

ALTERNATIVE BUSINESS STRUCTURES COMMITTEE



Location: Conference room 230 / Zoom
Date: Tuesday, May 14, 2024
Time: 10:00 A.M.
 State Courts Building
 1501 West Washington Street
 Phoenix, Arizona 85007

For any item listed on the agenda, the Board may vote to go into Executive Session for advice of counsel (under ACJA Sec. 1-202(C)(5)(c)) or for discussion or consideration of records or matters made confidential or privileged by statute, court rule, or the Arizona Code of Judicial Administration (under ACJA Sec. 1-202(C)(5)(b))

Member Attendance	In Person	Zoom	Absent
Hon. Charles Harrington (Chair) (Retired)	X		
Hon. Anni Hill Foster	X		
Katie Bryant			X
Steve German		X	
John Hay		X	
Andy Kvesic	X		
Lynda Shely	X		
Martin Shultz			X
Mike Widener			X
Tracy Ward		X	
Patrick Barnes	X		

Staff	Guest	Guest
Aaron Nash	Sam Schmutte	Grant
Marquita Brazil	Mindy Chen	Jenna
Daisy Cambron-Perez	Lynn Walsh	Andy Halaby
Mark McCall	Don Bivens	Carl Engstrand
Lorraine Brown	Rachel Grace	Carson Brienza
	BT	Cecilia Dubravec
	Constance Venizelos	Evan
	Ruth Murphy	Evyataur Ben Artzi
	Patricia Sallen	GS
	Iphone	Holly Harris
	David Castor	Johnathan Edge
	MD	KC
	Robert Larson	Neil Peretz
	Jessica Kemper	Laura Ruhl
	Tamar Sacepaoti	Rebecca Setlow
	Jessica Beard	Samir
	Laura Walker (Aprio Legal)	Seth Rerily
	Clarence Geff	Sunny Dhillion

Suzanne Porter
Jessica Vee
Shawn Aiken
Johnathan Farnnam
Michale Melif
Sonia Mann
Michael Cordova
Eric Aiken
Richard Nearhood
Kathy Brody
Sean O'Hara

Holly Ayala
Ebony Rogers
Sean
Iphone
S Dimmle
Jeremy Deutsch
Whitney Cunningham
Teresita Mercado
Lee Stein
Matthew Winkler

Call To Order.....*Hon. Charles Harrington*

1) Review and Approval of Meeting Minutes.....**Hon. Charles Harrington**

1-A: Review, discussion, and possible action regarding approval of the regular session minutes of the meeting of April 9, 2024.

Motion: Approve the regular session minutes of the April 9, 2024, meeting.

Motion Proposals: First: Hon. Anni Hill Foster
Second: Lynda Shely

Recused:

Pass/Fail: Pass 8-0-3

2) Initial License Applications.....**Marquita Brazil**

2-A: Review, discussion, and possible action regarding application for initial licensure as an alternative business structure for the following applicants:

1. Copper State Legal Services, LLC
2. Aspey, Watkins, & Diesel Attorneys At Law, PLLC
3. CE Acceleration Studio LLC
4. Don Bivens Justice Group, LLC
5. All Access Advocates LLC
6. Aprio Legal, LLC
7. Charter Law Group

1. Copper State Legal Services, LLC

Discussion: Copper State Legal Services, LLC representatives Matthew Winkler, Lee Stein, and Kathy Brody were present in person and addressed the Committee.

Motion: Approve the initial application for Copper State Legal Services, LLC with the following conditions:

- (i) Copper State Legal Services, LLC’s compliance lawyer shall conduct semi-annual audits to review the firm’s compliance with Arizona Supreme Court Rule 33.1, ACJA § 7-209 and its internal policies and procedures, and at the completion of each audit prepare and retain a written report of the findings.

Motion Proposals: First: Andy Kvesic
Second: Hon. Anni Hill Foster
Recused: Lynda Shely
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Pass/Fail: Pass 7-0-4

2. Aspey, Watkins, & Diesel Attorneys At Law, PLLC

Discussion: Aspey, Watkins, & Diesel Attorneys At Law, PLLC representative William Cunningham was present in person and addressed the Committee.

Motion: Approve the initial application for Aspey, Watkins, & Diesel Attorneys At Law, PLLC with the following conditions:

- (i) Aspey, Watkins, & Diesel Attorneys At Law, PLLC’s compliance lawyer shall conduct semi-annual audits to review the firm’s compliance with Arizona Supreme Court Rule 33.1, ACJA § 7-209 and its internal policies and procedures, and at the completion of each audit prepare and retain a written report of the findings.

Motion Proposals: First: Hon. Anni Hill Foster
Second: Andy Kvesic
Recused: Hon. Charles Harrington
Lynda Shely
Pass/Fail: Pass 6-0-5

3. CE Acceleration Studio LLC

Discussion: CE Acceleration Studio LLC representatives David Castor, and Sam Schmutte were present via Zoom and addressed the Committee. The Committee asked for clarification of the Non-Lawyer disclosure missed. Steve German opposed non disclosures with no consequences.

Motion: Approve the initial application for CE Acceleration Studio LLC with the following conditions:

- (i) CE Acceleration Studio LLC’s compliance lawyer shall conduct semi-annual audits to review the firm’s compliance with Arizona Supreme Court Rule 33.1, ACJA § 7-209 and its internal policies and procedures, and at the completion of each audit prepare and retain a written report of the findings.

Motion Proposals: First: John Hay
Second: Andy Kvesic
Recused:
Pass/Fail: Pass 6-2-3

4. Don Bivens Justice Group, LLC

Discussion: Don Bivens Justice Group, LLC representative Teresita Mercado was present in person and Don Bivens, Tamar Sacepaoti, and Evyataur Ben Artzi were present via Zoom and addressed the Committee.

Motion: Approve the initial application for Don Bivens Justice Group, LLC with the following conditions:

- (i) Don Bivens Justice Group, LLC's compliance lawyer shall conduct semi-annual audits to review the firm's compliance with Arizona Supreme Court Rule 33.1, ACJA § 7-209 and its internal policies and procedures, and at the completion of each audit prepare and retain a written report of the findings.

Motion Proposals: First: Hon. Anni Hill Foster
Second: Steve German
Recused: Lynda Shely
Pass/Fail: Pass 6-1-4

5. All Access Advocates LLC

Discussion: All Access Advocates LLC representatives Michael Cordova, and Teresita Mercado were present in person accompanied by Barbara Lynn Walsh and Don Bivens via Zoom and addressed the Committee.

Motion: Approve the initial application for All Access Advocates LLC with the following conditions:

- (i) All Access Advocates LLC's compliance lawyer shall conduct semi-annual audits to review the firm's compliance with Arizona Supreme Court Rule 33.1, ACJA § 7-209 and its internal policies and procedures, and at the completion of each audit prepare and retain a written report of the findings.

Motion Proposals: First: Hon. Anni Hill Foster
Second: Lynda Shely
Recused:

Pass/Fail: Pass 8-0-3

6. Aprio Legal, LLC

Discussion: Aprio Legal, LLC representative Sean O’Hara was present in person and Laura Walker via Zoom addressed the Committee.

Motion: Approve the initial application for Aprio Legal, LLC with the following conditions:

- (j) Aprio Legal, LLC’s compliance lawyer shall conduct semi-annual audits to review the firm’s compliance with Arizona Supreme Court Rule 33.1, ACJA § 7-209 and its internal policies and procedures, and at the completion of each audit prepare and retain a written report of the findings.

Motion Proposals: First: Hon. Anni Hill Foster
 Second: Tracy Ward
Recused: Lynda Shely

Pass/Fail: Pass 7-0-4

7. Charter Law Group

Discussion: No representatives from Charter Law Group were present to address the Committee.

Due to inconsistencies with the application and no representatives present to address them, the Committee made a unanimous decision to defer this to next month's meeting on June 11th, 2024.

3) Renewal License Applications.....Daisy Cambron-Perez

3-A: Review, discussion, and possible action regarding application for renewal licensure as an alternative business structure for the following applicants:

- 1. LS5 Legal, LLC: licensure period 12/13/2023 to 12/12/2024
- 2. Aiken Farrell Kroloff, LLC: licensure period 03/15/2024 to 03/14/2025
- 3. Bar Pilot, LLC: licensure period 11/16/2023 to 11/15/2024

- 1. LS5 Legal, LLC: licensure period 12/13/2023 to 12/12/2024

Discussion: LS5 Legal, LLC's representatives Clarence Geff , Robert Larson, and Rachel Grace were present via Zoom, and addressed the Committee.

Motion: Approve the renewal application for LS5 Legal, LLC.

Motion Proposals: First: Hon. Anni Hill Foster

Recused: Second: Andy Kvesic
Lynda Shely
Pass/Fail: Pass 7-0-4

2. Aiken Farrell Kroloff, LLC: licensure period 03/15/2024 to 03/14/2025

Discussion: Aiken Farrell Kroloff, LLC’s representative Eric Aiken was present in person and addressed the Committee.

Motion: Approve the renewal application for Aiken Farrell Kroloff, LLC.

Motion Proposals: First: Hon. Anni Hill Foster
Second: Andy Kvesdic
Recused: Lynda Shely
Pass/Fail: Pass 7-0-4

3. Bar Pilot, LLC: licensure period 11/16/2023 to 11/15/2024

Discussion: Bar Pilot, LLC’s representative Jeremy Deutsch was present via Zoom and addressed the Committee.

Motion: Approve the renewal application for Bar Pilot, LLC.

Motion Proposals: First: Hon. Anni Hill Foster
Second: Tracy Ward
Recused: Lynda Shely
Andy Kvesic
Pass/Fail: Pass 6-0-5

4) Licensee Updates.....Daisy Cambron-Perez

4-A: There are currently no licensee updates.

Discussion: No discussion was made.

5) Administrative Items.....Division Staff

5-A: Update on Alternative Business Structure program and Legal Paraprofessional program.

ABS:

The Alternative Business Structures Unit reports the following as of April 30, 2024:

- 71 ABSs are currently active
- The following are initial applications Under Review, or Not Started

ABS INITIAL APPLICATION STATUS*

Age	Number of Applications	Percentage of total (%)
0-3 Months	12	26.7
4-6 Months	20	44.4
7-9 Months	13	28.9
10 months +	0	0.0
Total	45	100
Average Processing time 8 Months		

* “Application” means each required field of the application form and its supporting documentation, if applicable, have been completed or provided; the applicable fees have been paid; and the application has been received by the Division. “Age” is from receipt to first placement on a committee agenda. The time to process an application can be delayed by deficiencies or the need for supplemental materials.

LP:

As of April 26, there are 59 licensed legal paraprofessionals holding a total of 61 licensed practice areas approved by the Board of Nonlawyer Legal Service Providers. LPs may be licensed to provide services in more than one practice area. Current practice area licenses:

- o 48 family law
 - o 8 civil
 - o 5 criminal
 - o 0 administrative
 - o 0 juvenile (anticipated mid-2024)
 - o 0 probate (pending)
- As of April 24, 145 individuals have attempted the Legal Paraprofessionals Core Exam one or more times. 99 have passed the exam and 59 submitted applications after successfully completing one or more of the practice area exams, a 60% application rate. See the attached charts for historical details on each exam.
 - The State Bar of Arizona reports three charges against Legal Paraprofessionals in the first quarter of 2024. Two were dismissed upon intake and referenced ER 4.4 (Respect for the Rights of Others) and 8.4(d) (Conduct prejudicial to the administration of justice). The third is still pending. No complaints have been filed by the State Bar.
 - The Division regulates legal service pilot programs. Innovation for Justice (i4J) recently completed its first cohort of Housing Stability and Domestic Violence Legal Advocates (HSLA and DVLA). The Division established dates in Phoenix and Tucson for this cohort to complete their certification exams. After successfully passing the exams, candidates for HSLA or DVLA certification will submit an application and undergo a background check. To provide services, each Advocate will be employed by an approved service organization. Participation in the pilot programs as of April 26 include:
 - o 5 Domestic Violence Legal Advocate candidates (AO 2024-35)
 - o 16 Housing Stability Legal Advocate candidates (AO 2024-34)
 - LSI will attend the National Center for State Courts’ Legal Deserts Conference in Las Vegas, May 20-22.

- LSI will provide an information table at the upcoming Arizona Judicial Conference.

Discussion: The Committee and Division staff discussed the updates for the Alternative Business Structures and Legal Paraprofessionals. Hon. Anni Hill Foster asked if the Division could provide the same information for renewals. Member Lynda Shely asked if a chart with the names of all ABS in the queue could be provided as well, Director Aaron Nash stated for the public meeting the chart provided in the materials regarding percentages will be the only chart presented in future meetings. Hon. Anni Hill Foster asked what the issue is with not passing the administrative law exam. Director Aaron Nash informed the Committee stating no feedback as to why no one has passed the exam. As of right now, the team is gathering information around what questions are being asked, while understanding that no education courses are available in school to provide knowledge in the administrative portion. Also, a new study guide is being worked on by Aaron Nash, Division Director and Mark McCall, LSI Manager.

..... **Marquita Brazil**

5-B: Division Updates.

Discussion: The Committee and Division staff welcomed Ryan Lincoln, the new ABS investigator. Director Aaron Nash spoke to the Salesforce technology platform, which will allow the Alternative Business Structure to go back online for initial and renewal application payments and automatic renewal notifications. Aaron Nash discussed the next meeting June 11th, 2024, will have an agenda item regarding economic interest, and timeframes for application processing.

..... **Aaron Nash**

5-C: Review, discussion, and possible action regarding election of a vice chair. Under ACJA §7-201(I)(3)(b), the Committee elects a vice chair from among the appointed members of the Committee.

Discussion: The Chair nominated Hon. Anni Hill Foster Vice Chair and Judge Foster agreed to serve.

Motion: Elect Hon. Anni Hill Foster as the Committee’s Vice Chair.

Motion Proposals: First: Lynda Shely
Second: Andy Kvesic

Recused:

Pass/Fail: Pass 8-0-3

..... **Aaron Nash**

5-D: Updates on the Task Force on Alternative Business Structures

Discussion: Member Patrick Barnes and other members discussed suggested topics and additional meeting items. The next meeting will be extended by one hour to discuss additional topics and Division staff will poll the members for future meeting dates and times to address additional topics.

6) Call to the Public.....Hon. Charles Harrington

Richard Nearhood from Ryan Legal Services addressed the Committee regarding the ABS application process.

Adjournment.....Hon. Charles Harrington

The meeting adjourned at 12:28 pm.

DRAFT