

AGENDA ITEM

54-131 JULY 18 2014

DATE: June 25, 2014

TO: Members, Member Oversight Committee
Members, Board of Trustees

FROM: Member Liaisons
David Torres
Joanna Mendoza
Michael Colantuono

SUBJECT: Members' Requests for Adjustments to Fees and Penalties

EXECUTIVE SUMMARY

Members may request that adjustments be made to their membership fees and penalties. Title Two, Rule 2.16 (H) of the Rules of the State Bar states that the Board reserves the right for good cause grant requests for waivers that were denied by staff and to consider all other requests for waivers. This item consolidates several member requests for which the Board's Membership Liaisons have determined that good cause exists to recommend fee adjustments.

Board members with questions or concerns may contact Dina DiLoreto, 415/538-2121 or dina.diloreto@calbar.ca.gov

BACKGROUND

Rule 2.16 of Title Two of the Rules of the State Bar of California provides for waiver of annual membership fees and penalties. Rule 2.16 (C) specifies three circumstances where staff may grant a member's request for waiver of up to \$1,000 in annual membership fees and penalties for the year in which they are due. These circumstances are that 1) the member serves full-time as a magistrate, commissioner, or referee for a state or federal court of record, 2) the member is a retired judge who accepts assignments from the Chief Justice in the assigned judges' program of the Administrative Office of the Courts, or 3) the member's total gross annual household income from all sources is \$20,000 or less, in which case the waiver is 50% of the annual membership fees.

Rule 2.16 (H) provides that the Board of Trustees reserves the right for good cause 1) to grant requests for waivers denied by staff and 2) to consider requests that fall outside of staff's authorization for granting a waiver of fees and penalties. Traditionally, Board members who are appointed as Membership Liaisons have reviewed the waiver requests that come under Rule 2.16 (H) and have made recommendations to MOC and the Board of Trustees where the Liaisons determined that good cause exists to make fee adjustments.

In assessing what constitutes good cause for purposes of determining whether or not the Board of Trustees should grant a fee waiver, the member's justifications for a fee waiver should be weighed against the public policy reasons for imposing annual membership fees. The primary public policy reason for imposing State Bar membership fees is to provide funding for an effective attorney regulatory system that protects the public and eases the burdens on the courts. The system is funded **solely** through the imposition and collection of annual fees. For this reason, membership fee waivers should not be granted as a matter of course, but rather should be limited to extraordinary compelling, exigent situations where the member did not contribute to the cause of the failure to pay full fees.

ISSUE

Do the Board Committee on Member Oversight (MOC) and the Board of Trustees agree with the recommendations of the Membership Liaisons that good cause exists to grant the requests for fee adjustments for the State Bar members listed below? MOC and the Board of Trustees may deny or agree **in whole** or **in part** with any of the recommendations.

DISCUSSION

The following members have requested adjustments to their annual State Bar membership fees. Staff has reviewed these requests and established that they do not meet the qualifications for staff waivers (See Rule 2.16 (C)), or that the amounts are greater than \$1,000. The requests that are less than \$1,000 have been reviewed and denied by staff, and the member(s) have appealed to the Member Liaisons. The Liaisons have determined that good cause exists to recommend adjustments.

Karen Gail Andres (#65057) Admitted December 18, 1975. Current status is Active. Member has a balance of \$520. Member requests a waiver of her 2014 license fees and late payment penalty OR that she be allowed to pay the Inactive license rate after the February 3, 2014 deadline. Member's request is based on medical hardship. Member has received 1 waiver in the past 6 years. Member has submitted a letter of explanation and documentation in support of her request.

Montserrat Ceres Araujo (#248736) Admitted April 27, 2007. Current status is Active. Member has a balance of \$290. Member requests a waiver of the remaining balance on her 2014 license fees and the late payment penalty. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation and documentation in support of her request.

Toula Anastacia Arvanitis-Dalpe (#207531) Admitted June 5, 2000. Current status is Active. Member has a balance of \$520. Member requests the Inactive license rate for 2014. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation and a financial declaration.

Melissa Monique Banda (#268657) Admitted January 6, 2010. Current status is Active. Member has a balance of \$520. Member requests a waiver of the late payment penalty. Member's request is based on family hardship. Member has received 1 waiver in the past 4 years. Member has submitted a letter of explanation and a financial declaration.

Fabian Louis Giatti (#242409) Admitted June 1, 2006. Current status is Active. Member has a balance of \$520. Member requests a waiver his 2014 license fees and late payment penalty. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation and a financial declaration.

Linn E. Gillen (#248923) Admitted June 1, 2007. Current Status is Active. Member has a balance of \$520. Member requests a waiver of her 2014 license fees and late payment penalty. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a statement and a financial declaration.

Elyse Ann Gunter (#143382) Admitted December 11, 1989. Current status is Active. Member has a balance of \$520. Member requests the Inactive license fee and a waiver of the late payment penalty for 2014. Member's request is based on financial and medical hardship. Member has received 2 waivers in the past 6 years. Member has submitted a letter of explanation, a financial declaration and supporting documentation.

Robin Lee Kissin (#123962) Admitted September 10, 1986. Current Status is Not Eligible. Member has a balance of \$2,415. Member requests an adjustment of her fees to a discounted Inactive rate of \$67.50 for 2011 to 2014. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation, a financial declaration and supporting documentation.

Serge Daniel Kohan (#229605) Admitted December 26, 2003. Current status is Inactive. Member has a balance of \$175. Member requests a waiver of his 2014 license fees and late payment penalty. Member's request is based on medical hardship. Member has received a waiver for 5 of the past 6 years. Member has submitted a letter of explanation, a financial declaration and supporting documentation.

Joel Leslie (#162475) Admitted December 14, 1992. Current status is Active. Member has a balance of \$10,377, of which \$520 is owed for license fees and \$9,857 is owed for disciplinary costs. Member requests a waiver of his 2014 license fees and late payment penalty. Member's request is based on medical and financial hardship. Member has received 5 waivers in the past 6 years. Member has submitted a letter of explanation, a financial declaration and documentation in support of his request.

Linda Maureen Lowson (#117989) Admitted June 11, 1985. Current status is Not Eligible. Member has a balance of \$175. Member requests a waiver of her 2014 license fees and late payment penalty. Member's request is based on financial hardship. Member has received 1 waiver in the past 6 years. Member has submitted a letter of explanation and a financial declaration.

Anita L. McNeal (#162574) Admitted December 14, 1992. Current status is Not Eligible. Member has a balance of \$3,435. Member requests a waiver of her outstanding balance. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a financial declaration.

Melissa Marie Murphy (#188132) Admitted June 5, 1997. Current status is Active. Member has a balance of \$205. Member requests late fee scaling and a waiver of the late payment penalty. Member's request is based on the fact that she submitted her fee scaling declaration on time, but neglected to sign the declaration which made it invalid. Member has not received a waiver in the past. Member has submitted a letter of explanation, a fee scaling declaration, and a copy of her 2013 tax return.

Kathleen Johnson Raynsford (#100955) Admitted December 1, 1981. Current status is Inactive. Member has a balance of \$520. Member requests a waiver of her 2014 license fees and late payment penalty. Member's request is based on medical hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation and supporting documentation.

Michael Reichert (#164800) Admitted June 10, 1993. Current status is Not Eligible. Member has a balance of \$7,902.50. Member requests a waiver or adjustment of his outstanding balance. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation and a financial declaration.

JoAnn Duty Stipkovich (#72827) Admitted December 22, 1976. Current status is Inactive. Member has a balance of \$520. Member requests a waiver of her 2014 license fees and late payment penalty. Member's request is based on financial and medical hardship. Member has received 4 waivers in the past 6 years. Member has submitted a letter of explanation and supporting documentation.

Danielle Rebecca Stroud (#243676) Admitted June 24, 2006. Current status is Active. Member has no balance. Member requests late fee scaling, a waiver of the late payment penalty, and a refund. Member's request is based on financial hardship. Member has not received a waiver in the past 6 years. Member has submitted a letter of explanation and supporting documentation.

June Elaine Teecher (#22119) Admitted January 4, 1951. Current status is Active. Member has a balance of \$520. Member requests a waiver her 2014 license fees and late payment penalty. Member's request is based on medical and financial hardships. Member has received 4 waivers in the past 6 years. Member has submitted a letter of explanation and a financial declaration.

Stephen William Tropp (#119325) Admitted December 10, 1985. Current status is Active. Member has a balance of \$1,030. Member requests a waiver of his outstanding balance. Member's request is based on medical and financial hardship. Member has received 2 waivers in the past 6 years. Member has submitted a letter of explanation.

Matthew Gilbert Weisner (#292601) Admitted December 5, 2013. Current status is Active. Member has no balance. Member requests late fee scaling, a waiver of the late payment penalty, and a refund. Member's request is based on financial hardship. Member has not received a waiver in the past. Member has submitted a letter of explanation, a financial declaration and documentation in support of his request.

Arthur C. Wynn (#60213) Admitted June 18, 1974. Current status is Inactive. Member has no balance. Member requests a waiver of the Active license fee for 2014 and a refund for the amount already paid. Member's request is based on his desire to continue his work for the Coast Guard. Member has received 4 waivers in the past 6 years. Member has submitted a letter of explanation

Jessica Ann Youngblood (#291256) Admitted October 8, 2013. Current status is Active. Member has no balance. Member requests a waiver of her 2014 license fees and late payment penalty, as well as a refund of the amount already paid. Member's request is based on financial hardship. Member has not received a waiver in the past. Member has submitted a letter of explanation and a financial declaration.

FISCAL / PERSONNEL IMPACT

This item contains 22 recommendations for a total financial impact of \$15,673.75. If the recommended adjustments listed in Attachment A are approved, the year to date fiscal impact will be \$22,838.75.

RULE AMENDMENTS

There are no rule amendments.

BOARD BOOK IMPACT

There is no impact on the Board Book.

RECOMMENDATION

The Membership Liaisons believe there is good cause to grant the fee adjustments as listed in Attachment A.

PROPOSED BOARD COMMITTEE RESOLUTION

Should the Member Oversight Committee agree with the above recommendation, the following resolution would be appropriate:

RESOLVED, that the Member Oversight Committee recommends that the Board approve the fee adjustments for the State Bar members as presented this day, and on file in the San Francisco office of the State Bar.

PROPOSED BOARD OF TRUSTEES RESOLUTION

Should the Board concur with the Member Oversight Committee's recommendation, the following resolutions would be in order:

RESOLVED, that upon the recommendation of the Member Oversight Committee, the Board hereby approves the fee adjustments for the State Bar members as presented this day before the Board, and on file in the San Francisco office of the State Bar.

ATTACHMENT

A: Membership Liaisons' Proposed Fee Adjustments