

MINNESOTA BOARD OF CONTINUING LEGAL EDUCATION 2016 ANNUAL REPORT

Including

MINNESOTA LAWYER REGISTRATION OFFICE



MINNESOTA BOARD OF CONTINUING LEGAL EDUCATION AND MINNESOTA LAWYER REGISTRATION OFFICE ANNUAL REPORT: 2016

The Minnesota Board of Continuing Legal Education (Board) administers Minnesota lawyers' compliance with their continuing legal education (CLE) requirements. The Board accredits CLE courses in compliance with the CLE Rules and removes from active status those lawyers who fail to comply with their CLE requirements.

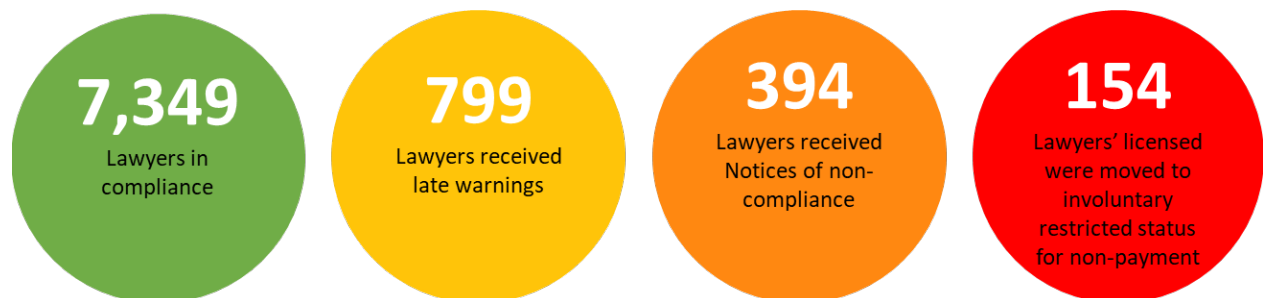
The CLE Board oversees the Lawyer Registration Office (LRO). LRO maintains the official database of Minnesota-licensed lawyers, processes annual registration statements for all Minnesota-licensed lawyers, and issues certificates of good standing.

All Minnesota lawyers listed in the public LRO database are designated as either "Authorized" or "Not authorized" to practice law, depending upon their lawyer registration payment status, CLE compliance status, and disciplinary status.

I. LAWYER CLE COMPLIANCE

To maintain an active license, each Minnesota lawyer must attend and report at least 45 hours of accredited CLE courses every three years, including three credit hours of Ethics and Professional Responsibility and two credit hours of Elimination of Bias. Each lawyer is assigned to reporting categories "1," "2," or "3," based on the year the lawyer was admitted to the Bar.

8,148 Category 2 Minnesota-licensed lawyers were due to report CLE compliance on or before August 31, 2016 for the July 1, 2013 to June 30, 2016 reporting period.

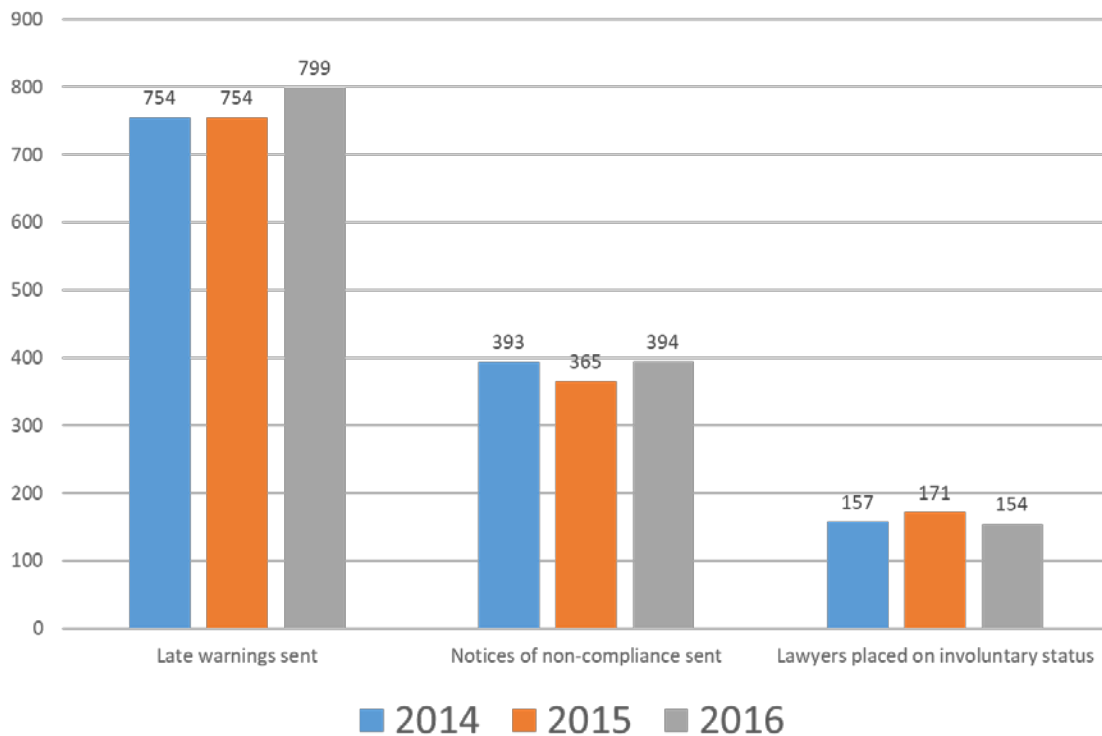


If a lawyer fails to complete and report CLE in a timely manner, a warning letter is sent followed by a Notice of Non-Compliance.

In September 2016, the Board office sent 799 warning letters to Category 2 lawyers, slightly more than the 754 sent in 2015. In October 2016, the Board sent 394 Notices of Non-Compliance, compared to 365 in 2015.

A lawyer has 30 days following receipt of the Notice of Non-Compliance to take one of these actions: 1) complete his or her coursework; 2) request an extension; 3) request to be placed on voluntary restricted status; or 4) request a hearing before the Board. If the lawyer does not take one of these actions, the Board will request that the Court place the lawyer's license on involuntary restricted status.

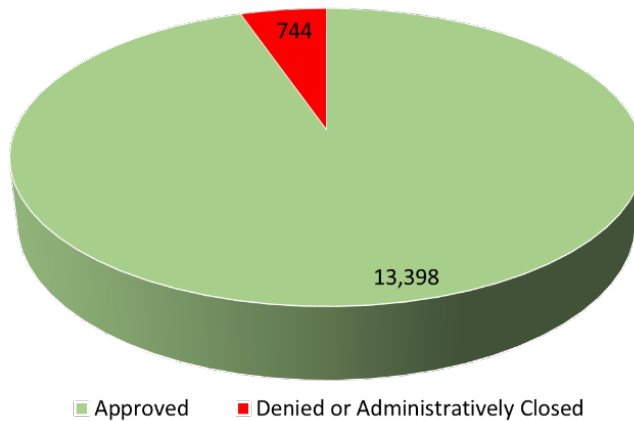
By the end of 2016, 154 Category 2 lawyers remained out of compliance, compared to 171 in 2015. Those lawyers' names were sent to the Court in late December, along with a request that the Court place their licenses on involuntary status for failure to comply with CLE requirements for the 2013-2016 reporting period.



II. CLE COURSE REVIEW

CLE staff members review each submitted course accreditation application to verify that the course has legal content, that the faculty meets Rule qualifications, and that the

Course Applications Received: 2016



course content meets the CLE Rule 5 standards for approval. If additional information is requested and the sponsor does not provide, the application is administratively closed.

Staff reviewed 13,452 course applications during 2016, compared to 14,256 reviewed in 2015, a 5.64% decrease.

Courses in the special categories of Elimination of

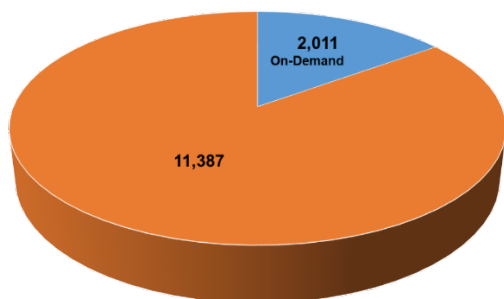
Bias and Ethics are reviewed closely to ensure compliance with Rule requirements. Of the courses for which credit was applied in 2016, 3,112 courses had at least one segment qualifying for Ethics credit, compared with 3,337 in 2015. In 2016, 549 courses had at least one segment qualifying for Elimination of Bias credit, compared with 507 in 2015.

III. ON-DEMAND CLE CREDITS

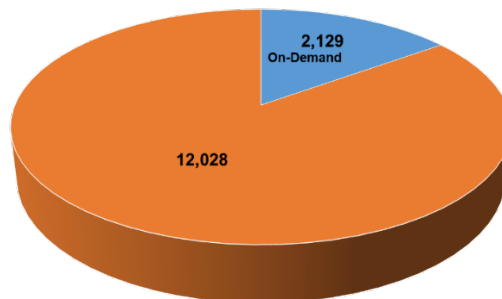
In 2014, the Court amended the Rules to permit lawyers to claim up to 15 credits for on-demand viewing within the 45 credit hour CLE reporting period. In 2017, the Board is due to file its final report with the Court addressing the impact of the amendments on compliance.

In 2016, approximately 15% of courses offered were on-demand, roughly the same as 2015. In 2016, 1,014 lawyers reported attendance at on-demand course, and 42.9% of lawyers attending on-demand courses had been admitted fewer than 10 years.

**On-Demand vs. Live Courses
2016**



**On-Demand vs. Live Courses
2015**



IV. RULE 6D – CREDIT FOR PRO BONO PARTICIPATION

Minnesota lawyers can claim one standard CLE credit for every six hours of pro bono work performed for “approved legal service providers” (defined in the CLE Rules), up to a maximum of six CLE credits per 3-year reporting period.

During the 2016 calendar year, 168 lawyers claimed a total of 775.25 CLE credits for pro bono service. The number of pro bono lawyers increased slightly from 2015 when 158 lawyers claimed pro bono credit. Between 2015 and 2016, the number of pro bono hours reported increased slightly, from 10,676.65 in 2015 to 10,700 in 2016.



Table 1 shows the agencies through which the pro bono representation was provided, as well as the number of lawyers reporting and the number of hours reported.

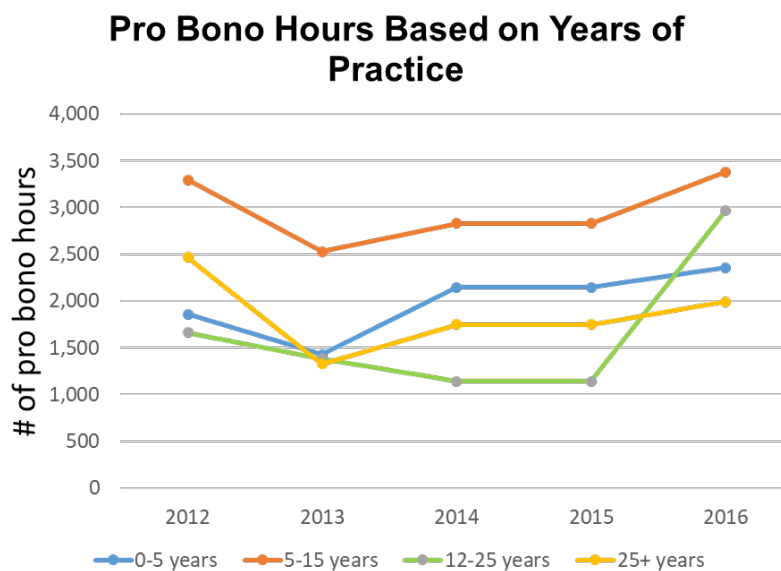
Table 1: Pro Bono Participation: By Legal Services Provided

Agency	2014			2015			2016		
	Lawyers	Credits	Hours	Lawyers	Credits	Hours	Lawyers	Credits	Hours
Access Justice	2	12	215	2	12	512	0	0	0
Cancer Care Line	1	6	48	0	0	0	1	6	48
Central MN Legal Services (CMLS)	2	11	80	4	21	139.55	5	24.75	316
Children's Law Center	11	62	691.1	11	63.25	1112.45	16	85.25	849
Dorsey & Whitney Low Income Program	1	6	36	0	0	0	1	6	74
East River Legal Services	1	2	12	1	1	7	0	0	0
Faegre & Benson Low Income Program	1	4	212	2	12	331	1	6	100
Federal Program	0	0	0	1	6	695	1	6	367
Federal Bar Association, MN Chapter, Pro Se Project	9	42.5	1,204.1	8	33.75	1448.2	4	17	138
Immigrant Law Center of MN	18	67.5	559.93	10	42.75	380.05	7	29	185
Indian Child Welfare Center	1	6	107	0	0	0	0	0	0
Innocence Project	0	0	0	1	6	183	0	0	0
Institute for Justice	1	1.5	9.2	1	6	126	0	0	0
Judicare of Anoka County	2	12	125	2	12	141.3	2	9.25	86
Law Libraries	0	0	0	0	0	0	4	12.5	164
Legal Aid of Wisconsin	0	0	0	0	0	0	1	6	36
Legal Aid of Northeastern MN	0	0	0	0	0	0	1	1	6
Legal Assistance of Dakota County	4	14	88.8	5	25	218.4	11	43	359
Legal Assistance of Olmsted County	2	7	131	1	1.75	11.25	1	6	50
Legal Assistance of Washington County	2	4	27	0	0	0	0	0	0
Legal CORPS	5	21.25	148.4	6	25.25	334.35	8	36.5	318
Legal Services of Northwest MN	0	0	0	3	17	117.25	2	12	122
Leonard Street & Deinard Legal Clinic	0	0	0	1	6	93	1	6	70
Lindquist and Vennum	1	6	100	0	0	0	8	44	890
Mid-MN Legal Assistance	8	23.75	406	6	29.25	290.7	5	21	170
MN AIDS Project	1	3.25	20	0	0	0	0	0	0
MN Council for Veterans	0	0	0	2	12	121	1	6	55
MN Disability Law Center	0	0	0	0	0	0	1	6	100
MN Judicial Branch Program	4	19.75	375.25	6	27	259	5	26	455
Neighborhood Justice Center	0	0	0	1	6	38.3	0	0	0
Robins, Kaplan Low Income Project	1	6	36	2	12	180	1	6	369
Southern MN Regional Legal Services	11	61.5	589.7	14	69	730.85	8	37	518
The Advocates for Human Rights	8	40.75	480.4	12	65.25	708.9	8	43	484
Tubman Family Alliance & Chrysalis	7	33.25	301.95	10	37.75	402.5	4	18	272
Twin Cities Christian Legal Aid	0	0	0	2	12	87.65	1	6	70
Volunteer Attorney Program	12	52.5	607.1	11	21.25	169.45	20	72	718
Volunteer Lawyers Network	28	132	1248.05	33	154	1838.5	39	178	3311
TOTALS	144	657.5	7,859	158	736.25	10,676.65	168	775.25	10,700

The chart below summarizes the organizations with the highest number of lawyers participating in their programs, the organizations with the highest number of pro bono hours reported, and the practice areas with the highest participation.

	2014	2015	2016
Organizations with highest # of lawyers participating	<ol style="list-style-type: none"> 1. Volunteer Lawyers Network (28) 2. Immigrant Law Center of Minnesota (18) 3. Southern Minnesota Regional Legal Services (11) and Children’s Law Center (11) 	<ol style="list-style-type: none"> 1. Volunteer Lawyers Network (33) 2. Southern Minnesota Regional Legal Services (14) 3. The Advocates for Human Rights (12) 	<ol style="list-style-type: none"> 1. Volunteer Lawyers Network (39) 2. Volunteer Attorney Program (20) 3. Children’s Law Center (16)
Organizations with highest # of pro bono hours	<ol style="list-style-type: none"> 1. Volunteer Lawyers Network (1,248) 2. Federal Bar Association Minnesota Chapter Pro Se Project (1,204) 3. Children’s Law Center (691) 	<ol style="list-style-type: none"> 1. Volunteer Lawyers Network (1,833) 2. Federal Bar Association Minnesota Chapter Pro Se Project (1,448) 3. Children’s Law Center (1,112) 	<ol style="list-style-type: none"> 1. Volunteer Lawyers Network (3,311) 2. Lindquist and Venum (890) 3. Children’s Law Center (849)
Practice areas with highest participation	<ol style="list-style-type: none"> 1. Family Law (2, 177 hours) 2. Immigration Law (1,331 hours) 3. Multiple categories (925 hours) 	<ol style="list-style-type: none"> 1. Family Law (2,340 hours) 2. Multiple categories (1,669 hours) 3. Civil Liberties/Individual Rights (1,491 hours) 	<ol style="list-style-type: none"> 1. Family Law (2,050 hours) 2. Multiple categories (1,663 hours) 3. Housing (1,417 hours)

The chart below shows the number of years of practice experience that lawyers participating in pro bono programs have. In 2016 the category of pro bono lawyers with the highest number of pro bono hours was that of lawyers with 5 to 15 years of practice experience.



V. CLE EMERITUS LAWYER PROGRAM

The Emeritus Lawyer program permits retired Minnesota lawyers to represent pro bono clients who have been referred by an approved legal services provider. An Emeritus lawyer is one who has elected retired status under the Lawyer Registration Rules and who complies with the specific CLE requirements outlined in Rule 14 of the CLE Rules which provides that Emeritus lawyers attend three hours of CLE related to the area or areas of pro bono law in which they intend to practice. Between January 1, 2016 and December 31, 2016, three lawyers sought and received Emeritus status, and two lawyers renewed their status. As of December 31, 2016, 12 retired lawyers were participating in the Emeritus Lawyer program. Additional information is available on the Board's website.

VI. SUPERVISORY AUTHORITY OF THE CLE BOARD OVER THE LAWYER REGISTRATION OFFICE

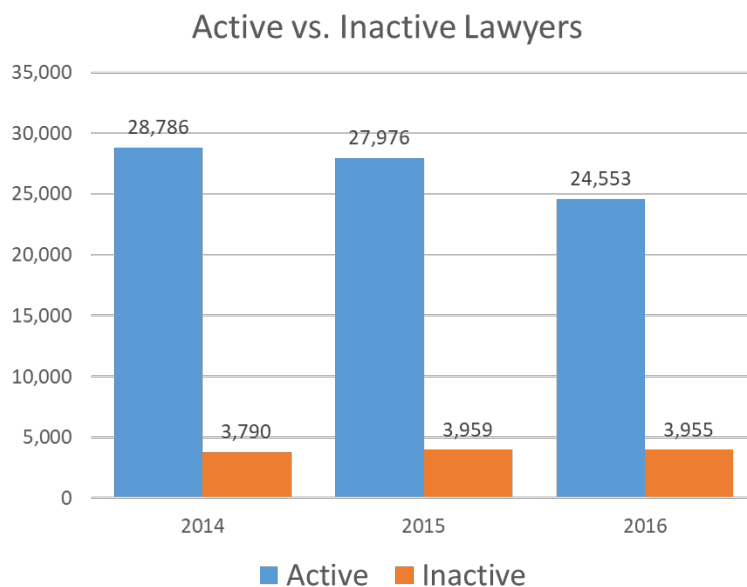
The CLE Board has had supervisory authority over the Lawyer Registration Office (LRO) since August 1, 2014. The Lawyer Registration Office's budget remains separate from the budget of the CLE office.

VII. LAWYER REPORTING OBLIGATIONS

In 2016, the Lawyer Registration Office processed 28,508 annual registration statements, compared to 27,976 processed in 2015, an increase of 1.9%. There were 21,307 payments processed online by credit card, debit card, or ACH payment, compared to 16,512 online payments in 2015.

Online payments accounted for approximately 74% of all payments received. This increase is attributable to a new \$10 paper filing fee that the Court adopted effective with the January 1, 2016 registration cycle.

During the 2016 calendar year, there were a total of 24,553 active licensed lawyers in Minnesota. As of December 31, 2016, a total of 3,955 lawyers were on inactive status.¹



¹ "Inactive" status means the lawyer is in good standing, but not authorized to practice law. This group of lawyers is considered to be licensed.

VIII. FUNDING

CLE

Board revenues are generated from Lawyer Registration fees and fees derived from CLE late filing fees, CLE lawyer reinstatement fees, affidavit filing fees, and course applications. In calendar year 2016, these fees generated revenue totaling \$369,252. **Table 2** shows the fees received in 2016 compared to those received in the past three calendar years.

The Board's revenue from the Lawyer Registration fee decreased by \$197,769 in 2016 compared to 2015. Of this figure, \$90,615 was a result of the reduction in the Lawyer Registration fee that was implemented with the January 2016 annual statement period.

The other significant decrease in funding was from course accreditation fees. The Board receives a \$35 application fee for each course submitted by paper that is more than 60 minutes in length that is not a video replay of a previously approved course. Effective January 1, 2016, courses submitted online have a reduced application fee of \$20. Revenue received in 2016 from course accreditation fees decreased by \$106,124, compared to 2015. Revenue from paper affidavit fees continued to decrease slightly in 2016 as more lawyers move to online reporting of CLE hours.

Table 2: CLE Receipts for Calendar Years 2014-2016

Fee	2014	2015	2016
Lawyer Registration fees	\$146,901	\$121,579	\$30,964
Late affidavit/non-compliance filing fees	\$80,350	\$86,400	\$84,025
Reinstatement fees	\$27,375	\$22,125	\$25,000
Course accreditation fees	\$306,890	\$332,037	\$225,913
Paper affidavit fees	\$4,960	\$4,880	\$3,350
Total	\$566,476	\$567,021	\$369,252

Despite decreases in the amounts of revenue being received from the various sources, the Board has adequate revenue from existing funding sources to fund its operations.

LRO

The Lawyer Registration Office is responsible for collecting lawyers' annual registration fees that are allocated among the various Court Boards and other entities in accordance with Supreme Court rules. The Boards and entities to which the funds it collects are allocated include the Lawyer Registration Office, Board of Law Examiners, Board of Continuing Legal Education, Lawyers Professional Responsibility Board, Client Security Fund (CSF), and the Legal Services Advisory Committee (LSAC).

LRO is funded by an allocation from the Lawyer Registration Fee, late fees, and requests for certificates of good standing and duplicate licenses. **Table 3** shows the Lawyer Registration revenue for the past three years.

Table 3: LRO Receipts for Calendar Years 2014-2016

Fee	2014	2015	2016
Lawyer Registration fees	\$59,928	\$113,211	\$116,356
Late fees	\$143,773	\$155,134	\$152,102
Paper filing fees	\$0	\$18,290	\$74,520
Misc.	\$64,021	\$64,612	\$60,402
Total	\$260,722	\$351,247	\$403,380

In 2016, LRO collected approximately \$7 million in total revenue from Minnesota lawyers. **Table 4** lists the six lawyer payment categories of annual registration fees, as well as the three categories that do not generate fees. **Table 5** shows the allocations effective with the January 1, 2016 statement period.

Table 4: Registration Fees

Status	Fee prior to 1/1/16 statements	Fee effective with 1/1/16 statements
Active Status	\$254	\$248
Active Status - Income Less Than \$25,000	\$226	\$220
Active Status - Lawyers on Fulltime Military Duty ²	-	-
Active Status - Lawyers Admitted Fewer than Three Years	\$120	\$114
Active Status - Lawyers Admitted Fewer than Three Years - Income Less Than \$25,000	\$106	\$100
Inactive Status - MN Resident or Out-of-State	\$211	\$205
Inactive Status - MN Resident or Out-of-State - Income Less Than \$25,000	\$183	\$177
Inactive Status – Retired	-	-
Inactive Status - Permanent Disability	-	-

² Active duty military are exempt from paying attorney fees. See *Minnesota Statute 325.56*,

Table 5: Fee Allocations Effective with January 1, 2016 Statements

	\$ 100	\$ 114	\$ 177	\$ 205	\$ 220	\$ 248
BLE	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21	\$ 21
CLE	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
OLPR	\$ 26	\$ 26	\$ 83	\$ 83	\$ 122	\$ 122
CSF	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12
LSAC1³	\$ 23	\$ 37	\$ 43	\$ 71	\$ 47	\$ 75
LSAC2⁴	\$ 13	\$ 13	\$ 13	\$ 13	\$ 13	\$ 13
LRO	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4

IX. STAFF

The Continuing Legal Education Board and Lawyer Registration Office share staff with the Board of Law Examiners. The allocations of time are as follows: Director (30%), Managing Attorney (30%), Staff Attorney (32%), and IT/Finance Administrator (34%). In addition, the CLE and LRO Administrator, Liz Vanderbeek, handles the day-to-day operations of the department along with a staff of three CLE and LRO Specialists. Ms. Vanderbeek is active in the Continuing Legal Education Regulators Association (CLEreg), a national organization promoting best practices among CLE regulators.

X. BOARD MEMBERS

The Board is comprised of 12 Board members and a chairperson. Three members are public members; one member is a district court judge; the Minnesota State Bar Association nominates six lawyer members to the Board; and the other three lawyer members nominate themselves for membership. All are appointed by the Minnesota Supreme Court.

The Minnesota Supreme Court appoints each member to a staggered 3-year term, with no member serving more than two 3-year terms. In 2016, the Board was comprised of the following members:

- Nancy McLean, Chair, Hennepin County Attorney's Office - Retired
- Ravindra Chintapalli, Public Member
- Craig T. Dokken, Henningson & Snoxell, Ltd.
- Samuel J Edmunds, Sieben Edmunds PLLC
- John B. Gordon, Lawyer

³ LSAC1: Payments allocated to Legal Services Advisory Committee for civil legal services and grant program purposes.

⁴ LSAC2: Payments allocated to Legal Services Advisory Committee for a lawyers assistance program.

- Moira Grosbard, Public Member
- Jenna M. Peterson, Redwood County Attorney's Office (appointed 7/1/16)
- Geoffrey Hjerleid, Olmstead County Attorney's Office (term ended 6/30/16)
- Kevin D. Hofman, Halleland Habicht
- William C. Kuhlmann, Security Bank & Trust Co.
- Sally L. Macut, Public Member (term ended 6/30/16)
- Brett W. Olander, Walsh & Gaertner, P.A.
- Cheryl Ryland, Public Member (appointed 7/1/16)
- Constance Tuck, Minnesota Department of Human Services, Retired
- Hon. Edward T. Wahl, Judge of the Fourth Judicial District

Justice Wilhelmina Wright was the 2016 Supreme Court liaison to the Board.


XI. CONCLUSION

The Board of Continuing Legal Education and the Lawyer Registration Office continue to operate with adequate funds. The Board continues to expand and refine its use of technology in the administration of the Continuing Legal Education Rules and the Rules on Lawyer Registration. The expanded use of technology continues to be the most efficient way to administer the two sets of rules, as well as the most effective way to serve Minnesota lawyers and course sponsors.

The Lawyer Registration function touches every licensed Minnesota lawyer and is the official and sole source of public information identifying those lawyers who are authorized to practice law in Minnesota and those who are not authorized. The Lawyer Registration Office database is the definitive source that lawyers, judges, and the public rely upon for this important information, and the office continues to seek greater efficiencies in its operations while increasing customer service to the lawyers and judges of the State of Minnesota.

Respectfully submitted,

MINNESOTA BOARD OF CONTINUING LEGAL EDUCATION



Nancy McLean
Chair



Margaret Fuller Corneille, Director (Retired 4/6/17)
Emily Eschweiler, Director (4/7/17 to present)

May 22, 2018

Date