

LEGAL SERVICES TRUST FUND COMMISSION
EXECUTIVE COMMITTEE MEETING
Meeting Summary and Action Items
Tuesday, August 2, 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
Co-Vice Chair Christina Vanarelli

Liaisons

Bonnie Hough, Judicial Council
Melanie Snider, Judicial Council
Salena Copeland, LAAC

Staff

Erica Carroll
Corine Chung
Brady Dewar
Meryl Friedman
Danielle MacRae
Doan Nguyen
Kimberly Warmesley

Members Absent

Co-Vice Chair Christian
Schreiber

OPEN SESSION

Co-Chair Reinis 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 comment was made.

III. DISCUSSION AND ACTION ITEMS

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

Program Director Nguyen reported that, at the time of the last update, an LRAP program for civil legal aid attorneys was included in the Legislature's budget, but it was removed during Governor Newsom's review. There is still a possibility that it may be included in a budget trailer bill.

LAAC liaison Salena Copeland provided additional context, reporting that all necessary steps to advocate for this program's inclusion in the budget had been taken, but there was disagreement between the Department of Finance and Legislature about how much funding was available, similar to challenges faced by other programs. She confirmed there may be one additional opportunity to approve such a program through trailer bill language. Nguyen noted she will give another update at the August 12 LSTFC meeting. She also noted there may need

to be further discussion regarding the number of LSTFC volunteers participating in the LRAP working group.

B. Update on 2022-2025 CalHFA Foreclosure Prevention Grants

Nguyen reported that the grant period began on schedule on July 1. Enough funding was available to support 11 of 22 projects. Staff is working with CalHFA to finalize reporting requirements, meeting at least once every other week to do so. First quarterly reports will be due in October. In response to questions regarding reporting requirements, Senior Program Analyst Danielle MacRae confirmed that most requirements mirror those of the HP III grants, which should benefit both the State Bar and grantees in easing the reporting burden and allowing comparisons of outcomes across grants, with the exception of a few unique data points required for this grant.

C. Approve Timeline and Delegations of Authority for 2023-2025 Consumer Debt Grants Administration

Senior Program Analyst Danielle MacRae presented on this topic. The Budget Act of 2022 includes \$15 million for grants to qualified legal services projects and support centers to provide consumer debt legal services. The bill allows for 2.5 percent for administrative costs of the State Bar and Judicial Council with remaining funds to be awarded through a competitive grant process. MacRae highlighted some of the other grant requirements, including that funds are available for encumbrance or expenditure through December 31, 2025. Staff envisions a three-year grant period. She further noted that more discussion is needed regarding permissible activities under the grant, and the committee discussed some initial suggestions developed in consultation with LAAC, the Judicial Council, and an outside consultant; legislative intent regarding COVID-related job loss; and possible scope of the work and whether to include supportive services (such as social work activities). There will be more in-depth discussion on this point when evaluating and approving a voting rubric next month.

MacRae presented a proposed timeline from August 2022 until the start of grant in January 2023, with a goal of releasing applications in mid-September and having the full LSTFC approve awards in December. Staff also responded to committee questions regarding how many rounds of funding would be available, whether there will likely be continued future funding, and how many applicants are anticipated, among other things.

After discussion, the committee approved the following resolution:

RESOLVED, that the Legal Services Trust Fund Commission Executive Committee recommends the timeline for 2023-2025 consumer debt grants as presented in staff's August 2, 2022, memo; and it is

FURTHER RESOLVED, that the committee recommends that the commission delegate authority to the committee to approve the request for proposals, including scoring rubric, for the consumer debt grants and to a commissioner-staff team to score applications in consultation with the committee.

The resolution passed by unanimous roll call vote (Savage moved, Vanarelli seconded).

D. Update on Legal Services Trust Fund Commission Application Process

Co-Chair Kim Savage provided an update that she and Co-Vice Chair Christian Schreiber had interviewed six people out of 21 applicants for the LSTFC vacancies to be filled by the commission itself. Three of the six interviewees will be recommended for approval at the next LSTFC meeting. Program Director Nguyen noted that it is the first time the LSTFC will appoint some of its own members, so everyone is working on building this process for future applications. There was brief discussion regarding the number of vacancies on the LSTFC in general, compared with the number the LSTFC can appoint. Committee members noted the positive impact of outreach efforts on the number of applications and emphasized the importance of mentoring new LSTFC members.

E. Preview of August 12, 2022 Legal Services Trust Fund Commission Meeting Agenda

Program Director Nguyen provided an overview of the upcoming LSTFC agenda. Specifically, the committee discussed IOLTA revenue, how it is impacted by bank participation in the Leadership Bank Program, and how to strengthen this program and revenue streams in general in the future, among other things. Nguyen also drew attention to the Partnership Grants approval to go to the Judicial Council and underscored the importance of approving eligibility for IOLTA/EAF grants so staff can run the funding formula and release budget proposals later in August. She confirmed the consumer debt item would also be on this agenda.

Finally, Nguyen shared an update on the work of the Rules Committee and the codification process and the recent change by the Board of Trustees (BOT) that codification proposals will only be heard at the BOT's May and November meetings, thus making it a priority to prepare some codification topics by November.

Nguyen noted that this was the last Executive Committee meeting of the 2021-2022 term and thanked all committee members for their dedication and willingness to take on an increased workload in the past year.

IV. ADJOURN

There being no other business, the meeting was adjourned at 1:50 p.m.