



**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 January 31, 2021.

- 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 Complaints	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.

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.