FILED 12/20/2024

Clerk of the Appellate Courts

IN THE SUPREME COURT OF TENNESSEE AT NASHVILLE

IN RE: AMENDMENTS TO RULES 9 AND 33, RULES OF THE TENNESSEE SUPREME COURT

No. ADM2024-01525

ORDER

On October 4, 2024, this Court published for public comment proposed amendments to Tennessee Supreme Court Rules 9 and 33 to increase from \$170 to \$270 the annual registration fee and to adjust the allocation of funds generated by the annual registration fee as follows: \$225 to the Board of Professional Responsibility ("BPR"), \$30 to the Tennessee Lawyer Assistance Program ("TLAP"), and \$15 to the Tennessee Lawyers Fund for Client Protection ("TLFCP").

The public comment period expired on November 8, 2024. The Court appreciates the fourteen public comments that were filed, including twelve by individual lawyers, one by the Knoxville Bar Association ("KBA"), and one joint comment by the BPR and TLFCP. Ten lawyers opposed the proposed amendments. The KBA declined to take a position, citing insufficient information. Two lawyers, the BPR, and TLFCP supported the proposed amendments.

Upon consideration of the public comments, as well as Court's internal review of the sufficiency of the amount and allocations of the annual registration fee, we conclude the proposed amendments should be adopted. Tennessee's annual registration fee is one of the lowest in the country. It has remained unchanged since 2009. The proposed increase is appropriate as a necessary adjustment for fifteen years of inflation. The proposed increased annual registration fee of \$270 is reasonable and well below the national average of \$432. Furthermore, the increased allocations are appropriate. Only two jurisdictions have client protection assessments lower than Tennessee's current \$10 fee. TLFCP needs additional funds to fulfill its mission. For several years TLFCP has annually paid claims that significantly exceed its average funding from the registration fee. Increasing TLAP's allocation also is appropriate to aid those impacted by substance use disorders. Finally, the \$400 privilege tax lawyers must annually pay does not militate against increasing the annual registration fee. The General Assembly, not this Court,

levies the privilege tax. The revenue the privilege tax generates is not earmarked to fund operations of the Judicial Branch or this Court's boards and commissions. This Court does not control how privilege tax revenues are utilized.

Accordingly, the Court concludes that the proposed amendments should be adopted and hereby amends Rules 9 and 33 of the Rules of the Supreme Court of Tennessee as set forth in the attached Appendix. These amendments shall take effect March 1, 2025.

The Clerk shall provide a copy of this Order and Appendix to Lexis Nexis and to Thomson Reuters. In addition, this Order and Appendix shall be posted on the Tennessee Supreme Court's website.

It is so ORDERED.

PER CURIAM

APPENDIX No. ADM2024-01525

[New text is indicated by bold and underlining/Deleted text is indicated by strikeout]

Tenn. Sup. Ct. R. 9, Section 10.2(c) is amended as follows:

The annual fee for each attorney shall be One Two Hundred Seventy Dollars (\$170) (\$270), consisting of a One Hundred Forty Dollar \$140 Two Hundred Twenty-Five Dollar (\$225) Board of Professional Responsibility annual registration fee, a Fifteen Dollar (\$15) Ten Dollar (\$10) annual fee due under Tenn. Sup. Ct. R. 25, Section 2.01(a) (Tennessee Lawyers' Fund for Client Protection), and a Thirty Dollar (\$30) Twenty Dollar (\$20) annual fee due under Tenn. Sup. Ct. R. 33.01C (Tennessee Lawyer Assistance Program), and shall be payable on or before the first day of the attorney's birth month, and a like sum each year thereafter until otherwise ordered by the Court. If an attorney chooses to pay or submit annual registration by mail, rather than online, that attorney shall pay an additional \$5 for processing.

Tenn. Sup. Ct. R. 33.01(C)(1) is hereby amended as follows:

The Board of Professional Responsibility shall <u>annually</u> collect <u>annually</u> and deposit with the State Treasurer <u>a fee in the amount set by the Court in Rule 9, Section 10.2(c)</u> a twenty dollar (\$20.00) annual fee from every attorney, except those exempt under Rule 9, Section <u>10.3</u> 20.2, for the purpose of funding the program established under the <u>this</u> rule.

(End of Appendix)