

STATE OF MINNESOTA
IN THE SUPREME COURT

CA-84-2163

RE: Increase in Lawyer License Fee

WHEREAS The Board of Continuing Legal Education currently receives five dollars per lawyer from the annual lawyer license fee;

That the per lawyer fee allocated to the Board has not changed since 1975, and that the Board has no other reliable source of funding;

That the current per lawyer allocation is among the lowest of the 19 states current administering mandatory legal education programs;

That the number of lawyers complying with the education requirement has tripled, and the number of courses reviewed more than doubled, while staffing has remained constant;

That because of variance in the number of courses offered by individual sponsors, imposing fees on course sponsors cannot be done fairly with any reliable income expectation;

That services of the Board to Minnesota lawyers can be increased through computerization of course and affidavit data;

THEREFORE the Board of Continuing Legal Education requests an increase of two dollars per lawyer in its allocation from the annual lawyer license fee.

Dated: 3/3/86

Respectfully Submitted,

M. L. Purton for the Board
Board of Continuing Legal Education

Law Examiners

Gerald S. Rufer,
President

Mary P. Walbran, Secretary
Carl Baer
Joseph R. Cade
Isabel Gomez-Edwards
John D. Kelly
Richard H. Kyle
Toyse A. Kyle
Frank B. Wilderson, Jr.



STATE OF MINNESOTA
BOARD OF LAW EXAMINERS
BOARD OF CONTINUING LEGAL EDUCATION

200 So. Robert Street, Suite 310
St. Paul, Minnesota 55107 • Telephone (612) 297-1800

Marcia L. Proctor, Director

Continuing Legal Education

Edward J. Schwartzbauer
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Stephen C. Aldrich
N. L. Gault, Jr.
James H. Geraghty
John D. Healy, Jr.
Rita M. Hutchens
James W. Krause
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Mary Ann McCoy
Jean E. Paulson
Carol T. Rieger
Gwenyth Jones Spitz
David L. Stowman

MEMORANDUM

TO: Hon. John E. Simonett
Minnesota Supreme Court

FROM: M. L. Proctor *MLP*
Director, Continuing Legal Education

RE: CLE Computer

DATE: March 4, 1986

As you requested, I am outlining the CLE Board's need for a computer. This need was first reported in the Board's annual report to the Court in 1985.

The computer system contemplated will, for the first time, make available to the Board information on how the CLE reporting requirement is working. Some of the questions that will be answered are:

1. Are courses being offered during the times of the year that lawyers appear to attend?
2. What subject areas do lawyers seem to prefer?
3. What is the rate of timely compliance by lawyers in a reporting period?
4. What proportions of credits claimed are for teaching at CLE approved programs, for video programs, or for in-house programs?
5. What proportion of program hours submitted by prospective sponsors are approved?
6. What are the main reasons for course disapproval?
7. What proportion of lawyers on restricted status have gained reinstatement?

8. What proportion of the Board's workload is spent on course review, and how much on noncompliance matters?

The computerization will also facilitate savings by eliminating the need for some paper files, by allowing telephone response to inquiries thus avoiding correspondence, and reduce staff overtime at compliance deadlines. If properly developed, the system will enhance public relations by allowing timely and thorough response to course status inquiries.

While the lawyer population has increased almost 250% and the course submissions have increased 122%, the licensing allocation has remained the same. Available funds are stretched to the limit, even allowing for the increase generated by more licensed lawyers.

Although courses are reviewed and affidavits verified, other services have suffered because of financial pressure. In addition to providing information to the Board for administrative purposes, the following services might be offered to lawyers:

1. A lawyer due to report CLE, but short a few credits, could have a list of courses offered before the deadline;
2. Outstate lawyers could receive a list of approved courses in their locale;
3. Someone planning to sponsor a course could receive information on subjects recently presented, or information on when conflicting courses were being held;
4. Course information could be made available on upcoming courses in various fields of practice;
5. Credits could be confirmed by phone.

These are services the Board would like to offer. Specifications have been drawn for a computer system that will enable all of the above services, and also provide data on Board work that will help us be more efficient. To date, the \$30,000 one-time funds for programming and hardware has been unavailable. The Board is exploring various funding alternatives, including fees for course approvals, raising the licensing allocation, and increasing fees for late filing.

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The Board of Continuing Legal Education requests an increase from \$5.00 per lawyer to \$7.00 per lawyer to maintain current functions and improve services.

The Board of Continuing Legal Education was created in 1975, and has been staffed with one administrator, one quarter-time director, and seasonal help since then. A comparison of work in 1978 and 1985 shows the growing strain on scarce resources:

	<u>1978</u>	<u>1985</u>
# active lawyers assigned	6,750	13,452
# CLE course sponsors	23	459
# courses approved	1,371	2,629
# notices of noncompliance	51	461
# extensions	27	183
# restricted status/retired	215	2,200
# lawyer matters discussed	60	95
# courses disapproved	54	265

Because of the workload represented by these figures, the Board and its staff have been unable to respond as promptly as desired to requests for course approval, lawyer requests for course information, and interpretations of policies.

To address these problems, the Board wants to computerize records. The computerization will facilitate savings by eliminating some paper files, by allowing telephone response to inquiries and avoiding correspondence, and avoiding staff overtime at compliance deadlines. If properly developed, the system will enhance public relations by allowing timely and thorough responses to course status inquiries.

The Board appreciates consideration of this proposal.

CLE SPONSOR BY VOLUME OFFERINGS IN CALENDAR YEAR 1985

Practicing Law Institute	393	
Minnesota Continuing Legal Education	149	
Hennepin County Bar Asso.	101	
American Bar Association	84	
ALI-ABA	76	
MN Institute of Legal Education	75	
Attorney General Advocacy Institute	67	
Wisconsin CLE	56	
Judge Advocate General	49	
Mead Data Central	44	
MN Trial Lawyers Association	41	
MN State Bar Association	39	
Department of Justice	37	
California CLE	36	
Chicago Bar Association	36	
University of Minnesota	36	
Law Journal Seminars-Press	35	
Ramsey County Bar Association	35	
Professional Education Systems	33	
Advanced Legal Education	31	
Executive Enterprises	30	
Law and Business, Inc.	28	
William Mitchell College of Law	23	
Patent Resources Group	22	
Federal Bar Association	19	
American Trial Lawyers Association	18	
New York University Law School	18	
Federal Publications	17	
National Institute for Trial Advocacy	17	
National Practice Institute	17	
Southern Methodist University	15	
University of Iowa Law School	14	
Defense Research Institute	13	
Southern Regional Legal Services	13	
National Council of Juvenile and Family Court Judges	13	
National Employment Law	12	
Minnesota CPA's	11	
American Arbitration Asso.	11	
Michigan CLE	11	
Illinois CLE	11	
Medi-Legal Institute	11	
Commercial Law League	10	
Hennepin County Attorneys	10	
National Health Lawyers	10	
44 Sponsors	1,827	courses
FEWER THAN TEN COURSES:		
415 Sponsors	802	courses

CONTINUING LEGAL EDUCATION
ESTIMATED RECEIPTS

<u>SOURCE</u>	<u>FY 6</u>	<u>FY 7</u>	<u>FY 8</u>	<u>FY 9</u>
Lawyers estimated	13,452	14,152	14,852	15,552
License fee allocation at \$5.00	87,462	67,260	70,760	74,260
Late affidavit fees reinstatement	14,000	8,000	8,000	8,000
Proposed fee per course review at \$10	-	20,000	20,000	20,000
Proposed fee per course credit approved at \$5	-	95,000	95,000	95,000
Proposed fee \$5 per 3 approved credits	-	32,000	32,000	32,000
	101,462			
RANGE OF RECEIPTS		95,260 170,760	98,760 - 173,760	102,260 - 177,260

License fees calculated on lawyer population
for previous year.

BOARD OF CONTINUING LEGAL EDUCATION
PROPOSED FEE CHANGE

	<u>FY 6</u>	<u>FY 7</u>	<u>FY 8</u>	<u>FY 9</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
<u>CURRENT \$5 ALLOCATION</u>									
RESERVE	0	4.9							
RECEIPTS	81.3	78.8							
EXPENSES	-76.4	-114.2							
CARRY-OVER	4.9	-30.5							
 <u>PROPOSED \$7 FEE, SPENT IN SAME YEAR AS ACCRUED</u>									
RESERVE	4.9	65.6	73.5	71.4	76.7	72.9	58.3	31.1	
RECEIPTS	174.8	112.0	116.9	121.8	126.7	131.6	136.5	141.4	
EXPENSES	-114.2	-104.0	-119.0	-116.5	-130.5	-146.2	-163.7	-183.3	
CARRY-OVER	65.5	73.5	71.4	76.7	72.9	58.3	31.1	-10.8	

All figures are in thousands;
 Calculated on 700 new lawyers per year;
 12% budget increase after FY 9.

BOARD OF CONTINUING LEGAL EDUCATION
ALTERNATE FEE PROPOSALS

<u>\$5 LAWYER ALLOCATION</u> CURRENT	<u>FY 6</u>	<u>FY 7</u>	<u>FY 8</u>	<u>FY 9</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
RESERVE	0	4.9							
RECEIPTS	81.3	78.8							
EXPENSES	76.4	114.2							
CARRY-OVER	4.9	-30.5							

\$6 LAWYER ALLOCATION

RESERVE	4.9	-16.4
RECEIPTS	92.9	97.1
EXPENSES	114.2	104.0
CARRY-OVER	-16.4	-23.3

\$7 LAWYER ALLOCATION

RESERVE	4.9	-2.2	5.7	3.6	12.4	16.7	14.9	6.0
RECEIPTS	107.1	111.9	116.9	121.8	126.7	131.6	136.5	141.4
EXPENSES	114.2	104.0	119.0	113.0	122.4	133.4	145.4	158.5
CARRY-OVER	-2.2	5.7	3.6	12.4	16.7	14.9	6.0	-11.1

ONE-TIME \$10 FEE
\$7 PER YEAR THEREAFTER

RESERVE	4.9	-7.3	-7.3	23.0	20.9	26.1	22.3	7.7
RECEIPTS	75.3	114.2	134.3	116.9	121.7	126.7	131.6	136.5
EXPENSES	-87.5	-114.2	-104.0	-119.0	-116.5	-130.5	-146.2	-163.7
CARRY-OVER	-7.3	-7.3	23.0	20.9	26.1	22.3	7.7	-19.5

All figures are in thousands;
 Calculated on 700 new lawyers per year;
 12% budget increase after FY 9.

BOARD OF CONTINUING LEGAL EDUCATION
ALTERNATE FEE PROPOSALS

\$6 LAWYER ALLOCATION PLUS
 \$10 COURSE APPROVAL FEE

	<u>FY 7</u>	<u>FY 8</u>	<u>FY 9</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>
RESERVE	4.9	3.6	16.7	19.0	31.5	38.8	31.3	16.0
RECEIPTS	112.9	117.1	121.3	125.5	129.7	125.9	130.1	134.3
EXPENSES	114.2	104.0	119.0	113.0	122.4	133.4	145.4	158.5
CARRY-OVER	3.6	16.7	19.0	31.5	38.8	31.3	16.0	-8.2

\$10 COURSE APPROVAL FEE

RESERVE	25.1	6.2	1.0
RECEIPTS	95.3	98.8	102.3
EXPENSES	114.2	104.0	119.0
CARRY-OVER	6.2	1.0	-14.7

\$5 PER THREE CREDITS

RESERVE	25.1	38.2	65.0	80.3	105.1
RECEIPTS	127.3	130.8	134.3	137.8	141.3
EXPENSES	114.2	104.0	119.0	113.0	122.4
CARRY-OVER	38.2	65.0	80.3	105.1	124.0

\$5 PER CREDIT

RESERVE	25.1	81.2	151.0
RECEIPTS	170.3	173.8	177.3
EXPENSES	114.2	104.0	119.0
CARRY-OVER	81.2	151.0	209.3

All figures in thousands;
 Calculated on 700 new lawyers per year;
 12% budget increase after FY 9.