



**Professional Fiduciaries Bureau (Bureau)
Advisory Committee Meeting
Wednesday, May 29, 2019**

Meeting Minutes

Committee Members Present

Hang Le To, Chair
Kathleen Thomson, Vice Chair
Wendy Hatch
James Moore

Committee Members Absent

King Gee

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. To called the meeting to order at 10:00 a.m. and stated the meeting date and location.
- 2) Roll Call & Establishment of Quorum –
Ms. Cuadra called roll. Committee members Ms. Hang Le To, Ms. Kathleen Thomson, Ms. Wendy Hatch, and Mr. James Moore were present at meeting location 1747 N. Market Blvd, 1st Floor Hearing Room, Sacramento, CA 95834. Mr. King Gee was absent. A quorum was established with four members present.
- 3) Advisory Committee, Bureau Chief, Staff and Legal Counsel Introductions – Committee Members introduced themselves.

Public Comment: None.

- 4) Reading of the Professional Fiduciaries Bureau Mission Statement –
Ms. May read the Bureau's mission statement.

Public Comment: A public commenter stated the Bureau allows fiduciaries to use client funds to defend themselves and hold funds from clients preventing them from being able to defend their families.

- 5) Discussion and Possible Approval of the Advisory Committee Meeting Minutes from January 9, 2019 –
Ms. Thomson motioned to approve the minutes as written. Mr. Moore seconded the motion. A vote by roll call was made: Ms. To, Ms. Thomson, Ms. Hatch, and Mr. Moore were in favor. Mr. Gee was absent for the vote. There was no discussion from the committee members and the motion carried with four votes.

Public Comment: None.

- 6) Update from the Director's Office –
Ms. Karen Nelson, Assistant Deputy Director, Office of Board and Bureau Services, reported that Director Dean Grafilo's last day with the department was April 19th and the Governor's office is working toward identifying a successor. DCA plans to hold a Director's quarterly meeting on June 3rd which will be led by Chief Deputy Director Chris Schultz.

In January, the DCA Office of Information Services, announced the launch of a public enforcement and licensing data portal on the department's website. Additionally, the department launched the Future Leadership Development (FLD) program last year to grow new DCA leaders and there were eight graduates on May 22nd. Ms. Nelson thanked Ms. May for being a part of the FLD steering committee.

Ms. Hatch asked how to locate the public portal and Ms. Nelson answered at www.dca.ca.gov and there is a tab at the top of the page labeled "data."

Ms. May asked Ms. Nelson to list the trainings which are mandatory for 2019 and Ms. Nelson stated she would send a link to Ms. May.

Public Comment: None.

- 7) Budget Report –
Mr. Paul McDermott, DCA Budget Analyst, stated the budget is stable with a positive bottom line of \$48,900 and shows a solid four and a half months of reserve.

Ms. Hatch asked which category shows the fines and fees on this report. Ms. Cuadra stated these fees appear under other regulatory fees. Ms. Thomson asked why there is an increase in delinquency fees and Ms. Cuadra replied that as the number of licenses increases, the projection of delinquent fees increase respectively.

Public Comment: None.

- 8) Legislative Update and Discussion –

Mr. Alexander Millington, DCA Legislative Affairs Analyst, stated this is the first update of 2019/20 legislative year and a bit more involved. Mr. Millington read the remaining deadline dates for the 2019 legislative year.

There is no legislation currently related to the operation of the Bureau. The remaining bills discussed were not specifically related to the Bureau but are elder issues.

Ms. Thomson asked if AB 1378 relates to standby of a temporary guardian pending appointment. Mr. Millington answered that the standby guardianship in this bill does not appear to be limited in term.

Ms. Thomson asked for the specified conditions listed in AB 496. Mr. Millington will present AB 496 specified conditions at the next meeting.

Ms. Hatch asked about a bill on how to list that professional fiduciaries are licensed. Ms. May answered that this is a pending regulation.

Public Comment: Mr. Desmond stated SB 303 as amended on April 30th is no longer a concern to the Professional Fiduciaries Association of California (PFAC.)

Ms. Linda Kincaid, Coalition for Elder and Disability Rights, stated they were the sponsor of SB 303. Ms. Kincaid asked the Bureau to support SB 303.

Ms. Gist shared the story of her mother under the care of a licensee and suggested the Bureau watch the movie "The Guardian."

Mr. Richard Calhoun stated the Bureau should require professional fiduciaries to only put clients in licensed facilities.

Ms. Laura Holmes shared the story of her mother under the care of a licensee and asked what actions are taken when a complaint is filed.

Mr. Chan-You stated these comments are outside the scope of the legislative presentation and may be addressed later in the agenda.

9) Bureau Updates – Ms. May presented the statistics as of April 30, 2019.

- Application Licensing and Enforcement Statistics –

| 2019 Statistics | As of April 30, 2019 |
|---------------------------|----------------------|
| New Licenses | 54 |
| Active Licenses | 747 |
| Total Licenses Issued | 1,105 |
| New Applications Received | 100 |
| AG Cases Initiated | 4 |
| Citations Issued | 14 |
| Complaints Received | 99 |
| Complaints Closed | 66 |
| Complaints Pending | 52 |
| Average Days to Close | 125 |

- Outreach – Ms. May read the list of outreach events since the last meeting and reported there are no upcoming events. Ms. May asked the committee to inform the Bureau of any outreach events by email.

- E-Newsletter – The newsletter went out to the interested parties list in February and it can be found on the Bureau’s website. Ms. May requested topic ideas or article submissions for future newsletters.

Ms. Thomson asked if the 54 new licensees is consistent with other years. Ms. Cuadra stated it is usually about 80 per year. Ms. Thomson also asked if any of the AG cases have been settled and how? Ms. May stated she did not have that information available. Ms. Thomson also stated that it is great the Bureau has been able to travel to all of California this year.

Public Comment: Mr. Calhoun stated the statistics need to be clearer for the public. Ms. Kincaid commented and asked for clarification on complaints which she has filed with the Bureau. Ms. May stated she cannot comment on specific complaints. Mr. Chan-You stated the investigation process is confidential and recommended the Bureau not provide that information.

10) Proposed Rulemakings –

Ms. May reported no new updates to the pending regulations. These regulations are all under pre-review in the DCA legal office. The first and third bullet have been placed on a temporary hold while the department works on implementation of AB 2138.

- Update regarding Inactive/Retired License Proposed Regulation – Sections 4560-4580 of Article 8 of Title 16 of the California Code of Regulations
- Update and discussion regarding Client Notification Proposed Regulation – Section 4640 of Article 12 of Title 16 of the California Code of Regulations
- Update and Discussion of Proposed Advertising Regulation – Section 4485 of Article 4 of Title 16 of the California Code of Regulations and Amendment to Section 4406 of Article 1 of the California Code of Regulations
- Announcement of Proposed Addition of Section 4521 and Amendments to Sections 4520, 4522, 4620, and 4622 of Article 4 of Title 16 of the California Code of Regulations

Public Comment: None.

11) Discussion of Future Rulemaking Proposals

Ms. May stated this item reflects a request from the public at the last meeting. Ms. Hatch stated she had a couple of questions and concerns. After Ms. Hatch had presented some of her concerns, it was decided she would send a copy of her suggestions to the Bureau for review and a possible discussion at a future meeting.

Public Comment: Mr. Calhoun asked for rulemaking to be considered for licensees to report how many cases under supervision, a physical address of record, how the

professional fiduciary charges, and that the licensee report the specific courses completed for renewal.

Ms. Gist asked that the licensees be required to take a course in diversity and cultural education.

Ms. Kincaid asked for regulation to prohibit licensees for charging for litigation.

12) Future Agenda Items –

-List of specified conditions in SB 496

-Clearer statistical report

Public Comment: Mr. Calhoun asked the Bureau to go back to previous minutes from November and January and add the items that have not been addressed yet, to not redact public information such as case names, and to look at billable hours of licensees.

13) Future Meeting Dates

-Wednesday, August 14, 2019

-Wednesday, November 13, 2019

Committee members did not mention any scheduling conflicts.

Public Comment: None.

14) Election of 2019 Chair and Vice Chair –

Chair position

Ms. Thomson nominated Ms. Hang Le To for the position of committee chair. Ms. Hatch nominated Ms. Thomson for the position of committee chair. Ms. May stated Ms. To is in her grace period and Ms. To declined the nomination. Ms. Thomson accepted the nomination for chair. The nomination was seconded by Mr. Moore. A vote by roll call was made: Ms. To, Ms. Hatch, Mr. Moore, Ms. Thomson were in favor. Mr. Gee was absent for the vote. The motion carried with four votes.

Vice Chair position

Ms. To nominated Ms. Hatch for the position of committee vice chair, the nomination was seconded by Ms. Thomson. A vote by roll call was made: Ms. To, Ms. Hatch, Mr. Moore, Ms. Thomson were in favor. Mr. Gee was absent for the vote. The motion carried with four votes.

Public Comment: None.

15) Public Comment on Items Not on the Agenda –

Ms. To explained the purpose of the public comment on items not on the agenda and that there will be a two-minute limit for each commenter.

The following comments were made by the public:

- Concerns about response time to emails.

- The Bureau should establish a focus on its mission statement and discuss it on an agenda item.

- Concerns about transparency and that complaint information should be made public.

- Concerns about the relationship between the Bureau and its licensees and if the Bureau is aware of what the licensees do as far as job duties.

- Stated licensees should not serve on the committee.

16)Adjournment – The meeting was adjourned at 11:33 a.m.