

Senate Bill No. 163

CHAPTER 417

An act to amend Sections 6005, 6006, 6007, 6008.1, 6008.4, 6010, 6011, 6013.6, 6015, 6016, 6018, 6019, 6020, 6021, 6024, 6033, 6036, 6037, 6040, 6042, 6046.7, 6069, 6070, 6076, 6076.5, 6079.5, 6086, 6086.5, 6086.14, 6140, 6140.01, 6140.05, 6140.5, 6141, 6161, 6168, 6169, 6170, 6190.1, 6200, 6201, 6203, 6204, 6206, 6222, 6225, 6226, 6231, and 6238 of, to add Sections 6001.1, 6009.7, 6012, 6013.2, 6013.3, 6013.5.5, 6026.7, and 6140.12 to, to add and repeal Section 6140.02 of, to repeal Sections 6012.5, 6013.4, 6014, and 6017 of, and to repeal and add Sections 6001.2 and 6013.1 of, the Business and Professions Code, relating to attorneys.

[Approved by Governor October 2, 2011. Filed with
Secretary of State October 2, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 163, Evans. Attorneys: board of trustees: annual membership fee.

Existing law, the State Bar Act, provides for the licensure and regulation of attorneys by the State Bar of California, a public corporation.

(1) Under existing law, the State Bar is governed by a board known as the Board of Governors of the State Bar. The board of governors consists of 23 members, including 15 attorney members, one attorney member elected by the board of directors of the California Young Lawyers Association, 6 public members, and the President of the State Bar. Existing law provides for the election of attorney members to the board from specified counties included in State Bar Districts. Under existing law, the public members of the board are appointed by the Governor and the Legislature. Existing law requires a public member to have never been a member of the State Bar or admitted to practice before any court in the United States. Public members are subject to specified conflict-of-interest provisions.

This bill would revise and recast these provisions by renaming the board of governors as the board of trustees and would also revise the composition of the board to include no more than 23 members and no less than 19 members, as specified and determined by the State Bar, to include the existing 6 public members appointed by the Governor and the Legislature and 13 attorney members. Under the bill, the 13 attorney members would consist of 6 attorney members elected from State Bar Districts based on the 6 court of appeal districts, 5 attorney members appointed by the Supreme Court, and 2 attorney members appointed by the Senate Committee on Rules and the Speaker of the Assembly. The bill would require these attorney members to serve for a term of 3 years and would limit the elected and Supreme Court appointed members to being reappointed or reelected for one additional term. With respect to the Supreme Court appointments, the

bill would specify criteria that the Supreme Court should consider in making these appointments and would require the State Bar to carry out the administrative responsibilities related to the Supreme Court's appointments.

The bill would require the State Bar to reduce the board of trustees from 23 members to 19 members by October 31, 2014. The bill would require the State Bar to develop a plan for implementing the transition to a 19-member board by January 31, 2012, and to submit a written report detailing that plan to the Committees on Judiciary by January 31, 2012. The bill would also require the State Bar to report annually to the Committees on Judiciary on its progress toward implementing this transition. The bill would prohibit the State Bar from changing or abolishing a board member's term that commenced prior to December 31, 2011, or forcing any board member to resign whose term commenced prior to that date in order to accomplish the transition. The bill would also declare the intent of the Legislature in this regard.

The bill would make public members subject to additional conflict-of-interest provisions, such as the provision that prohibits a public member from being a close family member of a member of the State Bar.

The bill would make other conforming changes related to the renaming of the board and the establishment of both an election and appointment process for attorney members of the board.

(2) Under existing law, the officers of the State Bar are a president, 4 vice presidents, a secretary, and a treasurer, and one of the vice presidents may also be elected to the office of treasurer. Existing law requires the board, within 270 days before the annual meeting, to elect the officers for the ensuing year. Existing law requires the president and other officers to be elected from among members with specified terms. Under existing law, the president may vote only in the case of a specified tie vote.

This bill would instead provide that the officers shall include a president, a vice president, a secretary, and a treasurer. The bill would require the board to elect the officers within 90 days before the annual meeting. The bill would also authorize the president and the other officers to be elected from among all members of the board. The bill would also delete the limitation on the president's voting authority.

(3) The bill would require the board to complete and implement a 5-year strategic plan and would require the president to report to the Supreme Court, the Governor, and the Committees on Judiciary on certain aspects of the strategic plan.

(4) Existing law establishes a Governance in the Public Interest Task Force within the State Bar. The task force is made up of 11 specified board members, including the President of the State Bar, and these board members are appointed by the president. Existing law requires the task force to prepare a report that includes its recommendations for, among other things, enhancing and ensuring the protection of the public.

This bill would repeal that provision establishing that task force. The bill would, on and after January 1, 2013, and no later than February 1, 2013, establish a task force to be comprised of a total of 7 members, including 2

elected attorney members, 2 appointed members, and 2 public members, who would be selected as specified, and the president. The bill would require the task force to make suggestions to the board of trustees regarding the strategic plan described above and other issues as requested by the Legislature.

(5) Existing law requires the board of governors to charge an annual membership fee for active members of up to \$315 for 2011. Existing law also requires the board to charge an annual membership fee for inactive members of up to \$75. Existing law authorizes, until January 1, 2014, \$10 of those membership fees to be allocated to support nonprofit organizations that provide free legal service to persons of limited means, and authorizes a member to deduct that amount from his or her annual fee if the member elects not to make this allocation.

This bill would require the board to charge that annual membership fee for active members for 2012 minus a \$10 rebate to be described in a specified manner on the annual dues statement. The bill would require the board to charge that annual membership fee for inactive members minus a \$10 rebate to be described in a specified manner on the annual dues statement. The bill would increase the amount of those membership fees that may be allocated to support nonprofit organizations that provide free legal services to \$20.

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

SECTION 1. Section 6001.1 is added to the Business and Professions Code, to read:

6001.1. Protection of the public shall be the highest priority for the State Bar of California and the board of trustees 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.

SEC. 2. Section 6001.2 of the Business and Professions Code is repealed.

SEC. 2.5. Section 6001.2 is added to the Business and Professions Code, to read:

6001.2. (a) On or before February 1, 2013, there shall be created within the State Bar a Governance in the Public Interest Task Force comprised of 7 members, including 6 members appointed as provided herein and the President of the State Bar. Two members shall be elected attorney members of the board of trustees who are selected by the elected attorney members, two members shall be attorney members of the board of trustees appointed by the Supreme Court who are selected by the Supreme Court appointees, and two members shall be public members of the board of trustees selected by the public members. The president shall preside over its meetings, all of which shall be held consistent with Section 6026.5.

(b) On or before May 15, 2014, and every three years thereafter, the task force shall prepare and submit a report to the Supreme Court, the Governor, and the Assembly and Senate Committees on Judiciary that includes its