

## **OUR MISSION**

To protect consumers through licensing, education, and enforcement of the Professional Fiduciaries Act by promoting and upholding competency and ethical standards across the profession.



**Professional Fiduciaries Bureau (Bureau)  
Advisory Committee Meeting  
Wednesday, March 10, 2021**

**Meeting Minutes**

Committee Members Present

Chi Elder, Chair  
Bertha Sanchez Hayden, Vice Chair  
James Moore  
Wendy Hatch  
Denise Nelesen  
Elizabeth Ichikawa

Department of Consumer Affairs (DCA) Staff Present

Rebecca May, Bureau Chief  
Angela Cuadra, Bureau Program Analyst  
Fred Chan-You, DCA Legal Counsel

- 1) Call to Order – Ms. Elder called the meeting to order at 10:01 a.m. and stated the meeting was being held via WebEx with no physical public locations due to the Governor's executive order N-29-20.
- 2) Roll Call & Establishment of Quorum – Ms. Cuadra called roll. Committee members Ms. Wendy Hatch, Mr. James Moore, Ms. Chi Elder, Ms. Bertha Sanchez Hayden, Ms. Denise Nelesen, and Ms. Elizabeth Ichikawa were present via WebEx. A quorum was established with six members present.
- 3) Advisory Committee, Bureau Chief, Staff and Legal Counsel Introductions – Committee Members, Bureau staff, and Legal Counsel introduced themselves.
- 4) Public Comment on Items Not on the Agenda – The link to the Office of Administrative Hearings (OAH) calendar does not allow a search for a hearing by the Bureau. It will only allow a search for the licensee by name. Ms. May responded that the link provided to OAH is updated by OAH and any questions about searches on the website should be directed to OAH.
- 5) Reading of the Professional Fiduciaries Bureau Mission Statement – Ms. May read the Bureau's mission statement.

Public Comment: A request was made to add a short/sweet definition of fiduciary duty and breach of fiduciary duty be added to the regulations and mission statement.

6) Discussion and Possible Approval of the Advisory Committee Meeting Minutes from March 10, 2021 –

Ms. Hatch motioned to approve the minutes as written. Ms. Sanchez-Hayden seconded the motion. A vote by roll call was made: Ms. Hatch, Mr. Moore, Ms. Elder, Ms. Sanchez-Hayden, Ms. Nelesen, and Ms. Ichikawa were in favor. There was no discussion from the committee members and the motion carried with six votes. Ms. Cuadra stated the minutes would be posted to the website as written.

Public Comment: None.

7) Update from the Director's Office –

Ms. Carrie Holmes, Deputy Director of Board and Bureau Relations, reported the department was able to remain open with preventative measures during the pandemic. Ms. Holmes announced Governor Newsom made two Department appointments: Monica Vargas as Deputy Director of Communications and Sara Murillo as Deputy Director of Administrative Services. There is one position open on the Bureau's advisory committee and Ms. Holmes asked that if there were any interested persons or recommendations to visit the department's website to apply for an appointment. Board and Bureau Relations partnered with SOLID to develop a new board member orientation training which has been updated from feedback from board and committee members. Two new programs have been created to work more efficiently with the boards and bureaus. Ms. Nelesen asked for information on the two new programs in writing. Ms. Holmes replied that there will be updates as the projects move forward.

Public Comment: None.

8) Budget Report –

Mr. Paul McDermott, DCA Budget Analyst, presented the budget projection report and fund condition for the Bureau. He stated projections are steady and similar to prior years with a reversion of \$14,000. This is less than last year, but there have been cuts this year. Ms. Hatch asked why personnel services are more than projected and budgets. Mr. McDermott replied that personnel services go up and down due to benefits and salaries, but if the bottom line is within budget the Bureau is fine. Ms. Elder asked if the budget cuts are affecting Bureau staff performance. Ms. May replied that staff is still working 40 hours a week and the cuts have not affected functions and performance. Ms. Elder also asked if the cuts would end at a certain time. Mr. McDermott responded that there are on-going discussions at this time. Ms. Nelesen asked about the surplus money investments on the fund condition and Mr. McDermott explained that it is interest earned on the previous surplus balance.

Public Comment: The state has been looking at bureaus having a certain amount in reserves and is it possible to reduce renewal fees to prevent the reserves from rising too high and putting the Bureau in a position to make loans to the general fund. Mr. McDermott stated six to 12 months is an appropriate reserve. At this point the Bureau is not able to sustain a loan to the general fund. Ms. May stated the fees will remain as is due to the small reversion.

9) Legislative Update and Discussion – DCA Legislative Analyst

Ms. Bianca Angulo, DCA Legislative Analyst reviewed the Legislative calendar and read the list of bills and their status.

Ms. Hatch asked for the difference between AB 596 and AB 574 to be explained as it seems to be duplicative. Ms. Angulo responded that she would reach out to the author’s office for this information.

Public Comment: None.

10) Bureau Updates – Ms. May presented the Bureau’s statistics as of October 31, 2020.

- Application Licensing and Enforcement Statistics –

July 1, 2020 – January 31, 2021	
New Licenses	52
Active Licenses	785
Total Licenses Issued	1,218
New Applications Received	58
AG Cases Initiated	1
Citations Issued	5
Complaints Received	71
Complaints Closed	36
Complaints Pending	114
Average Days to Close Complaint	261

- Business Modernization Plan – Ms. May stated the Bureau has been working with the Department to implement an online presence for our applicants and licensees. The Bureau anticipates accepting payments online near the end of 2021.
- Outreach – Ms. May stated no outreach events were attended since the last meeting due to the pandemic. Ms. May asked the committee to inform the Bureau of any outreach events by email.
- E-Newsletter – Ms. May stated the latest newsletter was posted to the website and sent to the interested parties list in December. It was renamed the PFB Bulletin. The next newsletter will go out in the spring.

- Website Updates – Ms. May stated the Bureau is constantly making updates to its website, usually for clarity and to convey important updates. Last month the Bureau updated the enforcement and complaint page.

Ms. Hatch asked of the 52 new licenses issued, how many were from the 58 new applications. Ms. Cuadra stated that the number of applications can overlap from year to year.

Ms. Hatch also asked how renewal process will be enhanced with the Business Modernization Project. Ms. May stated licensees will be able to submit license renewal fees online.

Ms. Elder asked what types of events the Bureau would like to be informed of for potential outreach events. Ms. May responded a typical event would be a senior or fraud fair and if there are any questions, email the Bureau at [fiduciary@dca.ca.gov](mailto:fiduciary@dca.ca.gov).

Public Comment: A member of the public commented that the Bureau's website does not show value of assets over \$99,999,999. Also, it would be nice to be able to search the website by the aggregate value amount. Finally, it would be nice to have a breakdown who filed the complaints and if the complaint is investigated as a desk investigation or by an investigator.

#### 11) Proposed Rulemakings Update –

Ms. May reported that the inactive/retired license and client notification proposed regulations are in the pre-review process and have not yet been filed with the Office of Administrative Law.

Public Comment: None.

#### 12) Approved Rulemaking Update – Rebecca May, Bureau Chief

Ms. May reported that the Substantial Relationship and Rehabilitation Criteria have been approved by the Office of Administrative Law.

Public Comment: None.

#### 13) Future Agenda Items –

Ms. Cuadra noted there was a request for clarification of the difference between AB 574 and AB 596.

Public Comment: A comment was made that the Bureau has not added items requested by the public and the commenter believes this is a problem. Ms. May responded that items may be requested for the Bureau to consider adding to a future meeting.

#### 14) Future Meeting Dates

- Wednesday, June 16, 2021
- Wednesday, September 15, 2021
- Wednesday, December 8, 2021

Ms. May stated she has a conflict with the June 16, 2021 and would like to change the date to June 23, 2021. Committee members did not mention any scheduling conflicts for the changed date or future dates and were asked to contact Ms. Cuadra if there are any conflicts.

Public Comment: None.

15) Adjournment – The meeting was adjourned at 11:12 a.m.

**3108 - Professional Fiduciary Fund**  
**Analysis of Fund Condition**  
**2021-22 Governor's Budget with FM 09 Projections**  
(Dollars in Thousands)

	<b>PY</b>	<b>CY</b>	<b>BY</b>
	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>
<b>BEGINNING BALANCE</b>	\$296	\$265	\$364
Prior Year Adjustment	-\$5	\$0	\$0
Adjusted Beginning Balance	\$291	\$265	\$364
<b>REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>			
Revenues			
4121200 - Delinquent fees	\$3	\$3	\$4
4127400 - Renewal fees	\$483	\$557	\$563
4129200 - Other regulatory fees	\$24	\$26	\$26
4129400 - Other regulatory licenses and permits	\$89	\$125	\$138
4163000 - Income from surplus money investments	\$8	\$2	\$5
Totals, Revenues	\$607	\$713	\$736
<b>TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>	\$607	\$713	\$736
<b>TOTAL RESOURCES</b>	\$898	\$978	\$1,100
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>			
Expenditures:			
1111 Program Expenditures (State Operations)	\$595	\$570	\$632
9892 Supplemental Pension Payments (State Operations)	\$12	\$12	\$12
9900 Statewide Pro Rata	\$26	\$32	\$39
<b>TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>	\$633	\$614	\$683
<b>FUND BALANCE</b>			
Reserve for economic uncertainties	\$265	\$364	\$417
Months in Reserve	5.2	6.4	7.3

**NOTES:**

Assumes workload and revenue projections are realized in BY +1 and ongoing.  
Expenditure growth projected at 3% beginning BY +1.  
CY revenue and expenditures are projections.

Department of Consumer Affairs  
 Expenditure Projection Report  
 Professional Fiduciaries Bureau  
 Reporting Structure(s): 11117000 Support  
 Fiscal Month: 9  
 Fiscal Year: 2020 - 2021  
 Run Date: 05/04/2021

**PERSONAL SERVICES**

Fiscal Code	PY FM13	Budget	YTD	Projections to Year End	Balance
5100 PERMANENT POSITIONS	\$238,929	\$187,000	\$173,138	\$231,697	-\$44,697
5100 TEMPORARY POSITIONS	\$0	\$22,000	\$0	\$0	\$22,000
5105-5108 PER DIEM, OVERTIME, & LUMP SUM	\$400	\$0	\$200	\$2,400	-\$2,400
5150 STAFF BENEFITS	\$121,667	\$124,000	\$87,485	\$118,151	\$5,849
<b>PERSONAL SERVICES</b>	<b>\$360,996</b>	<b>\$333,000</b>	<b>\$260,823</b>	<b>\$352,248</b>	<b>-\$19,248</b>

**OPERATING EXPENSES & EQUIPMENT**

Fiscal Code	PY FM13	Budget	YTD	Projections to Year End	Balance
5301 GENERAL EXPENSE	\$981	\$5,000	\$53	\$349	\$4,651
5302 PRINTING	\$1,761	\$1,000	\$706	\$706	\$294
5304 COMMUNICATIONS	\$349	\$1,000	\$240	\$320	\$680
5306 POSTAGE	\$207	\$2,000	\$176	\$200	\$1,800
5308 INSURANCE	\$7	\$0	\$995	\$995	-\$995
53202-204 IN STATE TRAVEL	\$772	\$4,000	\$0	\$0	\$4,000
5322 TRAINING	\$164	\$1,000	\$0	\$0	\$1,000
5324 FACILITIES	\$41,219	\$40,000	\$27,341	\$40,955	-\$955
53402-53403 C/P SERVICES (INTERNAL)	\$64,855	\$78,000	\$31,565	\$58,827	\$19,173
53404-53405 C/P SERVICES (EXTERNAL)	\$8,400	\$0	\$0	\$0	\$0
5342 DEPARTMENT PRORATA	\$109,659	\$107,000	\$84,750	\$107,000	\$0
5342 DEPARTMENTAL SERVICES	\$69	\$4,000	\$12	\$20	\$3,980
5344 CONSOLIDATED DATA CENTERS	\$930	\$0	\$0	\$930	-\$930
5346 INFORMATION TECHNOLOGY	\$354	\$1,000	\$8	\$50	\$950
5362-5368 EQUIPMENT	\$4,010	\$0	\$61	\$75	-\$75
5390 OTHER ITEMS OF EXPENSE	\$0	\$0	\$0	\$0	\$0
<b>OPERATING EXPENSES &amp; EQUIPMENT</b>	<b>\$233,738</b>	<b>\$244,000</b>	<b>\$145,907</b>	<b>\$210,427</b>	<b>\$33,573</b>
<b>OVERALL TOTALS</b>	<b>\$594,733</b>	<b>\$577,000</b>	<b>\$406,730</b>	<b>\$562,676</b>	<b>\$14,324</b>

2.48%



**Professional Fiduciaries Bureau**  
**June 23, 2021 Legislative Update**

**Important Dates**

- **May 21** – Last day for fiscal committees to meet and report to the floor bills introduced in their house
- **June 4** – Last day for each house to pass bills introduced in that house
- **June 15** – Budget Bill must be passed by midnight
- **July 14** – Last day for policy committees to meet and report bills
- **July 16** – Summer Recess begins upon adjournment, provided Budget Bill has been passed

**2021 Legislation Related to the Bureau**

**AB 29 (Cooper) State bodies: meetings**

This bill would require a state body's meeting notice to include all writings and materials. This bill would require the writings and materials to be posted to the state body's website 72 hours in advance of the meeting or provided to any person who requests the writings or materials in writing. This bill would prohibit a state body from discussing those writings or materials, or taking action on an item, until the state body has complied with these provisions.

**June 2021 Status:** Two-year bill

**AB 260 (Stone) Guardianships**

This bill would require the court to have good cause to waive a local child welfare services agency investigation and would prohibit the guardianship proceedings from being completed until the investigation is completed and a report is provided to the juvenile court. Second, this bill would require the state-funded Kinship Guardianship Assistance Payment Program (Kin-GAP) aid to be provided on behalf of any child under 18 years of age and to any eligible youth under 21 years of age who has kinship guardianship established. This bill would also eliminate existing law requirements to receive Kin-GAP aid.

**June 2021 Status:** Referred to Senate Judiciary Committee

**AB 339 (Lee) State and local government: open meetings**

This bill would require, until December 31, 2023, all open and public meetings of a city council or a county board of supervisors that governs a jurisdiction containing at least 250,000 people to include an opportunity for members of the public to attend via a telephonic option or an internet-based option. This bill would require all open and public meetings to include an in-person public comment opportunity, except in specified circumstances during a declared state or local emergency. This bill would require all open and public meetings to provide the public with an opportunity to comment on proposed legislation in person and remotely via a telephonic or an internet-based service option.

**June 2021 Status:** Passed Assembly, Ordered to Senate

**AB 465 (Nazarian) Professional fiduciaries: prelicensing and renewal or restoration: education**

This bill would require professional fiduciary licensees to have one hour of instruction in cultural competency beginning January 1, 2023. For a new licensee, this one hour of cultural competency would be included in the initial 30 hours of education required for licensure. For renewal, or to restore a license from retired status to active status, the licensee would be required to complete at least one hour of cultural competency instruction every three years.

**June 2021 Status:** Set for June 7, 2021, hearing in Senate Business, Professions and Economic Development Committee

**AB 574 (Chen) Guardians ad litem: mental illness**

This bill would establish an additional procedure for the appointment of a guardian ad litem for a person who lacks the capacity to make rational informed decisions regarding medical care, mental health care, safety, hygiene, shelter, food or clothing. This bill would authorize certain persons to petition the court for the appointment of a guardian ad litem and would establish the procedures that would govern the filing of the petition, notice procedures and court procedures.

**June 2021 Status:** Two-year bill

**AB 596 (Nguyen) Appointed legal counsel**

This bill would require an attorney, who determines the conservatee or proposed conservatee is unable to communicate, to report this inability to the court. The court will then make a determination regarding this allegation based on evidence, in a procedure as determined by the court. This bill would specifically require an attorney, who is appointed under these provisions to represent a conservatee, proposed conservatee, or person alleged to lack legal capacity to act as an advocate for the client, and would prohibit the attorney from substituting their own judgment for that of the client's expressed interests.

**June 2021 Status:** Two-year bill

**AB 885 (Quirk) Bagley-Keene Open Meeting Act: teleconferencing**

This bill would require a state body that elects to conduct a meeting or proceeding by teleconference to make the portion that is required to be open to the public both audibly and visually observable. The bill would require a state body that elects to conduct a meeting or proceeding by teleconference to post an agenda at the designated primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting and participate. The bill would require a multimember state body to provide a means by which the public may both audibly and visually remotely observe a meeting if a member of that body participates remotely. The bill would further require any body that is to adjourn and reconvene a meeting on the same day to communicate how a member of the public may both audibly and visually observe the meeting.

**June 2021 Status:** Two-year bill

**AB 1062 (Mathis) Conservators and guardians: disposition of property**

This bill would authorize a guardian or conservator of the estate to dispose of or abandon valueless property only after providing 15 days written notice and reasonable access to all persons who received notice of the guardianship or conservatorship petition. This bill would also

authorize a person who received this notice to petition the court to resolve a property right dispute.

**June 2021 Status:** In Senate Rules Committee

**AB 1194 (Low) Conservatorship)**

This bill would require: (1) a professional fiduciary with an internet website to post a schedule of fees on their website; (2) the Professional Fiduciaries Bureau (Bureau) to revoke a professional fiduciary's license based upon a court's findings; and, (3) the Bureau to investigate each report made to the Bureau by the court.

**June 2021 Status:** In Senate Rules Committee

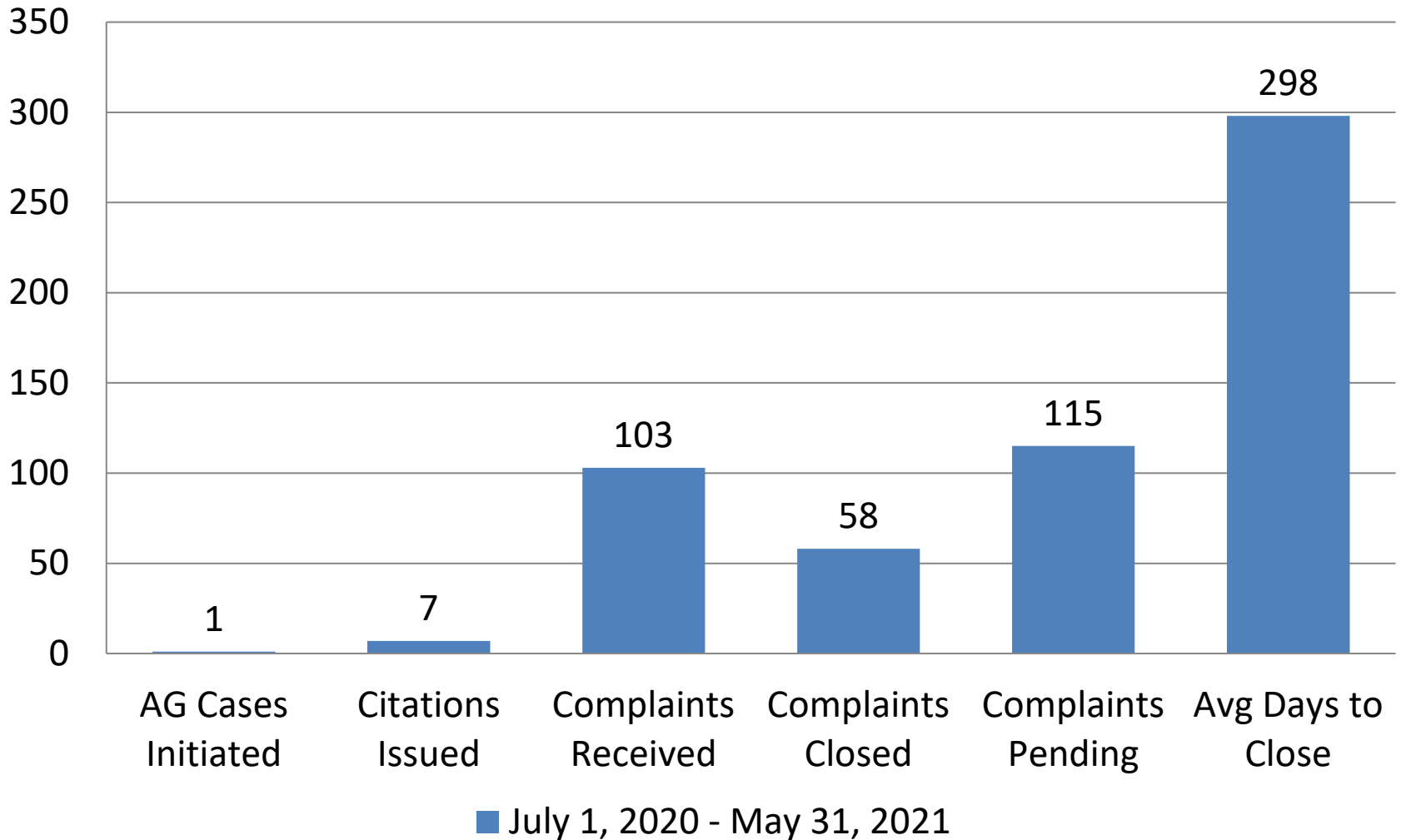
**SB 602 (Laird) Review of conservatorships: care plans**

This bill would require a conservator, within 30 days of appointment and 30 days before a hearing, to submit a care plan to specified persons regarding the care, custody, and control of the conservatee. This bill would require the Judicial Council to develop for the care plan. This bill would impose sanctions for failure to timely submit a care plan; this includes a court imposed civil penalty of up to \$5,000 unless the court determines there is good cause to not impose a penalty.

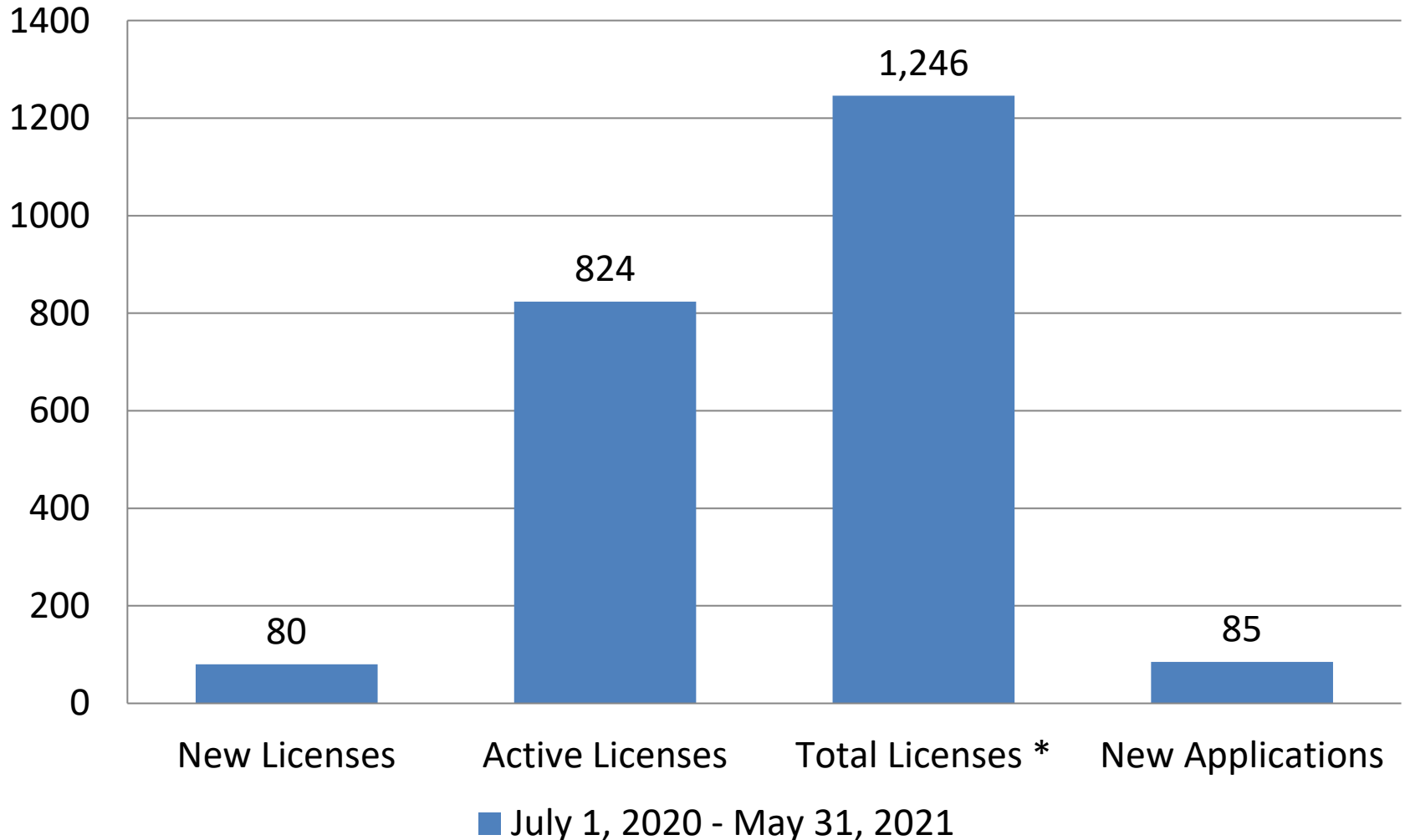
**June 2021 Status:** Moved to the Senate Inactive File

# Complaint Statistics FY 2020-21

## July 1, 2020 – May 31, 2021



# Licensing Statistics Through July 1, 2020 – May 31, 2021



\* Total licenses issued since July 1, 2008

**Goal 1: Licensure Promote licensing standards and entry into the profession while safeguarding consumers.**

1.1 Increase licensee population to facilitate consumer access to fiduciaries.

1.2 Create and develop an apprentice program as a pathway to licensure to promote increased knowledge and experience within the profession.

1.3 Conduct an occupational analysis to update the examination to meet Business and Professions Code § 139 and study guides to better represent the entry level qualifications of the profession.

1.4 Implement an online application and renewal process to improve the efficiency of the current application and renewal process.

1.5 Revise and update website with concise information to improve the ease of licensee and consumer navigation.

## **OUTREACH EVENTS**

### **Since the last Advisory meeting**

- None.

### **Upcoming Events**

- June 22, 2021 Zoom Presentation for NEXT Village in San Francisco.
- August 25-28, 2021 Virtual Presence at the PFAC Educational Conference.