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THE STATE BAR COURT HEARING DEPARTMENT - SAN FRANCISCO

In the Matter of Case No. 01-O-04659-PEM

STEPHEN G. HANSON, ORDER RE MOTION FOR RECONSIDERATION

Member No. 146418, A Member of the State Bar.

TO ALL PARTIES AND COUNSEL IN THE ABOVE ENTITLED MATTER:

The State Bar has requested that the court reconsider its decision filed November 9, 2005. Respondent did not file a response.

The grounds for a motion for reconsideration are (1) new or different facts, circumstances or law, as that ground is applied under Code of Civil Procedure section 1008; and/or (2) the order or decision contains one or more errors of fact and/or law based on the evidence already before the court. (Rules Proc. of State Bar, rule 224(b).)

Having considered the State Bar's motion for reconsideration and good cause appearing, the motion is hereby **GRANTED**, in part, and **DENIED**, in part, as follows:

- The request to correct the factual/typographical error appearing on page 10 of the decision is GRANTED in that the name "Blume" which appears in error on page 10, line 25, of the decision is deleted and replaced with the word "Respondent."
- The request to order respondent to make restitution to Kimberly Nelson (Nelson),
 Steven Dunmore (Dunmore), and Ginger Sammito-Prohaska (Sammito) is DENIED.

The misuse of client funds and/or failure to return unearned fees was not alleged as to Nelson, Dunmore, and Sammito in the notice of disciplinary charges filed in this matter. The State Bar offers no new or different facts, circumstances or law in its motion for reconsideration. Restitution is required when a matter involves the misuse of client funds or unearned fees. The Supreme Court also extended the protective and rehabilitative principles of restitution to cover specific out-of-pocket losses directly resulting from an attorney's violation of his duties. (Sorensen v. State Bar (1991) 52 Cal.3d 1036, 1044.) "Although restitution in disciplinary proceedings may be consistent with equity, doing equity is not its principal purpose." (In the Matter of Klein (Review Dept. 1994) 3 Cal. State Bar Ct. Rptr. 1, 15.) The Supreme Court does not approve of imposition of restitution in attorney discipline matters as compensation to a victim of wrongdoing. (Sorensen v. State Bar, supra, at p.1044.) Thus, there is no basis for ordering restitution as to these clients.

3. The State Bar's request that respondent remain actually suspended until he makes restitution to Alex Blume, Kimberly Nelson, Steven Dunmore, and Ginger Sammito-Prohaska or the Client Security Fund is **DENIED**.

IN VIEW OF THE FOREGOING, the November 9, 2005 decision, other than the correction of the typographical error which appears on page 10 of that decision, stands as filed.

IT IS SO ORDERED.

21 Dated: December <u>\$\mathcal{Z}\$</u>, 2005

Pat Mc Ellroy
Judge of the State Bar Court

CERTIFICATE OF SERVICE

[Rule 62(b), Rules Proc.; Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of San Francisco, on December 8, 2005, I deposited a true copy of the following document(s):

ORDER RE MOTION FOR RECONSIDERATION

in a sealed envelope for collection and mailing on that date as follows:

[X] by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:

STEVEN G. HANSON P O BOX 2740 LODI CA 95240

[X] by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

MANUEL JIMINEZ, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on December 8, 2005.

George Hue
Case Administrator
State Bar Court