

6.5 Approval of Increase to California Accredited Law School "Fees for Services" Fee



# The State Bar of California

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## **OPEN SESSION AGENDA ITEM 6.5 SEPTEMBER 2024 BOARD OF TRUSTEES**

**DATE:** September 19, 2024

**TO:** Members, Board of Trustees

**FROM:** Cody Hounanian, Program Director, Office of Admissions

**SUBJECT:** Approval of Increase to California Accredited Law School “Fees for Services” Fee

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### **EXECUTIVE SUMMARY**

Between September 2023 and July 2024, the Board of Trustees approved changes to over thirty different fees related to programs throughout the Office of Admissions including those pertaining to law study, exams, special admissions, and law schools. Staff are returning to seek approval of an increase in the “Fees for Services” fee applied to California Accredited Law Schools (CALs) from \$275 per hour to \$350 per hour intended to align with a similar change for unaccredited law schools approved in September 2023. This revision is returning independently because the staff report presented to and the resolution approved by the Board in March 2024 did not explicitly identify this fee as it had with others. To avoid any possibility of ambiguity, staff seeks the Board’s approval on this final remaining fee revision and to revise the Rules of the State Bar of California, Appendix A, Schedule of Charges and Deadlines, accordingly as detailed in Attachments A and B.

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### **RECOMMENDED ACTION**

Approval of revisions to the Rules of the State Bar of California, Appendix A, [Schedule of Charges and Deadlines](#), related to California Accredited Law Schools.

### **DISCUSSION**

In [September 2023](#), following two rounds of public comment, the Board of Trustees approved a package of changes to Office of Admissions fees, including fees related to law study, exams, special admissions, and unaccredited law schools, as part of a comprehensive effort to address the structural deficit in the Admissions Fund. Among the unaccredited law school fee revisions was an increase in the “Services of Senior Executive or Consultant” fee from \$275 to \$350 per hour; the fee covers the cost of various services provided by staff or consultants.

The Board postponed its approval of the fees related to the CALS and directed staff to continue the stakeholder engagement process with respect to certain fees.

In [March 2024](#), after an additional public comment period, the Board approved new CALS fees and directed staff to return in July to approve revisions to Appendix A pending feedback from law schools needed to determine the fee amount for the newly approved “Accreditation Services” fee. In [July 2024](#), the Board approved revisions to Appendix A, reflecting the approved changes to CALS fees.

### **APPROVAL OF INCREASE IN “FEES FOR SERVICES” FEE**

Among the revisions to CALS fees presented to the Board, was an increase in the “Fees for Services” fee from \$275 to \$350 per hour, intended to align with a similar change to the “Services of Senior Executive or Consultant” fee for unaccredited law schools. That change was initially presented in a staff report in [May 2023](#).

The “Fees for Services” fee for CALS is distinct from the hourly rate for unaccredited law schools because it also applies to determining the final cost of law school inspections (there is a flat fee for unaccredited law school inspections), and the \$350 hourly rate informed the increase in the CALS law school inspection deposit approved by the Board in March 2024.

However, the March 2024 staff report did not include the additional context that the “Fees for Services” fee applies to other services beyond law school inspections, namely other CALS fees listed in Appendix A where the total cost for time and expenses is billed to law schools including processing applications for accreditation and major change requests. As a result, the resolution approving CALS fee changes in March 2024 did not explicitly identify this fee as it did with the inspection deposit and others.

Impacted stakeholders were aware of the proposed increase in the “Fees for Services” fee and its impact beyond law school inspections. A [January 2024](#) staff report attached a summary of public comments including a joint [letter submitted by CALS](#) that discussed the matter. In response to this letter, staff held meetings with CALS deans or their representatives on February 20 and March 6 where staff shared documents produced by the Office of Finance in which the \$350 per hour fee was further communicated.

Staff seeks the Board’s approval to increase the “Fees for Services” fee for CALS from \$275 per hour to \$350 per hour and to approve the corresponding revision to Appendix A, as shown as redlines in Attachment A and a clean version in Attachment B. State Bar Rule 1.10(B)(3) states that public comment is not required to add or modify an appendix to the Rules of the State Bar of California.

### **PREVIOUS ACTION**

[September 2023](#): The Board approved revisions to unaccredited law school rules and directed that the proposed increases on the fees assessed to the CALS be adjusted downward and circulated for additional public comment.

[March 2024](#): The Board approved changes to the CALS fees and the one title change to the unaccredited law school fees, and directed staff to return in July with revisions to the Schedule of Charges and Deadlines.

[July 2024](#): The Board approved revisions to Appendix A reflecting changes approved by the Board at the March 2024 meeting.

## **FISCAL/PERSONNEL IMPACT**

While the impact of all changes to Office of Admissions fees was estimated to increase revenue by roughly \$7 million annually, the increase in both the “Fees for Services” fee for CALS and the previously approved “Services of Senior Executive or Consultant” fee for unaccredited law schools was estimated to increase revenue by \$37,000 annually.

## **AMENDMENTS TO RULES**

Appendix A: Schedule of Charges and Deadlines

## **AMENDMENTS TO BOARD OF TRUSTEES POLICY MANUAL**

None

## **STRATEGIC PLAN GOALS & IMPLEMENTATION STEPS**

None – core business operations

## **RESOLUTIONS**

**Should the Board of Trustees concur, it is:**

**RESOLVED**, that the Board of Trustees approves revisions to the Rules of the State Bar of California Appendix A, Schedule of Charges and Deadlines, related to accredited law school fees reflecting a change in the “Fees for Services” fee from \$275 per hour to \$350 per hour, as shown in Attachment B.

## **ATTACHMENTS LIST**

- A. Appendix A, Schedule of Charges and Deadlines Related to California Accredited Law Schools (Redline Version)
- B. Appendix A, Schedule of Charges and Deadlines Related to California Accredited Law Schools (Clean Version)

**ATTACHMENT A**

## TITLE 4, DIVISION 2

ACCREDITED LAW SCHOOL FEES

Rule	Description	Amount	Deadline
4.110(A) & (B)	Fees for Services	<del>\$275</del> <b>\$350</b> /hour Total cost: Time and expenses	Not applicable
4.110(C)	Travel Expenses (per State Bar Travel Reimbursement policy)	Actual cost	Not applicable
4.121(A)	Application for Provisional Accreditation fee	Deposit: \$750 Total cost: Time and expenses	Not applicable
4.121(D)	Provisional Accreditation Inspection and Report fee (plus expenses per rule 4.110(C))	Deposit: \$750 Total cost: Time and expenses	Not applicable
4.140-4.143	Application for Accreditation fee	Deposit: \$750 Total cost: Time and expenses	Not applicable
4.147(B) & (C)	Application for Jointly Accredited Status fee	Deposit: \$750 Total cost: Time and expenses	Not applicable
4.144-4.146	Accreditation Inspection and Report fee (plus expenses per rule 4.110(C))	Deposit: \$5,000 Total cost: Time and expenses	Not applicable
4.161	Accreditation Services fee for Accredited Law Schools and Deadline	\$60.44 per enrolled student	November 15
4.161	Accreditation Services fee for Jointly Accredited Law Schools and Deadline	\$53.79 per enrolled student	November 15
4.161	Late Filing of Periodic Compliance Report fee	\$350	Not applicable
4.161(A)	Annual Branch Campus fee	Not applicable	Not applicable
4.161(A)	Annual Satellite Campus fee	Not applicable	Not applicable
4.124, 4.144, 4.162, 4.172(D)	Periodic or Other Inspections (plus expenses per rule 4.110(C))	Deposit: \$37,500 Total cost: Time and expenses	Deposit to be paid in full a minimum of 30 days prior to a scheduled inspection
4.121, 4.141, 4.163	Self-Study fee	Deposit: \$750 Total cost: Time and expenses	Not applicable
4.109, 4.165	Application for Major Change or Waiver fee	Deposit: \$250 Total cost: Time and	Not applicable

Appendix A, Schedule of Charges and Deadlines Related to California Accredited Law Schools (Redline Version)

		expenses	
4.165	Major Change Inspection and Report fee (plus expenses per rule 4.110(C))	Deposit: \$2,000 Total cost: Time and expenses	Not applicable

Appendix A, Schedule of Charges and Deadlines Related to California Accredited Law Schools (Redline Version)

4.170(B)	Response to Notice of Noncompliance fee	Deposit: \$800 Total cost: Time and expenses	Not applicable
4.170(B)(2)	Site Inspection Regarding Notice of Noncompliance fee (plus expenses per rule 4.110(C)), including Probation or Other Monitoring	Deposit: \$2,000 Total cost: Time and expenses	Not applicable

## ATTACHMENT B

## TITLE 4, DIVISION 2

ACCREDITED LAW SCHOOL FEES

Rule	Description	Amount	Deadline
4.110(A) & (B)	Fees for Services	\$350/hour Total cost: Time and expenses	Not applicable
4.110(C)	Travel Expenses (per State Bar Travel Reimbursement policy)	Actual cost	Not applicable
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