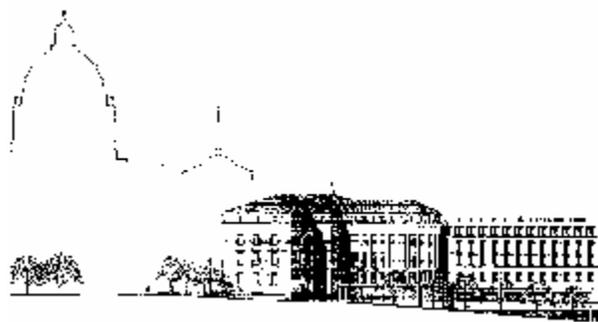


State of Minnesota

**Board
of
Legal Certification**



**ANNUAL REPORT
CALENDAR YEAR 2004**

MINNESOTA BOARD OF LEGAL CERTIFICATION ANNUAL REPORT: 2004

The Minnesota Board of Legal Certification is responsible for accrediting the legal organizations that certify Minnesota attorneys as specialists in specified fields of law. Four (4) organizations are accredited by the Board to certify specialists in eight (8) fields. Those organizations are: the National Board of Trial Advocacy, the Minnesota State Bar Association, the American Board of Certification, and the National Elder Law Foundation. As of December 2004, these organizations certified 877 Minnesota attorneys as specialists in the following fields of law:

- Civil Trial Practice
- Criminal Law
- Real Property
- Business Bankruptcy
- Consumer Bankruptcy
- Creditors' Rights
- Elder Law
- Family Law

I. CERTIFYING ORGANIZATIONS

A. National Board of Trial Advocacy

Minnesota's first certifying entity, the National Board of Trial Advocacy (NBTA) is accredited to certify Minnesota lawyers as specialists in the areas of Civil Trial Practice, Criminal Law, and Family Law Trial Advocacy. At the end of 2004, 156 attorneys were certified as Civil Trial specialists, 15 were certified as Criminal Law specialists, and four (4) were certified as Family Law Trial Advocacy specialists.

B. Minnesota State Bar Association - Civil Litigation Section

In addition to the NBTA, the Civil Litigation Section of the Minnesota State Bar Association (MSBA) is also accredited to certify Minnesota lawyers as specialists in the field of Civil Trial Practice. Under the terms of a cooperative agreement with the NBTA, the MSBA uses the NBTA's Civil Trial Practice examination as its test instrument. Attorneys are tested simultaneously for certification by either or both agencies. At the end of 2004, there were 336 attorneys registered as Civil Trial Practice specialists through the Civil Litigation Section of the MSBA.

C. Minnesota State Bar Association - Real Property Section

The Real Property Section of the MSBA has been accredited to certify Minnesota attorneys as Real Property specialists since 1989. The Real Property Section administers a multiple-choice test instrument every other year. At the end of 2004, 348 attorneys were certified as Real Property specialists.

D. American Board of Certification

The Commercial Law League of America (CLLA) and the American Bankruptcy Board of Certification (ABBC) merged in 1997 to form the American Board of Certification (ABC). The ABC is now accredited to certify Minnesota attorneys as Consumer Bankruptcy specialists, Business Bankruptcy specialists and Creditors' Rights specialists.

As of December 31, 2004, the ABC's Minnesota specialists included three (3) Creditors' Rights specialists, six (6) Consumer Bankruptcy specialists and seven (7) Business Bankruptcy specialists.

E. National Elder Law Foundation

The National Elder Law Foundation (NELF) of Tucson, Arizona, was accredited in 1997 to certify specialists in Minnesota in the field of Elder Law. Elder Law specialists combine expertise and experience in the areas of probate law, public benefits law, as well as the social aspects of working with elderly clients. To date, two (2) Minnesota attorneys are certified as Elder Law specialists.

II. STATISTICAL PROFILE

Table 1 summarizes the number of certified specialists associated with each of the certifying agencies:

Table 1: Certified Specialists by Certifying Agency and Specialty Type

Certifying Agency	Specialty	Attorneys Certified in 2004	Total Number of Certified Attorneys as of 12/31/04
NBTA	Civil Trial	1	156
NBTA	Criminal Law	0	15
NBTA	Family Law	0	4
MSBA	Civil Trial	2	336
MSBA	Real Property	22	348
ABC	Consumer Bankruptcy	0	6
ABC	Business Bankruptcy	0	7
ABC	Creditors' Rights	0	3
NELF	Elder Law	1	2
TOTAL	All Specialty Areas	26	877

Table 2 shows the growth in number and type of certifications over the past eight years:

Table 2: Total Number of Certifications (1997-2004)

	1997	1998	1999	2000	2001	2002	2003	2004
NBTA Family Law	0	0	0	0	3	4	4	4
NBTA Civil Trial	167	163	169	154	157	157	160	156
NBTA Criminal Law	16	17	18	19	18	18	18	15
MSBA Civil Trial	333	337	338	342	333	336	339	336
MSBA Real Property	327	341	330	342	334	343	339	348
ABC Consumer Bankruptcy	2	2	2	3	3	4	5	6
ABC Business Bankruptcy	5	6	6	7	7	7	7	7
ABC Creditors' Rights	4	4	4	3	3	3	3	3
NELF Elder Law	0	0	1	1	1	1	1	2
TOTAL	854	870	868	871	859	873	876	877

III. FISCAL SUMMARY

The Minnesota Board of Legal Certification generates revenue from fees paid by certifying agencies as well as from fees paid by individual certified attorneys.

A. Revenue

Agencies applying for accreditation pay an application fee of \$1,000. Thereafter, accredited agencies are required to pay an annual fee of \$250. In addition, every three years each agency is assessed a re-certification fee in the amount of \$900. Agencies assess each certified attorney an annual fee of \$45 in order to continue being certified.

The total receipts for 2004 suggest a significant decrease in annual revenue. In previous years, the largest payment for annual attorney fees from MSBA was submitted in late December. Due to internal change at MSBA, those payments are now being submitted in early January. A \$27,335 payment which previously would have been received in December 2004, was received in January 2005 and will be reflected in the 2005 annual report. This change does not create a problem for the Board, which operates on a fiscal rather than a calendar year.

Taking into consideration this delayed payment, revenue has not changed significantly because the number of certified specialists in Minnesota has remained relatively stable. At this time, no new agencies have indicated an interest in applying for certification. The current fee structure will generate sufficient revenue for the next year. However, as cash reserves decrease, additional revenue from fees or from other sources will need to be identified in order for the Board to continue its work.

Table 3 below shows the Board's sources of revenue and compares 2004 receipts with previous years:

Table 3: BLC Receipts for Calendar Years 1997-2004

	1997	1998	1999	2000	2001	2002	2003	2004
Agency Fees								
Application Fee	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0
Recertification Fee	\$2,250	\$900	\$0	\$5,400	\$1,800	\$0	\$6,300	\$1,800
Annual Fee	\$1,500	\$2,000	\$2,000	\$2,000	\$1,750	\$2,250	\$2,500	\$2,000
Attorney Fees								
Initial Fee	\$450	\$5,250	\$2,400	\$3,300	\$2,200	\$3,400	\$1,300	\$2,600
Annual Fee	\$30,700	\$29,545	\$24,063	\$66,738	\$33,623	\$44,078	\$41,083	\$12,060
Total	\$34,900	\$38,695	\$28,463	\$77,438	\$39,373	\$49,728	\$51,183	\$18,460

B. Expenses

The Board shares personnel and office space with the Board of Law Examiners and the Board of Continuing Legal Education. Salaries are apportioned to the Certification Board as follows: Director, 5%; Office Administrator, 5%; Office Assistant, 10%; CLE/BLC Administrator, 25%; and Receptionist, 5%. The Certification Board pays 5% of the general expenses of the office. Beginning in July 2005, some salaries were reapportioned to reflect the reduced number of hours devoted by each staff person to the Board's work. The allocation for CLE/BLC Administrator will be decreased to 15% and the Office Assistant will be decreased to 5%.

IV. MISCELLANEOUS

A. Lawyer Advertising

The Board's staff continues to monitor attorney advertisements in Minnesota telephone directories and other publications to identify attorney advertisements which may violate Rule 7.4(b) of the Minnesota Rules of Professional Conduct. Rule 7.4(b) prohibits all but certified attorneys to advertise as such. In 2004, the Board did not find any questionable advertisements to forward to the Lawyers Professional Responsibility Board.

B. Proposed Changes to the Minnesota Rules of Professional Conduct

In September 2003, the Minnesota State Bar Association petitioned the Supreme Court to amend the Minnesota Rules of Professional Conduct. The proposed changes to Rule 7.4 would have had an impact on the Board's oversight of the certification process.

As originally proposed by the MSBA, the amendments would have changed the language of Rule 7.4 from stating that a lawyer is prohibited from stating that he or she is a "specialist" to stating that a lawyer is prohibited from stating that he or she is a "*certified* specialist," unless he or she is certified by an agency accredited by the Board.

The Board did not support the MSBA's proposed amendments, but petitioned the Court for an alternative amendment to Rule 7.4. The Board's proposed change requires a lawyer who communicates that he or she is a specialist to clearly identify the name of the certifying organization, if any, in the communication and require the lawyer stating or implying that he/she is a specialist, not certified by one of the Board-accredited agencies, to clearly state that he or she is not certified by an organization accredited by the Board.

The Court recently issued an order adopting the changes to Rule 7.4 as proposed by the Certification Board.

The Board has been directed by the Court to prepare a report describing the changes in certification over the past 20 years and how certification in Minnesota compares to other jurisdictions. The report, due in the Fall of 2005, will serve as a foundation for a larger study of certification in Minnesota to be conducted by the Court.

V. CONCLUSION

Although there have been no new applications from certifying organizations, the number of certified attorneys in Minnesota has increased slightly in the past year. The Board continues to operate a strong program for certifying organizations that certify attorneys. The Board is committed to enforcing high standards among accredited agencies, assuring a high level of legal expertise for all those who are qualified to use the designation “specialist” or “certified specialist” in Minnesota.

Respectfully submitted,

MINNESOTA BOARD OF LEGAL CERTIFICATION

Brett W. Olander
President

Margaret Fuller Corneille
Director

Dated:

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