

# 93RD GENERAL ASSEMBLY State of Illinois 2003 and 2004 SB2136

Introduced 1/6/2004, by James A. DeLeo

### SYNOPSIS AS INTRODUCED:

New Act 30 ILCS 105/5.625 new

Creates the Legal Document Preparer Act. Provides that, beginning July 1, 2005, no person shall engage in the preparation of legal documents unless the person is certified. Establishes the Board of Legal Document Preparers and outlines its duties and powers. Provides eligibility requirements for certification. Sets out the services that may be provided by a legal document preparer. Provides guidelines for the application process and the renewal of certification. Provides for disciplinary actions. Provides for a code of conduct for legal document preparers. Sets out a fee schedule. Amends the State Finance Act to provide for the Legal Document Preparer Fund.

LRB093 14929 LCB 40497 b

FISCAL NOTE ACT MAY APPLY

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1 An ACT concerning legal document preparers.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- 4 Section 1. Short title. This Act may be cited as the Legal
- 5 Document Preparer Act.
- Section 5. Purpose. The Illinois Supreme Court has 6 inherent regulatory power over all persons providing legal 7 services to the public regardless of whether they are lawyers 8 or nonlawyers. The Court recognizes, however, that the need to 9 protect the public from possible harm caused by nonlawyers 10 providing legal services must be balanced against the public's 11 need for access to legal services. Accordingly, this Act is 12 intended to: (i) protect the public through the certification 13 14 of legal document preparers to ensure conformance to the 15 highest ethical standards and performance of responsibilities in a professional and competent manner, in accordance with all 16 17 applicable statutes and court rules; and (ii) result in the 18 effective administration of the Legal Document Preparer 19 Program.
- 20 Section 10. Definitions. As used in this Act:
- "Board" means the Board of Legal Document Preparers appointed by the Chief Justice of the Supreme Court.
- "Certification" means a certificate issued by the Program
  Coordinator, upon decision of the Board, to a person or entity
  when the person or entity meets the requirements of this Act.
- "Day" means any calendar day except Saturday, Sunday, or a federal or State holiday.
- "Director" means the Director of the Administrative Office of the Illinois Courts (AOIC).
- 30 "Formal charges" means the document setting forth specific 31 acts of misconduct by a certified legal document preparer or

violations of this Act, including any amendments, authorized by the Board upon a determination of probable cause.

"Formal disciplinary proceedings" means filing of formal charges specifying misconduct by a certified legal document preparer.

"Hearing officer" means an individual appointed pursuant to this Act, to preside over an administrative hearing regarding the denial of initial or renewal certification or a complaint regarding alleged misconduct of a certificate holder.

"Informal disciplinary proceedings" means resolution of a complaint prior to the filing of formal charges.

"Legal document preparer" means an individual who is certified pursuant to this Act to prepare or provide legal documents, without the supervision of an attorney, for an entity or a member of the public who is engaging in self representation in any legal matter. An individual whose assistance consists merely of secretarial or receptionist services is not a legal document preparer.

"Letter of concern" means a communication from the Board notifying a certificate holder of the Board's determination the certificate holder has violated a provision of this Act and that informal discipline is appropriate. A letter of concern is not appealable.

"Program Coordinator" means the staff appointed by the Director to administer the program.

"Revoked" means a certificate is permanently invalidated or canceled as a result of proceedings brought by the Board, after a finding of probable cause, pursuant to a statement of formal charges.

"Suspended" means a certificate is not revoked, but the certificate holder is not permitted to exercise the privileges of the certificate for a set period of time as a result of proceedings brought by the Board, after a finding of probable cause, pursuant to a statement of formal charges.

36 "Trainee" means a person who would qualify for

- 1 certification as a legal document preparer but for the lack of
- 2 required experience and who is seeking to gain the required
- 3 experience to qualify as a certified legal document preparer by
- 4 working under the supervision of a certificate holder to
- 5 perform authorized services, as set forth in this Act.
- 6 "Valid" means currently in effect, issued, and signed by
- 7 authorized staff of the applicable program and not suspended or
- 8 revoked.
- 9 Section 13. Applicability. Beginning July 1, 2005, no
- 10 person shall engage in the preparation of legal documents
- 11 unless that person is certified as a legal documents preparer
- 12 pursuant to this Act. No person shall represent himself or
- 13 herself as a certified legal document preparer unless that
- 14 person holds a valid certificate as a certified legal document
- 15 preparer. A certified legal document preparer shall also comply
- with the requirements of this Act.
- 17 Section 15. Responsibilities of the Supreme Court. The
- 18 Supreme Court shall:
- 19 (1) Administer the legal document preparer
- 20 certification program.
- 21 (2) Adopt rules for the implementation and
- 22 administration of the program. At a minimum, the rules
- shall include a code of conduct, minimum qualifications,
- and procedures for certification.
- 25 (3) Establish and collect fees, costs, and fines
- necessary for the implementation and enforcement of the
- 27 program.
- 28 (4) Establish a Legal Document Preparer Fund
- 29 consisting of monies received for certification fees,
- 30 costs, and fines.
- 31 Section 20. Responsibilities of the Program Coordinator.
- 32 The Program Coordinator, designated by the Director, shall:
- 33 (1) Administer the Legal Document Preparer

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1 Certification Program.

- (2) Forward all certification fees, costs, and fines imposed and received pursuant to this Act to the State Treasurer for deposit into the Legal Document Preparer Fund.
  - (3) Provide updates to the Board and make recommendations regarding matters pertaining to certification, complaints, investigations, and all other matters relevant to certified legal document preparers.
  - (4) Maintain a list of certified legal document preparers. The Program Coordinator shall distribute the list to the Supreme Court and make it available to the public.
- The Program Coordinator may charge for the costs of providing copies of the certification list or any other public records of the program pursuant to the Rules of the Supreme Court.
- 18 Section 25. Board of Legal Document Preparers.
- 19 (a) The Board of Legal Document Preparers shall be 20 established and shall consist of the following 11 members:
  - (1) five certified legal document preparers who have each worked as a legal document preparer for at least 5 years;
    - (2) the Director or his or her designee;
    - (3) one judge or court administrator;
- 26 (4) one clerk of the circuit court or his or her designee;
  - (5) one attorney; and
- 29 (6) two public members not affiliated with any lawyer, 30 judge, certified legal document preparer, or court system.
- 31 (b) The Chief Justice of the Supreme Court shall appoint
  32 Board members to initial terms of one, 2, and 3 years.
  33 Thereafter, all terms shall be 3 years. If a vacancy occurs in
  34 a Board member position, the Chief Justice shall fill the
  35 vacancy expeditiously in the manner provided for in the

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1	original	appointment.

- (c) The Board shall:
- (1) make recommendations to the Supreme Court regarding rules, policies, and procedures to implement and enforce the requirements regarding certified legal document preparers, including applicant testing, administrative fees, a code of conduct, continuing education, and any other matter pertaining to certified legal document preparers;
  - (2) issue certificates to qualified applicants;
  - (3) direct the Program Coordinator to conduct investigations into alleged violations of this Act by certified legal document preparers; and
  - (4) adjudicate and make all final decisions regarding alleged violations by certified legal document preparers pursuant to Section 100 of this Act.
- 17 Section 30. Requirements for certification.
  - (a) Any individual person, if eligible pursuant to subsection (b) of this Section, or any business entity, if eligible pursuant to Section 40, may apply for certification.
  - (b) The Board shall grant an initial certificate to an individual applicant who meets the each of the following qualifications. The applicant shall:
    - (1) be a citizen or legal resident of this country;
    - (2) be at least 18 years of age;
  - (3) be of good moral character;
    - (4) comply with the laws, court rules, and orders adopted by the Supreme Court governing legal document preparers in this State; and
      - (5) possess one of the following combinations of education or experience:
        - (A) a high school diploma or a general equivalency diploma evidencing the passing of the general education development test and a minimum of 2 years of law-related experience in one or a combination of the

1	following situations:
2	(i) under the supervision of a licensed
3	attorney;
4	(ii) providing services in preparation of
5	legal documents prior to July 1, 2005;
6	(iii) under the supervision of a certified
7	legal document preparer after July 1, 2005; or
8	(iv) as a court employee;
9	(B) a four-year bachelor of arts or bachelor of
10	science degree from an accredited college or
11	university and a minimum of one year of law-related
12	experience in one or a combination of the following
13	situations:
14	(i) under the supervision of a licensed
15	attorney;
16	(ii) providing services in preparation of
17	legal documents prior to July 1, 2005;
18	(iii) under the supervision of a certified
19	legal document preparer after July 1, 2005; or
20	(iv) as a court employee;
21	(C) a certificate of completion from a paralegal or
22	legal assistant program that is institutionally
23	accredited but not approved by the American Bar
24	Association, that requires successful completion of a
25	minimum of 24 semester units, or the equivalent, in
26	legal specialization courses;
27	(D) a certificate of completion from an accredited
28	educational program designed specifically to qualify a
29	person for certification as a legal document preparer
30	under this Act;
31	(E) a certificate of completion from a paralegal or
32	legal assistant program approved by the American Bar
33	Association;
34	(F) a degree from a law school accredited by the
35	American Bar Association; or
36	(G) a degree from a law school that is

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- institutionally accredited but not approved by the
  American Bar Association.
- 3 Section 35. Procedures for initial individual 4 certification.
  - (a) Applicants shall file a completed application, signed and verified under oath, with the Program Coordinator. An applicant for individual certification shall submit with the application one color passport-size photograph, 2 inches by 2 inches.
- 10 (b) The applicant shall pay the fees for initial application, as established in Section 225, at the time the application is submitted. The Program Coordinator shall not accept an application without payment of the fees.
  - (c) The applicant shall have one year from the date of the initial application to complete the certification process. The Board shall treat an applicant who does not complete the process within one year as a new applicant and require the applicant to submit a new application and certification fees.
- 19 Section 40. Eligibility for certification as a business 20 entity.
- 21 (a) A corporation, limited liability company, partnership, or sole proprietorship that employs certified legal document 22 preparers shall obtain certification as a business entity. The 23 24 business entity shall execute and submit a principal form 25 designating one or more principals who are certified as 26 individual legal document preparers pursuant to this Act. The 27 principal shall have the duties and responsibilities set forth 28 in Section 65 of this Act. In the event a designated principal 29 is no longer able or willing to serve as the principal, a 30 certified business entity shall immediately designate another certified legal document preparer as the new principal and 31 within 20 days file an executed principal form with the Program 32 Coordinator. 33
  - (b) The owner of a legal document preparer business is not

- required to hold certification provided the owner has a designated principal who holds valid certification as a legal document preparer.
  - (c) A corporation, limited liability company, or partnership that essentially operates as a sole proprietorship is not required to hold certification as a business provided the individual operating the business holds valid certification as a legal document preparer and the business entity has applied for and obtained a business entity certification exemption.
  - (e) No person who has been disbarred by the highest court in any state, and who has not been reinstated, may retain any ownership interest in a certified legal document preparer business.
- 15 (f) No person whose certificate has been revoked by the
  16 Board of Legal Document Preparers or a comparable entity in
  17 another state may retain any ownership interest in a certified
  18 legal document preparer business.
  - Section 45. Procedures for initial business certification.
    - (a) An applicant for certification as a legal document preparer shall file a completed application, signed and verified under oath by the person completing the application, with the Program Coordinator. The executed principal form and a list of all certified legal document preparers acting for or on behalf of the business entity shall accompany the application.
    - (b) The applicant shall pay the nonrefundable fees for initial certification as a business, as established in Section 225, at the time the application is submitted. The Program Coordinator shall not accept an application without payment of fees.
- 31 (c) The applicant shall have one year from the date of the 32 initial application to complete the certification process. The 33 Board shall treat an applicant that does not complete the 34 process within one year as a new applicant and require the 35 applicant to submit a new application and certification fees.

- (d) A business entity that has filed an application for certification may file a written request with the Board to be exempted from the requirements of this Act. The Board shall review each exemption request individually. If the Board approves a business entity certification exemption, the Board shall refund the fees submitted with the exempted entity's business application.
- 8 Section 50. Standard certification.
- 9 (a) Beginning July 1, 2007, all applicants for individual certification, in addition to meeting the requirements set forth in Section 30, shall meet the examination requirements of this Section.
- 13 (b) The examination for standard certification shall
  14 consist of a written knowledge test of the rules of the Supreme
  15 Court relating to legal document preparers.
  - (c) The Board shall administer the examination and shall specify a date and place for the examination. An applicant must pass with a final score on the test that meets the guidelines established by the Board.
  - (d) An applicant who fails to pass the written examination may retake the examination one time within 6 months of the date of the failed examination, provided the applicant has not been disqualified. An applicant who fails to pass the second and any subsequent examinations may not take the examination again for a period of 6 months.
  - (e) The Board shall disqualify an applicant from taking any future examination if the Board determines the applicant engaged in fraud, dishonesty, material misrepresentation, or corruption while taking the examination.
  - (f) The applicant shall have one year from the date of the application to complete the requirements for standard certification. The Board shall treat an applicant who does not complete the process within one year as a new applicant and require the applicant to retake the examination and pay all standard certification and examination fees.

1 Section 55. Certification.

- (a) If the Board is satisfied that an applicant meets the requirements of this Act, the Board shall issue a certificate to the applicant designating the status of the legal document preparer as associated with a business or as acting independently. Upon instruction from the Board, the Program Coordinator shall promptly notify a successful applicant of certification and provide the applicant with a document, in a form determined by the Board, stating the applicant's name, date of certification, and certificate number.
- (b) The Board may refuse to issue a certificate if the Board finds that any of the following applies:
  - (1) the applicant does not meet the requirements for certification;
  - (2) the applicant has not submitted the applicable documents and fees;
  - (3) the applicant engaged in fraud, dishonesty, corruption, or material misrepresentation in applying for a certificate or on a certificate examination in this State or another state;
  - (4) the applicant has a record of a conviction by final judgment of a felony or any other offense involving moral turpitude;
  - (5) the applicant is currently on probation, parole, or community supervision for a felony offense or is named in an outstanding warrant for a felony;
  - (6) a court has ordered treatment for the applicant pursuant to the Mental Health and Developmental Disabilities Code or has found the applicant incapacitated pursuant to the Probate Act of 1975;
  - (7) the applicant is subject to revocation or suspension of a certificate pursuant to this Act or has had any occupational or professional license denied, revoked, or suspended; or
    - (8) the applicant has been found civilly liable in an

- action involving fraud, intentional misrepresentation, misappropriation, theft, or conversion.
  - (c) An applicant's failure to disclose information on the application that is subsequently revealed through the fingerprint background check may constitute good cause for automatic denial of the certification if the nondisclosed information is relevant to the practice of legal document preparation.
  - (d) On instruction from the Board, the Program Coordinator shall promptly notify an applicant who is denied certification, in accordance with this Act, of the reasons for the denial and of the applicant's right to a hearing.
    - (e) An applicant may exercise the right to a hearing on the decision to deny certification by filing a written request within 15 days after receipt of notice of the denial. The applicant is the moving party at the hearing and has the burden of proof. The provisions of Sections 165 through 200 of this Act concerning hearings and Section 215 of this Act concerning judicial review apply regarding the procedures for the hearing and review.
  - Section 60. Authorized services. A certified legal document preparer may:
    - (1) prepare or provide legal documents, without the supervision of an attorney, for an entity or a member of the public in any legal matter when that entity or person is not represented by an attorney;
    - (2) provide general legal information, but may not provide any kind of specific advice, opinion, or recommendation to a consumer about possible legal rights, remedies, defenses, options, or strategies;
    - (3) provide general factual information pertaining to legal rights, procedures, or options available to a person in a legal matter when that person is not represented by an attorney;
      - (4) make legal forms and documents available to a

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- 1 person who is not represented by an attorney; and
- 2 (5) file and arrange for service of legal forms and 3 documents for a person in a legal matter when that person
- is not represented by an attorney.
- Section 65. Designated business principal. The designated principal of a certified business entity shall:
  - (1) prepare and submit, with the initial business application, a list of all certified legal document preparers acting for or on behalf of the business entity;
  - (2) file with the Program Coordinator, by June 30th of each year, a list of all certified legal document preparers and a list of all trainees acting for or on behalf of the business entity as of June 1st of that year;
  - (3) actively and directly supervise all other certified legal document preparers, trainees, and staff working for the certified business entity; and
  - (4) represent the business entity, at the discretion of the entity, in any proceeding under this Act.
  - Section 70. Code of conduct. Each certified legal document preparer shall adhere to the code of conduct provided for in Section 220 of this Act and any code of conduct set forth in Supreme Court rules.
- 23 Section 75. Identification. Beginning July 1, 2005, a 24 certified legal document preparer shall include the legal 25 document preparer's name, the title "Illinois Certified Legal Document Preparer" or the abbreviation "ILCLDP," and the legal 26 27 document preparer's certificate number on all documents 28 prepared by the legal document preparer that are filed in any 29 Illinois court. The legal document preparer shall also provide his or her title and certificate number upon request. 30
- 31 Section 80. Notification of changes.
- 32 (a) A certificate holder shall inform the Program

- 1 Coordinator, in writing, of any change in name, address,
- 2 employment, or phone number within 30 days after the change
- 3 occurs.
- 4 (b) If the status of a certificate holder changes from
- 5 being associated with a business entity, the certificate holder
- 6 shall, within 30 days after the change, notify the Program
- 7 Coordinator in writing.
- 8 (c) A business entity shall notify the Program Coordinator
- 9 in writing within 30 days after the termination of employment
- 10 when an employee who is a certified legal document preparer
- 11 leaves the employment of the business entity.
- 12 Section 85. Supervision of trainees.
- (a) If a certificate holder employs a person who would qualify for certification as a legal document preparer but for the lack of required experience, the certificate holder may
- train the employee to perform legal document preparer services
- authorized by this Act for a period not to exceed 2 1/2 years.
- 18 (b) The trainee may perform authorized legal document
- 19 preparer services, as set forth in Section 60 of this Act, only
- 20 under the supervision of the certificate holder. Neither the
- 21 trainee nor the certificate holder may represent that the
- trainee is a certified legal document preparer.
- 23 (c) Any certificate holder who undertakes to train an
- 24 employee as a legal document preparer shall:
- 25 (1) assume personal professional responsibility for
- the trainee's guidance in any legal document preparation
- 27 work undertaken and for supervising, generally or
- directly, as necessary, the quality of the trainee's legal
- document preparation work;
- 30 (2) assist the trainee in activities to the extent the
- 31 certificate holder considers it necessary;
- 32 (3) ensure that the trainee is familiar with and
- 33 adheres to the provisions of this Act and the code of
- 34 conduct set forth in Supreme Court Rules; and
- 35 (4) provide the certificate holder's name and

- certificate number, as required by Section 75, on any documents filed in a court that were prepared by the trainee under the certificate holder's supervision.
- Section 90. Expiration; surrender; renewal of certification; continuing education requirements.
  - (a) All initial certifications expire at midnight on June 30th of each year. The Board may not, except in extenuating circumstances, renew an initial certificate beyond June 30, 2005. All standard certifications expire at midnight on June 30th of each odd-numbered year. All certificates shall continue in force until expired, suspended, revoked, or terminated. If the Board receives the request for renewal and prescribed fees after the established deadline, the Board shall determine the certificate expired on June 30th.
    - (b) An applicant may voluntarily surrender a certificate. The surrender is not valid until accepted by the Board. The Board may require additional information reasonably necessary to determine whether the certificate holder has violated this Act. The Board shall, within 120 days after the voluntary surrender of the certification, either file a notice of hearing regarding a complaint and disciplinary action or accept the surrender.
    - (c) The certificate holder is responsible for applying for a renewal certificate. To remain eligible to serve as a legal document preparer in this State, a certified legal document preparer shall submit a completed renewal application, applicable fees, and documentation by the renewal application deadlines established by the Board.
    - (d) All certified legal document preparers shall attend 10 hours of continuing education every year, consisting of Board-approved continuing education relevant to the preparation of legal documents. The certified legal document preparer shall provide documentation on an approved form of completion of at least 10 hours of continuing education and shall submit this documentation with the application for

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- 1 renewal of certification.
- 2 (e) The Board may, before granting a renewal of 3 certification, require additional information reasonably 4 necessary to determine whether the applicant continues to meet 5 the qualifications specified in this Act. This may include 6 background information, fingerprinting, a signed affidavit, or
- any other reasonable information that the Board may require.
- 8 Section 95. Decision regarding renewal.
- 9 (a) On receipt of the renewal application and the renewal 10 fee, the Board shall issue the applicant a new standard 11 certificate for 2 years, unless the Board finds that the 12 applicant does not meet the requirements for renewal.
- 13 (b) The Board may deny renewal of a certificate for any of
  14 the reasons specified in subsection (b) of Section 55 of this
  15 Act.
  - (c) On instruction from the Board, the Program Coordinator shall promptly notify qualified applicants of the renewal of their certification and provide them with a document in a form determined by the Board, stating the applicant's name, date of certification, and certificate number.
  - (d) On instruction from the Board, the Program Coordinator shall promptly notify an applicant denied renewal of certification of the reasons for the denial and of the applicant's right to a hearing.
- 25 (e) An applicant is entitled to a hearing on the decision 26 to deny renewal if the applicant files a written request with 27 the Board within 15 days after receipt of notice of the denial. 28 The applicant is the moving party at the hearing and has the 29 burden of proof. The provisions of Sections 165 through 200 of 30 this Act concerning hearings and Section 215 of this Act 31 concerning judicial review apply regarding the procedures for the hearing and review. 32
- 33 Section 100. Grounds for discipline. A certificate holder 34 is subject to disciplinary action if the Board finds that the

certificate holder has:

- (1) willfully violated or willfully failed to comply with applicable laws, court orders, orders of the Board, or provisions of the Illinois Supreme Court Rules or with this Act;
- (2) violated or failed to discharge any obligation required by this Act;
- (3) exhibited gross negligence or incompetence in the performance of his or her duties as a legal document preparer;
  - (4) engaged in fraud, dishonesty, or corruption;
- (5) aided or assisted another person to engage in independent preparation of legal documents if the other person is not a certified legal document preparer;
- (6) been convicted by final judgment of a felony offense or any other offense involving moral turpitude;
- (7) been the subject of court-ordered treatment pursuant to the Mental Health and Developmental Disabilities Code or been found to be incapacitated pursuant to the Probate Act of 1975; or
- (8) engaged in any other activity or omission for which the Board is authorized to revoke or suspend a certificate under this Act.
- Section 105. Effect of expiration of certification on discipline. The expiration provisions described in Section 90 and Section 95 of this Act do not affect the right of the Board to investigate and take disciplinary action regarding the certification of a certificate holder if a complaint or investigation is pending prior to the expiration date. Non-renewal of the certification by the certificate holder does not affect this provision.
- Section 110. Cease and desist order. A hearing officer or a circuit court judge, upon petition by the Board, may enter an order for an individual to immediately cease and desist from

- 1 conduct that constitutes engaging in the practice of legal
- 2 document preparation without the required certification.
- 3 Section 115. Subpoenas; oaths; evidence.
  - (a) For the purposes of investigations or hearings under this Act, the Board or a hearing officer may administer oaths and affirmations, subpoena witnesses, take evidence, and require the production of documents, records, or information, whether kept in original form or electronically stored or recorded, or other items relevant or material to the inquiry.
  - (b) If a person fails to obey a subpoena issued pursuant to this Section, the Board or a hearing officer may request that the circuit court issue an order that requires the appearance by a person or the production of documents or other items, or both to the same extent as provided in the subpoena. The court may treat the failure to obey the order as contempt of court and may punish the contempt.
- 17 (c) Subpoenas shall be issued in the same manner and served 18 as provided by the Code of Civil Procedure.
  - Section 120. Immunity. Persons appointed by the Supreme Court to serve in an advisory capacity to the Legal Document Preparer Program, staff of the Legal Document Preparer Program, hearing officers, and employees of the Administrative Office of the Illinois Courts who participate in the Legal Document Preparer Program are immune from civil liability for good faith conduct that relates to the performance of their official duties under the program.
  - Section 125. Confidentiality. The Board, program staff, and court employees shall keep information or documents obtained or generated by the Board, program staff, or court employees in the course of an open investigation under this Act or received in an initial report of misconduct under this Act confidential except as mandated by public record rules adopted by the Supreme Court or adopted pursuant to this Act. Upon

determination by the Board, if the alleged violations are sufficiently serious to warrant the filing of formal charges, then the complaint and all records of proceedings and actions by the Board pertaining to the complaint shall be open to public inspection. Any complaint dismissed by the Board pursuant to Section 140 or subdivision (b) (1) of Section 150 of this Act is confidential and not subject to public inspection. Documents relating to other actions shall be open to public inspection upon final disposition of the action by the Board.

Section 130. Service. The Board shall serve notice of formal proceedings by personal service upon the certificate holder or the certificate holder's counsel or by certified mail, return receipt requested, to the certificate holder's address of record with the Board. Service by mail is complete upon deposit in the United States mail. Proof of service shall be made by filing with the hearing officer a verified statement that service was made. Delivery of all other papers or notices, including a request for a response to a complaint, shall be made by first class mail unless otherwise ordered by the Board.

Section 135. Complaint.

- (a) All judicial officers or their designees and all certified legal document preparers shall, and any other person may, notify the Program Coordinator if they have personal knowledge that a certificate holder has violated this Act. A complainant shall make the complaint in writing with sufficient specificity to warrant further investigation. The complaint shall include the name and telephone number of the complainant.
- (b) On receipt of a complaint, the Program Coordinator and program staff shall investigate and prosecute, and the Board shall adjudicate, alleged violations of this Act as necessary for the enforcement of this Act. The Board may initiate a complaint on its own motion.

complaint, the Program Coordinator shall conduct an initial screening to determine whether the complaint warrants further investigation and evaluation. If the Program Coordinator believes the complaint is outside the jurisdiction of this Act, the Program Coordinator shall recommend that the Board dismiss the complaint. If the Board concurs, the Board shall dismiss the complaint. The Board may refer the complaint to another State agency or entity with jurisdiction, if appropriate. If the Program Coordinator determines that the complaint is within the jurisdiction of the Board, the Program Coordinator shall conduct a preliminary investigation pursuant to Section 145 of this Act.

Section 145. Preliminary investigation; recommendation.

- (a) The Program Coordinator and program staff shall conduct all investigations promptly, discreetly, and confidentially.
- (b) The Program Coordinator shall deliver the complaint to the certificate holder within 15 days after commencement of the investigation and shall require that the certificate holder provide a written response within 10 days of delivery of the complaint. The Program Coordinator and the Board shall not proceed with disciplinary action under this Act without providing this notice and opportunity to respond.
- (c) Upon completion of the preliminary investigation, the Program Coordinator shall prepare a written summary and shall present it to the Director. The summary shall include the staff recommendation for disposition of the alleged violation.

Section 150. Review of complaint and investigation.

(a) The Director shall review the Program Coordinator's recommendation regarding a complaint and may direct program staff to conduct further investigations or may concur with the Program Coordinator's recommendation. If the Director concurs with the Program Coordinator's recommendation, the Program Coordinator shall provide the Board with a copy of the complaint, written summary, and recommended disposition. If

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the recommendation

- 1 the Director does not concur with the Program Coordinator's 2 Director recommendation, the may submit his 3 recommendation to the Board along with a statement explaining the recommendation and the reasons for the rejection of the 4 5 Program Coordinator's recommendation. The Director shall 6 notify the Program Coordinator of his or her decision regarding
  - (b) Upon completion of the investigation, the Board shall review the complaint and the staff summary and recommendation. The Board may dispose of the matter as follows:
    - (1) determine that no violation exists and dismiss the complaint;
      - (2) order further investigation;
      - (3) determine that the complaint is appropriate for resolution without proceeding to formal proceedings; or
      - (4) determine that the alleged violations warrant the filing of formal charges, and direct program staff to prepare the notice of formal charges and right to hearing and proceed as provided in subsection (b) of Section 155 of this Act.
  - (c) If the Board finds that the public health, safety, or welfare requires emergency action and incorporates a finding to that effect in the order disposing of the matter, the Board may, with the consensus of a majority of the members of the full Board, order the summary suspension of a certificate pending a proceeding for certificate revocation or other disciplinary action. The Board shall provide notice to the certificate holder of its intent to seek summary suspension at 3 days prior to commencing summary suspension that disciplinary proceedings. The Board shall ensure proceedings are promptly instituted within 20 days after its order disposing of the matter. The Program Coordinator shall immediately notify all presiding judges of the circuit court of any summary suspension under this Section.

- (a) The Board may commence formal proceedings if the Board finds reasonable cause to believe the certificate holder has violated this Act and the complaint is not appropriate for resolution by an informal disciplinary proceeding or a letter of concern.
  - (b) The Board shall serve a statement of formal charges on the certificate holder with a notice advising the certificate holder of the certificate holder's rights pursuant to this Act. The notice shall include the following information:
    - (1) a short and plain statement of the allegations and factual basis supporting the relief requested; amendments to the statement are permissible;
    - (2) a reference to the particular Sections of this Act involved;
    - (3) a statement that the certificate holder has the right to a hearing, upon request in writing within 15 days after receipt of the notice; and
    - (4) a statement of the requirements for responding to formal charges, as specified in subsection (c) of Section 165 of this Act.
- (c) The certificate holder shall file an answer to the notice and statement of formal charges within 15 days after the date the notice is served unless otherwise ordered by the Board. Answers shall comply with the Supreme Court Rules and Code of Civil Procedure. Any defenses not raised in the answer are waived. If a certificate holder fails to file an answer within the time provided, the certificate holder is in default, the factual allegations in the formal charges are deemed admitted, and the Board may determine the matter against the certificate holder.
- 31 Section 160. Discovery.
- 32 (a) Discovery is permitted as provided in this Act, as the parties mutually agree, or as the hearing officer permits.
- 34 (b) Within 15 days after the filing of an answer to a 35 statement of formal charges, the parties shall exchange the

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- 1 names, addresses, and telephone numbers of all persons known to
- 2 have knowledge of the relevant facts, designating those persons
- 3 the parties intend to call at the hearing and summarizing their
- 4 anticipated testimony.
- 5 (c) The parties shall exchange other evidence relevant to 6 the formal charges that is not otherwise confidential.
- 7 (d) The parties have a continuing duty to supplement 8 information required to be exchanged under this Act.
  - (e) Parties may take depositions of other parties or any witnesses expected to be called. Depositions of document custodians are permissible to secure production of documents and to establish an evidentiary foundation. No other depositions shall be taken except upon the agreement of all parties, an order of the hearing officer following a motion demonstrating good cause, or an order of the hearing officer following a prehearing conference.
- (f) To the extent practicable, all discovery shall be completed within 30 days after the filing of the answer or 15 days before the hearing, whichever is longer.
  - (g) The hearing officer may preclude any party from calling a witness or presenting evidence at the hearing if the witness or evidence has not been disclosed as required under this Section.
- 24 (h) The hearing officer shall resolve all discovery 25 disputes. These rulings are final except on review.
- 26 Section 165. Hearings.
- 27 (a) A certificate holder subject to formal charges or an
  28 applicant denied initial or renewal certification may request a
  29 hearing within 15 days after receipt of the notice of formal
  30 charges or notice of denial of certification. Hearing requests
  31 must specify the provision of this Act that entitles the person
  32 to a hearing, the factual basis supporting the request for a
  33 hearing, and the relief demanded.
- 34 (b) Upon written demand by a person entitled to a hearing 35 pursuant to this Act or at the direction of the Board, the

- Coordinator may select a hearing Program officer, knowledgeable in conducting hearings, to hold a hearing regarding the initial or renewal certification of an applicant or alleged misconduct by a certificate holder. The Board may request that the presiding judge of the circuit court in the county where the alleged violation took place, if applicable, supply a hearing room and any other necessary resources.
  - (c) The hearing officer shall prepare and give to the parties a notice of the hearing at least 15 days prior to the date set for the hearing. The notice shall include a statement of the time, place, and nature of the hearing and a statement of the legal authority and jurisdiction for conduct of the hearing.
  - (d) The hearing officer shall hold the hearing within 45 days after receipt of an applicant's or certificate holder's request for a hearing unless postponed by mutual consent for good cause. If the Board has requested a hearing, the hearing officer shall hold the hearing as soon as practicable at the discretion of the hearing officer, but no sooner than 15 days after service of the notice of hearing, as required by subsection (c) of this Section.
  - Section 170. Prehearing motions. Parties shall file prehearing motions at least 5 days prior to the scheduled hearing date unless otherwise ordered by the hearing officer. Parties shall file responses within 5 days after the filing of the motion. Copies of all motions and other filings shall be delivered to the hearing officer and all parties to the proceeding.
  - Section 175. Prehearing conference. The hearing officer may order a prehearing conference at the request of any party or on the hearing officer's own initiative. The purpose of the conference is to consider any or all of the following actions:
    - (1) to reduce or simplify the issues for adjudication;
    - (2) to dispose of preliminary legal issues, including

- 1 ruling on prehearing motions;
- 2 (3) to stipulate to the admission of uncontested 3 evidence, facts, and legal conclusions;
  - (4) to identify witnesses;
  - (5) to resolve discovery issues, if any; and
- 6 (6) to consider any other matters that will aid in the 7 expeditious conduct of the hearing.
- 8 Section 180. Procedure at hearing.
  - (a) The hearing officer shall preside over the hearing. The hearing officer has the authority to decide all motions, conduct prehearing conferences, determine the order of proof and manner of presentation of other evidence, issue subpoenas, place witnesses under oath, question witnesses, recess or adjourn the hearing, and prescribe and enforce general rules of conduct and decorum. Informal disposition of any case by stipulation, agreed settlement, consent order, or default is permissible.
    - (b) A party is entitled to enter an appearance, introduce evidence, examine and cross examine witnesses, make arguments, and generally participate in the conduct of the hearing.
    - (c) A party may represent himself or herself or appear at a hearing through counsel. An attorney who intends to appear on behalf of a party shall promptly notify the hearing officer and the Board, providing the name, address, and telephone number of the party represented and the name, address, and telephone number of the attorney. A corporate officer may represent a business entity in any proceeding under this Act.
    - (d) All persons appearing before a Board or hearing officer in any proceeding shall conform to the conduct expected in the Illinois Circuit Court.
  - (e) The hearing officer may conduct the hearing in an informal manner and without strict adherence to the rules of pleading or evidence. The hearing officer shall require that evidence supporting a decision is substantial, reliable, and probative and shall exclude irrelevant, immaterial, or unduly

- repetitious evidence.
  - (f) The hearing officer shall require that all testimony considered be under oath or affirmation, except matters of which judicial notice is taken or entered by stipulation. The hearing officer may administer oaths and affirmations.
    - (g) In all matters brought at the request of the Board, evidence in support of the Board's action shall be presented first and the Board has the burden of proof. In matters brought at the request of someone other than the Board, including requests for a hearing on the denial of certification or renewal of certification, the person seeking the hearing shall present evidence first and carries the burden of proof.
- 13 (h) There is no right to a jury. All hearings shall be open to the public.
- 15 Section 185. Record of hearing.
  - (a) The hearing officer shall ensure that all portions of the hearing are electronically recorded and transcribed at the request of any party. The party making the request shall pay the cost of the transcript.
  - (b) A certified competent court reporter shall make a full stenographic record of the proceedings if requested by a party within 5 days prior to a hearing. The cost of the transcript is the responsibility of the requesting party. The hearing officer may require prepayment or a monetary deposit to cover the cost of the transcript. If transcribed, the record is a part of the court's record of the hearing, and any other party with a direct interest is entitled to receive a copy of the stenographic record, at the request and expense of the party.
  - Section 190. Recommendations of hearing officer. If applicable, the hearing officer shall, within 30 days after the closing of the record of a hearing, prepare written recommendations and deliver the recommendations to the Board.
- 33 The recommendations shall include findings of fact, based 34 on a preponderance of the evidence introduced at the hearing,

1 and conclusions of law separately stated.

Section 195. Decisions; orders. The Board shall render the final decision in writing and shall include findings of fact and conclusions of law separately stated. The Board shall make findings of fact by a preponderance of the evidence based exclusively on the evidence introduced at the hearing and on matters officially noticed.

The Board shall notify the parties of the decision either personally or by mail to their last known addresses.

Section 200. Rehearing. Any party to a hearing may request a rehearing or reargument of the matters involved in the hearing by filing a written request with the hearing officer within 15 days after receipt by the party of the order at issue. The request shall conform to the requirements of Article III of the Code of Civil Procedure. Any party served with a request for rehearing may file a response within 15 days after service. The hearing officer shall rule on the request within 30 days after its filing date.

Section 205. Disciplinary actions.

- (a) Whether or not the investigation concerning an alleged violation by a certificate holder results in the filing of formal charges, which may or may not include a hearing, the Board shall do one or more of the following, as it determines appropriate:
- (1) determine that no violation exists and dismiss the complaint;
  - (2) resolve the violation by consent order or other negotiated settlement between the parties;
    - (3) place restrictions on the certificate holder;
- 30 (4) mandate additional training for the certificate 31 holder;
- 32 (5) issue cease-and-desist orders, letters of concern,
  33 or warnings;

- 1 (6) order revocation or suspension of certification 2 for violations of this Act; or
- 3 (7) impose restitution for substantiated economic
  4 damages.

The Board may assess costs and impose civil penalties associated with these violations, after a formal hearing, provided that a civil penalty may not exceed \$2,000 for each violation of this Act and may not exceed an aggregate of \$15,000. The Attorney General shall bring an action in the circuit court to enforce the collection of any monetary penalty imposed. The Program Coordinator shall deposit these costs and civil penalties in the Legal Document Preparer Fund.

- (b) The Board shall issue an order specifying the violations found, the facts supporting the findings, and any sanctions imposed pursuant to this Act.
- Section 210. Notice of suspension or revocation; reinstatement.
  - (a) The Board shall promptly serve notice of suspension or revocation of any certification upon the certificate holder.
  - (b) A legal document preparer whose certificate has been suspended or revoked may apply in writing for a reinstatement of the certificate on a showing of good cause and payment of the renewal fee. The Board may grant or deny the request, may require the applicant to take or retake the examination for certification, and may impose other appropriate conditions for reinstatement.
- Section 215. Judicial review. All final administrative decisions of the Board pursuant are subject to judicial review under Article III of the Code of Civil Procedure and its rules.

  The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure. Proceedings for judicial review shall be commenced in the circuit court of any county permitted by Section 3-104 of the Code of Civil Procedure.

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1 Section 220. Code of conduct.

(a) Preamble. This code of conduct shall apply to all certified legal document preparers in this State. The purpose of this code is to establish minimum standards for performance by certified legal document preparers.

#### (b) Ethics.

- (1) A legal document preparer shall avoid impropriety and the appearance of impropriety in all activities, shall respect and comply with the laws, and shall act at all times in a manner that promotes public confidence in the integrity and impartiality of the legal and judicial systems.
- (2) A legal document preparer shall be alert to situations that are conflicts of interest or that may give the appearance of a conflict of interest.
- (3) A legal document preparer shall promptly make full disclosure to a consumer of any relationships that may give the appearance of a conflict of interest.
- (4) A legal document preparer shall refrain from knowingly making misleading, deceptive, untrue, or fraudulent representations while assisting a consumer in the preparation of legal documents. A legal document preparer shall not engage in unethical or unprofessional conduct in any professional dealings that are harmful or detrimental to the public.

### (c) Professionalism.

- (1) A legal document preparer shall treat information received from the consumer as confidential, yet recognize and acknowledge that the privilege of confidential communications is not extended to certified legal document preparers.
- (2) A legal document preparer shall be truthful and accurate when advertising or representing the legal document preparer's qualifications, skills, or abilities or the services provided, and shall refrain from denigrating or otherwise calling into disrepute the

- products or services offered by any other legal document preparer or attorney.
  - (3) A legal document preparer shall maintain and observe the highest standards of integrity and truthfulness in all professional dealings.
  - (4) A legal document preparer shall keep abreast of current developments in the law as it relates to legal document preparation and shall fulfill ongoing training requirements to maintain professionalism and the skills necessary to perform his or her duties competently.
  - (d) Fees and services.
  - (1) A legal document preparer shall, upon request of a consumer at any time, disclose in writing an itemization of all rates and charges to that consumer.
  - (2) A legal document preparer shall determine fees independently, except when otherwise established by law, entering into no unlawful agreements with other legal document preparers on the fees to any consumer.
  - (3) A legal document preparer shall at all times be aware of and avoid impropriety or the appearance of impropriety, which may include, but is not limited to:
    - (A) establishing contingent fees as a basis of compensation;
    - (B) directly or indirectly receiving any gift, incentive, reward, or anything of value as a condition of the performance of professional services; or
    - (C) directly or indirectly offering to pay any commission or other consideration in order to secure professional assignments.
  - (4) A legal document preparer may consult with, associate with, collaborate with, and involve other professionals in order to assist the consumer.
  - (e) Skills and practice.
  - (1) A legal document preparer shall provide completed documents to a consumer in a timely manner. The legal document preparer shall make a good faith effort to meet

promised delivery dates and make timely delivery of documents when no date is specified. A legal document preparer shall meet document preparation deadlines in accordance with rules, statutes, court orders, or agreements with the parties. A legal document preparer shall provide immediate notification of delays.

- (2) A legal document preparer shall accept only those assignments for which the legal document preparer's level of competence will result in the preparation of an accurate document. The legal document preparer shall decline an assignment when the legal document preparer's abilities are inadequate.
- (f) Performance in accordance with law.
- (1) A legal document preparer shall perform all duties and discharge all obligations in accordance with applicable laws, rules, or court orders.
- (2) A legal document preparer shall not represent that he or she is authorized to practice law in this State, nor shall the legal document preparer provide legal advice or services to another by expressing opinions, either verbal or written, or by representing another in a judicial, quasi-judicial, or administrative proceeding, or other formal dispute resolution process, except as directed by the Supreme Court rules or this Act. A legal document preparer shall not attend court with a consumer for the purpose of assisting the consumer in the court proceeding, unless otherwise ordered by the court.
- (3) A legal document preparer shall not provide any kind of advice, opinion, or recommendation to a consumer about possible legal rights, remedies, defenses, options, or strategies. This shall not, however, preclude a certified legal document preparer from providing the type of information permitted in Section 60 of this Act. A legal document preparer shall inform the consumer in writing that a legal document preparer is not a lawyer, is not employed by a lawyer, and cannot give legal advice and that

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communications with a legal document preparer are not privileged. A legal document preparer shall not use the designations "lawyer", "attorney at law", "counselor at law", "law office", "J.D.", "Esq.", or other equivalent words, the use of which is reasonably likely to induce others to believe the legal document preparer is authorized to engage in the practice of law in this State.

8 Section 225. Fee Schedule.

- 9 (a) Initial certification. The fees for initial certification shall be nonrefundable and shall be as follows:
  - (1) individual certification \$300
    - (2) renewal of initial individual certification \$300
- 13 (3) business entity certification \$300
- 14 (4) renewal of initial business certification \$300
- 15 (b) Standard certification.
- 16 (1) individual certification \$250
- 17 (2) renewal of standard individual certification 18 \$500
- 19 (3) business entity certification \$250
- 20 (4) renewal of standard business certification \$500
- 21 (5) late renewal fee \$50
- 22 (c) Examination fee for standard individual certifications.
  - (1) Certified Legal Document Preparers \$0 (No fee is required for legal document preparers who hold a valid certificate at the time of application for examination.)
  - (2) Noncertified Legal Document Preparers \$50 (For applicants who do not hold a valid Illinois legal document preparer certificate at the time of application for the examination.)
  - (3) Reexaminations \$50 (For any applicant who does not pass the examination on the first attempt. The \$50 fee applies to each reexamination.)
  - (4) Reregistration \$50 (For any applicant who registers for an examination date and fails to appear at

- the designated site on the scheduled date and time.)
- 2 Section 230. Fund. The Legal Document Preparer Fund is
- 3 created as a special fund in the State treasury. Subject to
- 4 appropriation by the General Assembly, all monies in the Legal
- 5 Document Preparer Fund shall be used to further the objectives
- 6 of this Act.
- 7 Section 800. The State Finance Act is amended by adding
- 8 Section 5.625 as follows:
- 9 (30 ILCS 105/5.625 new)
- Sec. 5.625. The Legal Document Preparer Fund.