
THIRD READING

Bill No: AB 2784
Author: Committee on Judiciary
Amended: 6/25/26 in Senate
Vote: 21

SENATE JUDICIARY COMMITTEE: 13-0, 6/23/26
AYES: Umberg, Niello, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern,
Valladares, Wahab, Weber Pierson, Wiener

ASSEMBLY FLOOR: 73-0, 5/11/26 - See last page for vote

SUBJECT: State Bar of California

SOURCE: Author

DIGEST: This bill requires the Board of Trustees (Board) of the California State Bar to fix the annual license fee for active licensees for 2027 in the same amount as 2026 and makes various other changes to the State Bar Act.

ANALYSIS: Existing law:

- 1) Requires all attorneys who practice law in California to be licensed by the State Bar and establishes the State Bar, within the judicial branch of state government, for the purpose of regulating the legal profession. (California Constitution, article VI, § 9; Business & Profession (Bus. & Prof.) Code §§ 6000 et seq.)
 - a) The Legislature sets the annual fees. (Bus. & Prof. Code §§ 6140, 6141.)
 - b) The State Bar is governed by the Board. (Bus. & Prof. Code §§ 6010 et seq.; § 6016.)
- 2) Establishes that protection of the public, which includes support for greater access to, and inclusion in, the legal system, is the highest priority for the State Bar in exercising their licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought

to be promoted, the protection of the public is to be paramount. (Bus. & Prof. Code § 6001.1.)

- 3) Authorizes the State Bar to collect \$553 in fees from active licensees for the year 2025. (Bus. & Prof. Code §§ 6140, 6140.55, 6140.6, 6140.9, 6140.10, 6140.11, 6140.13, 6140.14.)
- 4) Authorizes the State Bar to collect \$161 in fees from inactive licensees for the year 2025. (Bus. & Prof. Code §§ 6141, 6140.55, 6140.6, 6140.9, 6140.10, 6140.11, 6140.13, 6140.14.)
- 5) Authorizes the State Bar to provide the California Lawyers Association (CLA) with administrative and support services, including the collection of the CLA's membership dues in conjunction with the collection of the annual licensing fees. (Bus. & Prof. Code § 6031.5.)
- 6) Specifies the manner in which funds for affinity programs are to be allocated to the CLA. (Bus. & Prof. Code § 6141.3.)
- 7) Requires the State Bar to administer a Client Security Fund (CSF) to relieve or mitigate pecuniary losses caused by the dishonest conduct of licensees of the State Bar, foreign legal consultants registered with the State Bar, and attorneys registered with the State Bar under the Multijurisdictional Practice Program, arising from or connected with the practice of law. (Bus. & Prof. Code § 6140.5.)
- 8) Requires the State Bar to transmit to the Legislature an annual report detailing the number of complaints regarding access issues related to the biannual state bar exam. (Bus. & Prof. Code § 6060.10.)

This bill:

- 1) Makes various findings and declarations of the Legislature related to the State Bar being a state agency.
- 2) Keeps license fees the same for 2027 as they were for 2026. Authorizes attorneys to file for inactive status through December 31 of the calendar year prior to becoming inactive.

- 3) Clarifies that a felony conviction, whether or not it involves moral turpitude, and a misdemeanor conviction involving moral turpitude constitutes cause for disbarment or suspension.
- 4) Provides that once a conviction is final, postconviction proceedings do not change the effect of the conviction for discipline purposes under the State Bar Act unless they result in a finding that the conviction is void for lack of subject matter jurisdiction or that the attorney convicted is factually innocent, in which case the court shall treat the conviction as if it did not occur.
- 5) Provides that when the State Bar requests records, communications, and documents as part of a disciplinary investigation they must be provided to the State Bar notwithstanding attorney-client privilege or the Attorney Work Product doctrine. Any information provided will not violate, waive, or extinguish the duty to maintain a client's confidence, attorney-client privilege, or the Attorney Work Product doctrine. All documents provided are to remain confidential unless disclosure is needed to fulfill the State Bar's duties under existing law, and these records are not public records under the California Public Records Act.
- 6) Authorizes the chief trial counsel or their designee to compel, by subpoena, the attorney who is the subject of an investigation.
- 7) Updates the notice transmitted to attorneys facing discipline to make clear that the failure to respond to the State Bar will result in a default judgment and loss of the right to practice law in California.
- 8) Provides that failure to reimburse the CSF as part of a license fee is a basis for suspension and repayment is a required condition to transfer the licensee's status from a suspension.
- 9) Specifies what information a financial institution is to provide the State Bar annually for Interest on Lawyer Trust Accounts (IOLTA).
- 10) Repeals the requirement of the State Bar to collect fees on behalf of CLA as of January 1, 2030, and makes conforming changes. Removes the requirement that the State Bar assist CLA in receiving recognition from the American Bar Association, as provided.

- 11) Clarifies that a voluntary association of attorneys may generate low-cost continuing legal education materials, subject to State Bar approval.
- 12) Authorizes the State Bar to meet in closed session for specified matters.
- 13) Revises the allocation of moneys from affinity programs, as provided, on and after January 1, 2030.
- 14) Prohibits a person or entity from holding themselves out as a law school unless they are accredited by the American Bar Association or the State Bar and award a juris doctorate degree.

Comments

Last year license fees remained static. (SB 253 (Umberg, Chapter 405, Statutes of 2025.)) This bill keeps license fees at the same amount in 2027 as they were this year. This bill also authorizes attorneys to file for inactive status through December 31 of the calendar year prior to becoming inactive.

In 2017, the Legislature enacted major reforms to the structure of the State Bar by separating its trade association functions from its regulatory functions. (SB 36 (Jackson, Ch. 422, Stats. 2017.)) The Legislature recognized the inherent conflict of interest in having a unified bar and made it clear that after deunification the State Bar was to focus on its core licensing, regulatory, and discipline functions. The trade association functions were transferred to the California Lawyers Association (CLA), a private, nonprofit corporation established in statute. As it has been almost 10 years since deunification occurred, this bill seeks to make further changes to effectuate the intent of SB 36.

Prior to SB 36, the trade association aspects of the State Bar were housed in what was referred to as the sections of the State Bar. In order to join a section of the State Bar, an attorney would make an election of their annual licensing fee statement. Due to this, SB 36 required that the State Bar collect CLA's dues as part of the annual licensing fee collection process, which at the time seemed prudent to ease the transition. However, this current practice makes the State Bar the only regulatory body in the state that oversees a profession while concurrently collecting dues for a trade association of its licensees. This practice seems incongruent with the role of a licensing and regulatory agency, which is further highlighted by the fact that CLA has the authority to lobby the State Bar. As such, this bill ends the requirement of the State Bar to collect fees on behalf of CLA as

of January 1, 2030, and makes conforming changes. To further complete the process of deunification, the bill removes the requirement that the State Bar assist CLA in receiving recognition from the American Bar Association.

The Assembly Judiciary Committee heard from several local bar associations that the phrasing of existing law relating to the generation of low-cost continuing education course materials may preclude them from developing their own low-cost continuing education program. Although the existing law appears to permit an “incorporated non-profit association of attorneys” to generate continuing education requirements, the law could be read to grant CLA the exclusive right to develop low-cost trainings. To ensure that all attorney associations can produce low-cost continuing education documents, this bill would delete the specific reference to CLA and replace that reference with the phrase “a voluntary association of attorneys.” This would not preclude CLA from creating continuing education materials, but will guarantee that all official bar associations can produce such materials as well. Nothing in this bill changes the existing requirement that the State Bar approve a continuing education provider.

As an additional aspect of the deunification of the State Bar was providing for the governance of how various affinity funds that were operated by the former sections of the State Bar would transfer to CLA and be used going forward. Section 6141.3 of the Bus. & Prof. Code requires certain funds to be utilized for “diversity, equity and inclusion, access to justice, and civic engagement efforts.” Last year, concerns were raised about a lack of transparency from CLA regarding the use of revenues generated from the State Bar “affinity programs.” The affinity programs are offered by CalBar Connect and are designed to provide discounts on services to attorneys, including malpractice insurance and other office management services. Currently, most of the revenue is provided to CLA and California Change Lawyers (the former charitable arm of the State Bar before deunification) with the remainder going to fund legal aid.

To ensure that these funds were being spent in an efficient manner, last year SB 253 (Umberg, Ch. 405, Stats. 2025) required CLA to report on how it spends its affinity revenues. That report, released in January 2026, provided top-line spending numbers but lacked the specificity stakeholders were seeking.

This bill provides that the State Bar act is not to be construed to affect or alter the status of the State Bar of California as a state agency within the judicial branch that serves as the administrative arm of the Supreme Court of California for matters relating to attorney admission, attorney discipline, and the regulation of the

practice of law. This provision is declaratory of existing law and is bolstered by the changes made by the Legislature in SB 36 to separate the bar from its professional association functions and require the State Bar to focus on its core missions of licensing, regulation, and discipline. This bill also makes a number of legislative findings and declarations to this effect, including that that no provision of the State Bar Act is to be construed to establish the State Bar as an entity independent of the State of California.

This bill also makes various other changes to enhance protection of the public including; changes to the discipline system and prohibiting person or entity from holding themselves out as a law school unless they are accredited by the American Bar Association or the State Bar and awards juris doctorate degrees.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 6/24/26)

State Bar of California

OPPOSITION: (Verified 6/24/26)

1 individual

ARGUMENTS IN SUPPORT: The author writes:

“AB 2784 is the annual vehicle to set the licensing fees for attorneys and make policy changes to the State Bar. This year’s measure critically holds the licensing fee flat and does not raise fees on attorneys. The bill also formally ends the somewhat awkward legal relationship between the State Bar and the California Lawyers Association where the State Bar was collecting the membership dues of a trade group consisting of the State Bar’s regulated community. Recognizing that no other legal trade organization is recognized in statute, the bill removes statutory references to the California Lawyers Association.

Finally, as is typical in the annual bar fee bill, the bill proposes several technical changes to the State Bar Act at the request of the agency to streamline State Bar governance and improve oversight of the legal industry.”

ASSEMBLY FLOOR: 73-0, 5/11/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick,

Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell,
Lackey, Lee, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan,
Patel, Patterson, Pellerin, Petrie-Norris, Ramos, Ransom, Rogers, Blanca Rubio,
Sanchez, Schiavo, Schultz, Sharp-Collins, Stefani, Ta, Tangipa, Valencia,
Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Arambula, Lowenthal, Quirk-Silva, Celeste Rodriguez,
Michelle Rodriguez, Solache, Soria

Prepared by: Amanda Mattson / JUD. / (916) 651-4113

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**** END ****