



Location: Conference room 109 / Zoom

Date: Tuesday, September 10, 2024

Time: 10:00 A.M.

State Courts Building

1501 West Washington Street

Phoenix, Arizona 85007

ALTERNATIVE BUSINESS STRUCTURES COMMITTEE

Regular Meeting Minutes

Zoom Meeting Video Recording: [September 10, 2024, ABS Committee Meeting](#)

Passcode: 3.iHg^!m

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. Anni Hill Foster (Chair)	X		
Hon. Charles Harrington (Vice Chair) (Retired)		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	Guest
Aaron Nash	Bary Mitchell	Blanca Duenas	Patricia Sallen
Marquita Brazil	Carl Engstrand	Carson Brienza	Robin Newman
Ryan Lincoln	Thomas Arthur	Even Bortz	Sean Bonner
Daisy Cambron-Perez	Mirena Umizaj	Garrett Marcotte	Adnan
Lindsey Bailey	JC Guerro	Helen Tokar	Katie Giel
	Brian Durocher	Jessica Bednare	Erica Day
	Andrew Pickett	Laura Ruhl	Rob Elhardt
	Helen Russell	Leah Martin	Aisling
	Matt Freund	Louis Kachulis	Neil Peretz
	John Kim	Mark Rinehart	George Khauy
	Reid Porter	George Khoury	Kelsi Larson
	Sean Bonner	Ryan Jackson	Eriegler
	Cecilia Dubravec	Barry Mitchell	LKO

Crispin Passmore
Val Spengler
Jake Hill

Mark Sullivan
Mathew Rasmussen
Dan Mori

1) *Call To Order*.....*Hon. Anni Hill Foster (Chair)*

2) **Review and Approval of Meeting Minutes**..... **Hon. Anni Hill Foster (Chair)**

2-A: *Review, discussion, and possible action regarding approval of changes to the regular session minutes of the meeting of July 9, 2024.*

Discussion: During the August 13, 2024, meeting, minutes from the July 9, 2024, meeting were voted for approval with errors. The Division has shared the corrected minutes in the meeting material for the committee.

Motion: Approve the regular session minutes of the July 9, 2024, meeting as amended.

Motion Proposals: First: Andy Kvesic
Second: Martin Shultz

Opposed:

Abstained:

Recused:

Pass/Fail: Pass 10-0-1-0

2-B: *Review, discussion, and possible action regarding approval of the regular session minutes of the meeting of August 13, 2024*

Motion: Approve the regular session minutes of the August 13,2024, meeting.

Motion Proposals: First: Andy Kvesic
Second: Martin Shultz

Opposed:

Abstained:

Recused: None.

Pass/Fail: Pass 10-0-1-0

3) **Initial License Applications****Division Staff**

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

- i. *ABSs 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.*

ii. Pursuant to Rule 33.1, upon the Committee's determination of whether to recommend licensure, the application and the Committee's determination shall be forwarded to the Supreme Court for review and further action.

1. Accident Recovery Law Firm, LLC
2. ClaimsHero Holdings, LLC
3. Rocket Legal Professional Services
4. K2D Law Corp
5. Kaplan Law, LLC
6. Pickett Umizaj, PLLC

.....**Ryan Lincoln**

1. Accident Recovery Law Firm, LLC

Discussion: Erlinda Navarro and Tom Carse were present in person, representing Accident Recovery Law Firm, LLC, and addressed the Committee.

Motion: Approve the initial application for Accident Recovery Law Firm, LLC with the Division's recommended conditions.

Motion Proposals: First: Lynda Shely
Second: Mike Widener

Opposed:

Abstained:

Recused:

Pass/Fail: Pass 10-0-1-0

.....**Marquita Brazil**

2. ClaimsHero Holdings, LLC

Discussion: Kelvin Goode was present in person, representing ClaimsHero Holdings, LLC, and addressed the Committee.

Motion: Approve the initial application for ClaimsHero Holdings, LLC with the Division's recommended conditions.

Motion Proposals: First: John Hay
Second: Partick Barnes

Opposed:

Abstained:

Recused: Lynda Shely

Pass/Fail: Pass 9-0-1-1

.....Ryan Lincoln

3. Rocket Legal Professional Services

Discussion: Jack Rives was present in person along with consultant Crispin Passmore, representing Rocket Legal Professional Services, via Zoom and addressed the Committee.

Motion: Approve the initial application for Rocket Legal Professional Services with the Division’s recommended conditions.

Motion Proposals: First: Andy Kvesic
Second: Martin Shultz

Opposed:

Abstained:

Recused: Lynda Shely

Pass/Fail: Pass 9-0-1-1

.....Marquita Brazil

4. K2D Law Corp

Discussion: Edmund Kerendian, Brendan Gallagher, and Michael Truscott were present in person, representing K2D Law Corp and addressed the Committee.

Motion: Approve the initial application for K2D Law Corp with the Division’s recommended conditions.

Motion Proposals: First: Lynda Shely
Second: Martin Shultz

Opposed:

Abstained:

Recused:

Pass/Fail: Pass 10-0-1-0

.....Ryan Lincoln

5. Kaplan Law, LLC

Discussion: Alan Kaplan was present in person representing Kaplan Law, LLC and addressed the Committee.

Motion: Approve the initial application for Kaplan Law, LLC with the Division’s recommended conditions.

Motion Proposals: First: Lynda Shely
Second: Martin Shultz

Motion Proposals: First: John Hay
Second: Lynda Shely

Opposed:

Abstained:

Recused:

Pass/Fail: Pass 9-0-2-0

1. Auxana OGC, LLC Licensure period 06/30/2024 -06/29/2025

Motion: Approve the renewal applications for Auxana OGC, LLC.

Motion Proposals: First: John Hay
Second: Mike Widener

Opposed:

Abstained:

Recused: Lynda Shely

Pass/Fail: Pass 8-0-2-1

2. Shared Practices, LLC Licensure period 03/14/2024 – 03/13/2025

Motion: Approve the renewal applications for Shared Practices, LLC.

Motion Proposals: First: Lynda Shely
Second: Andy Kvesic

Opposed:

Abstained:

Recused:

Pass/Fail: Pass 9-0-2-0

3. Radix Professional Services, LLC Licensure period 08/25/2024 – 08/24/2025

Motion: Approve the renewal application for Radix Professional Services, LLC.

Motion Proposals: First: John Hay
Second: Patrick Barnes

Opposed:

Abstained:

Recused: Lynda Shely

Andy Kvesic

Pass/Fail: Pass 7-0-2-2

4. BOSS Advisors, PLC Licensure period 03/17/2024-03/16/2025

Motion: Approve the renewal application for BOSS Advisors, PLC.

Motion Proposals: First: Mike Widener
Second: Lynda Shely

Opposed:

Abstained:

Recused: Andy Kvesic

Pass/Fail: Pass 8-0-2-1

5) Licensee UpdatesMarquita Brazil

5-A: Review, discussion, and possible action regarding a Change in Compliance Lawyer for:

- 1. DB Justice Group, LLC (formerly, Don Bivens Justice Group, LLC)

Discussion: Division staff held a discussion regarding the business name and operational changes for DB Justice Group, LLC. Informational.

5-B: Review, discussion, and possible action regarding application for a change in Compliance Lawyer:

- 1. RP Legal Group, LLC

Discussion: Division staff held a discussion regarding the change in compliance lawyer for RP Legal Group, LLC, transitioning from Brad Denton to Caren Drombrowski. Informational.

6) Administrative Items Division Staff

..... **Marquita Brazil**

6-A: Update on Alternative Business Structures Program and Legal Service Innovations Program:

Discussion: Division staff provided updates on the Alternative Business Structures and Legal Service Innovations program. The Committee raised questions about the application submission process, specifically why some applications are being sent out while others are being held back, as well as the status of the oldest applications. Division staff explained that certain applications will be forwarded to a third-party investigator, but the goal is to allow the Division’s internal investigator the opportunity to develop a structured approach to investigations, focusing on what needs internal review and what makes sense for each application. The Division acknowledges that its investigations can be quite detailed and

thorough. Regarding the oldest applications, updates are pending while awaiting further information required for court approval.

ABS:

The Alternative Business Structures Unit reports the following as of August 27, 2024:

- 94 ABSs are currently active.
- The following are initial applications Under Review, Not Started, Pending Information from the applicant or awaiting approval.

ABS APPLICATION Aging Report (September)		
Age (Months)	Number of Applications	Percentage of total (%)
0-3 Months	6	18.2
4-6 Months	15	45.5
7-9 Months	9	27.3
10 months-1 year	3	9.1
Total	33	100

Not Started **27** | Pending more information from applicant **0** | Presented for Approval **6**

- Previous initial application Stats from August 13, 2024, committee meeting:

ABS APPLICATION Aging Report (August)		
Age (Months)	Number of Applications	Percentage of total (%)
0-3 Months	12	31.6
4-6 Months	9	23.7
7-9 Months	14	36.8
10 months-1 year	3	7.9
Total	38	100

Not Started **29** | Pending more information from applicant **4** | Presented for Approval **5**

- The Division will forward all unassigned and pending initial applications, as well as those assigned but not yet investigated, to the third-party. This will allow the Division, with assistance from other court staff, to conduct a blitz and finalize them as they are returned.

Legal Service Innovations (LSI):

As of July 15, the Board has licensed 69 Legal Paraprofessionals with a total of 72 practice areas as some LPs hold more than one practice area. 64 of those 69 LPs are currently listed as Active. Current active practice area licenses:

- 54 family law
- 5 civil
- 5 criminal
- 0 administrative
- 0 juvenile
- 0 probate (pending exam development)

As of September 4, 228 individuals have attempted the Legal Paraprofessionals Core Exam one or more times.

	Core	Family	Civil	Criminal	Administrative	Juvenile
Total Administered	291	185	60	26	3	0
Passed	124	76	13	10	0	0
Passing Rate	43%	41%	22%	38%	N/A	N/A
Avg. Passing Score	77.13	76.98	75.38	77.50	N/A	N/A

The Division continues to participate with the Innovation for Justice (i4J) pilot program. Since the last Board meeting the Division has approved two additional community-based organizations to provide Housing Stability or Domestic Violence services as part of this pilot program:

- Child and Family Services
- International Rescue Committee

6-B: Review, discussion, and possible action regarding Taskforce Updates:

Discussion: The Committee noted that the report is currently being drafted and reviewed. Members are in the process of reviewing the Taskforce's draft report and recommendations. The recommendations will not focus specifically on ABS issues but will have broader applicability.

6-C: Review, discussion, and possible action regarding working groups to address regulatory tasks, including:

Discussion: The Committee reviewed and discussed the current status and composition of the individual workgroups.

Audits; Kvesic, Chair: On the chair to recruit.

Data gathering; Not Established. Judge Anni Hill Foster – chair.

ACJA changes; Chair – was Scott Bales. Lynda Shely was on it. Judge Anni Hill Foster names Suzanne Porter to chair this workgroup.

Application changes; and Lynda Shely- Chair

Training for nonlawyers and other applicants; Tracy Ward on board but not as Chair.

Discussion: A break was taken for Chief Justice Timmer's comments. Congratulations and expressions of gratitude were extended, along with anticipation for future growth and expansion.

6-D: Review, discussion, and possible action regarding 2025 meeting schedule.

Discussion: Division staff and the Committee discussed adopting the 2025 meeting schedule with the November 18, 2025, meeting being changed due to the Veterans Holiday.

Motion: Approve adopting schedule as noted on the record.

Motion Proposals: First: Judge Anni Hill Foster
Second: Lynda Shely

Opposed:

Abstained:

Recused:

Pass/Fail: Pass 9-0-2-0

6-E: Review, discussion, and possible action regarding the previously communicated Compliance Lawyer limit

Discussion: Compliance Lawyer Brad Denton attended the meeting and addressed the Committee, requesting further discussion on limiting the number of Alternative Business Structures (ABS) a Compliance Lawyer may represent. Denton advocated for more discussion and input related to limiting the number of ABSs a compliance lawyer may work with. Committee members discussed further and asked related questions.

7) Division Updates.....*Division Staff*

7-A: 7-A ACJA Update- Renewal Timeframe

Discussion: This was covered in the renewal section updates.

7-B: Division updates:

Discussion: No division updates.

8) Call to the Public.....*Hon. Anni Hill-Foster (Chair)*

Discussion: Compliance Lawyer Brad Denton suggestion to implement a fee for expedited processing.

Adjournment..... *Hon. Anni Hill Foster (Chair)*

The meeting adjourned at 12:17 pm

Motion Proposals: First: John Hay
Second: Lynda Shely

Opposed:

Abstained:

Recused: None.

Pass/Fail: Pass 9-0-2-0