

**STATE BAR COURT OF CALIFORNIA
HEARING DEPARTMENT - LOS ANGELES**

In the Matter of)	Case No. 08-AE-12001-RAP
)	
CRAIG T. WORMLEY,)	ORDER GRANTING MOTION FOR
)	INVOLUNTARY INACTIVE
Member No. 182137,)	ENROLLMENT [Bus. & Prof. Code,
)	§ 6203, subd. (d); Rules Proc. of State Bar,
<u>A Member of the State Bar.</u>)	rule 700, et seq.]

I. INTRODUCTION

This matter is before the court on motion filed by the Presiding Arbitrator of the State Bar’s Mandatory Fee Arbitration Program, by and through his designee, Jill Sperber, Director of the Mandatory Fee Arbitration Program and Special Deputy Trial Counsel, seeking the involuntary inactive enrollment of Award Debtor **CRAIG T. WORMLEY** (“Award Debtor”), pursuant to Business and Professions Code section 6203, subdivision (d) and rule 701 of the Rules of Procedure of the State Bar of California (“Rules of Procedure”) due to his failure to pay a stipulated judgment stemming from an arbitration award. After considering the State Bar’s motion and Award Debtor’s response, the court finds that Award Debtor has failed to comply with the stipulated judgment and has not produced a payment plan acceptable to the client or the State Bar.

II. SIGNIFICANT PROCEDURAL HISTORY

On May 13, 2008, the Presiding Arbitrator, by and through his designee, Jill A. Sperber, filed a motion seeking the involuntary inactive enrollment of Award Debtor. (Bus. & Prof. Code, section 6203, subd. (d), Rules Proc. of State Bar, rule 700, et seq.) A copy of the motion was served at Award Debtor’s official membership records address on May 12, 2008. On June 6, 2008, Award Debtor filed his response. A hearing was not requested.

The case was submitted on June 9, 2008.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Jurisdiction

Award Debtor was admitted to the practice of law in California on June 5, 1996, and has been a member of the State Bar at all times since.

B. Facts

In September 2005, Thuan Luu requested mandatory fee arbitration with the State Bar to resolve a fee dispute with Award Debtor. On March 17, 2006, the State Bar served a non-binding arbitration award on the parties. It awarded a refund in the amount of \$24,000 in attorney's fees and \$825 for the fee arbitration filing fee, for a total award of \$24,825.

The parties later stipulated to a judgment stemming from the arbitration award. On July 26, 2007, the Santa Clara Superior Court filed the stipulated judgment against Award Debtor and in favor of Thuan Luu in the amount of \$27,500. Award Debtor failed to pay the judgment.

On October 4, 2007, Thuan Luu submitted a Client's Request for Enforcement of an Arbitration Award form to the State Bar demanding payment of the award, pursuant to Business and Professions Code section 6203, subdivision (d).

On October 9, 2007, the State Bar served the Client's Enforcement Request on Award Debtor by regular and certified mail to his attorney of record. The State Bar also advised Award Debtor, by letter, of the potential consequences of not complying with the arbitration award or responding to the Client's Enforcement Request by November 8, 2007. Award Debtor received the Client's Enforcement Request. Neither Award Debtor nor his counsel responded to the Client's Enforcement Request.

On November 9, 2007, the State Bar sent a letter to Award Debtor at his official State Bar membership record's address, and to his attorney of record, confirming his failure to reply to the Client's Enforcement Request and advising him that the matter was being forwarded to the Presiding Arbitrator for issuance of an order imposing administrative penalties against Award Debtor. Award Debtor and his counsel failed to respond to this letter.

On December 7, 2007, the State Bar filed and served an Order Re: Administrative Penalties on Award Debtor at his official State Bar membership records address by both certified and regular

mail. The certified mail return receipt indicates that it was received on December 12, 2007. The order sent by regular mail was not returned as undeliverable. The order provided that administrative penalties in the amount of \$2,500 would not be imposed if Award Debtor complied with the arbitration award within two weeks of the date of service of the order. Because Award Debtor did not respond to the order, penalties were imposed and added to his membership dues for the next calendar year.

In his response to the State Bar's motion for inactive enrollment, Award Debtor avers that he has requested payment from the Client Security Fund to Thuan Luu due to the financial hardship that Award Debtor is currently experiencing. The court finds that Award Debtor failed to produce clear and convincing evidence that he is unable to pay the arbitration award. The court also finds that Award Debtor has failed to submit a payment plan that is acceptable to the State Bar or his former client.

C. Conclusions of Law

The court finds that the State Bar has met its burden of demonstrating by clear and convincing evidence that Award Debtor has failed to comply with the arbitration award and has not produced a payment plan acceptable to the client or the State Bar. (Bus. & Prof. Code, § 6203, subd. (d)(2); Rules Proc. of State Bar, rule 705(a).)

The court finds Award Debtor has not met his burden of demonstrating by clear and convincing evidence that he is not personally responsible for making or ensuring payment of the award; that he is unable to pay it; or that he has proposed and agrees to comply with a payment plan which the State Bar has unreasonably rejected as unsatisfactory. (Bus. & Prof. Code, § 6203, subd. (d)(2)(B); Rules Proc. of State Bar, rule 705(b).)

IV. ORDER

IT IS ORDERED that Award Debtor **CRAIG T. WORMLEY**, be enrolled as an inactive member of the State Bar of California pursuant to Business and Professions Code section 6203, subdivision (d)(1), effective five days after the date of service of this order. (Rules Proc. of State Bar, rule 708(b)(1).)

IT IS FURTHERED ORDERED that Award Debtor **CRAIG T. WORMLEY** must remain involuntarily enrolled as an inactive member of the State Bar until: (1) he has paid the judgment to Thuan Luu in the amount of \$27,500, plus interest at the rate of ten percent per annum from July 26, 2007, the date the stipulated judgment was filed; (2) he has paid the administrative penalty of \$2,500 assessed by the Presiding Arbitrator's order filed on December 7, 2007, and reasonable costs, if any; and (3) the court grants a motion to terminate the inactive enrollment pursuant to rule 710 of the Rules of Procedure of the State Bar of California.

Reasonable costs are awarded to the State Bar upon the Presiding Arbitrator's submission of a bill of costs. (Bus. & Prof. Code, § 6203, subd. (d)(3); Rules Proc. of State Bar, rule 708(b)(2).)

Dated: June 11, 2008

RICHARD A. PLATEL
Judge of the State Bar Court