

**FILED**

SEP 13 2011

STATE BAR COURT  
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**STATE BAR COURT OF CALIFORNIA**

**REVIEW DEPARTMENT**

**IN BANK**

In the Matter of	)	Case No. 11-Q-13162
	)	
RONI LYNN DEUTCH,	)	RECOMMENDATION ON
	)	RESIGNATION
A Member of the State Bar, No. 152429.	)	
_____	)	

On May 20, 2011, Roni Lynn Deutch filed a Resignation with Charges Pending. We recommend Deutch's resignation be declined under California Rules of Court, rule 9.21(d)<sup>1</sup> because (1) she did not comply with rule 9.20 in this matter; (2) she has not entered into a written stipulation with the Office of the Chief Trial Counsel (State Bar) setting forth the facts and disciplinary conclusions of law regarding her misconduct; (3) she has not returned unearned fees totaling between \$670,514 and \$5,170,514; and (4) she has not cooperated with the receiver of her law practice to resolve her outstanding client matters. Based on these factors, we believe that accepting Deutch's resignation would be inconsistent with the need to protect the public, the courts and the legal profession.

**I. BACKGROUND**

Deutch was admitted to practice law in California on June 6, 1991, and has no prior record of discipline. Twenty-eight disciplinary matters are pending against Deutch in the State

<sup>1</sup> Unless otherwise noted, all further references to "rule(s)" are to this source.

Bar Court based on Deutch's mismanagement of her high volume tax resolution firm. The State Bar alleges that Deutch made false and misleading statements in her national advertisements on the radio, television and Internet, failed to properly supervise her sales agents who made misrepresentations to potential clients seeking to resolve or reduce their IRS tax liability, charged and collected unconscionable fees and participated in fee splitting with her sales agents, and to circumvent discovery in a pending civil action against her, shed documents.

In addition to the serious disciplinary charges Deutch is facing, the Attorney General filed an unfair business practices complaint against Deutch for violating California law while preying on consumers unable to pay their tax liabilities and who are facing IRS collection actions. The Attorney General obtained a preliminary injunction against Deutch, and in granting the preliminary injunction, the superior court found that Deutch aired advertisements that contain false and misleading information, failed to return unearned fees, engaged in unlawful billing practices, and understaffed her office that resulted in breaches of the Rules of Professional Conduct and her fiduciary duties to clients. Deutch is currently facing contempt charges for violating the preliminary injunction.

In July 2011, the State Bar filed its Report and Recommendation regarding Deutch's resignation, recommending that it be rejected. (Rules Proc. of State Bar, rule 5.427(C).) Deutch did not file a response.

## **II. CONSIDERATION OF THE GROUNDS SET FORTH IN RULE 9.21(d)**

We have considered Deutch's resignation in light of the grounds set forth in rule 9.21(d). Below is a summary of the relevant information as to each ground.

### **1. Whether the preservation of testimony is complete**

The State Bar's report fails to address whether preservation of testimony is necessary.

**2. Whether Deutch committed the unauthorized practice of law after she submitted her resignation**

The State Bar's report fails to address whether Deutch continued to practice law or hold herself out as entitled to practice law after she filed her resignation.

**3. Whether Deutch performed the acts specified by rule 9.20(a)-(b)**

Deutch has not performed the acts specified in rule 9.20(a)-(b) after filing her resignation. Specifically, she did not notify all of her clients that she was resigning, she failed to return her client's files, and she failed to return unearned fees.

**4. Whether Deutch provided proof of compliance with rule 9.20(c)**

Deutch has not filed her affidavit of compliance with rule 9.20.

**5. Whether the Supreme Court has filed a disbarment order**

The Supreme Court has not filed a disbarment order.

**6. Whether the State Bar Court has filed a decision recommending disbarment**

The State Bar Court has not filed a decision recommending Deutch's disbarment.

**7. Whether Deutch previously resigned or has been disbarred and reinstated to the practice of law**

Deutch has not previously resigned or been disbarred.

**8. Whether Deutch and the State Bar have entered into a stipulation as to the facts and conclusions of law regarding the pending disciplinary matter**

A stipulation to the facts and conclusions of law has not been filed.

**9. Whether the acceptance of Deutch's resignation will reasonably be inconsistent with the need to protect the public, the courts, or the legal profession**

Deutch's practice is in financial receivership as a result of the Attorney General's lawsuit. Deutch has made no effort to assist the receiver or cooperate with him to resolve her outstanding client matters. She has abandoned her responsibilities to notify over 3,800 clients about her


resignation and return their client files. The State Bar reports that Deutch owes between \$670,514 and \$5,170,514 in client refunds, but has failed to repay a single client.

In addition, Deutch has not entered into a stipulation with the State Bar setting forth the facts surrounding her misconduct. She has not admitted or acknowledged that she has committed any professional misconduct. If the Supreme Court accepts her resignation, there would be no public discipline record of any misconduct associated with her license to practice law. The absence of a public discipline record that sets forth the nature and extent of her professional misconduct would be misleading to the public and potentially harmful to any future employer, licensing agency or other jurisdiction.

Deutch has failed to comply with the mandatory requirements of a resignation proceeding, leaving unresolved the notification to her clients, return of unearned fees, and public disclosure of her professional misconduct. Under the circumstances, Deutch should not be entitled to the benefit of resigning. To allow her to resign would undermine the public confidence in the disciplinary system and the legal profession. We find that the acceptance of Deutch's resignation would be inconsistent with the need to protect the public, the courts and the legal profession.

### **III. RECOMMENDATION**

We recommend that the Supreme Court decline to accept the resignation of Roni Lynn Deutch, State Bar number 152429.

  
\_\_\_\_\_  
Presiding Judge

## **CERTIFICATE OF SERVICE**

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court. 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 Los Angeles, on September 13, 2011, I deposited a true copy of the following document(s):

### **RECOMMENDATION ON RESIGNATION FILED SEPTEMBER 13, 2011**

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

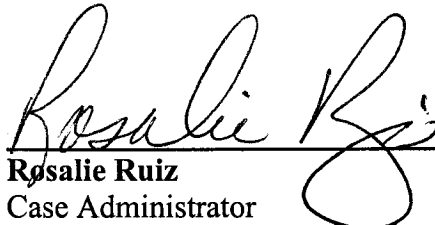
- [X] by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**RONI L. DEUTCH  
LAW OFC RONI LYNN DEUTCH  
4815 WATT AVE  
NORTH HIGHLANDS, CA 95660**

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

**ROBIN B. BRUNE, Enforcement, San Francisco**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on September 13, 2011.

  
\_\_\_\_\_  
**Rosalie Ruiz**  
Case Administrator  
State Bar Court