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FILED

JUL - 8 2009

STATE BAR COURT
CLERK'S OFFICE
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STATE BAR COURT
 HEARING DEPARTMENT - LOS ANGELES

In the Matter of:) Case No. 07-O-10750, 07-O-11492, 07-O-14309
 STEVEN R. LISS,) **FIRST AMENDED¹**
 No. 129527,) NOTICE OF DISCIPLINARY CHARGES
 A Member of the State Bar)

NOTICE - FAILURE TO RESPOND!

IF YOU FAIL TO FILE AN ANSWER TO THIS NOTICE WITHIN THE TIME ALLOWED BY STATE BAR RULES, INCLUDING EXTENSIONS, OR IF YOU FAIL TO APPEAR AT THE STATE BAR COURT TRIAL, (1) YOUR DEFAULT SHALL BE ENTERED, (2) YOU SHALL BE ENROLLED AS AN INACTIVE MEMBER OF THE STATE BAR AND WILL NOT BE PERMITTED TO PRACTICE LAW UNLESS THE DEFAULT IS SET ASIDE ON MOTION TIMELY MADE UNDER THE RULES OF PROCEDURE OF THE STATE BAR, (3) YOU SHALL NOT BE PERMITTED TO PARTICIPATE FURTHER IN THESE PROCEEDINGS UNLESS YOUR DEFAULT IS SET ASIDE, AND (4) YOU SHALL BE SUBJECT TO ADDITIONAL DISCIPLINE.

STATE BAR RULES REQUIRE YOU TO FILE YOUR WRITTEN RESPONSE TO THIS NOTICE WITHIN TWENTY DAYS AFTER SERVICE.

IF YOUR DEFAULT IS ENTERED AND THE DISCIPLINE IMPOSED BY THE SUPREME COURT IN THIS PROCEEDING INCLUDES A PERIOD

¹ This Amended Notice of Disciplinary Charges is pursuant to the Court's July 6, 2009, Order granting Respondent's Motion to Dismiss Count 3 for failure to state a cognizable claim and giving the State Bar 20 days to amend.

1 OF ACTUAL SUSPENSION, YOU WILL REMAIN SUSPENDED FROM
2 THE PRACTICE OF LAW FOR AT LEAST THE PERIOD OF TIME
3 SPECIFIED BY THE SUPREME COURT. IN ADDITION, THE ACTUAL
4 SUSPENSION WILL CONTINUE UNTIL YOU HAVE REQUESTED,
5 AND THE STATE BAR COURT HAS GRANTED, A MOTION FOR
6 TERMINATION OF THE ACTUAL SUSPENSION. AS A CONDITION
7 FOR TERMINATING THE ACTUAL SUSPENSION, THE STATE BAR
8 COURT MAY PLACE YOU ON PROBATION AND REQUIRE YOU TO
9 COMPLY WITH SUCH CONDITIONS OF PROBATION AS THE STATE
10 BAR COURT DEEMS APPROPRIATE. SEE RULE 205, RULES OF
11 PROCEDURE FOR STATE BAR COURT PROCEEDINGS.

12 The State Bar of California alleges:

13 **JURISDICTION**

14 1. Steven R. Liss ("Respondent") was admitted to the practice of law in the State of
15 California on September 15, 1987, and is currently a member of the State Bar of California..

16 **COUNT ONE**

17 Case No. 07-O-10750
18 Rules of Professional Conduct, rule 3-700(D)(1)
19 [Failure to Return Client File]

20 2. Respondent wilfully violated Rules of Professional Conduct, rule 3-700(D)(1), by failing
21 to release promptly, upon termination of employment, to the client, at the request of the client, all
22 the client papers and property, as follows:

23 3. Beth Bracken ("Bracken") hired Respondent in or about April, 2006, to represent her in a
24 marital dissolution action. At the time Bracken hired Respondent, she provided him all of the
25 documentation in her possession from the file of her prior family law attorney, as well as
26 additional documents in Bracken's possession. At the time Bracken gave these documents to
27 Respondent, she kept a list of the documents for future reference.

28 4. Bracken substituted into her own representation on or about April 14, 2008, and
concurrently retrieved her file papers from Respondent's staff. When Bracken checked the list
of the documents she had provided to Respondent upon hiring him in 2006, Bracken found
numerous documents missing from the file she was provided on April 14, 2008.

5. By withholding some of the documents provided to him when he returned her file at the
time of his termination, Respondent wilfully failed to promptly release to Bracken, at her
request, all of Bracken's papers and property.

1 released for Independent Adoption and an adoption petition is not filed within thirty days, the
2 California Department of Social Services will begin an investigation to determine if foster care
3 licensing law is being violated.”

4 10. In December, 2006, Respondent met with Rood and Portantino and informed them that
5 he had not filed an adoption petition on their behalf, due to his purported inability to locate the
6 birth mother for her signature thereon. Rood and Portantino had been previously advised by
7 Karima Deadrick, a probate caseworker for Riverside County, that, in the absence of a filed
8 adoption petition, a party taking custody of such a released child must file a petition for a
9 guardianship. Rood and Portantino requested that Respondent file a petition for a guardianship
10 on their behalf, and Respondent refused to do so.

11 11. On January 11, 2007, due to Respondent’s refusal to file a guardianship petition, Rood
12 and Portantino terminated Respondent’s representation. At the time of that termination,
13 Respondent had not completed the services described in the engagement agreement, and had not
14 earned the full amount of the fees Rood and Portantino had paid therefor. Rood sent
15 Respondent a letter advising Respondent of his termination, the name and address of Leigh
16 Kretzschmar (“Kretzschmar”), their new attorney, and a demand that their file be forwarded to
17 Kretzschmar. Respondent received the letter but did not respond.

18 12. On February 4, 2007, Rood again sent a letter to Respondent demanding their file
19 materials and a refund of their fees due to Respondent’s failure to complete the services
20 described in the engagement agreement. Respondent received this letter but again failed to
21 respond.

22 13. On March 14, 2007, Respondent faxed a letter to Kretzschmar explaining his failure to
23 complete the adoption, and describing his purported ongoing attempts to represent Rood and
24 Portantino. Respondent’s letter did not address Kretzschmar’s substitution into representation,
25 nor the demands made by Rood and Portantino for the file nor the refund.

26 14. On March 13, 2007, Respondent left a voice mail message on Rood’s telephone which
27 described Respondent’s purported ongoing attempts to complete the adoption engagement, and
28 soliciting Rood and Portantino to contact him. Respondent’s message made no mention of his

1 termination, Kretschmar's representation, Rood and Portantino's file demand nor their refund
2 demand.

3 15. By not refunding fees advanced by Rood and Portantino upon their demand, Respondent
4 willfully failed to refund promptly any part of a fee paid in advance that had not been earned.

5 **COUNT THREE**

6 Case No. 07-O-11492
7 Business & Professions Code section 6106
8 [Moral Turpitude]

8 16. Respondent wilfully violated Business & Professions Code section 6106, by retaining an
9 excessive and unreasonable amount of compensation, as follows:

10 17. The allegations of Count 2 are incorporated by reference.

11 18. At the time Rood and Portantino terminated Respondent, he had not incurred \$1,000
12 worth of costs and expenses reasonably related to his representation of Rood and Portantino.
13 Yet, he never returned any portion of the \$1,000 and never provided Rood and Portantino with
14 an accounting of the \$1,000.

15 19. By failing to return any the portion of the \$1,000 Rood and Portantino paid him for costs
16 and expenses, Respondent retained an excessive and unreasonable amount of compensation and
17 thereby, wilfully committed an act involving moral turpitude, dishonesty, or corruption.

18 **COUNT FOUR**

19 Case No. 07-O-11492
20 Rules of Professional Conduct, rule 4-100(B)(3)
21 [Failure to Render Accounts of Client Funds]

21 20. Respondent wilfully violated Rules of Professional Conduct, rule 4-100(B)(3), by failing
22 to render appropriate accounts to a client regarding all funds of the client coming into
23 Respondent's possession, as follows:

24 21. The allegations of paragraphs 7 through 14 are incorporated by reference.

25 22. By not providing Rood and Portantino, at the time they demanded a refund of their
26 advanced unearned fees, an accounting of the fees they paid him, Respondent wilfully failed to
27 render appropriate accounts to a client regarding all funds of the client coming into
28 Respondent's possession.

1 29. On or about May 11, 2005, Feureisen called Respondent and demanded a refund of the
2 unearned portion of her advanced attorneys' fees, an accounting, and her file.
3 30. On or about June 10, 2005, Feuriesen finally received her file materials from Respondent.
4 Among the documents in the file, Feureisen found a billing statement which described
5 Respondent's billable fees at the time of his termination as totaling \$5,637.50. On that same
6 billing statement, many of the charges for work performed on Feureisen's matter were described
7 as having been performed by Respondent's employee, at an hourly rate of \$90.00/hr.
8 31. On or about June 15, 2005, Feureisen received a billing statement from Respondent.
9 Instead of showing a refund owing to Feureisen, Respondent's statement stated an amount
10 owing to Respondent in the sum of \$5,112.25. In the billing statement Feureisen received on or
11 about June 15, 2005, many of the tasks that had previously been charged at the rate of
12 \$90.00/hr. (and described in the previous paragraph) had been changed; the later billing
13 statement described those tasks as having been performed by Respondent, at an hourly rate of
14 \$295.00/hr. At no time did Respondent refund to Feureisen any unearned advanced fees.
15 32. By not refunding fees advanced by Feureisen upon her demand, Respondent willfully
16 failed to refund promptly any part of a fee paid in advance that had not been earned.

17 **COUNT SIX**

18 Case No. 07-O-14309
19 Business & Professions Code, section 6068(m)
[Failure to Respond to Client Inquiries]

20 33. Respondent wilfully violated Business and Professions Code, section 6068(m), by failing
21 to respond promptly to reasonable status inquiries of a client, as follows:
22 34. The allegations of paragraphs 23 through 30 are incorporated by reference.
23 35. By not returning the messages Feureisen left with Respondent's employee in Feureisen's
24 calls on March 16, 2005, and on March 31, 2005, in which she requested an update on the
25 status of her case, and by not providing Feureisen an update on the status of her case in their
26 conversation on May 5, 2005, Respondent wilfully failed to respond promptly to reasonable
27 status inquiries of a client.

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COUNT SEVEN

Case No. 07-O-14309
Rules of Professional Conduct, rule 4-100(A)
[Failure to Deposit Client Funds in Trust Account]

36. Respondent wilfully violated Rules of Professional Conduct, rule 4-100(A), by failing to deposit funds received for the benefit of a client in a bank account labeled "Trust Account," "Client's Funds Account" or words of similar import, as follows:

37. The allegations of paragraphs 23 through 30 are incorporated by reference.

38. By not depositing Feureisen's \$2,500 in advanced costs into his CTA, Respondent wilfully failed to deposit funds received for the benefit of a client in a bank account labeled "Trust Account," "Client's Funds Account" or words of similar import.

COUNT EIGHT

Case No. 07-O-14309
Rules of Professional Conduct, rule 4-100(B)(3)
[Failure to Render Accounts of Client Funds]

39. Respondent wilfully violated Rules of Professional Conduct, rule 4-100(B)(3), by failing to render appropriate accounts to a client regarding all funds of the client coming into Respondent's possession, as follows:

40. The allegations of paragraphs 23 through 30 are incorporated by reference.

41. By not providing Feureisen an accounting of the fees she had paid him, at the time she demanded an accounting, Respondent wilfully failed to render appropriate accounts to a client regarding all funds of the client coming into Respondent's possession.

COUNT NINE

Case No. 07-O-14309
Business & Professions Code section 6106
[Moral Turpitude]

42. Respondent wilfully violated Business & Professions Code section 6106, by making a misrepresentation to his client, as follows:

42. The allegations of paragraphs 23 through 30 are incorporated by reference.

1 43. By misrepresenting tasks performed by his employees at a lower hourly rate as having
2 been performed by him at a higher hourly rate, in the billing statement Feureisen received from
3 Respondent on or about June 15, 2005, Respondent wilfully committed an act involving moral
4 turpitude, dishonesty, or corruption.

5
6 **NOTICE - INACTIVE ENROLLMENT!**

7 **YOU ARE HEREBY FURTHER NOTIFIED THAT IF THE STATE BAR
8 COURT FINDS, PURSUANT TO BUSINESS AND PROFESSIONS CODE
9 SECTION 6007(c), THAT YOUR CONDUCT POSES A SUBSTANTIAL
10 THREAT OF HARM TO THE INTERESTS OF YOUR CLIENTS OR TO
11 THE PUBLIC, YOU MAY BE INVOLUNTARILY ENROLLED AS AN
12 INACTIVE MEMBER OF THE STATE BAR. YOUR INACTIVE
13 ENROLLMENT WOULD BE IN ADDITION TO ANY DISCIPLINE
14 RECOMMENDED BY THE COURT. SEE RULE 101(c), RULES OF
15 PROCEDURE OF THE STATE BAR.**

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17 **NOTICE - COST ASSESSMENT!**

18 **IN THE EVENT THESE PROCEDURES RESULT IN PUBLIC
19 DISCIPLINE, YOU MAY BE SUBJECT TO THE PAYMENT OF COSTS
20 INCURRED BY THE STATE BAR IN THE INVESTIGATION,
21 HEARING AND REVIEW OF THIS MATTER PURSUANT TO
22 BUSINESS AND PROFESSIONS CODE SECTION 6086.10. SEE RULE
23 280, RULES OF PROCEDURE OF THE STATE BAR.**

24
25 Respectfully submitted,

26 THE STATE BAR OF CALIFORNIA
27 OFFICE OF THE CHIEF TRIAL COUNSEL

28 DATED: July 8, 2009

By: 

MELANIE J. LAWRENCE
Deputy Trial Counsel

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DECLARATION OF SERVICE BY CERTIFIED MAIL

CASE NUMBER: 07-O-10750; 07-O-11492; 07-O-14309

I, the undersigned, over the age of eighteen (18) years, whose business address and place of employment is the State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, declare that I am not a party to the within action; that I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for mailing with the United States Postal Service; that in the ordinary course of the State Bar of California's practice, correspondence collected and processed by the State Bar of California would be deposited with the United States Postal Service that same day; that I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date on the envelope or package is more than one day after date of deposit for mailing contained in the affidavit; and that in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County of Los Angeles, on the date shown below, a true copy of the within

FIRST AMENDED NOTICE OF DISCIPLINARY CHARGES

in a sealed envelope placed for collection and mailing as certified mail, return receipt requested, Article No.: 7160 3901 9848 5951 3403, at Los Angeles, on the date shown below, addressed to:

**EDWARD LEAR
CENTURY LAW GROUP
5200 WEST CENTURY BLVD. #345
LOS ANGELES, CA 90045**

in an inter-office mail facility regularly maintained by the State Bar of California addressed to:

N/A

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Los Angeles, California, on the date shown below.

DATED: July 8, 2009

Signed: 

Lupe Pacheco-Granados
Declarant