

AMENDED IN SENATE JULY 1, 2014  
AMENDED IN SENATE JUNE 18, 2014  
AMENDED IN ASSEMBLY MAY 12, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2746**

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**Introduced by Committee on Judiciary (Assembly Members  
Wieckowski (Chair), Alejo, Chau, Dickinson, Garcia, Muratsuchi,  
and Stone)**

March 4, 2014

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An act to amend Sections 6031, 6033, 6073, 6140, 6140.03, 6216, and 6218 of, and to add Section 6140.04 to, the Business and Professions Code, relating to attorneys.

LEGISLATIVE COUNSEL'S DIGEST

AB 2746, as amended, Committee on Judiciary. Attorneys: annual membership fees.

Existing law, the State Bar Act, provides for the licensure and regulation of attorneys by the State Bar of California, a public corporation. The State Bar is governed by a board of trustees. Existing law authorizes the board, among other duties, to aid in all matters pertaining to the improvement of the administration of justice, including all matters that may advance the professional interests of the members of the State Bar. Existing law, until January 1, 2015, requires the board to charge an annual membership fee for active members of up to \$315 for 2014. Existing law requires the board to charge an annual membership fee for inactive members of up to \$75.

This bill would authorize the board to collect reasonable charges from members with respect to all matters incident to licensing, regulation,

and discipline, and would include the voluntary support and delivery of legal services to indigent persons, among other duties of the board. The bill would, until January 1, 2016, require the board to charge the annual membership fee for active members described above for 2015.

Existing law requires the board to increase each of the annual membership fees described above by an additional \$30, to be allocated only to support nonprofit organizations that provide free legal services to persons of limited means, except to the extent that a member elects not to support those activities. Existing law requires that the invoice provided to members for payment of the annual membership fee provide each member the option of deducting \$30 from the annual membership fee if the member elects not to have this amount allocated for these purposes. Existing law also requires the State Bar to pay administrative costs from funds received to provide civil legal services to indigent persons before paying other specified costs in connection with the program.

This bill would increase that optional, additional amount to \$38. The bill would add \$7 to the annual membership fees for active members to be allocated only for the purpose of paying the administrative costs of the programs of the State Bar, *and would provide that if the authorization for that administrative fee ceases to be in force and effect, the State Bar may deduct moneys received under other provisions of law to pay the reasonable administrative costs of performing its obligations.* The bill would also delete provisions requiring the State Bar to pay administrative costs before paying other specified costs from funds received to provide civil legal services to indigent persons, as specified. The bill would make other related changes.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 6031 of the Business and Professions
- 2 Code is amended to read:
- 3 6031. (a) The board may aid in and collect reasonable charges
- 4 authorized by statute from members with respect to all matters
- 5 incident to licensing, regulation, and discipline, including all
- 6 matters pertaining to the advancement of the science of
- 7 jurisprudence or to the improvement of the administration of
- 8 justice, including, but not by way of limitation, all matters that

1 may advance the professional interests and responsibilities of the  
2 members of the State Bar, the support and delivery of legal services  
3 to indigent persons, including qualified nonprofit legal aid  
4 organizations and pro bono, the advancement of equal access, and  
5 such matters as concern the relations of the bar with the public.

6 (b) Notwithstanding this section or any other law, the board  
7 shall not conduct or participate in, or authorize any committee,  
8 agency, employee, or commission of the State Bar to conduct or  
9 participate in any evaluation, review, or report on the qualifications,  
10 integrity, diligence, or judicial ability of any specific justice of a  
11 court provided for in Section 2 or 3 of Article VI of the California  
12 Constitution without prior review and statutory authorization by  
13 the Legislature.

14 This subdivision does not prohibit a member of the State Bar  
15 from conducting or participating in such an evaluation, review, or  
16 report in his or her individual capacity.

17 This subdivision does not prohibit an evaluation of potential  
18 judicial appointees or nominees as authorized by Section 12011.5  
19 of the Government Code.

20 SEC. 2. Section 6033 of the Business and Professions Code is  
21 amended to read:

22 6033. (a) Notwithstanding any other law, the State Bar is  
23 expressly authorized to facilitate the professional responsibilities  
24 of members by collecting, in conjunction with the State Bar's  
25 collection of its annual membership dues or otherwise, voluntary  
26 financial support for nonprofit organizations that provide free legal  
27 services to persons of limited means. All funds received for  
28 programs related to this section shall be devoted to the support of  
29 qualified legal services projects without deduction for  
30 administrative fees, costs, or expenses by the State Bar.

31 (b) To implement this section, the State Bar, in consultation  
32 with the Chief Justice of California, shall appoint a task force of  
33 key stakeholders to analyze the mechanisms and experience of bar  
34 associations that have adopted programs for the collection of  
35 financial contributions from bar members and shall propose an  
36 appropriate method for facilitating the collection and distribution  
37 of voluntary contributions that is best calculated to generate the  
38 greatest level of financial support and participation from State Bar  
39 members, taking into account such issues as the justice-gap  
40 between the legal needs of low-income people in California and

1 the legal resources available to assist them. The method and any  
2 recommended voluntary contribution amount adopted by the Board  
3 of Trustees of the State Bar of California shall be implemented for  
4 the 2008 fiscal year, and shall be reviewed and adjusted as needed  
5 after two years and, thereafter, every five years as needed, in  
6 consultation with affected service providers and other key  
7 stakeholders.

8 SEC. 3. Section 6073 of the Business and Professions Code is  
9 amended to read:

10 6073. It has been the traditional obligation of those learned in  
11 the law and licensed to practice law in this state to provide  
12 voluntary pro bono legal services to those who cannot afford the  
13 help of a lawyer. Every lawyer authorized and privileged to practice  
14 law in California is expected to make a contribution. In some  
15 circumstances, it may not be feasible for a lawyer to directly  
16 provide pro bono services. In those circumstances, a lawyer may  
17 instead fulfill his or her individual pro bono ethical commitment,  
18 in part, by providing financial support to organizations providing  
19 free legal services to persons of limited means. In deciding to  
20 provide that financial support, the lawyer should, at minimum,  
21 approximate the value of the hours of pro bono legal service that  
22 he or she would otherwise have provided. In some circumstances,  
23 pro bono contributions may be measured collectively, as by a  
24 firm's aggregate pro bono activities or financial contributions.  
25 Lawyers also make invaluable contributions through their other  
26 voluntary public service activities that increase access to justice  
27 or improve the law and the legal system. In view of their expertise  
28 in areas that critically affect the lives and well-being of members  
29 of the public, lawyers are uniquely situated to provide invaluable  
30 assistance in order to benefit those who might otherwise be unable  
31 to assert or protect their interests, and to support those legal  
32 organizations that advance these goals.

33 SEC. 4. Section 6140 of the Business and Professions Code is  
34 amended to read:

35 6140. (a) The board shall fix the annual membership fee for  
36 active members for 2015 at a sum not exceeding three hundred  
37 fifteen dollars (\$315).

38 (b) The annual membership fee for active members is payable  
39 on or before the first day of February of each year. If the board  
40 finds it appropriate and feasible, it may provide by rule for payment

1 of fees on an installment basis with interest, by credit card, or other  
2 means, and may charge members choosing any alternative method  
3 of payment an additional fee to defray costs incurred by that  
4 election.

5 (c) This section shall remain in effect only until January 1, 2016,  
6 and, as of that date, is repealed, unless a later enacted statute, that  
7 is enacted before January 1, 2016, deletes or extends that date.

8 SEC. 5. Section 6140.03 of the Business and Professions Code  
9 is amended to read:

10 6140.03. (a) The board shall increase each of the annual  
11 membership fees fixed by Sections 6140 and 6141 by an additional  
12 thirty-eight dollars (\$38), to be allocated only for the purposes  
13 established pursuant to Section 6033, except to the extent that a  
14 member elects not to support those activities.

15 (b) The invoice provided to members for payment of the annual  
16 membership fee shall provide each member the option of deducting  
17 thirty-eight dollars (\$38) from the annual membership fee if the  
18 member elects not to have this amount allocated for the purposes  
19 established pursuant to Section 6033.

20 SEC. 6. Section 6140.04 is added to the Business and  
21 Professions Code, to read:

22 6140.04. Seven dollars (\$7) shall be added to the annual  
23 membership fees fixed by Section 6140 to be allocated only for  
24 the purpose of paying the administrative costs of the programs of  
25 the State Bar.

26 SEC. 7. Section 6216 of the Business and Professions Code is  
27 amended to read:

28 6216. The State Bar shall distribute all moneys received under  
29 the program established by this article for the provision of civil  
30 legal services to indigent persons. The funds first shall be  
31 distributed 18 months from the effective date of this article, or  
32 upon such a date, as shall be determined by the State Bar, that  
33 adequate funds are available to initiate the program. Thereafter,  
34 the funds shall be distributed on an annual basis. All distributions  
35 of funds shall be made in the following order and in the following  
36 manner:

37 (a) *If the authorization for fees pursuant to Section 6140.04 to*  
38 *fund the administration of programs under this article ceases to*  
39 *be in force and effect, the State Bar may deduct moneys received*

1 *under this article to pay the reasonable administrative costs of*  
2 *performing its obligations under this article.*

3 (a)

4 (b) Eighty-five percent of the funds allocated pursuant to this  
5 article shall be distributed to qualified legal services projects.  
6 Distribution shall be by a pro rata county-by-county formula based  
7 upon the number of persons whose income is 125 percent or less  
8 of the current poverty threshold per county. For the purposes of  
9 this section, the source of data identifying the number of persons  
10 per county shall be the latest available figures from the United  
11 States Department of Commerce, Bureau of the Census. Projects  
12 from more than one county may pool their funds to operate a joint,  
13 multicounty legal services project serving each of their respective  
14 counties.

15 (1) (A) In any county which is served by more than one  
16 qualified legal services project, the State Bar shall distribute funds  
17 for the county to those projects which apply on a pro rata basis,  
18 based upon the amount of their total budget expended in the prior  
19 year for legal services in that county as compared to the total  
20 expended in the prior year for legal services by all qualified legal  
21 services projects applying therefor in the county. In determining  
22 the amount of funds to be allocated to a qualified legal services  
23 project specified in paragraph (2) of subdivision (a) of Section  
24 6213, the State Bar shall recognize only expenditures attributable  
25 to the representation of indigent persons as constituting the budget  
26 of the program.

27 (B) The State Bar shall reserve 10 percent of the funds allocated  
28 to the county for distribution to programs meeting the standards  
29 of subparagraph (A) of paragraph (3) and paragraphs (1) and (2)  
30 of subdivision (b) of Section 6214 and which perform the services  
31 described in subparagraph (A) of paragraph (3) of Section 6214  
32 as their principal means of delivering legal services. The State Bar  
33 shall distribute the funds for that county to those programs which  
34 apply on a pro rata basis, based upon the amount of their total  
35 budget expended for free legal services in that county as compared  
36 to the total expended for free legal services by all programs meeting  
37 the standards of subparagraph (A) of paragraph (3) and paragraphs  
38 (1) and (2) of subdivision (b) of Section 6214 in that county. The  
39 State Bar shall distribute any funds for which no program has

1 qualified pursuant hereto, in accordance with the provisions of  
2 subparagraph (A) of paragraph (1) of this subdivision.

3 (2) In any county in which there is no qualified legal services  
4 projects providing services, the State Bar shall reserve for the  
5 remainder of the fiscal year for distribution the pro rata share of  
6 funds as provided for by this article. Upon application of a qualified  
7 legal services project proposing to provide legal services to the  
8 indigent of the county, the State Bar shall distribute the funds to  
9 the project. Any funds not so distributed shall be added to the funds  
10 to be distributed the following year.

11 ~~(b)~~

12 (c) Fifteen percent of the funds allocated for the purposes of  
13 this article shall be distributed equally by the State Bar to qualified  
14 support centers which apply for the funds. The funds provided to  
15 support centers shall be used only for the provision of legal services  
16 within California. Qualified support centers that receive funds to  
17 provide services to qualified legal services projects from sources  
18 other than this article, shall submit and shall have approved by the  
19 State Bar a plan assuring that the services funded under this article  
20 are in addition to those already funded for qualified legal services  
21 projects by other sources.

22 SEC. 8. Section 6218 of the Business and Professions Code is  
23 amended to read:

24 6218. All legal services projects and support centers receiving  
25 funds pursuant to this article shall adopt financial eligibility  
26 guidelines for indigent persons.

27 (a) Qualified legal services programs shall ensure that funds  
28 appropriated pursuant to this article shall be used solely to defray  
29 the costs of providing legal services to indigent persons or for such  
30 other purposes as set forth in this article.

31 (b) Funds received pursuant to this article by support centers  
32 shall only be used to provide services to qualified legal services  
33 projects as defined in subdivision (a) of Section 6213 which are  
34 used pursuant to a plan as required by subdivision-~~(b)~~ (c) of Section  
35 6216, or as permitted by Section 6219.

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