Not applicable
3.351(A)(2)	Application for Registered Military Spouse Attorney	\$635	Not applicable
3.351(A)(2)	Moral Character Determination application	Equivalent to Application for Determination of Moral Character Fee	Not applicable
3.352(A)(1)	Annual renewal as Registered Military Spouse Attorney	Equivalent to annual license fee for active State Bar licensee. See Rule 2.11	<del>March 1</del> <a href="#">Same as annual license fee for active State Bar licensees. See Rule 2.11.</a>
3.354(A)(1)	Annual renewal deadline; penalty for late renewal	Equivalent to penalty for late payment fee for active State Bar licensee. See Rule 2.13	<del>March 30</del> <a href="#">Same as date for imposition of penalty for late payment fee for active State Bar licensee. See Rule 2.13.</a>

# TITLE 3, DIVISION 3, CHAPTER 1, ARTICLE 2

## REGISTERED LEGAL AID ATTORNEYS

*Fees previously adopted by the Board of Trustees or mandated by statute.  
Amended effective **January 1, 2019.***

<i>Rule</i>	<i>Description</i>	<i>Amount</i>	<i>Deadline</i>
3.361(A)(1)	Application for registration as attorney applicant for admission	Equivalent to Admissions Registration fee. See Rule 4.16	Not applicable
3.361(A)(2)	Application for Registered Legal Aid Attorney	\$635	Not applicable
3.361(A)(2)	Moral Character Determination application	Equivalent to Application for Determination of Moral Character Fee	Not applicable
3.362(A)(1)	Annual renewal as Registered Legal Aid Attorney	Equivalent to annual license fee for active State Bar licensee. See Rule 2.11	<del>March 1</del> <a href="#">Same as annual license fee for active State Bar licensees. See Rule 2.11.</a>
3.364(A)(1)	Annual renewal deadline; penalty for late renewal	Equivalent to penalty for late payment fee for active State Bar licensee. See Rule 2.13	<del>March 30</del> <a href="#">Same as date for imposition of penalty for late payment fee for active State Bar licensee. See Rule 2.13.</a>

# TITLE 3, DIVISION 3, CHAPTER 1, ARTICLE 3

## REGISTERED IN-HOUSE COUNSEL

*Fees previously adopted by the Board of Trustees or mandated by statute.  
Amended effective **January 1, 2019.***

<i>Rule</i>	<i>Description</i>	<i>Amount</i>	<i>Deadline</i>
3.371(A)(1)	Application for registration as attorney applicant for admission	Equivalent to Admissions Registration fee. See Rule 4.16	Not applicable
3.371(A)(2)	Application for Registered In-House Counsel	\$635	Not applicable
3.371(A)(3)	Application for Moral Character Determination	Equivalent to Application for Determination of Moral Character fee. See Rule 4.	Not applicable
3.372(A); see also 3.374(A)(1)	Annual Renewal as Registered In-House Counsel	Equivalent to annual license fee for active State Bar licensee. See Rule 2.11	<del>March 4</del> <a href="#">Same as annual license fee for active State Bar licensees. See Rule 2.11.</a>
3.374(A)(1)	Annual renewal deadline; penalty for late renewal	Equivalent to penalty for late payment fee for active State Bar licensee. See Rule 2.13	<del>March 30</del> <a href="#">Same as date for imposition of penalty for late payment fee for active State Bar licensee. See Rule 2.13.</a>

TITLE 3, DIVISION 3, CHAPTER 4

FOREIGN LEGAL CONSULTANTS

*Amended effective July 24, 2010*

<i>Rule</i>	<i>Description</i>	<i>Amount</i>	<i>Deadline</i>
3.401(A)(1)	Application for registration as attorney applicant for admission	Equivalent to Admissions Registration fee. See Rule 4.16	Not applicable
3.401(A)(2)	Application for Registered Foreign Legal Consultant	\$370	Not applicable
3.401(A)(3)	Application for Moral Character Determination	Equivalent to Application for Determination of Moral Character fee. See Rule 4.	Not applicable
3.402(A); see also 3.408(A)(1)	Annual Renewal as Registered Foreign Legal Consultant	Equivalent to annual <del>membership</del> <u>license</u> fee for active State Bar <del>member</del> <u>licensee</u> . See Rule 2.11	<del>March 1</del> <u>Same as annual license fee for active State Bar licensees. See Rule 2.11.</u>
3.404	Insurance that includes cost of defense as security for claims	\$150,000 for each claim; \$450,000 for all claims	Not applicable
3.404(A)	Insurance that excludes cost of defense, as security for claims	\$100,000 for each claim; \$300,000 for all claims	Not applicable
3.404(B)	Insurance deductible amount requiring letter of credit or written agreement as evidence of security for claims	Any deductible above \$10,000	Not applicable
3.405	Letter of credit as security for claims	\$100,000 for each claim; \$300,000 for all claims in calendar year	Not applicable
3.406	Written guarantee as security for claims	\$100,000 for each claim; \$300,000 for all claims in calendar year	Not applicable
3.407	Written agreement as evidence of security for claims	\$150,000 for each claim; \$450,000 for all claims	Not applicable
3.408(A)(1)	Annual renewal deadline; penalty for late renewal	Equivalent to penalty for late payment fee for active State Bar <del>member</del> <u>licensee</u> . See Rule 2.13	<del>March 30</del> <u>Same as date for imposition of penalty for late payment fee for active State Bar licensee. See Rule 2.13.</u>

**ATTACHMENT B – CLEAN VERSION****TITLE 3, DIVISION 3, CHAPTER 1, ARTICLE 1****REGISTERED MILITARY SPOUSE ATTORNEYS**

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TITLE 3, DIVISION 3, CHAPTER 1, ARTICLE 2

REGISTERED LEGAL AID ATTORNEYS

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TITLE 3, DIVISION 3, CHAPTER 1, ARTICLE 3

REGISTERED IN-HOUSE COUNSEL

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TITLE 3, DIVISION 3, CHAPTER 4

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