



The State Bar *of California*

OPEN SESSION

AGENDA ITEM

IV.G. DECEMBER 2020

DATE: December 7, 2020

TO: Members, California Board of Legal Specialization

FROM: Amy C. Nuñez, Director, Office of Admissions

SUBJECT: Approval of 2021 Legal Specialist Examination Registration Fee Reduction

SUMMARY

This agenda seeks approval to lower the 2021 Legal Specialist Examination registration fees.

BACKGROUND

To receive certification, applicants must first take and pass the Legal Specialist Examination (LSX) given for their specialty area. This exam is only administered every other year, in October of the odd numbered years.

From the State Bar Schedule of Fees and Deadlines, current costs to register for the exam are:

- \$350 base registration fee (if registering by timely deadline)
- \$150 laptop fee
- \$250 first late registration fee (added to base fee if registering after timely deadline)
- \$350 final late registration fee (added to base fee if registering after late deadline)
- \$75 late laptop fee (added to laptop fee if switching from handwriting to laptop)

DISCUSSION

Current fiscal spending is revenue positive, versus expenses. The continued process for identifying a feasible item banking solution has resulted in the expenditure of funding earmarked for this functionality to be delayed; legal specialization has not incurred the cost for this large technology initiative. As such, it is anticipated that legal specialization will exceed its reserve capacity for Fiscal Year 2020. Staff propose to address this by recommending a budget

spend-down, similar to the one approved in 2016 for 2017. Also, given the potential that the 2021 Legal Specialization Exam (LSX) will be administered remotely, staff further recommend a reduction of the 2021 LSX registration costs, as was done for the 2017 LSX and as part of a 2021 LS budget spend-down.

In 2017, the LSX registration fees were as follows:

- \$100 base registration
- laptop fees were waived (\$0 laptop fee and \$0 late laptop fee)
- \$150 first late registration fee
- \$250 final late registration fee

In 2019, the LSX registration fees were as follows:

- \$350 base registration
- \$150 laptop fee
- \$250 late registration fee (there was only one late fee increase)
- \$75 late laptop fee

For 2021, Staff is recommending the following registration fees:

- \$100 base registration
- waive all laptop fees
- \$150 late registration fee (staff recommends a single late fee, to be in line with the 2019 LSX)

If looking at just base registration fees, and at timely laptop applicant registrations, exam registration revenue would be reduced by approximately 80 percent, which may help the Legal Specialization reserves from growing further. Additionally, given that the exam is being planned as a remotely-administered exam, the laptop fee waivers could encourage more applicants to register in that method.

RECOMMENDATION

It is recommended that the California Board of Legal Specialization approve the following motion:

MOVE, that the recommended 2021 Legal Specialist Examination registration fees are approved.