

**LEGAL SERVICES TRUST FUND COMMISSION
EXECUTIVE COMMITTEE**

Meeting Summary and Action Items

Tuesday, May 31, 2022, 1:00 p.m.–3:00 p.m.

State Bar of California (Conference Call via Zoom)

Roll Call

Members Present

Co-Chair Richard Reinis
Co-Chair Kim Savage
Christian Schreiber
Christina Vanarelli

Liaisons

Salena Copeland

Public Members

None

Staff

Brady Dewar
Donna Hershkowitz
Danielle MacRae
Doan Nguyen

Members Absent

None

OPEN SESSION

Chair Isken called the meeting to order at 1:01 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 comments were made.

III. CONSENT

A. Approval of Meeting Summary and Action Items from February 15, 2022 Meeting

The Executive Committee (committee) approved the Meeting Summary and Action Items from the February 15, 2022, meeting (Vanarelli moved, Reinis seconded). The motion passed by unanimous roll call vote.

B. Approval of Meeting Summary and Action Items from March 23, 2022 Meeting

The committee approved the Meeting Summary and Action Items from the March 23, 2022 meeting (Reinis moved, Vanarelli seconded). The motion passed by unanimous roll call vote.

IV. DISCUSSION AND ACTION ITEMS

A. Update on Loan Repayment Assistance Program (LRAP) Proposal

Program Director Doan Nguyen reported that a working group comprised of members from the Legal Services Trust Fund Commission, Council on Access and Fairness, and the Access Commission developed a proposal for a statewide loan repayment assistance program (LRAP) for legal aid attorneys. The proposal has been very positively received by the legislature and State Bar staff are hopeful it will be funded in the state budget. The request is for \$10 million annually.

The program would be available for legal aid attorneys. The current proposed legislative language restricts the program to attorneys working at IOLTA-funded organizations, including those who are registered legal aid attorneys in California. The program would repay up to \$10,000 per attorney per year; State Bar staff estimate this would fully cover the loan balance of all eligible attorneys who are on an income-based repayment plan.

B. Update on 2022-2025 CalHFA Foreclosure Prevention Grants

Senior Program Analyst Danielle MacRae reported that 22 proposals requesting a total of approximately \$26 million were submitted for the CalHFA foreclosure prevention competitive grant opportunity. The commission has \$11,040,000 to disburse (\$12 million, less eight percent for administrative costs). The scoring team completed scoring all proposals and developed funding recommendations. The scoring team will recommend the committee fund 11 of the 22 proposals, including the nine highest-scoring proposals and two that would serve areas of the state that would not otherwise be sufficiently served. The scoring team also identified a further two programs that would provide even greater coverage statewide and requested additional funding from CalHFA to fund those two proposals; at this time, CalHFA has decided not to increase funding beyond the agreed-upon \$12 million.

State Bar staff will present the scoring team's recommendations at the June 13 committee meeting for discussion and approval. The time of that meeting was changed to 9:30 – 10:30 a.m. to accommodate committee members' schedules.¹ If the committee cannot reach quorum on June 13, the item will be taken to the full commission for approval on June 17.

C. Update on Legal Services Trust Fund Commission Application Process

Nguyen reported that the commission used to have a nomination committee, but that committee has since been disbanded. Instead, the commission's application process is modeled after that of the Board of Trustees. The commission will use appointment liaisons; these liaisons are currently Christian Schreiber and Kim

¹ During the May 31 meeting, the committee discussed changing the meeting time to 9:30-10:30 a.m. After the meeting, it was decided the meeting will take place at 2:00-3:00 p.m.

Savage. The commission received over 20 applications, and it is a strong set of applicants. The liaisons are working with Nguyen to review and interview applicants; they have interviewed six applicants for three positions. Nguyen reported that most applicants were reached via personal recruitment from current commission members.

D. Preview of June 17, 2022 Legal Services Trust Fund Commission Meeting Agenda

Nguyen walked the committee through the draft agenda for the June 17 commission meeting. The agenda includes:

- A report from Nguyen and Program Director Elizabeth Hom on the state budget and potential funding increases to the Legal Services Trust Fund Program;
- A report on the Legal Services Trust Fund Program audit;
- An informational update from the Eligibility and Budget Review Committee on two new IOLTA/EAF applicants and any preliminary eligibility issues;
- A discussion and approval of the 2023 IOLTA distribution amount;
- An informational update on the LRAP proposal;
- A review of, and training on, the commission's Conflict of Interest policy;
- An informational update on the CalHFA grant applications and funding recommendations (though if the committee cannot meet on June 13, the commission will need to review and approve the grant awards on June 17);
- An informational update on the commission application process;
- Liaison reports from the Legal Aid Association of California and the Judicial Council; and
- Informational presentations by at least one grantee.

The agenda might also include an informational presentation on homelessness prevention grant data, but State Bar staff are awaiting approval from the Judicial Council to report on that information. The primary business item for the June 17 committee meeting is the 2023 IOLTA distribution. The commission will have several decision points when determining the distribution amount, including whether they wish to use a conservative, moderate, or aggressive IOLTA revenue projection and what amount of money should be kept in a reserve. State Bar staff are still finalizing their recommendation, but staff anticipate more funding will be available to distribute in 2023 than was available in 2022. Nguyen will provide the memo on the staff's recommendations for the 2023 IOLTA distribution to the committee before posting it as part of the June 17 commission meeting materials.

V. ADJOURN

There being no other business, the meeting adjourned at 1:33 p.m.