



The State Bar *of California*

OPEN SESSION

AGENDA ITEM

54-142 MAY 2019

FINANCE AND PLANNING COMMITTEE II.A

DATE: May 16, 2019

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

FROM: Ruben Duran, Brandon Stallings and Alan Steinbrecher

SUBJECT: Licensee Requests for Adjustment of Fees, Penalties and Charges

EXECUTIVE SUMMARY

Licensees may request that adjustments be made to their license fees and penalties. Staff are empowered to approve or deny requests based on certain factors delineated in the rules. Title Two, Rule 2.16 (H) of the Rules of the State Bar states that the Board reserves the right for good cause to grant requests for waivers that were denied by staff and to consider all other requests for waivers outside the scope of staff's authority. Each year, staff convene an informal working group of Board members to assist in developing the recommendations on such requests. This agenda item identifies those licensee requests which the working group has determined that good cause does or does not exist 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 authorizes the waiver of annual license fees and penalties in defined circumstances. Rule 2.16 (C) specifies three circumstances where staff may grant a licensee's request for waiver of up to \$1,000 in annual licensing fees and penalties for the year in which they are due: (1) the licensee serves full-time as a magistrate, commissioner or referee for a state or federal court of record; (2) the licensee is a retired judge who accepts assignments from the Chief Justice in the assigned judges' program; or (3) the

licensee's total gross annual household income from all sources is \$20,000 or less, in which case the waiver is 50 percent of the annual license fees.

Rule 2.16 (D) – (G) also allow staff to grant waivers for licensees serving in the National Guard or in one of the military reserve units for at least 30 days, judicial officers who are leaving office, inactive licensees over 70 years of age, and licensees enrolled in the State Bar of California Pro Bono Practice Program.

Rule 2.16 (H) reserves to the Board of Trustees the authority, 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, a small group of Board members volunteer to meet with staff, review the waiver requests that come under Rule 2.16 (H) and then make recommendations to the appropriate Board committee and the Board of Trustees on whether good cause is present to grant the waiver requests. After confirming with the chair of the Finance and Planning Committee that this structure for consideration of waiver requests remained acceptable, staff secured Trustees Ruben Duran, Brandon Stallings and Alan Steinbrecher as the Board volunteers. Both Trustee Stallings and Trustee Steinbrecher have served in this capacity in prior years.

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

DISCUSSION

The following table lists all 36 requests for waivers considered by the informal working group, along with the recommendations of the group to grant or deny the request. The 36 waiver requests fall into two categories: (1) requests that are outside staff's authority to grant because they exceed \$1,000 or do not meet the parameters of Rule 2.16 (C); and (2) appeals of requests within staff's authority to consider, but which staff denied. The working group's recommendations are based on their review of the full request and supporting information provided by the requesting attorney. For the Finance and Planning Committee and the Board of Trustees, the following table summarizes the requests only at a high level. The table is organized to first list those waiver requests recommended for approval by the informal working group, then to list those waiver requests recommended for partial approval, and finally to list those recommended for denial.

#	Name	Bar #/Admission Year	Status	Request/Comments	Working Group Recommendations
1.	Frank Abi-Nadi	49978/1972	Active	Attorney has a current balance of \$592.75. Attorney requests to be assessed only the Inactive license fee for 2019, which because he is over 70 years of age, would be waived completely. If granted, attorney will transfer to Inactive status. Attorney's request is based on the fact that he has not made any money from the practice of law and that he does not plan to return to practice. Attorney has not received a Board waiver in the past.	Grant - \$517.75
2.	Mary Aguirre	101541/1981	Active	Attorney has no current balance. Attorney requests to be assessed only the Inactive license fee for 2019. If granted, attorney will transfer to Inactive status. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Grant - \$275
3.	Francis R. Cole	219081/2002	Active	Attorney has a current balance of \$75. Attorney requests the scaled license fee for 2019. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Grant - \$95.75

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4.	Jerry E. Ellison, Jr.	178230/1995	Inactive	Attorney has a current balance of \$370. Attorney requests a waiver of his current and past due fees and penalties. Attorney's request is based on financial and medical hardship. Attorney has not received a Board waiver in the past.	Grant - \$370
5.	Katrina Marie Emmons	261990/2009	Inactive	Attorney has a current balance of \$345. Attorney requests the Inactive license fee for 2019. Attorney's request is based on a family hardship and the fact that she's not practicing law. Attorney has not received a Board waiver in the past.	Grant - \$345
6.	Michael J. Gertner	37928/1966	Active	Attorney has a current balance of \$175. Attorney requests a waiver of the late payment penalty. Attorney's request is based on his claim that he did not receive notice that his fees were due. Attorney has not received a Board waiver in the past.	Grant - \$100
7.	Anna S. Ho	110682/1983	Active	Attorney has a current balance of \$530. Attorney requests to be assessed only the Inactive license fee for 2019, which because she is over 70 years of age, would be waived completely. If granted, attorney will transfer to Inactive status. Attorney's request is based on her claim that she never received notice that her license fees were due. Attorney has not received a Board waiver in the past.	Grant - \$530

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8.	Ray N. Iskander	220337/2002	Inactive	Attorney has a current balance of \$530. Attorney requests the Inactive license fee for 2019, which because he is over 70 years of age, would be waived completely. Attorney's request is based on his claim that his assistant faxed the Inactive form over on January 23, 2019. State Bar staff did not receive his form. Attorney has not received a Board waiver in the past.	Grant - \$530
9.	Robert C. Katchen	147438/1990	Active	Attorney has a current balance of \$530. Attorney requests a waiver of the 2019 license fees and penalties. Attorney's request is based on medical hardship. Attorney has not received a Board waiver in the past.	Grant - \$530
10.	William Steele Ledger	48181/1971	Inactive	Attorney has a current balance of \$530. Attorney's daughter requests the Inactive license fee for 2019, which because he is over 70 years of age, would be waived completely. Request is based on medical hardship. Attorney has not received a Board waiver in the past.	Grant - \$530
11.	Christopher Martz	251828/2007	Active	Attorney has a current balance of \$530. Attorney's wife requests a waiver of the late payment penalty. Request is based on medical hardship. Attorney has not received a Board waiver in the past.	Grant - \$100

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12.	Kathleen Moura	172679/1994	Inactive	Attorney has a current balance of \$517.75. Attorney requests the Inactive license fee for 2019. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Grant - \$275
13.	Curtis E. Renoe	228783/2003	Deceased	Attorney has no current balance. Attorney's family requests a refund of his 2019 license fees. Request is based on financial hardship. Attorney has not received a Board waiver in the past.	Grant - \$383
14.	Rob M. Rolan	258710/2008	Active	Attorney has a current balance of \$530. Attorney requests a waiver of his 2019 license fees. Attorney's request is based on financial and medical hardship. Attorney has not received a Board waiver in the past.	Grant - \$530
15.	Thomas Scott Sims	99135/1981	Active	Attorney has no current balance. Attorney requests a waiver of the 2019 late payment penalty. Attorney's request is based on the fact that he does contract work for the Federal government and was negatively affected by the government shutdown. Attorney has not received a Board waiver.	Grant - \$100
16.	Bahara Stapelberg	232826/2004	Active	Attorney has a current balance of \$530. Attorney requests a waiver of her 2019 license fees and penalties. Attorney's request is based on her claim that she did not receive notice that her fees were due. Attorney has not received a Board waiver in the past.	Grant - \$530

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17.	June Elaine Teecher	22119/1951	Active	Attorney has a current balance of \$917.25. Attorney requests to be assessed only the Inactive license fee for 2019, which because she is over 70 years of age, would be waived completely. If granted, attorney will transfer to Inactive status. Attorney's request is based on financial hardship. Attorney has received 5 Board waivers in the past.	Grant - \$917.25
18.	Maynell Angela Thomas	93412/1980	Not Eligible	Attorney has a current balance of \$2533.75(balance includes 16 years of Inactive license fees and late payment penalties). Attorney requests a waiver of her outstanding balance. Attorney's request is based on financial and medical hardship. Attorney has not received a Board waiver in the past.	Grant - \$2433.75
19.	Amy W. Gurvey	87419/1979	Inactive	Attorney has a current balance of \$185. Attorney requests a waiver of the 2019 license fees and penalty. Attorney's request is based on financial and medical hardship. Attorney has received 3 Board waivers in the past.	Grant - \$185
20.	Royce G Abrams	157730/1992	Active	Attorney has a current balance of \$530. Attorney requests a waiver of the 2019 license fees. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Partial Grant – \$95 Attorney is granted late fee scaling.

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21.	Cynthia Bashore	156986/1991	Active	Attorney has a current balance of \$450. Attorney requests to be assessed only the Inactive license fee for 2019 and a waiver of the late payment penalty. If granted, attorney will transfer to Inactive status. Attorney's request is based on medical hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$345 Attorney pays the Inactive license fee and Inactive late payment penalty.
22.	Lynette G. Bean	140148/1989	Not Eligible	Attorney has a current balance of \$4,037. Attorney requests the a waiver of her current and past due fees. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$663.25 Attorney is granted late fee scaling and pays all late fees and penalties for delinquent years
23.	Leslie Miriam Cole	134636/1988	Not Eligible	Attorney has a current balance of \$1,660. Attorney requests a waiver of her current and past due balance. Attorney's request is based on financial and medical hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$830 Attorney pays half of her delinquent balance.
24.	James C. Collins	102066/2002	Active	Attorney has a current balance of \$605. Attorney requests a waiver of the 2019 license fees and late payment penalty. Attorney's request is based on medical hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$375 Attorney pays the Inactive license fee, contingent on him transferring to Inactive status.

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25.	Michele Diederichs	164381/1993	Active	Attorney has a current balance of \$530. Attorney requests to be assessed only the Inactive license fee for 2019 and a waiver of the late payment penalty. If granted, attorney will transfer to Inactive status. Attorney's request is based on family hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$275 Attorney pays Inactive license fee and the Active license late payment penalty, contingent on her transferring to Inactive status.
26.	Jeremiah J. House	240570/2005	Active	Attorney has a current balance of \$517.75. Attorney requests a waiver of the 2019 license fees and late payment penalty. Attorney's request is based on medical hardship. Attorney has received 1 Board waiver in the past.	Partial Grant – \$95 Attorney pays scaled license fee, contingent on him transferring to Inactive status.
27.	Kathleen M. Lord	194679/1998	Inactive	Attorney has a current balance of \$190. Attorney requests a waiver or reduction of the 2019 license fees and penalty. Attorney's request is based on medical hardship. Attorney has received 1 Board waiver in the past.	Partial Grant - \$95 Attorney pays half of her current balance.
28.	Kenneth M. O'Brien	221621/2002	Active	Attorney has a current balance of \$530. Attorney requests a waiver of the 2019 license fees and late payment penalty. Attorney's request is based on financial and medical hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$195 Attorney pays scaled license fee and late fee is waived.

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29.	Saeed Reza Sehzadeh (David Sheehan)	219368/2002	Active	Attorney has a current balance of \$338.50. Attorney requests a waiver of the 2019 license fees and late payment penalty. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Partial Grant - \$238.50. Waiver is contingent on attorney transferring to Inactive status.
30.	Elizabeth S. Hutton	87173/1979	Active	Attorney has no current balance. Attorney requests a waiver of her 2018 late payment penalty. Attorney's request is based on medical hardship. Attorney has not received a Board waiver in the past.	Deny
31.	Robert C. Lamanuzzi	213673/2001	Active	Attorney has a current balance of \$530. Attorney requests a waiver of the late payment penalty. Attorney's request is based on being negatively impacted by the recent Federal Government shut down. He is employed in a contract capacity. Attorney has not received a Board waiver in the past.	Deny
32.	Gary A. Lucks	119188/1985	Active	Attorney has no current balance. Attorney requests a waiver of the late payment penalty. Attorney's request is based on his claim that he did not receive notification that his fees were due. Attorney has not received a Board waiver in the past.	Deny

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33.	Portia Fariza Petty	224939/2003	Not Eligible	Attorney has a current balance of \$1,235. Attorney requests a waiver or reduction of her current balance so that she can transfer to Active status. Attorney's request is based on financial and medical hardship. Attorney has received 1 Board waiver in the past.	Deny
34.	Stephanie J. Rettier	229157/2003	Active	Attorney has no current balance. Attorney requests a waiver of the late payment penalty. Attorney's request is based on being preoccupied with a potential furlough and the teacher's strike in Los Angeles. Attorney has not received a Board waiver in the past.	Deny
35.	Roopal Ramesh Shah	181323/1995	Inactive	Attorney has no current balance. Attorney requests a waiver of the late payment penalty. Attorney's request is based his claim that he did not receive notice that his license fees were due. Attorney has not received a Board Waiver in the past.	Deny
36.	Asian C. Udoh	253829/2007	Inactive	Attorney a current balance of \$185. Attorney requests a waiver or reduction of the 2019 license fees and penalty. Attorney's request is based on financial hardship. Attorney has not received a Board waiver in the past.	Deny

FISCAL/PERSONNEL IMPACT

This item contains 29 recommendations for a waiver or adjustment of fees for a total financial impact of \$12,484.25. If the recommended adjustments are approved, the year to date fiscal impact will be \$24,694.25, which includes \$12,210 in late payment penalties waived for federal employees negatively affected by the government shut down, as approved at the January Board meeting.

RULE AMENDMENTS

None

BOARD BOOK AMENDMENTS

None

STRATEGIC PLAN GOALS & OBJECTIVES

None - core business operations

RECOMMENDATIONS

It is recommended that the Finance and Planning Committee and Board of Trustees approve the following resolution:

RESOLVED, that the Board of Trustees approve the fee adjustments for the State Bar licensees as presented this day before the Board, and on file in the San Francisco office of the State Bar.

ATTACHMENT(S) LIST

None