

PUBLIC MATTER

FILED 

JUL 26 2019

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STATE BAR COURT OF CALIFORNIA
HEARING DEPARTMENT – SAN FRANCISCO

In the Matter of)	Case Nos. 18-N-12313-MC; 18-O-15645
)	(Consolidated)
TERRI RAYNELL HANLEY,)	
)	DECISION AND ORDER OF
State Bar No. 199811.)	INVOLUNTARY INACTIVE
)	ENROLLMENT
_____)	

Respondent Terri Raynell Hanley was charged with two counts of violations of the California Rules of Court and the Business and Professions Code. She failed to appear at trial and her default was entered. The Office of Chief Trial Counsel of the State Bar of California (OCTC) filed a petition for disbarment under rule 5.85 of the Rules of Procedure of the State Bar.¹

Rule 5.85 provides the procedure to follow when an attorney fails to appear at trial after receiving adequate notice and opportunity. The rule provides that, if an attorney's default is entered for failing to appear at trial and the attorney fails to have the default set aside or vacated

¹ Unless otherwise indicated, all references to rules are to this source.

within 45 days, OCTC will file a petition requesting the court to recommend the attorney's disbarment.²

In the instant case, the court concludes that the requirements of rule 5.85 have been satisfied and, therefore, grants the petition and recommends that Respondent be disbarred from the practice of law.

FINDINGS AND CONCLUSIONS

Respondent was admitted to practice law in California on December 15, 1998, and has been licensed by the State Bar of California since that time.

Procedural Requirements Have Been Satisfied

On November 9, 2018, OCTC properly filed and served an Amended Notice of Disciplinary Charges (Amended NDC) on Respondent. The Amended NDC also notified Respondent that her failure to appear at the State Bar Court trial would result in a disbarment recommendation. Respondent filed a response to the Amended NDC on December 7, 2018.

At a status conference on December 17, 2018, the trial was set to start on March 12, 2019. The December 18, 2018 order setting the trial date was served on Respondent at her official State Bar record address by first-class mail, postage paid. (Rule 5.81(A).) On March 12, 2019, OCTC appeared for trial, but Respondent did not.

Finding that all of the requirements of rule 5.81(A) were satisfied, the court entered Respondent's default by order filed March 12, 2019. The order notified Respondent that, if she did not timely move to set aside her default, the court would recommend her disbarment. The

² If the court determines that any due process requirements are not satisfied, including adequate notice to the attorney, it must deny the petition for disbarment and take other appropriate action to ensure that the matter is promptly resolved. (Rule 5.85(F)(2).)

order also placed Respondent on involuntary inactive status under section 6007(e), effective three days after service of the order, and she has remained inactively enrolled since that time.

On May 2, 2019, Respondent filed a motion to set aside her default in which she recited facts that, if true, would support an order setting aside the entry of her default. However, Respondent failed to recite such facts in a declaration, as explicitly required by rule 5.83(F), so that the court could rely on them as evidence. Accordingly, the court denied Respondent's motion without prejudice by order filed May 28, 2019. In its order, the court set forth the reason for the denial and included a copy of the relevant rule that Respondent must follow. Thereafter, Respondent did not seek to have her default set aside or vacated. (Rule 5.83(C)(2) [attorney has 45 days after order entering default is served to file motion to set aside default].)

On June 11, 2019, OCTC properly filed and served the petition for disbarment on Respondent at her official State Bar record address. As required by rule 5.85(A), OCTC reported in the petition that: (1) OCTC had received three emails from Respondent since her default was entered; (2) there is one investigation pending against Respondent; (3) Respondent has one prior record of discipline; and (4) the Client Security Fund has not paid any claims as a result of Respondent's misconduct.

Respondent has not responded to the petition for disbarment or moved to set aside or vacate the default since the court issued its order denying her motion to set aside the default on May 28, 2019. The case was submitted for decision on July 9, 2019.

The Admitted Factual Allegations Warrant the Imposition of Discipline

Upon entry of Respondent's default, the factual allegations in the Amended NDC are deemed admitted and no further proof is required to establish the truth of such facts. (Rule 5.82.) As set forth below in greater detail, the factual allegations in the Amended NDC support the

conclusion that Respondent is culpable as charged and, therefore, violated a statute, rule or court order that would warrant the imposition of discipline. (Rule 5.85(F)(1)(d).)

Case No. 18-N-12313 (Failure to Comply with California Rules of Court, Rule 9.20)

Count 1 – Respondent willfully violated rule 9.20 of the California Rules of Court (failure to comply with rule 9.20) by failing to file a declaration of compliance with the clerk of the State Bar Court by February 8, 2018, as required by a Supreme Court order.

Case No. 18-O-15645 (Misrepresentation on Rule 9.20 Compliance Declaration)

Count 2 – Respondent willfully violated Business and Professions Code section 6106 (misrepresentation to the court) by falsely stating in her untimely rule 9.20 compliance declaration that she had earned all fees paid to her when, in fact, she had not refunded \$750 in unearned fees.

Disbarment Is Recommended

Based on the above, the court concludes that the requirements of rule 5.85(F) have been satisfied and Respondent's disbarment is recommended. In particular:

- (1) The Amended NDC was properly served on Respondent under rule 5.25.
- (2) Respondent had actual notice of this proceeding and had adequate notice of the trial date prior to the entry of her default.
- (3) The default was properly entered under rule 5.81.
- (4) The factual allegations in the Amended NDC, deemed admitted by the entry of the default, support a finding that Respondent violated a statute, rule or court order that would warrant the imposition of discipline.
- (5) Despite adequate notice and opportunity, Respondent failed to appear for the trial of this disciplinary proceeding.

RECOMMENDATIONS

Disbarment

It is recommended that **Terri Raynell Hanley**, State Bar number 199811, be disbarred from the practice of law in California and that her name be stricken from the roll of attorneys.

California Rules of Court, Rule 9.20

It is further recommended that Respondent be ordered to comply with the requirements of California Rules of Court, rule 9.20, and to perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 days, respectively, after the effective date of the Supreme Court order in this proceeding.

Costs

It is further recommended that costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10, and are enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment. Unless the time for payment of discipline costs is extended pursuant to section 6086.10, subdivision (c), costs assessed against an attorney who is actually suspended or disbarred must be paid as a condition of reinstatement or return to active status.

ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

In accordance with Business and Professions Code section 6007, subdivision (c)(4), the court orders **Terri Raynell Hanley**, State Bar number 199811, be involuntarily enrolled as an inactive attorney of the State Bar of California, effective three calendar days after the service of this decision and order. (Rule 5.111(D).)

Dated: July 26, 2019



Manjari Chawla
Judge of the State Bar Court

CERTIFICATE OF SERVICE

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

I am a Court Specialist of the State Bar Court of California. 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 San Francisco, on July 26, 2019, I deposited a true copy of the following document(s):

DECISION AND ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

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

- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:
- TERRI R. HANLEY
634B 1ST ST
BENICIA, CA 94510 – 3212
- by fax transmission, at fax number _____. No error was reported by the fax machine that I used.
- by email, addressed as follows:
- robert.henderson@calbar.ca.gov
terrirhanley@gmail.com
- by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:
- ROBERT A. HENDERSON, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on July 26, 2019.



Bernadette Molina
Court Specialist
State Bar Court