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### **Governor Brown Vetoes SB 156**

#### ***Bill Deemed Overly Restrictive of Judges' Discretion in Cases of Fiduciary Disputes***

**SACRAMENTO, Calif.**, September 24 – Today, Governor Jerry Brown vetoed the PFAC-opposed SB 156, legislation that would have placed unnecessary restrictions on the discretion of judges when deciding whether to award reimbursement of legal fees and costs to professional fiduciaries who must defend themselves before the court when disputes arise with their clients.

Professional fiduciaries are often appointed by the court to serve as conservators or guardians for those whom the court deems unable to manage their own affairs. In rare instances, disputes occur between the two parties over the fees billed to these estates by fiduciaries. Current law allows fiduciaries, with court oversight, to collect reasonable fees and costs charged to the fiduciary by their attorneys to represent them in such disputes.

SB 156, as presented to the Governor, sought to eliminate a professional fiduciary's ability to pursue reimbursement of these fees and costs, in certain situations. Earlier versions of SB 156 included specific guidelines for when situations where a judge could award such reimbursement, but those guidelines were removed during the amendment process, and were at the center of Governor Brown's reasoning behind his veto.

From [Governor Brown's veto message](#) "I believe that judges exercise their discretion under existing law governing compensation for defense costs in a fair and balanced way. Nevertheless, the bill could have improved the process had the last amendment to the bill not eliminated the three qualifying criteria under which a judge could award some or all of the defense costs. I cannot sign this bill without them."

[The Professional Fiduciary Association of California](#) (PFAC), along with its 500+ members and leaders in the probate community, vigorously opposed this bill once the language allowing for judicial discretion was removed. This veto, a rare move from Governor Brown so far this session, is reflective of the inflexible and unfair content of the legislation.

"This veto is a victory for licensed professional fiduciaries, the court system and – most importantly - those we serve. Placing unnecessary restrictions on guardians and conservators in the resolution of disputes could have driven honest and ethical fiduciaries away from this important work which protects the most vulnerable among us," said Norine Boehmer, chair of the PFAC Legislative Committee. "Our members adhere to the highest standards of ethical practice and take on some of the toughest cases in California. It was unfair to expect us to defend our work at our own expense in the unusual event of a dispute."

The provisions of the PFAC-sponsored [AB 1339](#) (Maienschein), which the Governor has just signed into law, added common sense requirements ensuring transparency, consistency and



accountability for the fees charged by professional fiduciaries across the state. In PFAC's view, these new provisions precluded the need for SB 156.

#### **ABOUT PFAC**

The [Professional Fiduciary Association of California \(PFAC\)](#) is a statewide association with a mission to advance the best fiduciary standards and practices. The organization's goals include ensuring the highest standards of ethics and practices, maintaining high qualifications for membership, providing continuing education and supporting effective regulation, legislation and licensing. PFAC's membership includes 500+ licensed professional fiduciaries across California who collectively manage more than 8 billion dollars in assets.

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