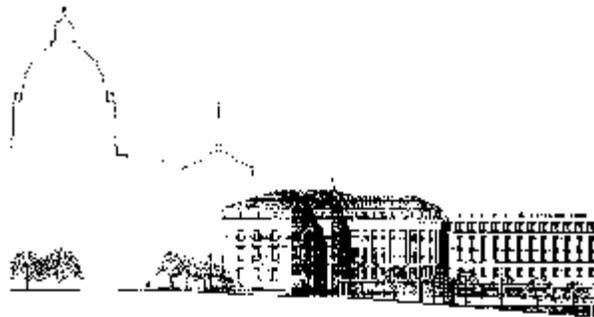


State of Minnesota

**Board
of
Continuing Legal Education**



**ANNUAL REPORT
CALENDAR YEAR 2013**

MINNESOTA BOARD OF CONTINUING LEGAL EDUCATION ANNUAL REPORT: 2013

The Minnesota Board of Continuing Legal Education (Board) administers Minnesota-licensed lawyers' compliance with continuing legal education (CLE) requirements. The Board also ensures that lawyers who fail to comply with the CLE requirements are removed from the list of lawyers who are authorized to practice law in Minnesota. Additionally, the office of the Board reviews and accredits CLE courses in accordance with the requirements set forth in the Rules of the Minnesota State Board of Continuing Legal Education (CLE Rules).

I. LAWYER COMPLIANCE

Under the CLE Rules, in order to maintain an "active" license, each Minnesota lawyer is required to attend and report at least 45 hours of accredited CLE courses every three years, including three credit hours of Ethics and Professional Responsibility ("Ethics") 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.

During the July 1, 2010 to June 30, 2013 reporting period, 7,861 Category 2 Minnesota-licensed lawyers were due to report CLE compliance. The office of the CLE Board first sends a warning letter, and then a Notice of Non-Compliance, to each lawyer who fails to complete and report CLE in a timely manner. In September 2013, the Board office sent 737 warning letters to Category 2 lawyers; in October 2013, the Board sent 397 Notices of Non-Compliance.

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 2013, 186 Category 2 lawyers remained out of compliance. Those names were sent to the Court in late December, along with a request to place their licenses on involuntary status for failure to comply with CLE requirements for the 2010-2013 reporting period.

II. COURSE REVIEW

The Board office's Online Attorney Sponsor Information System (OASIS) allows sponsors to use an online portal to submit course approval requests, attach documentation, make payments, view pending applications, and view credit determinations in real time.

CLE staff members review each submitted course accreditation application to verify that the course has legal content, that the faculty met Rule qualifications, and that the course content meets the CLE Rule 5 standards for approval. Staff reviewed 11,696 course applications during 2013, compared to 14,997 reviewed in 2012. This appears to be a 22% decrease, but in fact it appears that the information system in use in 2012 counted courses inaccurately for that year.

As referenced above, **Table 1** below shows what appears to be significant variation in course application numbers in recent years. The significant decrease in course approvals in 2013 is attributable to inaccurate counting by the previous CLE information system. That system was replaced in 2013. The numbers being generated by the new CLEO information system in 2013 are consistent with those recorded in 2008 through 2011.

Table 1: Course Review Summary

	2007	2008	2009	2010	2011	2012	2013
Approved Courses	9,192	10,949	11,174	11,407	11,165	14,822	11,488
Disapproved Courses	201	300	344	176	129	175	102
Total Courses Reviewed	9,393	11, 249	11,518	11,583	11,394	14,997	11,696 ¹

Courses in the special categories of “elimination of bias” and “ethics” are reviewed closely to ensure compliance with Rule requirements. Of the courses held in 2013, 1,965 courses had at least one segment qualifying for ethics credit. The number of elimination of bias courses totaled 310 in 2013. In addition to ethics and elimination of bias, there are three other types of CLE credit: standard, law office management, and professional development. Each course is reviewed on a segment-by-segment basis to determine whether it meets one or more of the five CLE credit types.

III. RULE 6D – CREDIT FOR PRO BONO PARTICIPATION

Since July 1, 2008, Minnesota lawyers have the ability to claim one standard CLE credit for every six hours of pro bono work performed for “approved legal service providers,” up to a maximum of six CLE credits per 3-year reporting period. An approved legal services provider is defined as an organization funded by the Legal Services Corporation, or the Minnesota Legal Services Advisory

¹ There were more total courses reviewed than were either approved or disapproved, due to courses being closed or cancelled.

Committee (LSAC), or designated by LSAC to qualify as an approved legal services provider.

During the 2013 calendar year, 139 lawyers claimed a total of 599.5 credits, providing more than 6,666 hours of pro bono service. The number of lawyers decreased slightly from 2012 when 145 lawyers claimed credit. The number of hours reported also decreased from 9,275 in 2012 to 6,666 in 2013. Many of the participating lawyers are completing in excess of the 36 hours required to obtain the maximum of 6 credits.

Table 2 shows a breakdown of the agencies through which the pro bono representation was provided. The three organizations with the highest number of lawyers reporting pro bono hours continue to be the Volunteer Lawyer Network (27 lawyers), the Children's Law Center (21 lawyers), and Southern Minnesota Regional Legal Services (16 lawyers).

Table 3 shows the number of years of practice experience that lawyers participating in pro bono programs have. Most of the lawyers who reported credit during 2013 have 5 to 15 years of practice experience.

Table 4 shows a breakdown of the type of representation provided in 2013. The highest numbers of representation hours reported were in the areas of Family Law (1,795 hours), Immigration (1,163 hours), and Juvenile (746 hours).

Table 2: Pro Bono Participation: By Legal Services Provided

Agency	2011			2012			2013		
	Lawyers Claiming	Credits Reported	Hours Reported	Lawyers Claiming	Credits Reported	Hours Reported	Lawyers Claiming	Credits Reported	Hours Reported
Cancer Care Line	0	0	0	1	3	18	0	0	0
Central Minnesota Legal Services (CMLS)	5	27.75	690.9	1	6	48	3	18	163
Children's Law Center	17	91.5	784.35	14	65.75	1,273	21	100	1009.1
Dorsey & Whitney Low Income Pro Bono Program	0	0	0	1	6	38	0	0	0
East River Legal Services	1	1	6.5	0	0	0	0	0	0
Faegre & Benson Low Income Pro Bono Program	2	12	117.5	1	6	193	0	0	0
Federal Bar Association, MN Chapter, Pro Se Project	15	73.5	1,224.2	9	45.25	946	12	54.5	573
Fredrikson & Byron Low Income Program	1	1	6	1	1	6	0	0	0
Immigrant Law Center of Minnesota	5	23.25	157	11	47.25	326	11	36	313.5
Innocence Project	0	0	0	2	9	55	0	0	0
Institute for Justice	1	6	37	0	0	0	0	0	0
Iowa Legal Aid	0	0	0	1	6	50	0	0	0
Judicare of Anoka County	6	23.75	318.2	2	12	149	1	6	56
Legal Aid of Arkansas	0	0	0	1	6	36	0	0	0
Legal Aid of Nebraska	0	0	0	0	0	0	1	6	36
Legal Aid of North Texas	0	0	0	0	0	0	1	2.75	17.6
Legal Assistance of Dakota County	8	17.75	119.35	7	16	113	14	52.75	601.35
Legal Assistance of Olmsted County	3	18	146.7	0	0	0	0	0	0
Legal Assistance of Washington County	0	0	0	2	8.25	51	0	0	0
Legal CORPS	1	6	42.9	1	1.5	10	3	18	147.27
Legal Rights Center	0	0	0	0	0	0	1	6	200
Legal Services of Northwest MN	0	0	0	1	6	45	0	0	0
Leonard Street & Deinard Legal Clinic	4	14.5	246.25	7	39.5	573	0	0	0
Mid-Minnesota Legal Assistance	1	6	40	0	0	0	0	0	0
Minnesota Assistance for Vets	0	0	0	0	0	0	4	10	60
Minnesota Disability Law Center	1	6	48	0	0	0	0	0	0
Minnesota Volunteer Attorney Program	4	19	172.4	7	30	245	3	6.25	39.25
MN Council for Veterans Pro Bono Program	0	0	0	1	6	55	0	0	0
MN Judicial Branch Program	2	8	60	3	18	1593	1	6	120
Robins, Kaplan Low Income Project	0	0	0	0	0	0	2	12	184.5
Robins, Kaplan, Miller & Ciresi LLP Guardian ad litem Pro Bono Project	3	18	217.2	0	0	0	0	0	0
Southern Minnesota Regional Legal Services	18	77.25	759.65	18	87.75	796	16	68.75	851.4
The Advocates for Human Rights	10	57	794.05	8	45	827	9	51.75	1,032.65
Tubman Family Alliance & Chrysalis	6	22	234.6	8	34.75	446	2	7	50.25
Twin Cities Christian Legal Aid	0	0	0	1	1.5	9	2	8.25	183
Volunteer Attorney Program	4	17	129	5	23.5	145	5	19.75	133.45
Volunteer Lawyers Network	28	122.5	1175.55	31	132.25	1229	27	109.75	894.85
TOTALS	146	668.75	7,527.3	145	663.25	9,275	139	599.5	6,666.17

Table 3: Pro Bono Participation: Years of Practice and Number of Hours

	2012			2013		
Years of Practice	Lawyers	Credits	Hours	Lawyers	Credits	Hours
0-5	37	168.25	1,857	35	147	1,428
5-15	46	206.75	3,292	53	235.75	2,527
15-25	36	149.25	1,661	23	101.75	1,386
25 or more	26	139	2,464	28	115	1,325
TOTAL	145	663.25	9,274	139	599.5	6,666

Table 4: Pro Bono Participation: Practice Areas and Hours Reported

	2012			2013		
Practice Area	Lawyers	Credits	Hours	Lawyers	Credits	Hours
Civil Liberties/Individual Rights	2	12	346	4	21	199
Consumer	4	23	200	13	60.25	425
Contract	1	6	36	0	0	0
Criminal	4	17	204	1	6	200
Employment	2	12	85	9	33.5	329
Family Law	48	213	2,682	41	176.75	1,945
Guardian ad Litem	2	12	1,262	0	0	0
Health	1	6	39	0	0	0
Housing	14	63	729	9	36.25	278
Immigration	23	111	1,398	24	96.5	1,163
Intellectual Property	2	2.75	20	2	12	99
Judgment/Creditor	3	10.5	152	0	0	0
Juvenile	10	48.75	1,035	15	71	746
Litigation	1	6	45	2	12	259
Multiple	10	43.75	378	5	24	561
Non-profit	1	6	38	1	6	48.5
Real Estate	1	4	26	0	0	0
Social Security Disability	4	24	321	0	0	0
Tax	1	2	13	1	6	59.5
Wills	9	38	297	5	13.25	97
Unspecified or other	2	2.5	15	7	25	258.5
TOTAL	145	663.25	9,276*	139	599.5	6,667.5*

* Rounding accounts for slight differences between corresponding data sets.

IV. FUNDING

Board revenues are generated from Lawyer Registration fees and fees derived from CLE late filing, CLE lawyer reinstatement, affidavit filing, and course applications. In calendar year 2013, these fees generated revenue totaling \$563,153. **Table 5** shows the fees received in 2013 compared to those received in the past three calendar years. All revenue sources increased, with the exception of paper affidavit fees, which are expected to decrease as more lawyers use the online system to report their CLE.

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Table 5: CLE Receipts for Calendar Years 2010-2013

Fee	2010	2011	2012	2013
Lawyer Registration fees	\$164,016	\$166,688	\$176,137	\$176,320
Late affidavit/non-compliance filing fees	\$53,100	\$79,105	\$70,725	\$91,975
Reinstatement fees	\$24,875	\$24,500	\$25,125	\$27,375
Course accreditation fees	\$262,508	\$244,184	\$258,811	\$262,113
Paper affidavit fees	\$4,740	\$8,140	\$6,150	\$5,370
Total	\$509,239	\$522,617	\$536,948	\$563,153

The revenue received from late affidavit/non-compliance filing fees increased by approximately \$21,000 due to the timing of issuance of notice of non-compliance letters. Letters were sent earlier in 2013 compared to 2012. Revenue received from course accreditation fees increased by approximately \$3,000 in 2013 compared to 2012. The Board receives a \$35 application fee for each course that is more than 60 minutes in length and is not a video replay. The Board expects to receive adequate revenue from its existing funding sources in the foreseeable future.

V. CLE INFORMATION SYSTEM

In 2010, the Board began planning for a comprehensive new computer system, referred to as the Continuing Legal Education Operating System (CLEO). Work was started on the system in 2011 and was completed in 2013. CLEO is fully integrated with the Board's Online Attorney and Sponsor Integrated System (OASIS) in a cost-effective, user-friendly manner that requires minimal maintenance.

The new system efficiently tracks lawyer compliance, and communicates with course providers by sending out past due reminders or course approval responses. OASIS and the other updated technology in use in the office

enhance the CLE staff's ability to assist lawyers efficiently and permit the office to operate with a small staff, despite the growing number of Minnesota lawyers.

VI. EMERITUS LAWYER PROGRAM

In May 2012, the Continuing Legal Education Board and the Minnesota State Bar Association (MSBA) filed a joint petition in the Supreme Court seeking to create an Emeritus lawyer program that would permit retired Minnesota lawyers to represent pro bono clients referred by approved legal services providers.

By Order dated March 15, 2013, the Rules of the Minnesota State Board of Continuing Legal Education were revised to create an Emeritus Lawyer program, effective July 1, 2013. An Emeritus lawyer must have elected retired status under the Lawyer Registration rules and comply with the following CLE requirements:

1. In the 90 days immediately prior to submission of an Emeritus Affidavit, the lawyer must take at least five hours of approved continuing legal education courses, including:
 - a. Three hours of approved courses in the substantive area of law in which the lawyer intends to provide pro bono services;
 - b. One hour of approved ethics or professional responsibility; and
 - c. One hour of elimination of bias in the legal profession and in the practice of law.
2. The lawyer must submit a completed Affidavit of Emeritus Status to the Board office.
3. The CLE office publishes the lawyer's name on the Board's website.
4. The lawyer is authorized to provide pro bono legal representation consistent with Rule 14.

Between July 1, 2013 and December 31, 2013, two lawyers sought and received emeritus status.

VII. ON-DEMAND CREDITS

In July 2012, a petition was filed in the Supreme Court by five lawyers requesting that the Court modify the CLE Rules to allow credit for on-demand CLE courses. The Petition requested that lawyers be permitted to obtain an unlimited number of CLE hours by attending on-demand courses, a form of legal education that was not permitted under the CLE Rules.

The Minnesota Supreme Court asked the CLE Board to study the issue and provide a recommendation to the Court. In 2013, after careful study of the issues, the Board filed a petition in the Supreme Court requesting changes to the Rules to permit a lawyer to claim up to 15 credits using on-demand technology.

By Order dated December 6, 2013, the Rules of the Minnesota State Board of Continuing Legal Education were revised to allow Minnesota-licensed attorneys to claim up to 15 hours of credit within the 45 hours CLE reporting period for on-demand courses. The change will be effective July 1, 2014.

The Order also requires the Board to monitor the implementation of on-demand course approval and its impact on Minnesota's CLE program. The Board is requested to take the following steps:

1. File an interim report on the availability and use of on-demand programming by January 1, 2016; and
2. Conduct an evaluation that "addresses the impact of these amendments on the compliance with the CLE rules and on the Board's administrative responsibility for the CLE rules, as well as any recommended rule amendments or other modifications needed to fully implement on-demand CLE programming" and file a report with the Court by July 1, 2017.

VIII. BOARD MEMBERS

The Continuing Legal Education Board is comprised of 12 Board members and a chairperson. The Minnesota State Bar Association nominates six lawyer members to the Board; three members are of the public; one member is a district court judge; and three lawyer members are nominated by the 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 2013, the Board was comprised of the following members:

- Daniel R. Kelly, Chair, Felhaber, Larson, Fenlon & Vogt, P.A.
- Shari L. Aberle, Dorsey & Whitney, LLP
- Hon. Diane R. Alshouse, Judge to the Second Judicial District
- Ravindra Chintapalli, Public Member
- Craig T. Dokken, Henningson & Snoxell, Ltd.
- Geoffrey Hjerleid, Olmstead County Attorney's Office
- Kathleen Kelly, Public Member
- William Kuhlmann, Security Bank & Trust Co.
- Sally L. Macut, Public Member
- Nancy McLean, Hennepin County Attorney's Office
- Brett W. Olander, Walsh & Gaertner, P.A.

- Cameron R. Seybolt, Fredrikson & Byron
- Constance Tuck, Minnesota Department of Human Services

Justice Wilhelmina Wright is the current Supreme Court liaison to the Board.

In addition to the Board's commitment to quarterly meetings, Board members also sit on committees of the Board that meet on a regular basis. The standing committees in 2013 included: the Rules Committee, Operations & Finance Committee, Elimination of Bias Committee, and the On-Demand Course Committee.

IX. AFFILIATIONS WITH OUTSIDE GROUPS

Liz Vanderbeek, CLE Administrator, is active in the Continuing Legal Education Regulators Association (CLEreg), a national organization promoting best practices among CLE regulators. Members of the Board's professional staff include, on a part-time basis, Margaret Fuller Corneille, Director; Emily Eschweiler, Assistant Director and Counsel; and Kristi Stanislawski, Staff Attorney.

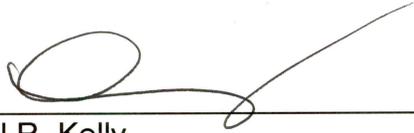
X. CONCLUSION

The Board continues to operate with adequate funds generated by course accreditation fees and from a \$5 or \$6 per lawyer allocation from the Lawyer Registration fee. CLE compliance among lawyers continues to be very high. The number of sponsors using OASIS continues to increase.

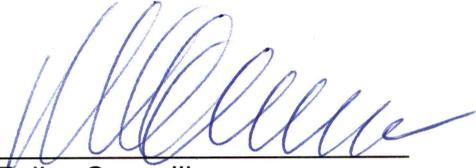
The Board looks forward to increasing its use of technology to administer the Court's Continuing Legal Education Rules in the most efficient and effective manner for the benefit of Minnesota lawyers and course sponsors. The number and quality of available CLE programs meet Minnesota lawyers' continuing professional education requirements.

Respectfully submitted,

MINNESOTA BOARD OF CONTINUING LEGAL EDUCATION



Daniel R. Kelly
Chair



Margaret Fuller Corneille
Director

5/6/2014

Date