



FREQUENTLY ASKED QUESTIONS: ADMINISTRATIVE FEE INCREASES

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GENERAL INFORMATION

1. Which program fees are increasing?

- Certificates of Standing
- Law Corporation certification: application and renewal fees
- Limited Liability Partnership certification: applications and renewal fees
- MCLE Compliance: fees for late penalties, education modification requests, credit requests, and reinstatements

2. Why are fees increasing?

The State Bar is required to assess all program fees it charges for services every five years. Concurrent with the staff's most recent fee review this year, the California State Auditor issued a [report](#) that included a review of the State Bar's General Fund revenues and expenses. The State Auditor recommended that the State Bar increase program fees to fully cover the costs of these services. The State Auditor pointed out that increasing administrative fees will enable the agency use less mandatory licensing fee revenue to subsidize programs currently operating at a deficit.

At its meeting on May 18, 2023, the State Board of Trustees approved [staff's proposed fee increases](#), which were in line with the State Auditor's recommendations.

3. When will the fee increases go into effect?

The Board directed that the fee increases be implemented as soon as practicable. The State Bar is working to make changes to forms and payment systems to implement the increases. Participants in these programs will receive notice, and webpages will be updated as the fee increases are implemented. The first increase will be for MCLE noncompliance reinstatement after the final deadline of June 30, 2023.

4. How much revenue will the fee increases generate?

In total, the increases are estimated to generate approximately \$1.7 million in additional revenue. This estimate includes increasing MCLE provider fees, which will not take effect immediately.

CERTIFICATES OF STANDING

5. The fee is jumping from \$25 for up to three certificates to \$40 per certificate. Why the sharp increase?

The previous fee had not increased in over 20 years; the new fee better reflects current administrative costs.

LIMITED LIABILITY PARTNERSHIPS

6. Why was the \$2,500 cap for application and renewal fees removed?

Fees for this program have not changed in at least 10 years. The previous fees for applications and renewals were set at \$100 for the first two partners, and thereafter, the additional fee for each partner was \$50 or \$25 (application and renewal, respectively). Both application and renewal fees were capped at \$2,500.

This previous fee structure was regressive: firms with 1,000 lawyers paid the same amount as firms with 100 lawyers.

After considering feedback from LLPs on proposed options for the increase, the Board of Trustees approved a fee structure in which only the largest firms would be impacted by removing the cap.

MCLE NONCOMPLIANCE

7. Why is the reinstatement fee now \$300, when it was previously set at \$200?

Fees for this program have not changed in at least 20 years. Fees were assessed by analyzing the cost of providing the service and benchmarking it against similar services in other states. The reinstatement fee of \$300 better reflects current administrative costs and is in line with the State Auditor's recommendation to fully recover the cost of the service.