

AMENDED IN ASSEMBLY JUNE 21, 1999

AMENDED IN SENATE MAY 25, 1999

AMENDED IN SENATE MAY 6, 1999

AMENDED IN SENATE APRIL 21, 1999

**SENATE BILL**

**No. 144**

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**Introduced by Senator Schiff and Assembly Member  
Hertzberg**  
(Principal coauthor: ~~Assembly Member Hertzberg~~)

January 5, 1999

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An act to amend Sections 6068, 6070, 6085, ~~6141.1, and 6145 and 6141.1~~ of, to add Sections 6008.6, 6031.5, 6095.1, and 6140.05 to, ~~and~~ to add and repeal Section 6140 of, *and to repeal and add Section 6145 of*, the Business and Professions Code, relating to the State Bar.

LEGISLATIVE COUNSEL'S DIGEST

SB 144, as amended, Schiff. State Bar: membership fees.

Existing law establishes the State Bar. The Board of Governors of the State Bar has broad responsibilities for the State Bar's operation and function, including, among other things, administration of the State Bar, admission to the practice of law, and disciplinary authority over its members.

This bill would revise various provisions relating to the State Bar.

(1) Existing rules and regulations of the State Bar provide for the creation of, and specify the functions and activities of, the Conference of Delegates, which represents locally based

general bar associations. Existing rules and regulations of the State Bar also provide for advisory organizations of the State Bar known as sections.

This bill would provide that the Conference of Delegates of the State Bar and State Bar sections shall not be funded with mandatory fees after January 1, 2000, but would authorize the ~~Conference of Delegates and the sections to contract with the State Bar for services, and would authorize the State Bar to collect voluntary fees on behalf of the Conference of Delegates and the sections~~ *State Bar to provide the Conference of Delegates and State Bar sections with administrative and support services, subject to full reimbursement, as specified.*

(2) Existing law imposes various duties on attorneys. Among other things, it requires attorneys to cooperate and participate in any disciplinary investigation or other regulatory or disciplinary proceeding pending against the attorney.

This bill would provide that this requirement shall not be construed to require an attorney to cooperate with a request that requires the attorney to waive any constitutional or statutory privilege or to comply with a request for information or other matters within an unreasonable period of time in light of the time constraints of the attorney's practice, as specified.

Existing law provides that a person complained against in a disciplinary action of the State Bar shall be given a reasonable notice and have a reasonable opportunity to exercise various rights, including the right to defend, to receive exculpatory evidence, to be represented by counsel, and to examine and cross-examine witnesses.

This bill would also provide that the notice and rights shall be fair and adequate, as well as reasonable, and would also specify that the person has a right to exercise any right guaranteed by the California or United States Constitution, including the right against self-incrimination.

The bill would require the State Bar, *beginning April 1, 2000, and through March 31, 2001*, to compile statistics on attorney discipline and to report to legislative committees on procedures used in the disciplinary process to ensure that



resources of the State Bar are used fairly and equitably, as specified. It would specifically require that procedures used in the disciplinary process ensure that resources of the State Bar are used fairly and equitably and that these procedures be reported to specified legislative committees by the State Bar on or before ~~December 31, 2000~~ *June 30, 2001*.

(3) Existing law requires the State Bar to request the California Supreme Court to adopt a rule authorizing a mandatory continuing legal education program. Existing law establishes minimum hours of participation, and exempts various persons from the requirement.

This bill would reduce the required hours, would eliminate the exemption for retired judges, would encourage the use of low-cost programs, would set forth findings, and would make related changes.

(4) Existing law, until January 1, 1998, required the Board of Governors of the State Bar to establish annual membership fees for active members based on the amount of time the member has been practicing law, as specified. Existing law also provides for additional fees.

This bill would provide for an annual fee not exceeding \$318. This provision would be repealed on January 1, 2001.

The bill would also require the invoice for the annual fee to provide each member the option of deducting ~~\$4~~ \$5 from the annual fee if the member elects not to support lobbying and related activities, and would prohibit the Board of Governors of the State Bar from expending a sum exceeding the number of members paying the ~~\$4~~ \$5 fee, multiplied by ~~\$4~~ \$5.

The bill would require the Board of Governors of the State Bar to adopt a rule to permit members whose income from the practice of law is less than a specified amount to presumptively qualify for a waiver of a portion of the annual membership fees based on hardship.

Existing law requires the Board of Governors of the State Bar to prepare an annual financial statement for the State Bar, which is required to be certified under oath by the President and the Treasurer of the State Bar to the Chief Justice of the Supreme Court.

This bill would *require the Board of Governors of the State Bar, commencing on January 1, 2000, and annually thereafter,*



*to contract with a nationally recognized independent public accounting firm to conduct an audit of the State Bar's financial statement for the 12 months preceding. It would require the financial statement to be certified under oath by the Treasurer of the State Bar, and a copy of the audit and the financial statement to be submitted within 120 days of the close of the fiscal year to the Board of Governors of the State Bar, the Chief Justice of the Supreme Court, and the Assembly and Senate Committees on Judiciary. It would also require the Board of Governors of the State Bar to contract with the Bureau of State Audits to conduct ~~an annual~~ a performance audit of the State Bar's operations from July 1, 2000, through December 31, 2000, inclusive, and would require a copy of the performance audit to be submitted by May 1, 2001, to the Board of Governors of the State Bar, the Chief Justice of the Supreme Court, and the Assembly and Senate Committees on Judiciary. It would require that the Board of Governors contract with the Bureau of State Audits every 2 years thereafter to conduct a performance audit of the State ~~Bar~~ Bar's operations for ~~each~~ the respective fiscal year, commencing ~~July 1, 1999, to June 30, 2001~~ with January 1, 2002, through December 31, 2002, inclusive, and would require a copy of the ~~financial statement, certified under oath by the treasurer, and a copy of the annual~~ performance audit to be submitted within 120 days of the close of the fiscal year for which the audit was performed to the Board of Governors of the State Bar, the Chief Justice of the Supreme Court, and the Assembly and Senate Committees on Judiciary.*

The bill would prohibit the State Bar from awarding a contract for goods, services, or both, for an aggregate amount in excess of \$50,000, except pursuant to specified provisions of the Public Contract Code. The bill would make related changes. It would also provide that its provisions shall become operative only if SB 143 of the 1999–2000 Regular Session is enacted.

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



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

1 SECTION 1. Section 6008.6 is added to the Business  
2 and Professions Code, to read:

3 6008.6. The State Bar shall award no contract for  
4 goods, services, or both, for an aggregate amount in excess  
5 of fifty thousand dollars (\$50,000), except pursuant to the  
6 standards established in Article 4 (commencing with  
7 Section 10335) of Chapter 2 of Part 2 of Division 2 of the  
8 Public Contract Code. The State Bar shall establish a  
9 request for proposal procedure by rule, pursuant to the  
10 general standards established in Article 4 (commencing  
11 with Section 10335) of Chapter 2 of Part 2 of Division 2 of  
12 the Public Contract Code.

13 SEC. 1.5. Section 6031.5 is added to the Business and  
14 Professions Code, to read:

15 6031.5. (a) The Conference of Delegates, as  
16 established under and pursuant to Article 6 of the Rules  
17 and Regulations of the State Bar, shall not be funded after  
18 January 1, 2000, with mandatory fees collected pursuant  
19 to subdivision (a) of Section 6140.

20 ~~The Conference of Delegates may contract with the  
21 State Bar, at cost, for administrative and support services.  
22 An audit shall be conducted to ensure that the State Bar  
23 neither suffers a loss nor earns more than a nominal profit  
24 from any such contract, and to verify that no mandatory  
25 dues are applied to support the Conference of Delegates.~~

26  
27 *The State Bar may provide the Conference of  
28 Delegates with administrative and support services,  
29 provided the State Bar shall be reimbursed for the full  
30 cost of those services out of funds collected pursuant to  
31 subdivision (c), funds raised by or through the activities  
32 of the Conference of Delegates, or other funds collected  
33 from voluntary sources. The financial audit specified in  
34 Section 6145 shall confirm that the amount assessed by the  
35 State Bar for providing the services reimburses the costs  
36 of providing them, and shall verify that mandatory dues  
37 are not used to fund the Conference of Delegates.*



1 (b) State Bar sections, as established under and  
2 pursuant to Article 13 of the Rules and Regulations of the  
3 State Bar, and their activities shall not be funded after  
4 January 1, 2000, with mandatory fees collected pursuant  
5 to subdivision (a) of Section 6140.

6 ~~An individual section, or an organization comprised of  
7 two or more sections, may contract with the State Bar, at  
8 cost, for administrative and support services. An audit  
9 shall be conducted to ensure that the State Bar neither  
10 suffers a loss nor earns more than a nominal profit from  
11 any such contract, and to verify that no mandatory dues  
12 are applied to support such a section or organization.~~

13 *The State Bar may provide an individual section, or two  
14 or more sections collectively, with administrative and  
15 support services, provided the State Bar shall be  
16 reimbursed for the full cost of those services out of funds  
17 collected pursuant to subdivision (c), funds raised by or  
18 through the activities of the sections, or other funds  
19 collected from voluntary sources. The financial audit  
20 specified in Section 6145 shall confirm that the amount  
21 assessed by the State Bar for providing the services  
22 reimburses the costs of providing them, and shall verify  
23 that mandatory dues are not used to fund the sections.*

24 (c) Notwithstanding the other provisions of this  
25 section, the State Bar is expressly authorized to collect  
26 voluntary fees to fund the Conference of Delegates or the  
27 State Bar sections on behalf of those organizations in  
28 conjunction with the State Bar's collection of its annual  
29 membership dues. *Funds collected pursuant to this  
30 subdivision, and other funds raised by or through the  
31 activities of the Conference of Delegates or sections, or  
32 collected from voluntary sources, for their support or  
33 operation, shall not be subject to the expenditure  
34 limitations of subdivision (b) of Section 6140.05.*

35 SEC. 2. Section 6068 of the Business and Professions  
36 Code is amended to read:

37 6068. It is the duty of an attorney to do all of the  
38 following:

39 (a) To support the Constitution and laws of the United  
40 States and of this state.



1 (b) To maintain the respect due to the courts of justice  
2 and judicial officers.

3 (c) To counsel or maintain those actions, proceedings,  
4 or defenses only as appear to him or her legal or just,  
5 except the defense of a person charged with a public  
6 offense.

7 (d) To employ, for the purpose of maintaining the  
8 causes confided to him or her those means only as are  
9 consistent with truth, and never to seek to mislead the  
10 judge or any judicial officer by an artifice or false  
11 statement of fact or law.

12 (e) To maintain inviolate the confidence, and at every  
13 peril to himself or herself to preserve the secrets, of his or  
14 her client.

15 (f) To abstain from all offensive personality, and to  
16 advance no fact prejudicial to the honor or reputation of  
17 a party or witness, unless required by the justice of the  
18 cause with which he or she is charged.

19 (g) Not to encourage either the commencement or  
20 the continuance of an action or proceeding from any  
21 corrupt motive of passion or interest.

22 (h) Never to reject, for any consideration personal to  
23 himself or herself, the cause of the defenseless or the  
24 oppressed.

25 (i) To cooperate and participate in any disciplinary  
26 investigation or other regulatory or disciplinary  
27 proceeding pending against the attorney. However, this  
28 subdivision shall not be construed to deprive an attorney  
29 of any privilege guaranteed by the Fifth Amendment to  
30 the Constitution of the United States or any other  
31 constitutional or statutory privileges. This subdivision  
32 shall not be construed to require an attorney to cooperate  
33 with a request that requires the attorney to waive any  
34 constitutional or statutory privilege or to comply with a  
35 request for information or other matters within an  
36 unreasonable period of time in light of the time  
37 constraints of the attorney's practice. Any exercise by an  
38 attorney of any constitutional or statutory privilege shall  
39 not be used against the attorney in a regulatory or  
40 disciplinary proceeding against him or her.





1 (j) To comply with the requirements of Section 6002.1.

2 (k) To comply with all conditions attached to any  
3 disciplinary probation, including a probation imposed  
4 with the concurrence of the attorney.

5 (l) To keep all agreements made in lieu of disciplinary  
6 prosecution with the agency charged with attorney  
7 discipline.

8 (m) To respond promptly to reasonable status  
9 inquiries of clients and to keep clients reasonably  
10 informed of significant developments in matters with  
11 regard to which the attorney has agreed to provide legal  
12 services.

13 (n) To provide copies to the client of certain  
14 documents under time limits and as prescribed in a rule  
15 of professional conduct which the board shall adopt.

16 (o) To report to the agency charged with attorney  
17 discipline, in writing, within 30 days of the time the  
18 attorney has knowledge of any of the following:

19 (1) The filing of three or more lawsuits in a 12-month  
20 period against the attorney for malpractice or other  
21 wrongful conduct committed in a professional capacity.

22 (2) The entry of judgment against the attorney in any  
23 civil action for fraud, misrepresentation, breach of  
24 fiduciary duty, or gross negligence committed in a  
25 professional capacity.

26 (3) The imposition of any judicial sanctions against the  
27 attorney, except for sanctions for failure to make  
28 discovery or monetary sanctions of less than one thousand  
29 dollars (\$1,000).

30 (4) The bringing of an indictment or information  
31 charging a felony against the attorney.

32 (5) The conviction of the attorney, including any  
33 verdict of guilty, or plea of guilty or no contest, of any  
34 felony, or any misdemeanor committed in the course of  
35 the practice of law, or in any manner such that a client of  
36 the attorney was the victim, or a necessary element of  
37 which, as determined by the statutory or common law  
38 definition of the misdemeanor, involves improper  
39 conduct of an attorney, including dishonesty or other  
40 moral turpitude, or an attempt or a conspiracy or





1 solicitation of another to commit a felony or any  
2 misdemeanor of that type.

3 (6) The imposition of discipline against the attorney  
4 by any professional or occupational disciplinary agency or  
5 licensing board, whether in California or elsewhere.

6 (7) Reversal of judgment in a proceeding based in  
7 whole or in part upon misconduct, grossly incompetent  
8 representation, or willful misrepresentation by an  
9 attorney.

10 (8) As used in this subdivision, “against the attorney”  
11 includes claims and proceedings against any firm of  
12 attorneys for the practice of law in which the attorney was  
13 a partner at the time of the conduct complained of and  
14 any law corporation in which the attorney was a  
15 shareholder at the time of the conduct complained of  
16 unless the matter has to the attorney’s knowledge already  
17 been reported by the law firm or corporation.

18 (9) The State Bar may develop a prescribed form for  
19 the making of reports required by this section, usage of  
20 which it may require by rule or regulation.

21 (10) This subdivision is only intended to provide that  
22 the failure to report as required herein may serve as a  
23 basis of discipline.

24 SEC. 3. Section 6070 of the Business and Professions  
25 Code is amended to read:

26 6070. (a) The State Bar shall request the California  
27 Supreme Court to adopt a rule of court authorizing the  
28 State Bar to establish and administer a mandatory  
29 continuing legal education program. The rule that the  
30 State Bar requests the Supreme Court to adopt shall  
31 require that, within designated 36-month periods, all  
32 active members of the State Bar shall complete at least 25  
33 hours of legal education activities approved by the State  
34 Bar or offered by a State Bar approved provider, with four  
35 of those hours in legal ethics. A member of the State Bar  
36 who fails to satisfy the mandatory continuing legal  
37 education requirements of the program authorized by  
38 the Supreme Court rule shall be enrolled as an inactive  
39 member pursuant to rules adopted by the Board of  
40 Governors of the State Bar.



1 (b) For purposes of this section, statewide associations  
2 of public agencies and incorporated, nonprofit  
3 professional associations of attorneys, shall be certified as  
4 State Bar approved providers upon completion of an  
5 appropriate application process to be established by the  
6 State Bar. The certification may be revoked only by  
7 majority vote of the board, after notice and hearing, and  
8 for good cause shown. Programs provided by the  
9 California District Attorneys Association or the California  
10 Public Defenders Association, or both, including, but not  
11 limited to, programs provided pursuant to Title 1.5  
12 (commencing with Section 11500) of Part 4 of the Penal  
13 Code, are deemed to be legal education activities  
14 approved by the State Bar or offered by a State Bar  
15 approved provider.

16 (c) Notwithstanding the provisions of subdivision (a),  
17 officers and elected officials of the State of California, and  
18 full-time professors at law schools accredited by the State  
19 Bar of California, the American Bar Association, or both,  
20 shall be exempt from the provisions of this section.  
21 Full-time employees of the State of California, acting  
22 within the scope of their employment, shall be exempt  
23 from the provisions of this section. Nothing in this section  
24 shall prohibit the State of California, or any political  
25 subdivision thereof, from establishing or maintaining its  
26 own continuing education requirements for its  
27 employees.

28 (d) The State Bar shall provide and encourage the  
29 development of low-cost programs and materials by  
30 which members may satisfy their continuing education  
31 requirements. Special emphasis shall be placed upon the  
32 use of internet capabilities and computer technology in  
33 the development and provision of no-cost and low-cost  
34 programs and materials. Towards this purpose, the State  
35 Bar shall ensure that by July 1, 2000, any member  
36 possessing or having access to the internet or specified  
37 generally available computer technology shall be capable  
38 of satisfying the full self-study portion of his or her MCLE  
39 requirement at a cost of fifteen dollars (\$15) per hour or  
40 less.



1 SEC. 4. Section 6085 of the Business and Professions  
2 Code is amended to read:

3 6085. Any person complained against shall be given  
4 fair, adequate, and reasonable notice and have a fair,  
5 adequate, and reasonable opportunity and right:

6 (a) To defend against the charge by the introduction  
7 of evidence.

8 (b) To receive any and all exculpatory evidence from  
9 the State Bar after the initiation of a disciplinary  
10 proceeding in State Bar Court, and thereafter when this  
11 evidence is discovered and available. This subdivision  
12 shall not require the disclosure of mitigating evidence.

13 (c) To be represented by counsel.

14 (d) To examine and cross-examine witnesses.

15 (e) To exercise any right guaranteed by the California  
16 Constitution or the United States Constitution, including  
17 the right against self-incrimination.

18 He or she shall also have the right to the issuance of  
19 subpoenas for attendance of witnesses to appear and  
20 testify or produce books and papers, as provided in this  
21 chapter.

22 SEC. 5. Section 6095.1 is added to the Business and  
23 Professions Code, to read:

24 ~~6095.1. (a) On or before January 1, 2000, the State Bar  
25 shall begin compiling~~

26 *6095.1. (a) Beginning on April 1, 2000, and through*  
27 *March 31, 2002, the State Bar shall compile* statistics  
28 indicating the number of complaints against attorneys,  
29 broken down to reflect the percentage of complaints  
30 brought against attorneys practicing as solo practitioners,  
31 in small law firms or partnerships, and in large law firms.  
32 The State Bar shall also ~~begin compiling~~ *compile* statistics  
33 indicating the percentage of complaints that are  
34 investigated and the percentage of complaints that are  
35 prosecuted against solo practitioners, attorneys  
36 practicing in small law firms or partnerships, and  
37 attorneys practicing in large law firms. Practicing  
38 attorneys shall provide any information that is requested  
39 by the bar deemed necessary for the purpose of compiling  
40 the statistics. For purposes of this section, “small law firm”



1 means a firm, partnership, association, corporation, or  
2 limited liability partnership that includes 10 or fewer  
3 attorneys.

4 (b) On or before ~~December 31, 2000~~ *June 30, 2001*, the  
5 State Bar shall issue a written report to the Senate  
6 Committee on Judiciary and the Assembly Committee on  
7 Judiciary on procedures used in the disciplinary process  
8 to ensure that resources of the State Bar are used fairly  
9 and equitably in the investigation and prosecution of  
10 complaints against attorneys. In particular, the report  
11 shall focus on whether disciplinary proceedings are  
12 brought in disproportionate numbers against attorneys  
13 practicing as solo practitioners or in small law firms or  
14 partnerships, as compared to proceedings brought  
15 against attorneys practicing in large law firms. The report  
16 shall also describe any procedures in place or under  
17 consideration to correct any institutional bias. After  
18 issuing the report, the State Bar shall continue to compile  
19 and maintain statistics pursuant to subdivision (a), and  
20 shall make those statistics available to the public upon  
21 request.

22 (c) Procedures used in the disciplinary process shall  
23 ensure that resources of the State Bar are used fairly and  
24 equitably in the investigation and prosecution of  
25 complaints against all attorneys. Disciplinary  
26 proceedings shall not be brought in disproportionate  
27 numbers against attorneys practicing as solo practitioners  
28 or in small law firms or partnerships, as compared to  
29 proceedings brought against attorneys practicing in large  
30 law firms, unless the number of complaints against solo  
31 practitioners, or attorneys practicing in small law firms or  
32 partnerships, is commensurate with the higher number  
33 of disciplinary proceedings.

34 (d) The report of the State Bar prepared pursuant to  
35 this section shall not be used as a defense or mitigating  
36 factor in any disciplinary proceeding against an attorney.

37 SEC. 6. Section 6140 is added to the Business and  
38 Professions Code, to read:



1 6140. (a) The board shall fix the annual membership  
2 fee for active members at a sum not exceeding three  
3 hundred eighteen dollars (\$318).

4 (b) The annual membership fee for active members is  
5 payable on or before the first day of February of each  
6 year. If the board finds it appropriate and feasible, it may  
7 provide by rule for payment of fees on an installment  
8 basis with interest, by credit card, or other means, and  
9 may charge members choosing any alternative method of  
10 payment an additional fee to defray costs incurred by that  
11 election.

12 (c) This section shall remain in effect only until  
13 January 1, 2001, and as of that date is repealed, unless a  
14 later enacted statute, that is enacted before January 1,  
15 2001, deletes or extends that date.

16 SEC. 7. Section 6140.05 is added to the Business and  
17 Professions Code, to read:

18 6140.05. (a) The invoice provided to members for  
19 payment of the annual membership fee shall provide  
20 each member the option of deducting ~~four dollars (\$4)~~  
21 *five dollars (\$5)* from the annual fee if the member elects  
22 not to support lobbying and related activities by the State  
23 Bar outside of the parameters established by the United  
24 States Supreme Court in *Keller v. State Bar of California*  
25 (1990) 496 U.S. 1.

26 (b) For the support or defense of lobbying and related  
27 ~~activities by the State Bar outside of the parameters of~~  
28 ~~*Keller v. State Bar of California, the Board of Governors*~~  
29 ~~*activities conducted by the State Bar on or after January*~~  
30 ~~*1, 2000, outside of the parameters of Keller v. State Bar of*~~  
31 ~~*California, and in support or defense of any litigation*~~  
32 ~~*arising therefrom, the Board of Governors of the State*~~  
33 Bar shall not expend a sum exceeding the following: the  
34 product of the number of members paying their annual  
35 dues who did not elect the optional deduction multiplied  
36 by ~~four dollars (\$4)~~ *five dollars (\$5)*.

37 Moneys collected pursuant to this section shall not be  
38 deemed voluntary fees or funds for the purpose of  
39 subdivision (c) of Section 6031.5.



1 (c) As used in this section, “lobbying and related  
2 activities by the State Bar” includes the consideration of  
3 measures by the Board of Governors of the State Bar that  
4 are deemed outside the parameters established in Keller  
5 v. State Bar, the purview determination, lobbying and the  
6 preparation for lobbying of the measures, and any  
7 litigation in support or defense of that lobbying. The  
8 determination of these costs shall include, but not be  
9 limited to, overhead and administrative costs.

10 SEC. 8. Section 6141.1 of the Business and Professions  
11 Code is amended to read:

12 6141.1. (a) The payment by any member of the  
13 annual membership fee, any portion thereof, or any  
14 penalty thereon, may be waived by the board as it may  
15 provide by rule. The board may require submission of  
16 recent federal and state income tax returns and other  
17 proof of financial condition as to those members seeking  
18 waiver of all or a portion of their fee or penalties on the  
19 ground of financial hardship.

20 (b) The board shall adopt rules providing that:

21 (1) An active member who can demonstrate annual  
22 income from the practice of law of less than forty  
23 thousand dollars (\$40,000) shall presumptively qualify for  
24 a waiver of 25 percent of the annual membership fee.

25 (2) An active member who can demonstrate annual  
26 income from the practice of law of less than twenty-five  
27 thousand dollars (\$25,000) shall presumptively qualify for  
28 a waiver of 50 percent of the annual membership fee.

29 ~~SEC. 9. Section 6145 of the Business and Professions~~  
30 ~~Code is amended to read:~~

31 ~~6145. (a) The board annually shall prepare a~~  
32 ~~financial statement showing the total amount of receipts~~  
33 ~~and expenditures of the State Bar for the twelve months~~  
34 ~~preceding, and shall contract with the Bureau of State~~  
35 ~~Audits to conduct an annual performance audit of the~~  
36 ~~State Bar for each fiscal year, commencing July 1, 1999, to~~  
37 ~~June 30, 2001, inclusive.~~

38 ~~(b) The financial statement shall be promptly~~  
39 ~~certified under oath by the treasurer, and a copy of the~~  
40 ~~financial statement and the annual performance audit~~



1 ~~shall be submitted within 120 days of the close of the fiscal~~  
2 ~~year to the board, to the Chief Justice of the Supreme~~  
3 ~~Court, and to the Assembly and Senate Committees on~~  
4 ~~Judiciary.~~

5 *SEC. 9. Section 6145 of the Business and Professions*  
6 *Code is repealed.*

7 ~~6145. The board annually shall prepare a statement~~  
8 ~~showing the total amount of receipts and expenditures of~~  
9 ~~the State Bar for the twelve months preceding. The~~  
10 ~~statement shall be promptly certified under oath by the~~  
11 ~~president and treasurer to the Chief Justice of the~~  
12 ~~Supreme Court.~~

13 *SEC. 9.5. Section 6145 is added to the Business and*  
14 *Professions Code, to read:*

15 *6145. (a) Commencing on January 1, 2000, and*  
16 *annually thereafter, the board shall contract with a*  
17 *nationally recognized independent public accounting*  
18 *firm for an audit of its financial statement for the 12*  
19 *months preceding. The financial statement shall be*  
20 *promptly certified under oath by the treasurer of the*  
21 *State Bar, and a copy of the audit and financial statement*  
22 *shall be submitted within 120 days of the close of the fiscal*  
23 *year to the board, the Chief Justice of the Supreme Court,*  
24 *and to the Assembly and Senate Committees on Judiciary.*

25 *The audit shall examine the receipts and expenditures*  
26 *of the State Bar, the Conference of Delegates, and the*  
27 *State Bar sections, to assure that the receipts of the*  
28 *Conference of Delegates and the sections are being*  
29 *applied, and their expenditures are being made, in*  
30 *compliance with subdivisions (a) and (b) of Section*  
31 *6031.5, and that the receipts of the Conference of*  
32 *Delegates and the receipts of the sections are applied*  
33 *only to the work of the Conference of Delegates and the*  
34 *sections, respectively.*

35 *(b) The board shall contract with the Bureau of State*  
36 *Audits to conduct a performance audit of the State Bar's*  
37 *operations from July 1, 2000, to December 31, 2000,*  
38 *inclusive. A copy of the performance audit shall be*  
39 *submitted by May 1, 2001 to the board, to the Chief Justice*





1 *of the Supreme Court, and to the Assembly and Senate*  
2 *Committees on Judiciary.*

3 *Every two years thereafter, the board shall contract*  
4 *with the Bureau of State Audits to conduct a performance*  
5 *audit of the State Bar's operations for the respective fiscal*  
6 *year, commencing with January 1, 2002, through*  
7 *December 31, 2002, inclusive. A copy of the performance*  
8 *audit shall be submitted within 120 days of the close of the*  
9 *fiscal year for which the audit was performed to the*  
10 *board, to the Chief Justice of the Supreme Court, and to*  
11 *the Assembly and Senate Committees on Judiciary.*

12 SEC. 10. The Legislature finds and declares that it is  
13 in the public interest to continue the mandatory  
14 continuing legal education requirements for attorneys  
15 licensed to practice law. The Legislature further finds  
16 and declares that officers and elected officials of the State  
17 of California, and their full-time employees, undergo  
18 ongoing continuing legal education in their review of the  
19 implementation of current statutes and regulations,  
20 including any court interpretation of a statute or  
21 regulation, and in their consideration and analysis of  
22 proposed changes in those statutes and regulations,  
23 thereby warranting their exemption from the  
24 requirements of Section 6070 of the Business and  
25 Professions Code. The Legislature also finds and declares  
26 that full-time law professors at accredited law schools also  
27 undergo ongoing continuing legal education in their  
28 review of the statutes and regulations of this state,  
29 including any court interpretation of a statute or  
30 regulation, thereby warranting their exemption from the  
31 requirements of Section 6070 of the Business and  
32 Professions Code.

33 SEC. 11. This act shall become operative only if  
34 Senate Bill 143 of the 1999–2000 Regular Session is enacted  
35 and becomes effective on or before January 1, 2000.

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