

STATE BAR COURT OF CALIFORNIA
HEARING DEPARTMENT – LOS ANGELES

In the Matter of)	Case No. 12-AE-11595-RAH
)	
JENNY SCOVIS,)	ORDER GRANTING MOTION FOR
)	INVOLUNTARY INACTIVE
Member No. 87026,)	ENROLLMENT [Bus. & Prof. Code,
)	§ 6203, subd. (d); Rules Proc. of State Bar,
<u>A Member of the State Bar.</u>)	rule 5.361, et seq.]

I. INTRODUCTION

This matter is before the court on a motion filed by the Presiding Arbitrator of the State Bar's Mandatory Fee Arbitration Program, Joel Mark, on March 1, 2012 seeking the involuntary inactive enrollment of Award Debtor **Jenny Scovis** (Award Debtor), pursuant to Business and Professions Code section 6203, subdivision (d), and rule 5.361 of the Rules of Procedure of the State Bar of California due to her failure to pay an arbitration award.¹ Based on the State Bar's motion and supporting documents, the court finds 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.

II. PROCEDURAL ISSUES

In her documents supporting her opposition to the motion of the Presiding Arbitrator, Award Debtor identified exhibits A through H. Those exhibits were attached to the Declaration of Jenny Scovis, filed on April 3, 2012. Award Debtor did not file an Exhibit Record in the proper form, listing those exhibits. At the close of the hearing, Award Debtor was ordered to provide the court with an Exhibit Record in the form provided by the court. Further, Award

¹ Unless otherwise indicated, all references to rules refer to the State Bar Rules of Professional Conduct. Furthermore, all statutory references are to the Business and Professions Code, unless otherwise indicated.

Debtor was ordered to redact confidential social security numbers from the documents offered as exhibits.

Thereafter, Award Debtor timely filed an Exhibit Record using the proper form, but relettered the exhibits individually as A through Z, instead of the prior grouped identifications of A through H. Award Debtor also provided the court with new exhibits containing the new exhibit markings of A through Z. However, on the new exhibits, Award Debtor failed to redact the confidential information.²

The court orders the clerk of the court to strike out the previous A through H markings on the properly redacted exhibits and re-identify them using the new identifications set forth on the Exhibit Record as A through Z. The newly marked exhibits A through Z will be deemed the official record of exhibits in this proceeding. The clerk is ordered to return the unused exhibits attached to the Exhibit Record (i.e., those that were not properly redacted) to Award Debtor.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Jurisdiction

Award Debtor was admitted to the practice of law in California on June 4, 1979.

B. Facts

On September 7, 2010, the Ventura County Bar Association served a non-binding arbitration award in *In the Matter of Arbitration Between Susanna Yoon Kang and Jenny Scovis*, directing Award Debtor to refund to her former client, Susanna Yoon Kang, the sum of \$21,705.00, plus interest at the rate of 10 percent per annum from September 7, 2010, to the date of payment.

The award became final by operation of law on October 7, 2010, when the time expired for Award Debtor to move for trial after arbitration pursuant to section 6204.

On or about November 17, 2010, the client sent an email to Award Debtor's counsel demanding payment of the award. Award Debtor's counsel did not respond.

² With the exception of the redactions and the new exhibit markings, the two groups of exhibits are identical.

On January 12, 2011, the State Bar received Kang's request for enforcement of the arbitration award pursuant to Business and Professions Code section 6203, subdivision (d). On January 25, 2011, the State Bar served the enforcement request on Award Debtor by regular and certified mail at her official address, along with a letter notifying her of the potential consequences for failing to comply with the award. On February 24, 2011, Award Debtor responded stating that she was willing to set up a payment plan to pay the arbitration award. The State Bar responded and advised that she had until March 23, 2011 to either provide proof of full payment of the award or propose precise payment plan terms to achieve that end.

Award Debtor replied by fax letter dated March 23, 2011 with a payment plan proposal of \$2,000.00 a month for a period of one year. On April 7, 2011 the State Bar communicated Award Debtor's proposal to the client. The Client responded by letter dated April 25, 2011 rejecting Scovis' proposal.

The State Bar sent Award Debtor a blank financial status form along with a cover letter dated April 29, 2011 advising her that the client had rejected her proposal and that she had to complete and return the financial status form for the presiding arbitrator to determine if her proposal was reasonable in light of her financial status. Award Debtor's reply was accompanied by her completed financial status form.

After considering Award Debtor's reply and her financial status form as well as the arbitration award, Award Debtor's original payment plan proposal and the client's rejection of that proposal, the Assistant Presiding Arbitrator rejected Award Debtor's request for abatement but approved her payment plan proposal of twelve monthly payments of \$2,000.00 over the course of a year. Award Debtor was to make first payment on August 1, 2011.

Award Debtor's assistant telephoned the State Bar on August 2, 2011 and stated that she would mail the initial payment to Client on August 4, 2011. On August 15, 2011 the client telephoned the State Bar and advised that she had not yet received Award Debtor's first installment on the approved payment plan. On August 18, 2011, the State Bar wrote to Award Debtor and advised her that her initial payment had not been received by client and gave her

until September 1, 2011 to come fully current on the approved payment plan. No payment was received by September 1, 2011.

On September 21, 2011, Kim Scovis, Award Debtor's daughter, telephoned the State Bar and advised that she would take responsibility to make sure that payment of the arbitration award would be made and that she would do her best to come current on the payment plan by September 26, 2011 or September 27, 2011. The State Bar received no further communication from Award Debtor or her daughter.

On November 2, 2011, the State Bar telephoned Award Debtor inquiring as to whether any payments had been made to client. Kim Scovis advised that no payments had been made to client but that she would get payment to client no later than November 16, 2011.

On November 22, 2011, the State Bar received a copy of a check in the amount of \$1,500.00 made out to the client from the Law Offices of Kim D. Scovis. The client tried to cash the check she received but was unsuccessful in her attempts as the account on which the check was drawn contained insufficient funds to satisfy the check. The client received a letter from Kim Scovis indicating that she had filed for bankruptcy. The State Bar received a faxed copy of Kim Scovis' Notice of Chapter 7 Bankruptcy filing from client on November 26, 2011. On December 10, 2011 the State Bar received a fax from the client which consisted of the bankruptcy court's dismissal of Kim Scovis' bankruptcy case.

On January 19, 2012 the State Bar wrote to Award Debtor a final time advising her that Kim Scovis' check was not honored by the bank and reiterating the State Bar's intent to file the instant motion. On January 24, 2012, Award Debtor telephoned the State Bar and acknowledged receipt of the State Bar's January 19, 2012 letter. During that conversation, she requested additional time to pay the arbitration award.

To date, Award Debtor has not paid the arbitration award.

C. Conclusions of Law

The court finds that the Presiding Arbitrator has met the 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. (§ 6203, subd. (d)(2); rule 5.365(A).)

The court finds the Award Debtor has not met her burden of demonstrating by clear and convincing evidence that she is not personally responsible for making or ensuring payment of the award; that she is unable to pay it; or that she has proposed and agrees to comply with a payment plan which the State Bar has unreasonably rejected as unsatisfactory. (§ 6203, subd. (d)(2); rule 5.361.)

IV. ORDER

ACCORDINGLY, IT IS ORDERED that Award Debtor **JENNY SCOVIS**, 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. (Rule 5.368(B)(1).)

IT IS FURTHERED ORDERED that Award Debtor must remain involuntarily enrolled as an inactive member of the State Bar until: (1) she has paid the arbitration award to Susanna Kang in the amount of \$21,750, plus interest at the rate of ten percent per annum from September 7, 2010, the date the award was served; (2) she has paid reasonable costs, if any; and (3) the court grants a motion to terminate the inactive enrollment pursuant to rule 5.370 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. (§ 6203, subd. (d)(3); rule 5.368(B)(2).)

Dated: April , 2012

RICHARD A. HONN
Judge of the State Bar Court