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2016-17 Governor's Budget, Legal Professions, Board of

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AT A GLANCE

- The Office of Lawyers Professional Responsibility (OLPR) serves the approximately 26,000 active Minnesota lawyers and the public of the state.
- The OLPR processed over 1250 complaints against Minnesota attorneys in 2013.
- 47 Minnesota lawyers were publicly disciplined in 2013, the third-highest total ever; 11 lawyers were disbarred.
- The Client Security Board (CSB) paid over \$383,000 to 17 victims of lawyer dishonesty in 2013-14.
- 1,303 law graduates and out-of-state lawyers applied for admission to the Minnesota bar.
- 99.4% of all Minnesota lawyers complied with continuing legal education (CLE) requirements.
- 940 lawyers are certified as specialists.

- The Board of Legal Certification (BLC) reviews and accredits qualifying agencies to certify lawyers as specialists.
- The Office of Lawyers Professional Responsibility (OLPR), working in conjunction with district ethics committees throughout the state, investigates complaints of unprofessional conduct against lawyers, and recommends discipline where appropriate.
- The Client Security Board (CSB) reviews claims from clients who have experienced monetary loss because of attorney dishonesty and, where the claim meets criteria established by the board, reimburses the client for the loss up to \$150,000.

The Legal Boards support the following statewide outcomes: Strong and stable families and communities; People in Minnesota are safe; and Efficient and accountable government services.

PURPOSE

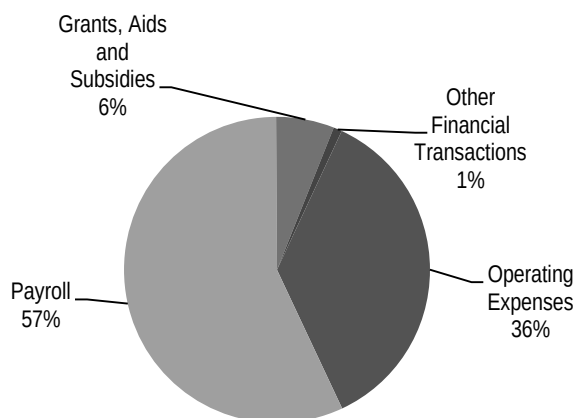
The Minnesota Supreme Court exercising its inherent constitutional authority regulates the practice of law in Minnesota.

The Supreme Court has established regulatory boards to assist in key areas of the regulation of the practices of law. Key issues addressed by these agencies include:

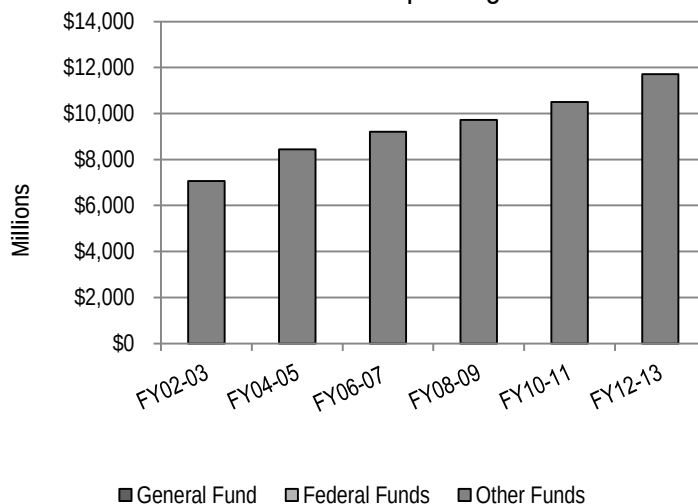
- The Board of Law Examiners (BLE) conducts a background investigation of applicants to the bar, uses test instruments to validly assess lawyer competence, and administers the Bar Exam, given twice a year.
- Board of Continuing Legal Education (CLE) accredits qualifying courses as continuing legal education (CLE) and ensures that lawyers fulfill their obligation to continue their professional education as a condition of continued licensure.

BUDGET

Spending by Category
FY 13 Actual



Historical Spending



Dedicated revenue, not General Fund monies, fully funds the operations of these boards. The Supreme Court assesses each Minnesota-licensed lawyer an annual registration fee that funds these activities. The registration fee is authorized by statute and held in trust for the regulation of the bar. The registration fee revenue is divided among each of the boards (with the exception of the Legal Certification Board which is funded entirely by user fees) as determined by Court's Rules for Registration of Lawyers, after public hearing. The Board of Law Examiners assesses a bar application fee to each applicant for admission to the bar. The Board of

Continuing Legal Education assesses course application fees and various administrative fees. The fees for those boards are included in the Department Earnings Report.

The OLPR has a projected annual budget of approximately \$3.7 million for FY 2016. Over 70% of OLPR's budget is for employee salary and benefits; the other major expenditure is for rent on the agency's offices in St. Paul. The overwhelming majority of the CSB's annual budget goes to paying claims, which is difficult to predict in advance.

STRATEGIES

The Boards have extensive written rules, policies, and procedures that ensure fair and accurate processing of applications, course approval requests and course applications, the prompt investigation and disposition of lawyers' alleged disability or unprofessional conduct, as well as a well-trained and carefully managed staff who conscientiously carry out their obligations. In addition, there are volunteer Board members comprised of lawyers and non-lawyer members of the public who volunteer their time to oversee the policies and procedures through which each of the Boards carry out their responsibilities.

The Boards contribute to the statewide outcomes by ensuring that only those who are competent and have good character are licensed to practice law; that only those who continue their legal education are able to continue to hold a law license; that ethics complaints against Minnesota lawyers warranting professional discipline are investigated and prosecuted; and that clients who suffer loss of money or other property from the dishonest conduct of their attorney are reimbursed. These activities contribute to the administration of justice and ensure that members of the Minnesota Bar provide legal service to those in need of legal counsel and to communities in need of civic members who will uphold the rule of law.

Key partners in the work of the Boards are the Minnesota State Bar Association and its committees and sections, Lawyers Concerned for Lawyers, deans and associate deans of law schools, particularly the deans of the four law schools located in Minnesota; bar regulation administrators in other states, district ethics committees (DEC), and colleagues in the Judicial Branch.

RESULTS

The Board of Law Examiners, Board of Continuing Legal Education, and Board of Legal Certification know their strategies are working when the following results are manifest:

- Few applicants to the bar and attorneys are denied admission or sanctioned for failure to comply with Board of Law Examiners' or the CLE Board's requirements. New certifying agencies continue to apply for accreditation to certify lawyers as specialists. The Boards' customers are routinely surveyed and their responses affirm that services are provided in a timely and professional manner.
- The Minnesota Bar is and remains well-educated and prepared to carry out the obligations of licensure. As a result of the accreditation of reputable agencies, only those members of the bar who have met high standards of demonstrated expertise, may hold themselves out as specialists in a field of law.

The factors driving their stable or improving performance trend include the development and implementation of computer technology which permits timely and accurate completion of investigations and valid administration of professional examinations. While the performance trend is stable, the Boards continually look for ways to improve performance and increase efficiencies in operation.

For the Office of Lawyer Professional Responsibility when the number of complaint files closed each year is equal to or exceeds the number of new complaints received, case backlog is prevented and unnecessary delays and/or frustration for complainants and respondent attorneys is reduced. In the current year, the OLPR maintained the number of complaint files closed at a rate that slightly exceeded the number of new complaints received. Proper case management allows the office to fulfill its many other tasks, principally handling major public discipline matters but also speaking at CLE courses, writing articles, and overseeing attorneys on probation.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of applicants for admission to the Bar	1,283	1,303	2012 and 2013
Quantity	Number of approved Continuing Legal Education courses	11,394	11,696	2011 and 2013
Quantity	Number of lawyers certified as specialists	959	940	2012 and 2013
Quantity	Number of complaints received by Office of Lawyers Professional Responsibility	1,288	1,252	2012 and 2013
Quantity	Number of complaint files closed by Office of Lawyers Professional Responsibility	1,287	1,279	2012 and 2013

M.S. 481.01 <https://www.revisor.mn.gov/statutes/?id=480.01> provides the legal authority for the Boards.

Expenditures By Fund

	Actual		Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY13	FY14	FY15	FY16	FY17	FY16	FY17
2000 - Restricted Misc Special Rev	5,628	6,220	6,017	6,868	6,909	7,233	6,909	7,233
Total	5,628	6,220	6,017	6,868	6,909	7,233	6,909	7,233
Biennial Change				1,038		1,257		1,257
Biennial % Change				9		10		10
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Program

Program: Lawyers Board	5,628	6,220	6,017	6,868	6,909	7,233	6,909	7,233
Total	5,628	6,220	6,017	6,868	6,909	7,233	6,909	7,233

Expenditures by Category

Compensation	3,244	3,540	3,427	4,080	4,394	4,712	4,394	4,712
Operating Expenses	1,988	2,243	2,163	2,303	2,057	2,050	2,057	2,050
Other Financial Transactions	25	53	44	88	49	49	49	49
Grants, Aids and Subsidies	367	381	381	397	409	422	409	422
Capital Outlay-Real Property	4	3	3					
Total	5,628	6,220	6,017	6,868	6,909	7,233	6,909	7,233

Full-Time Equivalents

39.7	41.0	39.7	39.7	39.7	39.7	39.7	39.7
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(Dollars in Thousands)

2000 - Restricted Misc Special Rev

	Actual		Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY12	FY 13	FY 14	FY15	FY16	FY17	FY16	FY17
Balance Forward In	10,111	10,771	10,955	11,322	10,198	9,128	10,198	9,128
Receipts	7,855	7,747	6,409	5,743	5,839	5,806	5,839	5,806
Net Transfers	(1,817)	(1,563)	(24)					
Expenditures	5,628	6,220	6,017	6,868	6,909	7,233	6,909	7,233
Balance Forward Out	10,521	10,735	11,322	10,198	9,128	7,702	9,128	7,702
<i>Biennial Change in Expenditures</i>				1,038		1,257		1,257
<i>Biennial % Change in Expenditures</i>				9		10		10
<i>Gov's Exp Change from Base</i>								0
<i>Gov's Exp % Change from Base</i>								0
FTEs	39.7	41.0	39.7	39.7	39.7	39.7	39.7	39.7