

SENATE BILL 201

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1998 Regular Session
8lr0996

By: **Senators Kelley, Stone, Middlebrooks, Ferguson, Forehand, Green,
Haines, and Hughes**

Introduced and read first time: January 28, 1998

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Lawyers - Clients' Security Trust Fund - Annual Fee**

3 FOR the purpose of eliminating the statutory cap on the amount of the fee that a
4 lawyer is required to pay to the Clients' Security Trust Fund; allowing the Court
5 of Appeals to set the fee in any amount; and generally relating to certain fees
6 paid to the Clients' Security Trust Fund.

7 BY repealing and reenacting, with amendments,
8 Article - Business Occupations and Professions
9 Section 10-311
10 Annotated Code of Maryland
11 (1995 Replacement Volume and 1997 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Business Occupations and Professions**

15 10-311.

16 (a) The Court of Appeals may adopt rules that:

- 17 (1) establish a Clients' Security Trust Fund of the Bar of Maryland;
18 (2) provide for the appointment of trustees to administer the Fund; and
19 (3) provide for the operation of the Fund.

20 (b) The purpose of the Fund is to maintain the integrity of the legal profession
21 by paying money to reimburse losses caused by defalcations of lawyers.

22 (c) By rule, the Court of Appeals may:

- 23 (1) require a lawyer to pay an annual fee[, not exceeding \$20,] to the
24 Fund, IN AN AMOUNT SET BY THE COURT OF APPEALS; and

1 (2) specify the penalties, including suspension and disbarment, for
2 practicing law without having paid the annual fee.

3 (d) The Fund may raise and collect money through voluntary contributions or
4 other means.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 1998.