



**CLOSING THE JUSTICE GAP WORKING GROUP -  
SUBCOMMITTEE ON THE STRUCTURE AND GOVERNANCE,  
EVALUATION/ENFORCEMENT FOR A REGULATORY SANDBOX**

**ACTION SUMMARY**

**Wednesday, October 6, 2021**

**1:00 p.m.–3:00 p.m.**

**Teleconference**

**The State Bar of California**

Questions regarding any agenda item should be directed to the Committee Coordinator, Lauren McCurdy at 415-538-2107, 180 Howard Street, San Francisco, CA 94105, or Co-Chairs Merri Baldwin or John Lund at 415-538-2116. Working Group members are requested to notify the Committee Coordinator as early as possible in advance of the meeting if they wish to remove any item/s from any consent agenda.

**Subcommittee Members:** Andrew Arruda, Merri Baldwin (Co-Chair); Judge Wendy Chang; Daniel Grunfeld; Eric Helland; John Lund (Co-Chair); Wendy Musell; and James Sandman

**Subcommittee Members Not Present:** None.

**Others Present:** Patricia Alabise, Anna, Bartley Babcock, Martin Bambanian, Malosack Berjis, Douglas Brewer, Stephen Bucklin, Baker Burton And Lundy, Carlson & Johnson Llp, Daryl Crouse, Brady Dewar, Randall Difuntorum, Tobin Ellis, Tom Feher, Daniel Forouzan, Gregory Fortescue, Rhett Francisco, Garen G, Briana Givens, Bridget Gramme, Genie Harrison, Kahren Harutyunyan, David Hicks, Steven Horn, Jaime Huff, Jean Hyams, Steven Ibarra, Randy Johnson, Art K, Glenn Kenna, Laurie Klimchock, Richard Koss, Jennifer Kramer, Melanie Lawrence, Mimi Lee, James Lewis, Michael Loghmana, Mack, Angela Marlaud, Lauren McCurdy, Anne Marie Murphy, Gustavo Medina, Francine Medina, Lena Melkonian, J. Michael Brown, April Norman, Martin Nyberg, Denise Pereira, Craig Peters, Matt Price, Tal Rubin, Mark Russakow, Ebby S. Bakhtiar, Shafeeq Sadiq, Scot, Jacquie Serna, Carolin Shining, Ira Spiro, Stevenkaufman, Justice Alison Tucher, Andrew Tuft, Armando Villapudua, Kathy Vu, Leah Wilson, and Mariko Yoshihara.

*The order of business is approximate and subject to change.*

**Members of the public may access this meeting as follows:**

Zoom Link: <https://calbar.zoom.us/j/91454005129>

Call-In Number: 669-900-9128

Webinar ID: 914 5400 5129

## **OPEN SESSION**

### **I. CO-CHAIRS' REPORT**

- A. Roll Call
- B. Public Comment  
*Ira Spiro, Rhett Francisco, Randy Johnson, Genie Harrison, Daniel Forouzan, Jennifer Kramer, Glenn Kenna, Ebby Bakhtiar, Mark Russakow, and James Lewis gave public comment.*
- C. Announcements  
*None.*
- D. Staff Report  
*Mr. Difuntorum reported that the Board took action on the paraprofessional recommendations and approved the recommendations for public comment circulation with a deadline of January 12, 2022. Mr. Difuntorum also reported that at the October 18 meeting, Stacy Butler of the Center for the Innovation for Justice at the University of Arizona School of Law will give a presentation.*
- E. Approval of Open Session Action Summary from the August 25, 2021 Meeting  
*The subcommittee voted to approve the open session action summary from the August 25, 2021 meeting (7-1-0).*

### **II. DISCUSSION**

- A. Discussion and Possible Action on a Subcommittee Recommendation for a Risk-Based Approach to Regulation for a Sandbox  
*Ms. Baldwin presented the recommendations and gave an oral report. Following discussion, the subcommittee voted to approve recommendations 3, 4, and 5 as revised (7-1-0).*

#### *Recommendations Approved*

- 3. *Lawyers participating in sandbox entities should remain subject to the same rules and laws governing other licensees of the Bar except to the extent that compliance with specified rules is waived.*
- 4. *Entities participating in the sandbox should be subject to the rules and laws governing licensees of the Bar except to the extent that compliance with specified rules is waived.*
- 5. *The working group will separately consider the scope and mechanism of possible rule and/or statute waivers.*

- B. Discussion and Possible Action on a Subcommittee Recommendation for Proactive Regulation and Monitoring of Sandbox Providers, including Reporting, Monitoring, and Audits

*Mr. Lund presented recommendations on a risk assessment process and gave an oral report. Following discussion, staff and leadership were assigned to prepare the recommendations to be presented to the full working group at the October 18th meeting to obtain input from the working group members.*

*Mr. Lund presented a report on proactive regulation tools and gave an oral report. Following discussion, staff and leadership were assigned to prepare revised recommendations to be presented to the full working group at the October 18th meeting.*

- C. Discussion and Possible Action on the Drafting of the Closing the Justice Gap Working Group Report on the Recommendations for the Structure and Governance of a Sandbox Regulatory Authority

*This item was not discussed.*

- D. Discussion of Next Steps and New Assignments

It was understood that feedback from the full working group at its October 18th meeting would facilitate further discussion of the recommendations not yet adopted by SAGE.

## **CLOSED SESSION**

**NONE**

## **ADJOURN**

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