

Assembly Bill No. 2746

CHAPTER 429

An act to amend Sections 6021, 6033, and 6140, 6140.03, 6216, and 6218 of, and to add Section 6144.1 to, the Business and Professions Code, relating to attorneys.

[Approved by Governor September 18, 2014. Filed with
Secretary of State September 18, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2746, 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, until January 1, 2016, require the board to charge the annual membership fee for active members described above for 2015.

Existing law requires, within the period of 90 days next preceding the annual meeting, the board, at a meeting called for that purpose, to elect the president, vice president, and treasurer for the ensuing year. The president, the vice president, and the treasurer are to be elected from among all members of the board.

This bill, if the president is elected from among those members of the board whose terms on the board expire that year and has not been reelected or reappointed to another term, as provided, would require the president to serve as a 20th member of the board during his or her one-year term and would authorize him or her to vote.

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.

This bill would increase that optional, additional amount to \$40. The bill would require that all funds received for these programs be distributed to qualified legal services projects and support centers without deduction for

administrative fees, costs, or expenses by the State Bar, and would require that fees, costs, or expenses associated with administering these provisions be absorbed within the costs allowed by and paid from specified funds. The bill would also require that the net proceeds from the sale or lease of real property, after payment of obligations and encumbrances and reasonable costs of acquiring and relocating its facilities, if any, be held by the State Bar without expenditure or commitment for any purpose until approved by the Legislature by statute.

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

SECTION 1. Section 6021 of the Business and Professions Code is amended to read:

6021. (a) (1) Within the period of 90 days next preceding the annual meeting, the board, at a meeting called for that purpose, shall elect the president, vice president, and treasurer for the ensuing year. The president, the vice president, and the treasurer shall be elected from among all members of the board.

(2) The newly elected president, vice president, and treasurer shall assume the duties of their respective offices at the conclusion of the annual meeting following their election.

(b) The term of the board president shall be one year, except that he or she may be reelected to a second one-year term as the board president.

(c) Notwithstanding the provisions of Sections 6009.7 and 6011 regarding a 19-member board, if the president is elected from among those members of the board whose terms on the board expire that year and has not been reelected or reappointed to another term under Section 6013.1, 6013.2, 6013.3, or 6013.5, the president shall serve as a 20th member of the board during his or her one-year term, and he or she may vote.

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

6033. (a) Notwithstanding any other law, the State Bar is expressly authorized to facilitate the professional responsibilities of members by collecting, in conjunction with the State Bar's collection of its annual membership dues or otherwise, voluntary financial support for nonprofit organizations that provide free legal services to persons of limited means. All funds received for programs related to this section shall be distributed to qualified legal services projects and support centers as provided in Section 6216 without deduction for administrative fees, costs, or expenses by the State Bar. Any fees, costs, or expenses associated with administering this section shall be absorbed within the costs allowed by and paid from the funds specified in Section 6216.

(b) To implement this section, the State Bar, in consultation with the Chief Justice of California, shall appoint a task force of key stakeholders to analyze the mechanisms and experience of bar associations that have adopted programs for the collection of financial contributions from bar

members and shall propose an appropriate method for facilitating the collection and distribution of voluntary contributions that is best calculated to generate the greatest level of financial support and participation from State Bar members, taking into account such issues as the justice-gap between the legal needs of low-income people in California and the legal resources available to assist them. The method and any recommended voluntary contribution amount adopted by the Board of Trustees of the State Bar of California shall be implemented for the 2008 fiscal year, and shall be reviewed and adjusted as needed after two years and, thereafter, every five years as needed, in consultation with affected service providers and other key stakeholders.

SEC. 3. Section 6140 of the Business and Professions Code is amended to read:

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

(b) The annual membership fee for active members is payable on or before the first day of February of each year. 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 members choosing any alternative method of payment an additional fee to defray costs incurred by that election.

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

SEC. 4. Section 6140.03 of the Business and Professions Code is amended to read:

6140.03. (a) The board shall increase each of the annual membership fees fixed by Sections 6140 and 6141 by an additional forty dollars (\$40), to be allocated only for the purposes established pursuant to Section 6033, except to the extent that a member elects not to support those activities.

(b) The invoice provided to members for payment of the annual membership fee shall provide each member the option of deducting forty dollars (\$40) from the annual membership fee if the member elects not to have this amount allocated for the purposes established pursuant to Section 6033.

SEC. 5. Section 6144.1 is added to the Business and Professions Code, to read:

6144.1. The net proceeds from the sale or lease of real property, after payment of obligations and encumbrances and reasonable costs of acquiring and relocating its facilities, if any, shall be held by the State Bar without expenditure or commitment for any purpose until approved by the Legislature by statute.