

Fact Sheet: State Bar Reform Chronology

BACKGROUND

Reforms to increase oversight, improve the discipline system, and foster a culture of integrity have been underway at the State Bar for nearly a decade. In 2014, the Board of Trustees brought in new leadership to initiate reforms that continue to this day.

ACCOUNTABILITY AND OVERSIGHT

- ✓ State Bar staff featured in May report terminated. (2014–2015)
- ✓ Governance in the Public Interest Task Force Report (2017)
 - Calls for a smaller, nonelected Board of Trustees and elimination of elected officers.
- ✓ Legislature spurs State Bar's rebirth (2018)
 - Trade association functions spun off to separate organization.
 - Eliminated elected Board members and officers. Proportional increase in nonattorney Trustees elevates public protection focus.
- Performance dashboards created for Chief Trial Counsel (CTC) and Special Deputy Trial Counsel (SDTC) (2022–2023) Key performance metrics published online for the two disciplinary offices increase visibility and accountability.
- ✓ Full Board sits as Regulation and Discipline Committee (2022) Change reflects Board's unanimous commitment to ensuring appropriate oversight of the discipline system.
- ✓ Office of Public Trust Liaison launches (2023) <u>New independent function</u> to help the public navigate the processes for attorney complaints and admissions.
- Oversight of Complaint Review Unit enhanced (2023, 2024) Office of General Counsel (OGC) now provides biannual Board updates on requested reviews of cases closed by OCTC.

IMPROVEMENTS TO ATTORNEY DISCIPLINE SYSTEM

- ✓ Attorney fingerprinting records (2019) State Bar refingerprints 190,000 attorneys to enable automated criminal record tracking, remedying an issue unresolved since the late 1980s.
- ✓ New Chief Trial Counsel appointed/confirmed (2021–2022) Board appoints George S. Cardona as CTC; approved by the Senate in 2022, the first such confirmation in 10 years.
- ✓ New CTC implements numerous reforms (2022–2024)
 - After OCTC enhances investigations of client trust account (CTA) overdrafts and other CTA-related complaints, related discipline investigations increased.
 - Clearer guidance on use of nonpublic measures to close complaints.
 - New policies to increase independence of, and Board exposure to, semiannual random audits of closed complaints.
- ✓ Client Trust Account Protection Program (2021–2024) For the first time, attorneys required to report CTA information annually. In 2023, more than 103,000 attorneys safeguarded billions of dollars in 59,000+ CTAs.
- ✓ First forensic accountant hired (2022) To strengthen investigations of CTA violations, OCTC begins hiring forensic accountants.
- ✓ New policy on complaint withdrawals (2022). New policy clarifies that complaining witness's withdrawal of a complaint cannot be sole basis for closure.
- ✓ New procedures for attorneys with multiple complaints (2022–2023) After reviews of attorneys with 40+ and 15+ complaints in a five-year period, OCTC implements new procedures requiring heightened scrutiny for attorneys with 15+ complaints over the last five years.
- ✓ New procedures for identifying patterns of prior complaints (2022-2023) OCTC requires use of a new tool to analyze prior complaints and identify patterns of complaint allegations.

A CULTURE OF INTEGRITY AND TRANSPARENCY

- ✓ Fiscal policy reforms (2017) Board approves changes to eliminate spending previously allowed for professional association functions: alcohol, resort-style hotels for conferences, and third-party sponsorships.
- ✓ File review of Girardi closed complaints leads to investigation of Girardi complaint handling (2021) After a review of closed complaints against Thomas V. Girardi indicated errors in how they were handled, Halpern May Ybarra Gelberg LLP retained to investigate whether handling of past Girardi complaints was affected by his connections to or influence at the State Bar.
- ✓ Girardi complaint history disclosed (2022) Board discloses information about the fourdecade history of 205 disciplinary matters—complaints and investigations—connected to the now-disbarred attorney.
- ✓ Related investigations (2023, 2024) Board authorizes release of two investigative and file reports—<u>August 2023</u> and <u>April 2024</u>—in furtherance of its commitment to accountability.
- Policies governing use of State Bar and personal informational technology equipment, email, and other communications channels improved. (2022)

IMPROVEMENTS TO CONFLICTS COUNSEL PROGRAM

- ✓ Professionalized conflicts counsel (2016) Board approves funding to transition <u>SDTCs</u> from volunteer to compensated status.
- ✓ Administration of conflicts counsel professionalized (2016) Internal program management transitions from Executive Office to OGC, and professional part-time independent administrator hired.
- Compensation increased for SDTCs (2021) Board approves increase in hourly pay for SDTCs to enhance recruitment and retention of quality and productive attorneys.
- ✓ Full-time SDTC administrator hired (2022) Board approves hire of Stacia Laguna as first fulltime SDTC Administrator, increasing efficiency of conflict case handling.
- ✓ Conflicts counsel policy directives enhanced (2023), including filing Form 700 requirements and new policies on gifts and conflicts of interest.

PREVENTING CONFLICTS OF INTEREST

- ✓ Online reporting of potential Rule 2201 conflicts adopted (2018) Mandatory annual process launches to identify relationships with licensees that may give rise to conflicts.
- Incompatible activities policy adopted (2021) Identifies employee activities that may be in conflict with or inimical to their job duties.
- ✓ Form 700 automated (2021) Increased ability to track and audit timely completion.
- ✓ New policies/procedures in OCTC regarding conflicts, gifts, outside employment (2022)
 - Conflicts of interest database integrated with case management system to improve conflict monitoring. Conflict checks now required as cases are assigned and closed.
 - Stronger limitations on gifts and outside employment.
- Rule 2201 conflicts questionnaire updated (2022, 2023) Questions are revised; integration with case management system improved.
- Conflicts of interest policies/procedures improved (2023) Board approves initiatives to strengthen conflicts of interest reporting, training, and compliance reviews.
- ✓ Whistleblower policy strengthened (2023) Under enhanced whistleblower and whistleblower retaliation program, complaints alleging misconduct or retaliation by State Bar employees or Board go directly to the California Department of Justice for review and investigation.
- ✓ Transparency and Accountability webpage launched (2023) <u>Public can access</u> the Board of Trustees' Statements of Economic Interest (Form 700s) and view details on increased conflict of interests reporting.