

AGENDA ITEM

JUL 142

Proposed Clarification of
Foreign Legal Consultant
Fees

DATE: June 30, 2010

TO: Members, Board of Governors
Members, Board Committee on Planning, Program Development and Budget

FROM: Gayle Murphy, Senior Executive, Admissions

SUBJECT: PROPOSED CLARIFICATION OF FOREIGN LEGAL CONSULTANT FEES

EXECUTIVE SUMMARY

The current fee charged to those applying as Foreign Legal Consultants does not cover the cost of processing the applications that are required. Applicants must file an initial application and a moral character determination application; the only fee being charged at this time is \$370. The fee does not cover the expense associated with processing of both the applications that an applicant must file. Applicants for general admission must pay \$453.00 just for the moral character determination application. So it is clear that two fees must be paid, which is what is required for other special admission programs that require the moral character determination application (MJP), the Schedule of Charges and Deadlines should be amended to include reference to the moral character determination application fee, in addition to the initial application fee.

For questions on this item, please contact Gayle Murphy at gayle.murphy@calbar.ca.gov or (415) 538-2322.

BACKGROUND

According to Rule 9.44 of the *California Rules of Court*, the “. . . State Bar has the authority to set and collect appropriate fees and penalties for. . . .” the Foreign Legal Consultant (FLC) Program. The *Rules of the State Bar of California* regarding foreign legal consultants, which were recently revised and become effective July 1, 2010, state:

Rule 3.401 Application

- (A) To practice law as a Registered Foreign Legal Consultant, a person who meets the eligibility requirements of the Rule 9.44 must

- (1) submit an Application for Registration as an attorney applicant for admission to the State Bar of California with the required certificate and the fee set forth in the Schedule of Charges and Deadlines;
- (2) submit an Application for Registered Foreign Legal Consultant with the fee set forth in the Schedule of Charges and Deadlines (the Schedule);
- (3) meet State Bar requirements for acceptable moral character, which are set forth in the instructions for Application for Registered Foreign Legal Consultant;

Currently, the only fee listed in connection with the "initial" application for the FLC Program is a fee of \$370, which should cover the entire cost of processing the application, but doesn't. Processing of an application requires a staff member to determine eligibility for the program and input data into the computer system; the moral character determination application is handled by different personnel in the same manner as all other such applications are processed. The current moral character determination application fee for general applicants is \$453.00.

The processing of the moral character determination part of the application is being subsidized by those applying for general admission to the practice of law in California. So it is clear those applying to the program must pay two fees, in addition to the recently adopted new requirement to register as an attorney applicant first, it is recommended that the Schedule of Charges and Deadlines be amended to clearly indicate all the fees that are required as part of the application.

FISCAL IMPACT

An average of 11 applications is received each year, which would result in approximately \$5,000 in additional income for the Admissions Fund if the proposal is approved.

BOARD BOOK IMPACT

None.

RULE AMENDMENTS

None.

SCHEDULE OF CHARGES AND DEADLINES:

If approved, the Schedule of Charges and Deadlines would be amended to indicate the following Foreign Legal Consultant application fees:

<u>Registration as an Attorney Applicant</u>	<u>Equivalent to Admissions Application Fee</u>
Initial application	\$370.00
<u>Moral Character Determination application</u>	<u>Equivalent to Admissions Application Fee</u>
Annual report	Equivalent to State Bar Member Fee

PROPOSED BOARD COMMITTEE ACTION

If the Board Committee on Planning, Program Development and Budget agrees with the proposed clarification of the fees charged to Foreign Legal Consultant Program applicants, the following resolution is recommended:

RESOLVED, that the Board Committee on Planning, Program Development and Budget recommends that the Board of Governors approve the proposed revisions to the Schedule of Charges and Deadlines regarding the fees charged to Foreign Legal Consultant Program applicants, as follows, effective July 24, 2010:

Foreign Legal Consultants:

<u>Registration as an Attorney Applicant</u>	<u>Equivalent to Admissions Application Fee</u>
Initial application	\$370.00
<u>Moral Character Determination application</u>	<u>Equivalent to Admissions Application Fee</u>
Annual report	Equivalent to State Bar Member Fee

PROPOSED BOARD ACTION

Should the Board of Governors agree with the Board Committee on Planning, Program Development and Budget's recommendation, if adopted, regarding the revision of the Schedule of Charges and Deadlines, the following resolution would be in order:

RESOLVED, that the Board hereby approves the proposed revisions to the Schedule of Charges and Deadlines regarding the fees charged to Foreign Legal Consultant Program applicants, as attached follows, effective July 24, 2010:

Foreign Legal Consultants:

<u>Registration as an Attorney Applicant</u>	<u>Equivalent to Admissions Application Fee</u>
Initial application	\$370.00
<u>Moral Character Determination application</u>	<u>Equivalent to Admissions Application Fee</u>
Annual report	Equivalent to State Bar Member Fee