

## LEGAL SERVICES TRUST FUND COMMISSION MEETING

### Meeting Summary and Action Items

Wednesday, November 17, 2021, 12:00 p.m.–4:00 p.m.

State Bar of California (Conference Call via Zoom)

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#### Roll Call

##### Members Present

Co-Chair Richard Reinis  
Co-Chair Kim Savage  
Co-Vice Chair Christian Schreiber  
Co-Vice Chair Christina Vanarelli  
Banafsheh Akhlaghi  
Amin Al-Sarraf  
Louise Bayles-Fightmaster  
Pamela Bennett  
Catherine Blakemore  
Will Boschelli  
Erica Connolly  
Eric Isken  
Hon. Diana Kruze (Ret.)  
Joseph Lee  
Tammy Mahoney  
Zahirah Mann  
James Meeker  
Bob Planthold

##### Advisors

Judge Lisa R. Jaskol  
Justice William J. Murray, Jr.  
Judge Brad Seligman

##### Liaisons

Bonnie Hough  
Melanie Snider  
Salena Copeland

##### Public Members

None

##### Staff

Christal Bundang  
Erica Carroll  
Brady Dewar  
Donna Hershkowitz  
Elizabeth Hom  
Christopher McConkey  
Doan Nguyen

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##### Members Absent

Jeff Ball  
Corey Friedman  
Jason Galkin

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#### OPEN SESSION

Co-Chair Richard Reinis called the meeting to order at 12:02 p.m.

##### I. ROLL CALL

Roll call was taken, and quorum was established.

##### II. CALL FOR PUBLIC COMMENT

Co-Chair Reinis invited members of the public to comment on any items on the agenda.  
No public comment was made.

##### III. CONSENT

###### A. Approval of Meeting Summary and Action Items from September 20, 2021 Meeting

The Legal Services Trust Fund Commission approved the September 20, 2021 meeting summary and action items by majority roll call vote (Isken moved, Vanarelli seconded). The vote was as follows:

Yes (15): Co-Chair Reinis, Co-Vice Chair Schreiber, Co-Vice Chair Vanarelli, Akhlaghi, Fightmaster, Bennet, Blakemore, Boschelli, Connolly, Isken, Kruze, Lee, Mann, Meeker, Planthold

No (0): None

Abstentions (2): Al-Sarraf, Mahoney

#### **IV. STATE BAR REPORTS**

##### **A. Report from Managers of Office of Access & Inclusion**

Program Manager Doan Nguyen reported that the Office of Access & Inclusions is currently working on releasing the grant agreements for the 2022 grant year and is in the process of completing the grantee monitoring visits. Due to several carryover visits from 2021, the OA&I had 41 visits to complete this year.

##### **B. Update on Board of Trustees Actions**

No updates were provided for this agenda item.

##### **C. Report on IOLTA and Justice Gap Fund Revenue**

Program Manager Nguyen reported that the Interest on Lawyers Trust Account (IOLTA) revenue was in a better position than projected. Currently, IOLTA revenue has collected \$15 million so far and appears to be on track to reach \$16 million by the end of year. Even though several banks also requested lower interest rates this year, staff was able to negotiate a slightly lower decrease than requested. LSTFC suggested that staff loop in LSTFC Member Tammy Mahoney to discuss outreach strategies to law firms and banks next year.

#### **V. ADMINISTRATIVE ACTIVITIES**

##### **A. Discuss Passage of Senate Bill 211 and Senate Bill 498**

Program Manager Nguyen, Co-Chair Reinis, Co-Chair Savage, and Chief Programs Officer Donna Hershkowitz provided an overview of planned changes as a result of the recent passage of Senate Bill 211 (SB 211) and Senate Bill 498 (SB 498).

Under SB 211, the LSTFC will have expanded authority under Business and Professions Code section 6210.5, there will be changes to the LSTFC's appointing entities, the LSTFC Chair and Vice Chair will now be selected by the Judicial Council, and the definition of "civil legal services" will now include "expungements, record sealing or clearance proceedings not requiring a finding of factual innocent, and infractions. All changes will be effective January 1, 2022.

In terms of appointing entities and composition of the LSTFC, the total number of 24 commissioners will remain the same. However, now with SB 211, 6 commissioners will be appointed by the Board of Trustees, 2 commissioners will be appointed by

the Senate Committee on Rules, 2 commissioners will be appointed by the Speaker of the Assembly, 10 commissioners will be appointed by the Judicial Council, and 4 commissioners will be appointed by the LSTFC.

Under SB 498, the client income threshold will increase from 125% FPL to 200% FPL, and veteran disability compensation can be deducted prior to determining a client's eligibility for services. However, the funding formula to determine grant awards will still be based on 125% FPL for each county. While all changes will take into effect on January 1, 2022, grantees will not need to report this information until the 2024 IOLTA/EAF application, which is based on 2022 data. In addition to the IOLTA/EAF grants, these changes will also apply to the State Bar's discretionary grants.

As for next steps, the Rules Committee will be updating the functional matrix to be consistent with SB 211 and SB 498 early next year and the LSTFC will be forming a Nominations Committee. Any other issues will be tackled on a case-by-case basis.

#### **B. Discuss and Approve 2022 Legal Services Trust Fund Commission Work Plan**

Program Manager Nguyen went over proposed changes to the LSTFC workplan, consistent with SB 211 and SB 498. These changes included:

- removing the potential redistribution of the unspent Homelessness Prevention grants
- updating the Bank Grants section to reflect that the committee's main responsibility next year will be to review carryover and budget modification, and determine whether to issue a Bank Grant RFP for 2023 funding
- updating PLL section to monitor compliance of PLL awards because the State Bar is not going to issue a new RFP
- adding EAF evaluations to Outcome Measures
- updating LRAP section so that updates will be provided in Q1

The Legal Services Trust Fund Commission approved the 2022 Legal Services Trust Fund Commission Work Plan by unanimous roll call vote (Planthold moved, Schreiber seconded).

#### **C. Review of Committee Assignments**

The LSTFC reviewed and confirmed the 2021-2022 committee assignments. Staff will update the document to reflect the correct term years. LSTFC Member Boschelli expressed interest in joining the Rules Committee.

Co-Chair Savage then led a brief discussion regarding the Nominations Committee. Under SB 211, the LSTFC will appoint 4 members. The Nominations Committee's goal is to seek a diverse slate of candidates with commitment to social justice. The

LSTFC also discussed past practices of a formal interview process and streamlining an approach to create a pipeline for new members.

**D. Review of Administrative Calendar**

The LSTFC reviewed the proposed meeting dates for 2022. Committees are still in the process of confirming their respective meeting dates.

**VI. IOLTA AND EQUAL ACCESS FUND (EAF) GRANTS**

**A. Discuss and Approve Eligibility and Budget Review Committee Recommendations for 2021 IOLTA and EAF Budget Revisions and Carryover Requests**

LSTFC Member Connolly reported that 34 organizations submitted requests to revise requests or carryovers. In 2020, the LSTFC set a very liberal carryover policy which allowed large carryovers with a spenddown period for the full year, instead of the typical six months. Organizations who submitted requests were given notice that the Eligibility & Budget Review Committee was going to move away from that liberal policy.

Staff recommended approval for most of the requests above 25 percent of the grant award, and six were deferred to the E&BR Committee. These requests were either large in carryover percentage or amount or had vague explanations for the requests. The E&BR Committee is requesting that the LSTFC approve the staff recommendations, and that the E&BR Committee will form a working group to follow up with the six organizations and present a recommendation at the December LSTFC meeting. In light of the significant carryover requests, the LSTFC discussed a potential reserve issue and proper utilization of grant monies.

The Legal Services Trust Fund Commission approved the following resolution by unanimous roll call vote (Planthold moved, Fightmaster seconded):

**RESOLVED**, that the Legal Services Trust Fund Commission approves the 2021 IOLTA/EAF budget revision and/or carryover requests in excess of 25 percent of the grant awards as recommended by the Eligibility & Budget Review Committee and staff

**B. Discuss and Approve Eligibility and Budget Review Committee Recommendations for 2022 IOLTA and EAF Budget Submissions**

LSTFC Member Connolly and Acting Program Supervisor Erica Carroll reported that the E&BR Committee did not have any concerns regarding the 2022 IOLTA/EAF budget submission for the LSTFC to discuss. All follow-up items including late submissions, questions about capital additions, potential non-qualifying activities, and deviations from recommended percentages, were handled on the committee

level. The E&BR Committee also suggested that the Rules Committee discuss and streamline these budget-related items as part of the ongoing codification process.

The Legal Services Trust Fund Commission approved the 2022 IOLTA and EAF budget submissions by unanimous roll call vote (Planthold moved, Akhlaghi seconded).

Yes: Reinis, Savage, Schreiber, Vanarelli, Akhlaghi, Bennett, Boschelli,  
Abstention(s) (7): Connolly (Community Legal Services in East Palo Alto), Isken (Bet Tzedek), Co-Vice Chair Schreiber (Impact Fund, East Bay Law Community Law Center, Legal Aid at Work, Community Legal Services in East Palo Alto); Fightmaster (Law Foundation of Silicon Valley, Legal Aid of Sonoma County); Lee (Bet Tzedek, Center for Refugees Studies, Disability Rights California, Disability Rights Education and Defense Fund, Disability Rights Legal Center, Public Counsel), Mann (Disability Rights California, LACBA), Meeker (Public Law Center), Planthold (Bay Area Legal Aid)

**C. Discuss and Approve Dismissal of Client Complaint from Legal Services of Northern California**

Program Manager Elizabeth Hom reported that the State Bar received a client complaint against Legal Services of Northern California (LSNC) in March 2020. Due to various challenges, staff was not able to resolve the complaint within 90 days. Pursuant to State Bar Rule 3.692, if a complaint is not resolved within the 90-day period, staff is required to provide a written report to the complainant, grantee, and LSTFC. Following the issuance of the report, the complainant and grantees have 30 days to provide a written response to the report.

The report was sent to complainant and LSNC and is included in the LSTFC meeting materials. LSNC submitted a written response questioning the commission's authority with the particular situation and expressing criticisms of staff's handling of the matter. The complainant has until November 25 to submit a written response. Staff does not anticipate that the complainant will submit a response, and absent any additional information received from the complainant, staff recommends dismissing the complaint because LSNC has met Trust Fund commission requirements. Staff also recommends that the Rules Committee review and clarify the complaint process as part of the codification process.

After discussion, the Legal Services Trust Fund Commission voted to continue this matter until the December 13 LSTFC meeting by unanimous roll call vote (Planthold moved, Vanarelli seconded).

## **VII. HOMELESSNESS PREVENTION GRANTS**

### **A. Report on HP III Formula and Competitive Grants**

Acting Program Supervisor Christopher McConkey reported that HP III Formula Grant applications were due on September 10. There were 75 organizations (61 QLSPs and 14 Support Centers) who applied for this funding opportunity, with \$58.5 million to become available for the approximately 3-year grants. The HP Funds Committee approved all applicants on October 1 and staff subsequently approved the budgets. Grant agreements have been released and are due on November 30. The grant period for HP III Formula Grants is December 1, 2021 through December 31, 2024.

The HP III Competitive Grant applications were due on October 22. There were 34 organizations (29 QLSPs and 5 Support Centers) who applied for this funding opportunity, requesting a total of \$33,780,435. \$19.5 million is available. The HP Funds Committee held a calibration session on October 29, and the scoring team comprised of 1 committee member and 3 staff members will present its recommendations to the HP Funds Committee on December 2. These recommendations will be reviewed for approval at the December 13 LSTFC meeting.

### **B. Discuss and Approve Recommended Changes to Homelessness Prevention Grant Evaluations**

This agenda item will be discussed at the December 13 LSTFC meeting.

## **VIII. PARTNERSHIP GRANTS**

### **A. Discuss and Approve Partnership Grants Committee Recommendations for 2021 Partnership Grant Budget Revisions and Carryover Requests**

Senior Program Analyst Christal Bundang reported that 8 carryover requests and 11 budget revision requests were received by the October 29 deadline. Of those requests, 6 carryover and 3 budget revision requests were over 25 percent and reviewed by the Partnership Grants (PG) Committee its November 4 meeting.

The PG Committee recommends approving the budget revision requests for Central California Legal Services (2) and Neighborhood Legal Services. In light of the significant carryover request amounts, the PG Committee only recommends approving one carryover request from Community Legal Aid SoCal, but not approving the requests from Central California Legal Services (2), Legal Assistance for Seniors, and Neighborhood Legal Services (3). These grantees will be also encouraged to apply for Partnership Grants 2.0 funding if they wish to seek additional funding in the 2022 grant year.

The Legal Services Trust Fund Commission approved the following resolution by unanimous roll call vote (Vanarelli moved, Isken seconded)

**RESOLVED**, that the Legal Services Trust Fund Commission approve the Partnership Grant's recommendations regarding the 2021 Partnership Grant Budget Revision and Carryover Requests.

**B. Discuss and Approve Proposed Rubric for 2023 Partnership Grants**

LSTFC Member Isken reported that at its November 4 meeting, the PG Committee discussed potential updates to the 2023 Partnership Grants scoring rubric. The PG Committee recommends a substantively similar rubric that was used for 2022, but that the definitions for Project Impact, Administration, Continuity Planning, and Evaluation be updated in line with the recommendations from the Rules Committee to streamline category definitions across the State Bar's competitive discretionary grants.

The Legal Services Trust Fund Commission approved the following resolution by unanimous roll call vote (Isken moved, Planthold seconded)

**RESOLVED**, that the Legal Services Trust Fund Commission approve the 2023 Partnership Grants scoring rubric, as recommended by the Partnership Grants Committee.

**C. Discuss and Approve Recommended Changes to Partnership Grant Evaluations**

This agenda item will be discussed at the December 13 LSTFC meeting.

**IX. LIAISON REPORTS**

**A. Judicial Council Report on Program Developments**

No updates were reported for this agenda item.

**B. Legal Aid Association of California Report on Program Developments**

Liaison Salena Copeland reported that LAAC continues its efforts to increased money for legal aid.

**X. ADJOURN**

There being no other business, the meeting was adjourned at 3:39 p.m.