Order

Michigan Supreme Court
Lansing, Michigan

December 20, 2023

ADM File No. 2022-54

Proposed Amendment of Canon 7 of the Michigan Code of Judicial Conduct Elizabeth T. Clement, Chief Justice

Brian K. Zahra David F. Viviano Richard H. Bernstein Megan K. Cavanagh Elizabeth M. Welch Kyra H. Bolden, Justices

On order of the Court, this is to advise that the Court is considering an amendment of Canon 7 of the Michigan Code of Judicial Conduct. Before determining whether the proposal should be adopted, changed before adoption, or rejected, this notice is given to afford interested persons the opportunity to comment on the form or the merits of the proposal or to suggest alternatives. The Court welcomes the views of all. This matter will also be considered at a public hearing. The notices and agendas for each public hearing are posted on the Public Administrative Hearings page.

Publication of this proposal does not mean that the Court will issue an order on the subject, nor does it imply probable adoption of the proposal in its present form.

[Additions to the text are indicated in underlining and deleted text is shown by strikeover.]

Canon 7. A Judge or a Candidate for Judicial Office Should Refrain From Political Activity Inappropriate to Judicial Office.

A.-B. [Unchanged.]

- C. Wind up of law practice.
 - (1) A successful elected candidate who was not an incumbent has until midnight December 31 following the election to wind up the candidate's law practice, and has until June 30 following the election to resign from organizations and activities, and divest interests that do not qualify under Canon 4. If a successful elected candidate has remaining funds in a trust account after June 30 following the election and the funds remain unclaimed, the candidate must promptly transfer control of the funds to the elected candidate's interim administrator in accordance with subchapter 9.300 of the Michigan Court Rules and Rule 21 of the Rules Concerning the State Bar of Michigan. The interim administrator must make reasonable efforts to locate the owner of the

property and continue to hold said funds in a trust account for the required statutory period in accordance with the Uniform Unclaimed Property Act, MCL 567.221 *et seq*. This transfer of control to the interim administrator does not create a client-lawyer relationship.

(2) Upon notice of appointment to judicial office, a candidate shall wind up the candidate's law practice prior to taking office, and has six months from the date of taking office to resign from organizations and activities and divest interests that do not qualify under Canon 4. If an appointee has remaining funds in a trust account six months after taking office and the funds remain unclaimed, the appointee must promptly transfer control of the funds to the appointed candidate's interim administrator in accordance with subchapter 9.300 of the Michigan Court Rules and Rule 21 of the Rules Concerning the State Bar of Michigan. The interim administrator must make reasonable efforts to locate the owner of the property and continue to hold said funds in a trust account for the required statutory period in accordance with the Uniform Unclaimed Property Act, MCL 567.221 et seq. This transfer of control to the interim administrator does not create a client-lawyer relationship.

Staff Comment (ADM File No. 2022-54): The proposed amendment of Canon 7 would provide a procedure for handling remaining funds in an attorney's trust account if the attorney is elected or appointed to a judicial office.

The staff comment is not an authoritative construction by the Court. In addition, adoption of a new rule or amendment in no way reflects a substantive determination by this Court.

A copy of this order will be given to the Secretary of the State Bar and to the State Court Administrator so that they can make the notifications specified in MCR 1.201. Comments on the proposal may be submitted by April 1, 2024 by clicking on the "Comment on this Proposal" link under this proposal on the Court's Proposed & Adopted Orders on Administrative Matters page. You may also submit a comment in writing at P.O. Box 30052, Lansing, MI 48909 or via email at ADMcomment@courts.mi.gov. When submitting a comment, please refer to ADM File No. 2022-54. Your comments and the comments of others will be posted under the chapter affected by this proposal.



I, Larry S. Royster, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

December 20, 2023

