

AGENDA ITEM

54-142 MARCH 2016

DATE: March 8, 2016

TO: Members, Planning and Budget Committee
Members, Board of Trustees

FROM: Membership Liaisons
Danette Meyers
Terrance Flanigan
Brandon Starling

SUBJECT: Member Request 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 the board committee 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 and exigent situations where the member did not contribute to the cause of the failure to pay full fees.

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 Membership Liaisons. The Liaisons have determined that good cause exists to recommend adjustments.

Charles Brian Clubb (#211105) Admitted December 7, 2000. Current status is Not Eligible. Member has a balance of \$1,655. Member requests the Inactive license rate for 2014 and 2015. Member's request is based on being in Afghanistan. Member has not received a Board waivers in the past 8 years. Member has submitted a letter of explanation.

Lindsey Marie Hansen (#299875) Admitted December 3, 2014. Current status is Active. Member has a balance of \$430. Member requests a waiver of her 2016 license fees. Member's request is based on financial hardship. Member has not received a Board waiver in the past. Member has submitted a letter of explanation and a financial declaration.

Tara Tiffany Hicks (#274457) Admitted December 3, 2010. Current status is Active. Member has a balance of \$530. Member requests a waiver of her \$100 late payment penalty. Member's request is based on extenuating circumstances. Member has not received a Board waiver in the past 5 years. Member has submitted a letter of explanation and a financial declaration.

June Elaine Teecher (#22119) Admitted January 4, 1951. Current status is Active. Member has a balance of \$430. Member requests a waiver of her 2016 license fees. Member's request is based on financial hardship. Member has received 4 Board waivers in the past 8 years. Member has submitted a letter of explanation and a financial declaration.

Office of County Counsel, San Mateo (Multiple Members) Request is made on behalf of 31 attorneys in the Office of County Counsel for the County of San Mateo. Members request a waiver of the \$100 late payment penalty for each of the 31 attorneys in the office. Request is based on the fact that as a public agency the cost of the late fee represents an undue burden on the tax payer and the fact that the person responsible for processing the payment is a new employee and was unaware of all that goes into processing the payments, which is what led to the delay.

FISCAL/PERSONNEL IMPACT

This item contains 5 recommendations for a total financial impact of \$4,750. If the recommended adjustments in Attachment 1 are approved, the year to date fiscal impact will be \$4,750.

RULE AMENDMENTS

There are no rule amendments

BOARD BOOK IMPACT

There is no impact on the Board Book

BOARD COMMITTEE RECOMMENDATIONS

The Planning and Budget Committee recommends that the Board of Trustees approve the following resolution:

RESOLVED, that the Board of Trustees approve 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(S) LIST

- A.** Member Liaisons' Proposed Fee Adjustments