# **Department of Legislative Services**

Maryland General Assembly 2015 Session

#### FISCAL AND POLICY NOTE

Senate Bill 317
Judicial Proceedings

(Senator Ramirez, et al.)

#### **Lawyers - Fees - Payment by Credit or Debit Card**

This bill requires the Court of Appeals to allow an applicant to the Bar or a lawyer to use a credit or debit card to pay (1) an examination fee or any other fee required for admission to the Bar and (2) any annual fee assessed against a lawyer. The Court may charge a processing fee for each credit or debit card payment made under the bill, up to the actual cost incurred in processing the credit or debit card payment.

## **Fiscal Summary**

**State Effect:** General and/or special fund expenditures for the Judiciary increase minimally beginning in FY 2016 for programming and related costs necessary to implement the bill. As the bill authorizes a processing fee for each credit or debit card payment, up to the actual cost incurred in processing the payment, general/special fund revenues increase only to the extent necessary to recoup processing costs.

**Local Effect:** None.

Small Business Effect: None.

### **Analysis**

**Current Law/Background:** The Court of Appeals is not required to accept a credit or debit card payment for the fees specified in the bill. The Court currently does not accept credit and debit card payments for these fees.

Current fees for in-state applicants to the Bar are \$225 if filed timely or \$275 if filed late and must be paid by check or money order made payable to the State Board of

Law Examiners. Fees are higher for out-of-state applicants; however, fees to the board must be paid by check or money order.

The State Board of Law Examiners is a seven-member board appointed by the Court of Appeals. The board administers the Maryland Bar examination, investigates the legal competence and character and fitness of persons who seek a license to practice law in the State courts of the State of Maryland, and recommends to the Court of Appeals those candidates qualified for admission to the Maryland Bar.

The Client Protection Fund was created in 1966. The fund reimburses clients for losses (not recoverable from other sources) caused by an attorney's or fiduciary's misuse of the client's money. With limited exceptions, the Court of Appeals requires all attorneys barred by the State of Maryland to pay the annual fee – currently set at the statutory \$20 maximum – to the fund. The fund may also raise and collect additional money through voluntary contributions or other means.

**Additional Comments:** The Judiciary advises that the requirement that the Court of Appeals accept credit and debit card payments for the specified fees by October 1, 2015, may not provide sufficient time to design, procure, implement, and monitor the process.

## **Additional Information**

**Prior Introductions:** SB 540 of 2014 received an unfavorable report from the Senate Judicial Proceedings Committee. Its cross file, HB 239, received an unfavorable report from the House Judiciary Committee.

Cross File: None.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Department of

Legislative Services

**Fiscal Note History:** First Reader - February 13, 2015

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