Supreme Court of California
Jorge E. Navarrete, Clerk and Executive Officer of the Court
FILED on 10/22/2025

S289116

ADMINISTRATIVE ORDER 2025-10-22-02

IN THE SUPREME COURT OF CALIFORNIA

EN BANC

REQUEST THAT THE SUPREME COURT OF CALIFORNIA REVIEW AND APPROVE PROPOSED AMENDMENTS TO STATE BAR RULE OF PROCEDURE 5.137

The State Bar of California's "Request that the Supreme Court of California Review and Approve Proposed Amendments to State Bar Rule of Procedure 5.137" is granted in part (as modified), and denied in part.

The approved amendments to rule 5.137, as revised by the court, are set forth in the Attachment. These amendments are effective as of January 1, 2026.

It is so ordered.

GUERRERO
Chief Justice

CORRIGAN
Associate Justice

LIU
Associate Justice

KRUGER
Associate Justice

GROBAN
Associate Justice

JENKINS
Associate Justice

EVANS
Associate Justice

ATTACHMENT

Rule 5.137. Imposition and Payment of Monetary Sanctions (Bus. & Prof. Code, § 6086.13.)

(A)**The Supreme Court May Order Monetary Sanctions**. Business and Professions Code section~~§~~ 6086.13 provides that, ~~I~~in any disciplinary proceeding in which the licensee is ordered actually suspended, is ordered disbarred, or resigns with charges pending, the Supreme Court may order the payment of a monetary sanction not to exceed $5,000 for each violation, to a maximum of $50,000 per disciplinary order.

(B)**Violation Defined**. For the purposes of this rule, "violation" means (1) each count (including its subparts) contained in a Notice of Disciplinary Charges for which the State Bar Court has found the licensee culpable; (2) each violation of a rule or statute the attorney admits to have violated in a stipulation; or (3) each record of criminal conviction transmitted to State Bar Court pursuant to rule 5.341, regardless of the number of convictions contained in the transmittal.

(C)**Monetary Sanctions Payable To Client Security Fund**. ~~Imposed m~~Monetary sanctions collected under this rule shall be deposited into the Client Security Fund.

(D)**Monetary Sanctions and Criminal Penalties or Civil Judgments**. Monetary sanctions shall not be collected to the extent that collection would impair the collection of criminal penalties or civil judgments arising out of transactions connected with discipline of the licensee. If monetary sanctions are collected and such criminal penalties or civil judgments are otherwise uncollectible, those penalties or judgments may be reimbursed from the Client Security Fund to the extent of the monetary sanctions collected.

(E)**Guidelines for Imposition and Collection of Monetary Sanctions**.

(1) In any disciplinary proceeding described in subdivision (A), the State Bar Court shall make a recommendation~~s~~ to the Supreme Court regarding monetary sanctions and shall provide reasons for its recommendation.

(2) To determine the appropriate monetary sanction to recommend pursuant to subdivision (A), the State Bar Court shall ~~consider all facts and circumstances of the discipline case and~~ be guided by the following baseline amounts as a total sanction for ~~per~~ the Supreme Court's order:

(a) For disbarment: ~~up to~~ $55~~1~~,000.
(b) For an actual suspension: ~~up to~~ $2,500~~2,500~~.
(c) For a resignation with charges pending: ~~up to~~ $1,000~~1,000~~.

(3) The State Bar Court may, in its discretion, recommend a monetary sanction in an amount less than or greater than ~~deviate from~~ the ~~ranges~~ ~~guideline~~baseline amounts set forth in subdivision (E)(2), subject to ~~a maximum of $5,000 for each violation, and subject to a total limit of $50,000 total for each disciplinary order~~the statutory

maximum as stated in subdivision (A) and based on the following:~~.~~

(a) A ~~recommendation~~deviation under this ~~subdivision~~provision ~~Deviations from these ranges should~~ must be reasonably based on the facts and circumstances of each discipline case. The State Bar Court must state reasons for its recommendation.

(b) If the same conduct is encompassed by two or more separate violations,
the State Bar Court generally should not ~~impose~~ recommend more than one monetary sanction for that conduct. Instead, the State Bar Court should consider the most serious applicable violation for that conduct.

~~(4)~~ (c) The State Bar Court may, in its discretion, recommend that the monetary sanction be waived, in whole or in part, or be paid in installments, or the time to pay be extended based on a finding of financial hardship, special circumstances, whether a licensee's ability to pay criminal or civil judgments arising out of the discipline case is adversely affected, for good cause, or in the interests of justice. The burden of proof by preponderance of the evidence will be on the licensee to provide financial records and/or other proof to support any argument that the monetary sanction be waived, in whole or in part, or be paid in installments, or the time to pay be extended. The State Bar Court must state reasons for its ~~ruling~~recommendation.

~~(5)~~(4) Any stipulation to disposition between Office of Chief Trial Counsel of the State Bar and the licensee in a disciplinary proceeding described in subdivision (A) must state in writing whether monetary sanctions should be ordered or waived; if ordered, the amount; the reasons for the order or waiver; whether a payment plan or extension of time will be allowed; and the reasons for and specifics of such payment plan or extension. All stipulations must be accepted and approved by the State Bar Court pursuant to rule 5.58.

~~(6)~~(5) A licensee may seek relief from an order of monetary sanctions, an extension of time to pay the sanctions, or request a compromise of judgment, through a motion filed with the State Bar Court, following the motion procedure and based on the grounds set forth in rule 5.138~~the Rules of Procedure of the State Bar~~. The burden of proof by preponderance of the evidence will be on the licensee to provide financial records and/or other proof to support the motion. The State Bar Court must state reasons for its ruling.

~~(7)~~(6) Payment of restitution must be made in full before payment of any monetary sanctions.

(F) **Reinstatement**. Monetary sanctions shall be paid in full as a condition of reinstatement or return to active status, unless time for payment is extended pursuant to this rule.

(G) **Collection**. ~~Imposed m~~Monetary sanctions ordered under this rule are enforceable as a money judgment and may be collected through any means provided by law.

(H) **Payment in Annual Installments**. If the ~~Supreme~~ State Bar Court's ~~order~~ recommendation to impose ~~imposing~~ monetary sanctions for an actual suspension allows an attorney to pay in annual installments, the ~~order~~ recommendation must designate the amount of each installment, which will be added to and become a part of the attorney's annual ~~attorney~~ license fees.

(I)~~(H)~~ **Application**. This rule shall apply to all disciplinary and criminal conviction proceedings commenced and stipulations signed on or after ~~[effective date]~~January 1, 2026 ~~April 1, 2020~~.

Rule 5.137. Imposition and Payment of Monetary Sanctions (Bus. & Prof. Code, § 6086.13)

(A) The Supreme Court May Order Monetary Sanctions. Business and Professions Code section 6086.13 provides that, in any disciplinary proceeding in which the licensee is ordered actually suspended, is ordered disbarred, or resigns with charges pending, the Supreme Court may order the payment of a monetary sanction not to exceed $5,000 for each violation, to a maximum of $50,000 per disciplinary order.

(B) Violation Defined. For the purposes of this rule, "violation" means (1) each count (including its subparts) contained in a Notice of Disciplinary Charges for which the State Bar Court has found the licensee culpable; (2) each violation of a rule or statute the attorney admits to have violated in a stipulation; or (3) each record of criminal conviction transmitted to State Bar Court pursuant to rule 5.341, regardless of the number of convictions contained in the transmittal.

(C) Monetary Sanctions Payable To Client Security Fund. Monetary sanctions collected under this rule shall be deposited into the Client Security Fund.

(D) Monetary Sanctions and Criminal Penalties or Civil Judgments. Monetary sanctions shall not be collected to the extent that collection would impair the collection of criminal penalties or civil judgments arising out of transactions connected with discipline of the licensee. If monetary sanctions are collected and such criminal penalties or civil judgments are otherwise uncollectible, those penalties or judgments may be reimbursed from the Client Security Fund to the extent of the monetary sanctions collected.

(E) Guidelines for Imposition and Collection of Monetary Sanctions.

(1) In any disciplinary proceeding described in subdivision (A), the State Bar Court shall make a recommendation to the Supreme Court regarding monetary sanctions and shall provide reasons for its recommendation.

(2) To determine the appropriate monetary sanction to recommend pursuant to subdivision (A), the State Bar Court shall consider all facts and circumstances of the discipline case and be guided by the following amounts as a total sanction per Supreme Court order:

(a) For disbarment: $5,000.
(b) For an actual suspension: $2,500.
(c) For a resignation with charges pending: $1,000.

(3) The State Bar Court may, in its discretion, recommend a monetary sanction in an amount less than or greater than the guideline amounts set forth in subdivision (E)(2), subject to the statutory maximum as stated in subdivision (A).

(a) A recommendation under this subdivision must be reasonably based on the facts and circumstances of each discipline case. The State Bar Court must state reasons for its ruling.

(b) if the same conduct is encompassed by two or more separate violations, the State Bar Court generally should not recommend more than one monetary sanction for that conduct. Instead, the State Bar Court should consider the most serious applicable violation for that conduct.

(c) The State Bar Court may, in its discretion, recommend that the monetary sanction be waived, in whole or in part, or be paid in installments, or the time to pay be extended based on a finding of financial hardship, special circumstances, whether a licensee's ability to pay criminal or civil judgments arising out of the discipline case is adversely affected, for good cause, or in the interests of justice. The burden of proof by preponderance of the evidence will be on the licensee to provide financial records and/or other proof to support any argument that the monetary sanction be waived, in whole or in part, or be paid in installments, or the time to pay be extended.

(4) Any stipulation to disposition between Office of Chief Trial Counsel of the State Bar and the licensee in a disciplinary proceeding described in subdivision (A) must state in writing whether monetary sanctions should be ordered or waived; if ordered, the amount; the reasons for the order or waiver; whether a payment plan or extension of time will be allowed; and the reasons for and specifics of such payment plan or extension. All stipulations must be accepted and approved by the State Bar Court pursuant to rule 5.58.

(5) A licensee may seek relief from an order of monetary sanctions, an extension of time to pay the sanctions, or request a compromise of judgment, through a motion filed with the State Bar Court, following the motion procedure and based on the grounds set forth in rule 5.138. The burden of proof by preponderance of the evidence will be on the licensee to provide financial records and/or other proof to support the motion. The State Bar Court must state reasons for its ruling.

(6) Payment of restitution must be made in full before payment of any monetary sanctions.

(F) Reinstatement. Monetary sanctions shall be paid in full as a condition of reinstatement or return to active status, unless time for payment is extended pursuant to this rule.

(G) Collection. Monetary sanctions ordered under this rule are enforceable as a money judgment and may be collected through any means provided by law.

(H) Payment in Annual Installments. If the State Bar Court's recommendation to impose monetary sanctions for an actual suspension allows an attorney to pay in annual installments, the recommendation must designate the amount of each installment, which will be added to and become a part of the attorney's annual license fees.

(I) Application. This rule shall apply to all disciplinary and criminal conviction proceedings commenced and stipulations signed on or after January 1, 2026.