

`SENATE JUDICIARY COMMITTEE  
Senator Thomas Umberg, Chair  
2021-2022 Regular Session

SB 211 (Umberg)  
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Hearing Date: May 4, 2021  
Fiscal: No  
Urgency: No  
MEC

**SUBJECT**

State Bar: board of trustees: report: attorneys' annual license fees: California Lawyers Association

**DIGEST**

This bill authorizes the State Bar of California to collect annual license fees of \$395 for active licensees for 2022. This bill removes specified governance restrictions regarding the California Lawyers Association. This bill also removes obsolete provisions of the State Bar Act.

**EXECUTIVE SUMMARY**

The State Bar of California (State Bar) is a public corporation and the largest state bar in the country. Attorneys who wish to practice law in California generally must be admitted and licensed in this state and must be members of the State Bar. (Cal. Const., art. VI, § 9.) This bill is the annual State Bar licensing fee bill. The bill in print reauthorizes the State Bar to collect attorney licensing fees. The bill in print also removes governance restrictions that apply to the California Lawyers Association as well as other obsolete provisions of the State Bar Act.

The Auditor of the State of California (Auditor) is required by law to conduct a performance audit every two years of the State Bar's operations. This year's audit report is entitled "The State Bar of California: It Is Not Effectively Managing Its System for Investigating and Disciplining Attorneys Who Abuse the Public Trust" and was released on April 29, 2021.<sup>1</sup> The audit report details how the State Bar's changes to its discipline system have significantly reduced that system's efficiency. The Auditor notes that "the State Bar's backlog grew by 87 percent from the end of December 2015, to the end of June 2020." As pointed out by the Auditor, this "growing backlog allows

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<sup>1</sup> *The State Bar of California: It Is Not Effectively Managing Its System for Investigating and Disciplining Attorneys Who Abuse the Public Trust* (Auditor of the State of California) April 2021, available at <https://www.auditor.ca.gov/pdfs/reports/2020-030.pdf> (as of May 1, 2021).

attorneys who are under investigation more time to continue practicing law while their cases are pending, increasing the risk for potential harm to the public.” The Auditor’s “analysis indicates that both higher- and lower-priority cases are taking significantly longer to resolve.” Additionally, as the Auditor highlights, the “State Bar is also disciplining attorneys at a drastically lower rate for reasons it cannot adequately explain. From 2015 through 2019, the total number of cases that resulted in discipline – including reprovations, suspensions, and disbarments – declined by 54 percent.”

It is clear from the Auditor’s audit report that there are serious issues with the State Bar’s management of its system for investigating and disciplining attorneys. The State Bar Act provides that the State Bar’s chief trial counsel is subject to Senate confirmation. However, the State Bar has not followed the statute and has instead managed its discipline system without a Senate confirmed chief trial counsel for over five years. In order to ensure that the State Bar actually follows through with the Senate confirmation process as required by statute, the author proposes that SB 211 be amended to prohibit the State Bar from charging attorneys a licensing fee for active and inactive licensees unless and until the Senate confirms the appointment of the chief trial counsel. The author also proposes amending out the \$395 licensing fee for 2022 and \$97.40 licensing fee for inactive attorneys so the Legislature can take the time to better assess what the appropriate licensing fee amounts should be in light of the recently released audit report.

### **PROPOSED CHANGES TO THE LAW**

Existing law:

- 1) Establishes that protection of the public, which includes support for greater access to, and inclusion in, the legal system, shall be the highest priority for the State Bar and the Board of Trustees (Board) in exercising their licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount. (Bus. & Prof. Code § 6001.1.)
- 2) Requires all attorneys who practice law in California to be licensed by the State Bar and establishes the State Bar for the purpose of regulating the legal profession. The Legislature sets the annual fees. (Bus. & Prof. Code § 6000 et seq.)
- 3) Authorizes the State Bar to collect the following fees from active licensees for the year 2021:
  - a) \$395 annual license fee for 2021. (Bus. & Prof. Code § 6140.)
  - b) \$40 fee for the CSF. (Bus. & Prof. Code § 6140.55.)
  - c) \$25 fee for the costs of the disciplinary system. (Bus. & Prof. Code § 6140.6.)

- d) \$10 fee for the attorney diversion and assistance program. (Bus. & Prof. Code § 6140.9.)
- 4) Authorizes the State Bar to collect the following fees from inactive licensees for the year 2021:
    - a) \$97.40 annual license fee. (Bus. & Prof. Code § 6141 (a).)
    - b) \$10 fee for the CSF. (Bus. & Prof. Code § 6140.55)
    - c) \$25 fee for the costs of the disciplinary system. (Bus. & Prof. Code § 6140.6.)
    - d) \$5 fee for the attorney diversion and assistance program. (Bus. & Prof. Code § 6140.9.)
    - e) An inactive licensee who is 70 years old or older is not required to pay an annual license fee. (Bus. & Prof. Code § 6141 (b).)
  - 5) Requires the State Bar to charge a \$45 fee in addition to the annual license fee for active and inactive licensees for the purposes of funding legal services for persons of limited means, as provided, unless a licensee elects not to support those activities in which case the licensee can deduct the amount from the annual license fee. Requires \$5 of the \$45 fee to be allocated to qualified legal services projects or qualified support centers, as defined, to hire law school graduates with a temporary provisional license issued by the State Bar, as provided. (Bus. & Prof. Code § 6140.03.)
  - 6) Provides for the establishment of the California Lawyers Association as a private nonprofit corporation composed of what were formerly the sections of the State Bar. Requires the State Bar to assist the sections to incorporate as a private, nonprofit corporation and transfer the functions and activities of the 16 State Bar sections and the California Young Lawyers Association to the new private, nonprofit corporation. Specified the governance structure of the California Lawyers Association and required that the bylaws must ensure that the governing board include one representative of each of the 16 sections and one representative from the California Young Lawyers Association and that each governing board member have equal voting power on the governing board, among other things. (Bus. & Prof. § 6056(a).)
  - 7) Requires the State Bar Board of Trustees to establish and administer the Client Security Fund to relieve or mitigate pecuniary losses caused by dishonest conduct of active members of the State Bar, as specified. (Bus. & Prof. Code § 6140.5.)

- 8) Requires the State Bar to contract with the California State Auditor's Office to conduct a performance audit of the State Bar's operations every two years.<sup>2</sup> (Bus. & Prof. Code § 6145 (b).)
- 9) Requires the State Bar board to appoint a chief trial counsel and to notify the Senate Committee on Rules and Senate and Assembly Committees on Judiciary within seven days of the dismissal or hiring of a chief trial counsel. The appointment of the chief trial counsel is subject to confirmation by the Senate, as specified. (Bus. & Prof. Code § 6079.5.)
- 10) Provides that the chief trial counsel, with or without the filing or presentation of any complaint, may initiate and conduct investigations of all matters affecting or relating to: the discipline of the licensees of the State Bar; the acts or practices of a person whom the chief trial counsel has reason to believe has violated or is about to violate any provision of Articles 7 (commencing with Section 6125) and 9 (commencing with Section 6150) of the State Bar Act; and any other matter within the jurisdiction of the State Bar. (Bus. & Prof. Code § 6044.)
- 11) Provides that it shall be the goal and policy of the State Bar to dismiss a complaint, admonish the attorney, or forward a completed investigation to the Office of Trial Counsel within six months after receipt of a written complaint. As to complaints designated as complicated matters by the chief trial counsel, it shall be the goal and policy of the State Bar to dismiss, terminate by admonition, or forward those complaints to the Office of Trial Counsel within 12 months. (Bus. & Prof. Code § 6094.5 (a).)
- 12) Provides that the State Bar shall issue an annual discipline report by April 30 of each year describing the performance and condition of the State Bar discipline system, including all matters that affect public protection. (Bus. & Prof. Code § 6085.15 (a).)
- 13) Provides that the annual discipline report shall include statistical information presented in a consistent manner for year-to-year comparison and shall compare the information required under 6086.15 (a) to similar information for the previous three years. (Bus. & Prof. Code § 6085.15 (b).)
- 14) Provides that the report shall cover the previous calendar year and shall include accurate and complete descriptions, as specified.

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<sup>2</sup> *The State Bar of California: It Is Not Effectively Managing Its System for Investigating and Disciplining Attorneys Who Abuse the Public Trust* (Auditor of the State of California) April 2021, available at <https://www.auditor.ca.gov/pdfs/reports/2020-030.pdf> (as of May 1, 2021).

This bill:

- 1) Authorizes the State Bar to collect an annual license fee of \$395 for active licensees for 2022.
- 2) Removes governance restrictions that were imposed by statute on the California Lawyers Association.
- 3) Removes obsolete provisions of the State Bar Act.

This bill as proposed to be amended:

- 1) Removes the license fee for active and inactive licensees for 2022.
- 2) Prohibits the State Bar from charging the annual license fee for active licensees for 2022 and the annual license fee for inactive licensees for 2022 and thereafter unless and until the Senate confirms the appointment of the chief trial counsel, in which case the bill would require the board to charge those annual license fees up to unspecified amounts.
- 3) Removes governance restrictions that were imposed by statute on the California Lawyers Association.
- 4) Removes obsolete provisions of the State Bar Act.

### COMMENTS

1. Stated need for the bill

The author writes:

The California Lawyers Association (CLA), formerly the sections of the California State Bar, was incorporated as a non-profit corporation in 2018. The CLA was authorized by SB 36 (Jackson, Ch. 422, Stats. 2017) as part of a series of major reforms to the State Bar Act. SB 36 specified that the State Bar would assist the sections in incorporating as a private, nonprofit corporation and transfer the functions and activities of the 16 State Bar sections and the California Young Lawyers Association to the new private, nonprofit corporation. The bill also specified the governance structure of the CLA and required that the bylaws ensure that the governing board include one representative of each of the 16 sections and one representative from the California Young Lawyers association. SB 36 also required each governing board member to have equal voting power on the CLA governing board. SB 211

removes these governance restrictions at the request of the California Lawyers Association.

This measure also authorizes the State Bar to collect licensing fees from California attorneys. In 2019, after years of requests from the State Bar to increase the annual license fee, the Legislature approved a significant increase in the licensing fee paid by attorneys for 2020. The 2020 fee increase was less than half of what the State Bar originally sought and instead reflected an amount justified by the analysis of the State Auditor and Legislative Analyst's Office. The fee approved for 2021 was \$34 less for active attorneys than it was in 2020.

It is clear from the State Auditor's April 29, 2021 audit report that there are serious issues with how the State Bar has managed its system for investigating and disciplining attorneys. The State Bar has been managing its discipline system without a Senate confirmed chief trial counsel for over five years. In order to ensure that the State Bar actually follows through with the Senate confirmation process as required by statute, I am proposing that SB 211 be amended to prohibit the State Bar from charging active and inactive attorneys a licensing fee for 2022 unless and until the Senate confirms the appointment of the chief trial counsel. I also propose amending out the \$395 active attorney licensing fee for 2022 and \$97.40 inactive attorney licensing fee so the Legislature can reassess what an appropriate licensing fee should be.

## 2. State Bar of California

The State Bar of California is a public corporation. Attorneys who wish to practice law in California generally must be admitted and licensed in this state and must be members of the State Bar. (Cal. Const., art. VI, Sec. 9.) The power to regulate the practice of law, including the power to admit and to discipline attorneys, is among the inherent powers of the Supreme Court. The State Bar functions as the administrative arm of the Supreme Court for the purpose of assisting in attorney admissions and discipline, with the Supreme Court retaining its inherent judicial authority to disbar or suspend attorneys.

The State Bar of California is the largest state bar in the country. As of April 27, 2021, the total State Bar membership is 279,716, which includes 192,269 active licensees, 2,311 judge members, 16,229 licensees who are "Not Eligible to Practice Law," and approximately 68,907 inactive members.<sup>3</sup> The State Bar's programs are financed mostly by annual license fees paid by attorneys as well as other fees paid by applicants seeking to practice law. The State Bar is governed by a Board of Trustees (Board). Pursuant to

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<sup>3</sup> *Attorney Status*, State Bar of Cal. (current as of April 27, 2021), available at <https://members.calbar.ca.gov/search/demographics.aspx>.

SB 36 (Jackson, Ch. 422, Stats. 2017), the Board was required to transition to a 13 member board comprised of Governor, Supreme Court, Assembly, and Senate appointees.

As a constitutional matter, the judicial power of California is vested in the Supreme Court, Courts of Appeal, and superior courts. (Cal. Const., art. VI, Sec. 1.) The power to regulate the practice of law, including the power to admit and to discipline attorneys, is among the inherent powers of the Supreme Court. (*In re Attorney Discipline System* (1998) 19 Cal.4th 582, 592; *O'Brien v. Jones* (2000) 23 Cal.4th 40, 48.) In addressing this inherent authority, the Supreme Court has explained: "The important difference between regulation of the legal profession and regulation of other professions is this: Admission to the bar is a *judicial function*, and members of the bar are *officers of the court*, subject to discipline by the court. Hence, under the constitutional doctrine of separation of powers, the court has inherent and *primary regulatory power*." (*In re Attorney Discipline System, supra*, 19 Cal.4th at 593.)

Although originally a creature of statute, the State Bar is now "a constitutional entity within the judicial article of the California Constitution." (*O'Brien, supra*, 23 Cal.4th at 48; see Cal. Const., art. VI, § 9; Bus. & Prof. Code, Sec. 6001.) The State Bar functions as the administrative arm of the Supreme Court for the purpose of assisting in attorney admissions and discipline, with the court retaining its inherent judicial authority to disbar or suspend attorneys. (*In re Attorney Discipline System, supra*, 19 Cal.4th at 599-600; see *Keller v. State Bar of California* (1990) 496 U.S. 1, 11.) The State Bar's regulatory assistance is an integral part of the judicial function. (*O'Brien, supra*, 23 Cal.4th at 48.) Emphasizing the *sui generis* nature of the State Bar as its administrative arm, the Supreme Court has made clear that "express legislative recognition of reserved judicial power over admission and discipline is critical to the constitutionality of the State Bar Act." (*In re Attorney Discipline System, supra*, 19 Cal.4th at 600, citing Bus. & Prof. Code Sec. 6087.)

At the same time, the Legislature's exercise, under the police power, of a reasonable degree of regulation and control over the profession and practice of law in California, is well established. (*O'Brien, supra*, 23 Cal.4th at 48.) The Legislature exercises regulatory authority pursuant to the State Bar Act and has authority to set the amount of membership fees necessary to fund the disciplinary system. The Legislature has enacted statutes making protection of the public the highest priority of the State Bar (Bus. & Prof. Code § 6001.1) and subjecting the chief trial counsel of the State Bar to Senate confirmation (Bus. & Prof. Code § 6079.5).

### 3. California Lawyers Association

In 2017 the Legislature significantly reformed the State Bar through SB 36 (Jackson, Ch. 422, Stats. 2017). One of the most significant reforms was separating the 16 sections of the State Bar into a separate organization that would become the California Lawyers

Association.<sup>4</sup> The sections engage in numerous activities that are beneficial to the public and attorneys, including providing low and no cost continuing legal education. The statute provided that the State Bar would assist the sections to incorporate as a private, nonprofit corporation and transfer the functions and activities of the 16 State Bar sections and the California Young Lawyers Association to the new private, nonprofit corporation. (Bus. & Prof. § 6056(a).) The bill also specified the governance structure of the California Lawyers Association and required that the bylaws must: ensure that the governing board include one representative of each of the 16 sections and one representative from the California Young Lawyers Association; and require that each governing board member have equal voting power on the governing board, among other things. The bill currently before this Committee removes these governance restrictions.

The California Lawyers Association writes the following in support of the removal of the governance restrictions:

Section 6056(b) was added as part of SB 36 (Jackson), Statutes of 2017, Chapter 422, the bill that deunified the State Bar of California, created CLA, and contained other significant reforms of the State Bar.

SB 36 moved the 16 State Bar Sections and the California Young Lawyers Association (CYLA) into CLA, a new nonprofit corporation that was to be established by the State Bar. At the time, there was a great deal of discussion about the governance of what would be the newly formed CLA, in light of the transition of the Sections and CYLA from the State Bar to CLA. This ultimately resulted in Section 6056(b), mandating that certain specified provisions be contained in CLA's bylaws.

In March 2020, CLA's Board of Representatives voted unanimously to seek removal of Section 6056(b). CLA has been up and running successfully since the beginning of 2018. CLA's Board of Representatives supports the removal of Section 6056(b), providing CLA with more flexibility to self-govern, thereby bringing the association more in line with other independent professional associations.

#### 4. Attorney license fees

In 2019, based largely on recommendations from the California State Auditor and the Legislative Analyst's Office, the 2020 annual license fee was increased to \$438 for active

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<sup>4</sup> For a detailed discussion regarding the separation of the Sections of the State Bar and creation of the California Lawyers Association please see the Senate Committee on Judiciary analysis of SB 36 (Jackson, Ch. 422, Stats. 2017) at pages 11 through 17, available at [https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill\\_id=201720180SB36](https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=201720180SB36) (as of May 1, 2021).



licensees and \$108 for inactive licensees. This fee increase consisted of a \$71 increase on an ongoing basis and a onetime fee increase of \$52 for active licensees, and a \$20 increase on an ongoing basis and a onetime fee increase of \$13 for inactive licensees. The 2021 annual license fee was decreased to \$395 for active licensees and \$97.40 for inactive licensees through AB 3362 (Committee on Judiciary, Ch. 360, Stats. 2020). The decrease included the cessation of several of the onetime fee increases imposed in 2020. When all fees were added together, excluding the optional legal services fee, the total license fee for 2021 was \$470 for active licensees and \$137.40 for inactive licensees.<sup>5</sup>

#### 5. State Auditor's biennial report on the State Bar's performance and author amendments to ensure compliance with legislative oversight<sup>6</sup>

The Auditor is required by law to conduct a performance audit every two years of the State Bar's operations during the prior fiscal year. This year, the Auditor released their audit report that focused primarily on the discipline system. The title of the audit report is: "The State Bar of California: It Is Not Effectively Managing Its System for Investigating and Disciplining Attorneys Who Abuse the Public Trust."<sup>7</sup>

According to the State Auditor's audit report:

Two related measures point to problems with the reorganization of the State Bar's discipline system. First, the number of cases in the investigation phase increased from fewer than 1,000 cases in January 2015 to more than 4,000 cases in June 2020. Multiple factors have contributed to this dramatic increase, including a reduction in the number of enforcement staff available for case processing and a reduction in the investigative efficiency of the trial counsel's office. In combination, these factors have contributed to longer case processing times and growth in the second measure that indicates that there is a problem with State Bar's discipline system: an increasing backlog of discipline cases. [T]he State Bar's backlog increased from 1,494 cases at the end of December 2015 to 2,791 cases at the end of June 2020 – an increase of 87 percent. These delays allow attorneys under investigation to continue practicing law while their cases are pending, increasing the potential for harm to the public.

[ . . . ] We found the percentage of cases that were in the investigation phase for more than one year steadily increased from 1 percent in 2015 to 11 percent in

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<sup>5</sup> This amount includes the fee for the Attorney Diversion and Assistance Program of \$10 for active licensees and \$5 for inactive licensees, which last year was only \$1 and \$0, respectively. (Bus. & Prof. Code § 6140.9(a).)

<sup>6</sup> The author amendments are detailed in the mock-up at the end of this analysis and may be revised to include nonsubstantive changes recommended by the Office of Legislative Counsel.

<sup>7</sup> *The State Bar of California: It Is Not Effectively Managing Its System for Investigating and Disciplining Attorneys Who Abuse the Public Trust* (Auditor of the State of California) April 2021, available at <https://www.auditor.ca.gov/pdfs/reports/2020-030.pdf> (as of May 1, 2021).

2020. Further, [ . . . ], the average number of days the State Bar took to complete its investigation phase increased by 56 percent from 2015 through 2020, reaching 190 days in 2020. Thus, on average, the cases that progressed through the investigation phase exceeded the six-month requirement and became a part of the backlog.

The special assistant suggested that other factors have contributed to the growing backlog of cases and the longer case processing times, including an increase in the number of complaints and the State Bar's implementation of a new case management system in February 2019. However, our analysis suggests it is unlikely these factors account for the increase either in the backlog or in case processing times. [ . . . ]

The State Bar created a new prioritization system in March 2018, and the special assistant asserted that one reason for slower case processing times is that since the State Bar began prioritizing higher priority cases, lower-priority cases have taken longer to resolve. However, our analysis indicates that both higher- and lower-priority cases are taking significantly longer to resolve. [T]he State Bar places first priority on cases that present a high potential for serious harm to the public rather than those that are either included in or at risk of being added to the backlog. However, we found that the length of time the State Bar took to resolve high-priority cases in the investigation phase increased 14 percent from 2018 to 2020, from 187 days to 214 days. The average time it took the State Bar to resolve lower-priority cases in the investigation phase – which may pose less of a threat to the public but that the State Bar is still obliged to resolve in a timely manner – increased 21 percent, from 188 days in 2018 to 228 days as of June 2020. Because processing times for both higher- and lower-priority cases increased, the separation of cases by priority does not explain the increasing time taken to investigate and process cases.

The State Bar is also disciplining attorneys at a dramatically lower rate for reasons it cannot adequately explain. From 2015 through 2019, the total number of cases that resulted in discipline – including reprimands, suspensions, and disbarments – declined by 54 percent. Expressed as a percentage of total cases closed, cases that concluded with discipline decreased from 5 percent in 2015 to only 3 percent in 2019[.] The special assistant believes that the decline is consistent with a nationwide decline in attorney discipline. He cited a number of possible reasons for such a decrease, including his belief that an increase in the number of complaints filed using the State Bar's new online complaint portal may be offsetting a decrease in disciplinable consumer complaints. However, he did not provide data to support these assertions. Because the State Bar cannot definitively explain why discipline has decreased, we are concerned that the decline has continued even as the State Bar began prioritizing the processing of more serious cases in 2018.

The increase in the backlog and the time to complete investigations, despite the decline in discipline, indicate that the State Bar's reorganization has not improved its efficiency or effectiveness. Nonetheless, in 2019 the State Bar abandoned a plan to evaluate the results of its reorganization. However, the factors we describe throughout this section – an increase in the average number of cases in the investigation phase, an increase in case processing times, and an increase in the backlog of discipline cases – suggest that unless the State Bar takes steps to address its current process, its backlog will continue to increase.

The State Auditor's findings are not surprising in light of the fact that the State Bar does not have a chief trial counsel that has been confirmed by the Senate. In fact, it has been over five years since the State Bar has had a Senate confirmed chief trial counsel working at the State Bar. In order to ensure that the State Bar actually follows through with the Senate confirmation process as required by statute, the author proposes that SB 211 be amended to prohibit the State Bar from charging attorneys a licensing fee for active and inactive licensees for 2022 unless and until the Senate confirms the appointment of the chief trial counsel. The author also proposes amending out the \$395 active attorney licensing fee for 2022 and the \$97.40 inactive attorney licensing fee so the Legislature can take time to better assess what the appropriate licensing fee amount should be. Additionally, as this bill moves through the legislative process, the Legislature may wish to consider whether to subject the State Bar to an additional audit by the Auditor of the State of California so that the Auditor can review whether the discipline system has been administered fairly or if there is preference given to some attorneys who prey on the vulnerable.<sup>8</sup> The Legislature may also wish to consider whether the Legislature should appoint the Chief Trial Counsel and Executive Director of the State Bar since those positions have not been promptly filled by the State Bar.

### SUPPORT

California Lawyers Association (support for the bill in print)  
State Bar of California (support for the bill in print)

### OPPOSITION

None known

### RELATED LEGISLATION

Pending Legislation: None known.

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<sup>8</sup> See *Vegas parties, celebrities and boozy lunches: How legal titan Tom Girardi seduced the State Bar*, Los Angeles Times, Harriet Ryan and Matt Hamilton (March 6, 2021) available at <https://www.latimes.com/california/story/2021-03-06/how-california-state-bar-enabled-tom-girardi> (as of May 1, 2021).

Prior Legislation:

AB 3362 (Committee on Judiciary, Ch. 360, Stats. 2020) authorized the State Bar to collect annual licensing fees of \$395 for active licensees and \$97.40 for inactive licensees and enacted other reforms.

SB 176 (Jackson, Ch. 698, Stats. 2019) authorized the State Bar to collect annual licensing fees of \$438 for 2020 and enacted other reforms, including raising the salary cap that qualify attorneys to pay reduced licensing fees.

AB 3249 (Committee on Judiciary, Ch. 659, Stats. 2018) authorized the State Bar to collect annual licensing fees of \$390 for 2019 and enacted other reforms, including a strengthening of the attorney discipline system.

SB 36 (Jackson, 2017, Ch. 422, Stats. 2017) authorized the State Bar to collect active membership dues of up to \$390 for the year 2018; reformed the State Bar Act by separating the sections from the State Bar and creating what is now the California Lawyers Association; changed the composition of the State Bar Board; and enacted various reforms to remove politics from the Board.

AB 2878 (Committee on Judiciary, 2016) would have authorized bar dues for 2017 and enacted numerous reforms. The bill died on concurrence on the Assembly Floor.

SB 387 (Jackson, Ch. 537, Stats. 2015) authorized the State to collect active licensee fees of up to \$390 for the year 2016; required the State Bar to develop and implement a specified workforce plan for its discipline system; required the State Bar to conduct a public sector compensation and benefits study, conduct a thorough analysis of its operating costs and develop a spending plan to determine a reasonable amount for the annual membership fee, as specified; required the State Bar to contract with the California State Auditor's Office to conduct an in-depth financial audit of the State Bar; and made the State Bar subject to the Bagley-Keene Open Meeting Act and the California Public Records Act, as specified.

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**AMENDMENT MOCK-UP OF SB 211**

Section 6140 of the Business and Professions Code is amended to read:

6140. (a) The board shall *not charge an annual license fee for active licensees for 2022 unless and until the Senate confirms the appointment of the chief trial counsel, in which case the board shall fix the annual license fee for active licensees for 2022 at a sum not exceeding ~~three hundred ninety five dollars (\$395)~~*. \_\_\_\_\_.

(b) The annual license fee for active licensees is payable on or before the first day of February of each ~~year~~ *year or 30 days after the date the Senate confirms the appointment of the chief trial counsel, whichever is later*. 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 other means, and may charge licensees choosing any alternative method of payment an additional fee to defray the costs incurred by that election.

(c) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

*Section 6141 of the Business and Professions Code is amended to read:*

6141. (a) On January 1, ~~2021~~, 2022, and thereafter, the board shall *not charge an annual license fee for inactive licensees unless and until the Senate confirms the appointment of the chief trial counsel, in which case the board shall fix the annual license fee for inactive licensees at a sum not exceeding ~~ninety seven dollars and forty cents (\$97.40)~~*. \_\_\_\_\_ The annual license fee for inactive licensees is payable on or before the first day of February of each ~~year~~ *year or 30 days after the date the Senate confirms the appointment of the chief trial counsel, whichever is later*.

(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.