

THE SUMMONS

Saginaw County Bar Association





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Board Member



Andrew Collison, Christopher A. Swartz, **Board Member**



Kosta D. Povich. **Board Member**

MEETING DATES FOR 2019

(Go to www.saginawbar.org for meeting updates)

Board Meeting

(All Board Meetings will be held at Saginaw Country Club, 1st Wednesday of every month at 12:00 PM)

Pro Bono Committee Meeting

(All PB Meetings will be held at Panda House, 3rd Tuesday of every month at 12:00 PM)

Law Day Committee Meetings

(All LD Meetings will be held at Panda House 2nd Thursday of every month at 12:00 PM)

Mock Trials

Thursday, April 30, 2020 9:00am

Soup Kitchen Volunteers needed

(Call John Humphreys 989-401-2115 if you can serve) Saturday, December 28, 2019

SCBA Christmas Party

Friday, December 6, 2019 6:00 – 11:00 PM Horizons Conference Center

Law Day Luncheon

Friday, May 1, 2020 Trillium Banquet Center

Courthouse Closed

December 24th, 25th & 31st, 2019

(If you want your committee meeting dates listed here, send them to Kelli Scorsone, Executive Director)

Pro Bono Luncheon



Guest Speaker -Judge Christopher Nuechterlein



Megan Cottingham-Heath receiving award

THE SUMMONS

SAGINAW COUNTY BAR ASSOCIATION

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SCBA Website

www.saginawbar.org

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The articles in THE SUMMONS, unless clearly designated otherwise, are those of the author. They do not necessarily represent the opinion of the Saginaw County Bar Association or its members. Please direct your comments on THE SUMMONS, to its Assistant Editor, Ann R. Van Hautte, 4301 Fashion Square Boulevard, Saginaw, Michigan 48603 • (989) 498-2100.



PRESIDENT'S MESSAGE

By: Katherine M. Baluha

We made it! I can't believe it is already December but here we are getting ready for the holidays and year-end festivities. As these articles are written a month in advance you wouldn't think we would be seeing holiday decorations and Christmas trees already up... but alas people seem to be in the holiday spirit already. I hope you are looking forward to 2020 as much as I am – I feel hopeful that this will be a great year for the SCBA.

I want to make sure to address an ongoing concern that many have voiced about the lack of attorney-client conference rooms and the apparent takeover of the areas that were designated as such at the courthouse. I want to assure you that we are working on this issue and have heard that there are possible plans that are being discussed to create more space for meeting. We will be presenting some ideas to alleviate the issue until a more permanent plan can be put in action. I welcome your suggestions and would greatly appreciate hearing from you all on this issue. Although the current lawyers lounge on the 4th floor is not intended for attorney-client meetings - I would urge you to get a key fob to put that room to use and of course you don't want to miss out on the yummy donuts that magically appear...shout out to Jim Gust! You can go to the Controller's Office on the 1st floor for more information on the key fob.

Also, there are some major changes coming in the next year to the Friend of the Court - we will have only three attorneys assigned to cases starting January 1. With the change to three attorneys also comes a change to the Monday motion times with Judge Borchard. The new times will be 9 am for cases A - G (Jaymee), 10:30 am for H - O (Mari), and 1:30 pm for P - Z(Krystal) cases. The FOC will also be required to provide ADR services after the first of the year for all cases, including custody, which I believe will be extremely beneficial to our clients. Also, understandably, these changes will put a great deal of stress and pressure on FOC staff and so we ask that you are patient as these changes are implemented. Also, I would like to congratulate our FOC Director, Brittany Dougherty, on the smooth transition in to the position this year and the many great changes that we have already seen. Thank you to FOC staff and attorneys

 Beth, Jaymee, Maricella, and Krystal. We know your jobs are not easy and we appreciate the work you do for our clients in extremely difficult times in their lives. If you haven't checked out the website changes - I urge you to take a look and make sure to send your clients there for questions and payments. There has been many changes this year to the MiSDU website as well and this has become quite an asset to clients and users of the FOC system. They have made it easier than ever to make payments through the system - even offering public location kiosks where you can make payments.

I would like to congratulate all involved in getting the Saginaw Public Defender's Office up and running, including Steve Fenner, the director. I have not had the pleasure of taking the tour of the office, but have heard nothing but great things so far – if you haven't had a chance to check it out either – it is located at 803 Court Street. According to a news article, back in August, the office had only been up and running for about 4 months and had already taken on approximately 300 cases. Clearly

this was a desperate need and is a major benefit to our community and a big thank you goes out to all that played a part and are now working to help Saginaw County indigent clients get the representation that they deserve.

With the holiday season comes our annual holiday party, which is right around the corner on December 6 starting at 5:30 pm at Horizons Conference Center on State Street. We will have live entertainment, drinks, dinner and of course lots of friendly faces to mingle with. If you haven't RSVPd yet – please do!!

Also, don't forget about the annual Woman Lawyers Association holiday party, which is December 19 at 5:30 pm located at Fischer Hall in Frankenmuth this year. If you haven't RSVPd yet for this party – please email Ali at abrady@susanbradylaw.com. This is always a fun-filled event and open to anyone including members and their significant others.

I am also very excited about the upcoming civil discovery meeting – I hope many of you plan to attend. I know it seems weird to be excited over civil

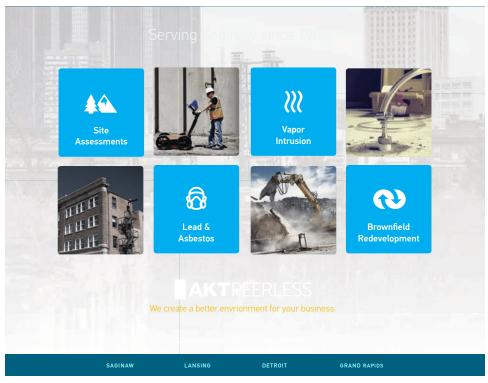


discovery, but we plan to have some great speakers as well as Judges present to give their thoughts as to how they plan on handling the new rules in their courts. If you can't attend the meeting, the State Bar of Michigan and ICLE have many links to the information on their websites. We are lucky in that we are not required to meet continued education requirements as so many other states are - however, with no requirements comes the responsibility to take continuing ed in our own hands and make sure we know of updates and law changes in order to protect and advise our clients. We hope to see you there.

To end the last of my articles for the year, I want to wish you, your families and friends the best holiday season and end to 2019 possible. Thank you

for your participation throughout this year in all the ways that many of you have. As I said when I started my term, this community is one of a kind with so many great attributes and you help make this community what it is. I would invite anyone that wants to attend on December 20 – my office and our families get together at Crooked Creek for our annual bowling holiday party and we are always talking about how fun it would be to include any other offices that want to join to make a big tournament. Let me know if you want to join and we will add you to the guest list.

Keep doing the great hard work that you do and take some time to relax with your loved ones. I hope to see you at our fun events this month, so we can raise a glass and celebrate another successful year.





PORTRAIT OF A LAWYER MEGAN COTTINGTON-HEATH

The SCBA was please to award the Holly Wallace Pro Bono Attorney of the year award to Megan Cottington-Heath at the annual Pro Bono lunch on October 23, 2019. Megan was chosen for this award based on her exemplary service to Legal Services Pro Bono clients. In the past year she has helped at three Legal Advice Clinics and she has nearly fifty pro bono hours on a grandparent visitation case where she is providing direct representation. Megan is also known to take cases outside of LSEM on a pro bono basis doing what she can to provide access to justice to everyone.

Megan Cottington-Heath graduated from Michigan State University College of

Law with honors in 2009, and earned a Bachelor of Arts in Political Science from Central Michigan University in 2006.

Megan is licensed in both Michigan and Illinois. She is a member of the Saginaw County Bar Association and the Heritage Square Neighborhood Association. Megan lives in Old Town Saginaw with her wife and three children. She is also actively involved in the stand-up comedy community of Michigan and on the board of Motor City Comedy Festival.

Megan has a special interest in handling the needs of LGBT clients and is devoted to providing affordable legal services to all those in the Saginaw community.

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SAGINAW COUNTY LAWYERS' AUXILIARY

By: Claudia J. Wallace

Greetings on a beautiful fall evening in Michigan. If anyone had the chance to see the fall colors this month you were in awe I am sure. Michigan in its finest.



The Pizza Dough Class & Breakfast, Saturday, October 12th was said to be a fun morning. Those that attended had a good time and enjoyed their culinary experience of making the pizzas and delighting in them for their breakfast.



The Red Mass at St. Mary's Cathedral on October 24th was inspirational. The Most Reverend Robert D. Gruss, seventh bishop of Saginaw, presided over the mass. The Edward J. McArdle Memorial Tribute recipient is a special person to so many and deserves to be recognized for her sincere compassion to her family and her profession, The Honorable Elian Cavendish Fichtner.

Congratulations Elian.



Looking ahead at the incoming year:

The Auxiliary is excited to invite you and your family/friends:

• January 26th, 2020 to the Maple Grille 6 course benefit meal. This event is always a culinary hit and up fills up quick. Please contact Terry Oeming at 989-692-0322 for reservations.

Dinner is \$50.00 per person.

- March 6th, 2020 Elissa Basil and Carrie Burns are chairing "The Capitol Steps" event at the Temple Theatre. Please contact them for more details.
 - Elissa 989-799-1640
 - Carrie 989-781-8958
- April 30th, 2020 Law Day Mock Trials at The Saginaw County Court House. Volunteers please contact Claudia Wallace at 989-245-4628.

- May 1st, 2020 Law Day Awards Luncheon at Trillium Banquet Center. Coordinator, Kelli Scorsone.
- Wednesday, May 13th, 2020 is the annual Spring Luncheon. Ethel O'Neill and Terry Oemning will be chairing this culinary experience which is always an innovated surprise.

Happy Holidays to everyone and your families. We hope this season is a joyous and healthy one. Safe travels to those traveling. Good Cheer and Happy New Year. May the New Year bring peace and tranquility to our homes, neighborhoods and the world.







SCBA EXECUTIVE DIRECTOR'S REPORT

By: Kelli Scorsone, Executive Director

PRO BONO/MEMBERSHIP LUNCHEON

Thank you to all those that attended the Pro Bono/Membership Luncheon. And thank you again, Judge Nuechterlein, for agreeing to be our guest speaker. Thank you all Honor Roll members for your commitment to LSEM, especially Megan Cottington-Heath, our 2019 Holli Wallace Pro Bono Attorney of the Year recipient.

REMINDER

Please submit your MEMBERSHIP DUES and THE FIELD OF PRACTICE forms by January 1st. The forms can be found on the website at https://www.saginawbar.org/, emailed and mailed upon request. I will be emailing reminders for the rest of the year.

I read two articles online written by a New York lawyer, Adrienne B. Koch, Katsky Korins LLP. Why We Still Need Bar Associations — Perhaps More than Ever, **New York Law Journal**, November 9, 2018 and The Case for Bar Associations: Why They Matter, **ABA Journal**, February 4, 2019.

Both articles addressed membership issues for bar associations due to "... various demographic trends, including a millennial generation that prefers virtual communities, law firms that don't want to provide financial support and lawyers who are questioning the value of belonging". SCBA and many associations across the states are trying to find ways to retain and expand membership and maintain relevance in a changing profession.

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SCBA continues to carry out the same functions it always has, to its members and the community. Including public education, Pro Bono work, educating each other, and maintaining the integrity of the profession.

The bar association of the future may have a very different look and feel. It may make more use of social media and more online resources. We are trying to keep up with the trends. Bar associations are more than committees. "They are the heartbeat of the legal profession."

These articles were written by a self-proclaimed 'bar association junkie'. She states "I love the camaraderie, the opportunity to meet and work with law-yers from all walks of the profession, and the feeling that we do sometimes make a difference". Hopefully SCBA members feel the same.

So, senior members of the larger law firms, thank you for continuing to sup-

port the newer, younger members, for giving credit to bar association work, and encouraging their membership with SCBA. This bar association has a history that is so rich and should be so important to each of you. Young lawyers bring us your new ideas, we are listening, and we want to hear from you. Join SCBA, continue your membership. SCBA cannot grow without you.

SEE EVERYONE AT THE CHRISTMAS PARTY on **Friday**, **December 6th**.

Have a great holiday season.





Court Reporter of the Year

Kristine Fuller was named the 2019 Court Recorder of the Year by Michigan Electronic Court Reporters Association during their annual conference held in Traverse City, Michigan the week of October 22-25, 2019. Kris has been a 70th District Court Recorder for 35 years... with the last 29 as Judge Terry L. Clark's court recorder.



DISTRICT COURT UPDATE

By: Judge M. Randall Jurrens

As you know, on the civil side, jurisdiction in district court is limited to actions where "the amount in controversy does not exceed \$25,000", *MCL* 600.8301(1).

In Hodge v State Farm Mut Auto Ins Co, 499 Mich 211, 219; 884 NW2d 238 (2016), our Supreme Court instructed us that "the pleadings determine the amount in controversy for purposes of the court's subject-matter jurisdiction."

Operation of that rule was recently tested in *Krolczyk v Hundai Motor America*, unpublished opinion per curiam of the Court of Appeals issued October 17, 2019 (Docket No. 343996). In *Krolczk*, following a \$14,000 case evaluation award, the parties' acknowledged that damages were under

\$25,000 and stipulated that the case be transferred to district court pursuant to MCR 2.227. Subsequently, by leave of the district court, plaintiffs amended their complaint, re-asserting the same causes of action but, surprisingly, requested damages in excess of \$25,000. After a 6-day jury trial resulting in a verdict favorable to plaintiffs, defendants claimed, for the first time, that the district court lacked subject matter jurisdiction because the first amended complaint pleaded damages in excess of the court's jurisdictional limit. In response, plaintiffs moved for, and were granted leave to file a second amended complaint to request damages "less than \$25,000". Eventually, the district court entered judgment for



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plaintiffs, and the judgment was subsequently affirmed by the circuit court. The case was then appealed to the Court of Appeals.

In reversing and remanding to circuit court for further proceedings, the Court of Appeals observed that reassignment of circuit court actions to district courts is governed not only by MCR 2.227(A) (1) but also Supreme Court Administrative Order No. 1998-1 (emphasis added):

A circuit court may not transfer an action to district court under MCR 2.227 based on the amount in controversy unless: (1) The parties stipulate to the transfer and to an appropriate amendment of the complaint, see MCR 2.111(B)(2)[3]; or (2) From the allegations of the complaint, it appears to a legal certainty that the amount in controversy is not greater than the applicable jurisdictional limit of the district court.

The Court of Appeals reasoned that, because the parties had stipulated to the transfer but not to "an appropriate amendment of the complaint', under Hodge, plaintiffs' pleadings established that the amount in controversy was more than \$25,000 and defendants had not consented to amending the pleadings to conform to the jurisdictional limit (and, unlike MCR 2.118(A)(2), AO 1998-01 does not alternatively authorize amendment by leave of court), thereby divesting the district court of subject matter jurisdiction. And, "[w] ithout subject matter jurisdiction, the district court cannot do anything but dismiss the case."

Finally, while *Krolczyk* recognized a "bad faith" exception for when the dis-

trict court's jurisdiction will not be determined by reference to the pleadings, *Hodge* at 221-222, there is no "good faith" exception where, as in *Krolczyk*, plaintiffs' request for an amount exceeding district court's jurisdiction was purportedly a "clerical oversight".

In the end, although the Court bemoaned the outcome, it felt bound by *Hodge*, AO 1998-1, and the legal maxim, "[P]arties may not . . . stipulate subject-matter jurisdiction", *Redding v Redding*, 214 Mich App 639, 643; 543 NWW2d 75 (1995).





MICHIGAN CIVIL DISCOVERY RULE CHANGES

By: Chief Judge Patrick McGraw

As all of you should be aware, Michigan Civil Discovery Rules have changed and will be effective January 1, 2020. The State Bar of Michigan has produced a guide book entitled, "Civil Discovery, the Guidebook to the New Civil Discovery Rules effective January 1, 2020". I would suggest that if you have not received one from the State Bar that you call and ask for one prior to January.

The purpose of this note is to inform you that these new discovery rules will also apply in Probate Court. Currently, Probate is governed by MCR 5.131(a) which indicates that the general discovery rules do apply in probate proceedings.

All discovery tools in Subchapter 2.300 are applicable to probate actions that do require mandatory disclosures

as amended under MCR 2.302(a).

If either the judge determines that the mandatory disclosures are appropriate after a contest to a petition, or upon filing of a demand for disclosures by an interested person, disclosures then must be made by both a petitioner and the demanding or objecting person.

The new disclosures have very shortened timelines as compared to our general pretrial orders.

In addition, there is a presumptive limit of 20 interrogatories in general civil cases under MCR 2.309(a)(2) and a limit of 35 interrogatories for domestic relations actions under MCR 3.201(c).

As you can see there are significant changes that you should all be aware of prior to having the Court enforce sanctions for failure to comply with the new civil discovery rules.







PROBATE COURT GUARDIAN AD LITEMS & MENTAL HEALTH ATTORNEYS

By: Probate Judge Patrick McGraw

GUARDIAN AD LITEMS

The Probate Court is looking for attorneys who would like to be placed on our guardian ad litem list, which currently would require you to work on three different weeks throughout the year. These appointments generally are for guardianship and conservatorship filings.

Compensation for acting as guardian ad litem depends on contact by court or attorney. If you are contacted to work as a guardian ad litem by an attorney after you have been placed on the list for that week, you are able to charge \$325.00 for a guardianship or a conservatorship, however if both are applied for at the same time you may charge \$375.00. If the fees are waived, the Court pays \$130.00 per case.

You may also have to serve as an attorney if the ward objects to having a guardian or conservator appointed for them.

If you are interested in applying for this list, please stop by the Probate Court and pick up a packet that has been prepared. You will be instructed on how to sign the forms and you can return those to the front office. If you have any questions, please contact Probate Register Terry Beagle at 790-5323.

MENTAL HEALTH ATTORNEYS

Due to the resignation of one of our attorneys, we have an opening for someone to represent the mentally ill.

The contract has two remaining years. It requires that you be present on Wednesdays of your week to represent the alleged respondents (both mentally ill and developmentally disabled individuals) and also be available two days for a short period of time to see the alleged respondents prior to your Wednesday hearing week.

You will be required to travel between Healthsource Saginaw, possibly Bay McLaren and occasionally Havenwyck (Rochester) or the Forensic Center (Saline). Havenwyck and Forensic Center are very rare. If you do travel you are paid an additional 3 hours at \$65 per hour for the travel time.

You also need to be bonded.

If you are interested please contact Probate Register Terry Beagle at 790-5323 to discuss how to apply and any questions you may have over the requirements.

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UNION MEMBERSHIP ON THE DECLINE IN MICHIGAN, WITH POSTIVE EFFECTS FOR EMPLOYERS AND EMPLOYEES

By: David V. Bryce Masud Labor Law Group

Michigan's right-to-work law took effect on March 28, 2013, making it illegal to fire or not hire someone because they refused to pay dues or fees to a union. In a welcome sign for employers, union membership has consistently declined since the law's passage. In fact, the unionization rate of Michigan's workforce fell from 5th in the country in 2012 to 10th in 2018. Workers, too, are benefiting from the law, with Michigan experiencing steady job and wage growth between 2012 and 2018.

The biggest decline in union membership has taken place in the public sector. Data compiled by the Mackinac Center for Public Policy (the "Mackinac Center") shows that in 2013, 96% of Michigan's public employees paid union dues. That number is estimated to have dropped to 76% today, a decline of 20%. Government unions with notable declines in membership include (1) AFSCME, which has seen its Michigan affiliates lose nearly 37% of their members, (2) the Michigan Education Association, down 28%, and (3) the Michigan State Employees Association, down 22%. Conversely, Jarrett Skorup of the Mackinac Center reports that union membership for public safety employees, who were exempted from the right-to-work act, increased between 2013 and 2018. For instance, the membership percentage for the Michigan State Troopers Association went from 94% in 2013 to 99% through the end of 2018. It is important to note, however, that in June 2018, the United States Supreme Court issued its opinion in Janus v. AFSCME, holding that requiring union fees in the public sector violated free speech rights under the First Amendment of the United States Constitution. In view of the holding in Janus, union membership for Michigan's public safety employees quite possibly will begin to move downward in the coming years.

The private sector also experienced a decline in union membership since right-to-work became law, although not witnessing as precipitous of a drop as in public sector. For instance, according to the Mackinaw Center, union membership in Michigan is down 15% for the Teamsters and 6% for the Food and Commercial Workers,

despite relatively strong job growth for the state. Membership in the UAW in Michigan did increase by about 3% between 2012 and 2018, but this increase is very minor when one takes into account the fact that the number of auto workers in Michigan increased by 28% over the same time period. The fact that the overall number of auto worker jobs added so significantly outpaced the number union memberships strongly indicates that many auto workers are opting out of belonging to the UAW.

Notably, although union membership in Michigan is down considerably, the negative effects on workers predicted by opponents of right-to-work have not come to pass. For instance, since 2012, Michigan has added 430,000 new jobs, a gain of 10%. By comparison, our neighbor to the south, Ohio, a non-right to work state, has only

added 218,000 new jobs, despite having a larger overall population. Wages in Michigan have also increased each year since 2012, according to the Bureau of Labor Statistics ("BLS"). In addition, BLS data shows that workplace fatalities and injuries declined in Michigan between 2012 and 2017, the latest year for which data is available.

In sum, the data indicates that Michigan's right-to-work law triggered a reduction in union membership that is benefiting both employers and workers. The reduction in union membership, however does not mean that employers should remain unprepared to lawfully address any potential union organizing activities affecting their workforce. For advice and consultation on how to respond to such activities, or any other union matter, employers are strongly encouraged to contact experienced labor counsel.





BANKRUPTCY CASE NOTES

By: Jack Weinstein

Is a post-petition receipt of debtor's tax refund, garnished pre-petition, a violation of the automatic stay? That was the issue before Bankruptcy Judge Joel D. Applebaum in the case of In Re: Joshua A. Newberry, 29 CBN 621, 2019, WL 3857704 (Bankr. E.D. Mich. 8/15/19). In that case the

and debtor failed to object to that writ within the 14 day objection period pursuant to MCL §600.4061a. Therefore, on July 31st, 2018, a writ of garnishment was entered in favor of creditor. KPM Auto Sales Inc. On November 1st, 2018, the writ was served on the State of Michigan and the debtor. On March 5th, 2019, the Michigan Department of Treasury (Treasury) issued a garnishment disclosure stating that the debtor's 2018 income tax refund was in the amount of \$665.43 to be sent to RPM in 28 days. Further, the garnishment disclosure stated "if a garnishment release, satisfaction of judgment or bankruptcy notice (validated by the court) is received in our office within 28 days, we will issue a refund to the principal defendant or bankruptcy trustee if there are no other debts to be paid."

creditor filed a writ of garnishment

Debtor filed for Chapter 7 relief on March 26th, 2019, and RPM was notified of the bankruptcy filing on the same date. On April 1st, 2019, RPM received a check from the Michigan Department of Treasury in the amount of \$655.43 pursuant to its writ of garnishment.

Debtor's counsel requested that RPM return the money but the creditor re-





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fused to do so. On May 15th, 2019, debtor filed a motion asking the bankruptcy court to hold RPM in contempt of court for violating the automatic stay. RPM responded that its post-petition receipt of debtor's income tax refund pursuant to its pre-petition garnishment did not violate the automatic stay because the income tax refund was not included in debtor's bankruptcy estate. RPM argued that debtor lost all legal and/or equitable interest in the tax refund within 14 days after receiving the garnishment disclosure pursuant to MCL §600.4061a(2) which states "objections to the writ of garnishment of a tax refund must be filed with the court within 14 days after the date of service of the disclosure on the defendant."

However, Judge Applebaum held that the garnishment disclosure did not include notice of this 14 day objection period but did state that it would pay the income tax refund to the trustee or the debtor, if it received bankruptcy notice thereafter within 28 days. Therefore, the court found that debtor's failure to object to the writ of garnishment within the 14 day objection period did not entirely divest the debtor of any interest in the tax refund. Judge Applebaum stated "The language contained in MCL §§ 600.4061 and 4061a, MCR 3.101, and on the tax refund garnishment disclosure form contemplates a debtor/defendant's right to file objections or notices of bankruptcy beyond the 14 day objection period and, therefore, the expiration of the 14 day objection period cannot serve to give RPM an 'unconditional right' to the tax refund or cause the debtor to lose 'all legal or equitable right' in the tax refund."

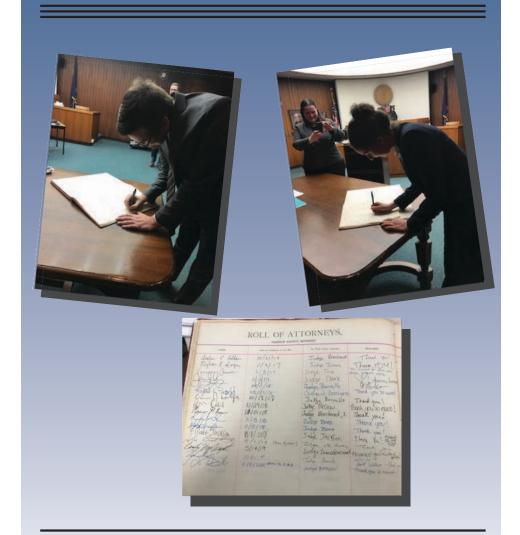
Further, the court noted that whether receipt of a tax refund after debtor files for bankruptcy relief is an act that violates the automatic stay is an issue that divides courts. However, Judge Applebaum said that in the Eastern District of Michigan "failing to halt a pre-petition garnishment or receiving funds postpetition and refusing to turn them over to the debtor constitute stay violations." Therefore, the court found RPM in contempt and ordered the creditor to turn over the tax refund and to pay debtors reasonable attorney fees.

Switching topics, consumer bankruptcy filings during August of 2019 were 3% lower than in August of 2018, according to the American Bankruptcy Institute and data provided by Epiq Systems, Inc. The 63,141 consumer filings during August of 2019 were down from the August of 2018 consumer filing total of 65,316.

However, consumer bankruptcy filings during August of 2019 were up 4% from July 2019's total of 61,006 filings.



Welcome newly sworn in members of the State Bar of Michigan.



Nicholas Paul Gamber, O'Neill Wallace & Doyle Jamila Ari Odeh, LSEM



Saginaw County Bar Association

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