

IN THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, : No. 1266 Disciplinary Docket No. 3  
Petitioner :  
 : No. 75 DB 2007  
v. :  
 : Attorney Registration No. 58564  
BLONDE GRAYSON HALL, :  
Respondent : (Philadelphia)

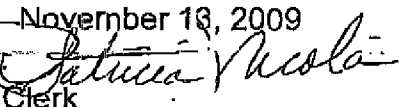
ORDER

PER CURIAM:

AND NOW, this 13<sup>th</sup> day of November, 2009, upon consideration of the Report and Recommendations of the Disciplinary Board dated September 10, 2009, it is hereby

ORDERED that Blonde Grayson Hall is suspended from the Bar of this Commonwealth for a period of one year and one day retroactive to August 17, 2007, and she shall comply with all the provisions of Rule 217, Pa.R.D.E.

It is further ORDERED that respondent shall pay costs to the Disciplinary Board pursuant to Rule 208(g), Pa.R.D.E.

A True Copy Patricia Nicola  
As of November 13, 2009  
Attest:   
Chief Clerk  
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL	:	No. 1265 Disciplinary Docket
Petitioner	:	No. 3
v.	:	No. 75 DB 2007
	:	Attorney Registration No. 58564
BLONDE GRAYSON HALL	:	(Philadelphia)
Respondent	:	

REPORT AND RECOMMENDATIONS OF  
THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

TO THE HONORABLE CHIEF JUSTICE AND JUSTICES  
OF THE SUPREME COURT OF PENNSYLVANIA:

Pursuant to Rule 208(d)(2)(iii) of the Pennsylvania Rules of Disciplinary Enforcement, the Disciplinary Board of the Supreme Court of Pennsylvania ("Board") herewith submits its findings and recommendations to your Honorable Court with respect to the above-captioned Petition for Discipline.

I. HISTORY OF PROCEEDINGS

On May 21, 2007, a Joint Petition for Temporary Suspension was filed by Office of Disciplinary Counsel and Blonde Grayson Hall, Respondent. By Order of July 18, 2007, the Supreme Court of Pennsylvania granted the Joint Petition and placed Respondent on temporary suspension. The Court referred the matter to the Disciplinary Board.

On August 10, 2007, a Petition for Discipline was filed by Office of Disciplinary Counsel against Respondent. The Petition charged Respondent with violation of Rules of Professional Conduct 8.4(b) and 8.4(c) and Rules of Disciplinary Enforcement 203(b)(1), based on her criminal conviction for willful failure to file return, supply information or pay tax, pursuant to 26 U.S.C. Section 7203. Respondent filed an Answer to Petition for Discipline on September 11, 2007.

A Joint Petition for Discipline was filed by Petitioner with the Disciplinary Board on May 22, 2008. A three-member panel of the Board approved the Joint Petition. By Order of September 17, 2008, the Supreme Court denied the Petition.

A disciplinary hearing was held on December 15, 2008 before a District I Hearing Committee comprised of Chair Joseph Cagnoli, Jr., Esquire, and Members Catherine M. Recker, Esquire, and Dena Zakaria, Esquire. Respondent appeared pro se and offered her own testimony as well as written statements from former supervisors and clients. Petitioner offered 18 exhibits.

Following the submission of briefs by the parties, the Committee filed a Report on May 15, 2009, concluding that Respondent violated the Rules as charged in the Petition for Discipline and recommending that she be suspended for one year and one day retroactive to August 17, 2007.

Respondent filed a Brief on Exceptions on June 2, 2009 and requested oral argument before the Board. Petitioner filed a Brief Opposing Exceptions on June 22, 2009.

Oral argument was held before a three-member panel of the Board on July 1, 2009.

This matter was adjudicated by the Disciplinary Board at the meeting on July 18, 2009.

II. FINDINGS OF FACT

The Board makes the following findings of fact:

1. Petitioner, whose principal office is located at Suite 1400, 200 North Third Street, Harrisburg, Pennsylvania 17101, is invested, pursuant to Pa.R.D.E. 207, with the power and duty to investigate all matters involving alleged misconduct of an attorney admitted to practice law in the Commonwealth of Pennsylvania and to prosecute all disciplinary proceedings brought in accordance with the various provisions of the Rules of Disciplinary Enforcement.

2. Respondent is Blonde Grayson Hall. She was born in 1956 and was admitted to practice law in the Commonwealth in 1990. She was previously admitted in New York in 1985 and in Massachusetts in 1982. Her attorney registration mailing address is 815 N. Mt. Pleasant Road, Philadelphia PA 19119.

3. Respondent is subject to the jurisdiction of the Disciplinary Board of the Supreme Court.

4. Respondent has no history of discipline.

5. Following her graduation from the University of Michigan Law School in 1982, Respondent worked at the law firm of Finley, Kumble, Manley, Myerson and Casey in New York, NY, where she represented privately held businesses during merger transactions.

6. Thereafter, Respondent worked for approximately five years in the real estate department of the law firm White & Case. Respondent represented large financial institutions in commercial real estate transactions that often involved tax considerations.

7. Following her employment with White & Case, Respondent performed per diem work through a temp agency and then worked at the law firm of Mesirov Gelman until the mid 1990's.

8. Each of these employers provided Respondent with a Withholding Statement (W-2 form) for tax purposes.

9. After she left Mesirov Gelman, Respondent established her own law firm, Law Offices of Hall and Associates. Respondent's clients included the School District of Philadelphia and the West Philadelphia Financial Services Institution. She specifically advised the West Philadelphia Financial Services Institution regarding a tax matter.

10. The Law Offices of Hall and Associates did not issue Respondent W-2 Forms from 1995 to 2004.

11. Respondent filed applications for extension of time to file tax returns in 1997, 1999, 2000, and 2001. On her applications for 1999 and 2000, she indicated that

her total tax liability was zero. On her application for 2001, she indicated that her tax liability was \$500.

12. Respondent acknowledged that from January 1, 1999 to December 31, 2001, she actually received taxable income in the amount of \$283,000 and that the gross filing requirements were \$2750, \$2800 and \$2900 for tax years 1999, 2000 and 2001, respectively.

13. On April 5, 2006, Respondent was charged with three counts of Willful Failure to File Return, Supply Information, or Pay Tax, pursuant to 26 U.S.C. Section 7203, for willfully failing to file federal income tax returns for the years 1999, 2000 and 2001.

14. On May 16, 2006, Respondent waived indictment and entered a plea of guilty to three counts of Willful Failure to File Return, Supply Information or Pay Tax.

15. The Plea Agreement signed by Respondent provided, among other things, that she would cease operation of Ophthalmic Research Associates (ORA), a tax exempt charitable organization, including any fundraising activities, return contributions on hand to donors, and refrain from seeking tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code for any organization in the future.

16. On March 21, 2007, Respondent was sentenced by the Honorable Paul S. Diamond to one year of incarceration. She was also required to pay a fine of \$20,000.

17. Respondent agreed to pay the IRS \$171,011 in back taxes, interest and penalties.

18. Respondent served her term of imprisonment and completed her probationary period. During her incarceration, Respondent worked with teachers to help transition adult prisoners into society and worked with prison officials to develop a hospitality plan.

19. Respondent testified at the disciplinary hearing.

20. Respondent admitted that her actions were inexcusable and she was ashamed of her conduct.

21. During the relevant time period of her criminal conduct, Respondent experienced a variety of stressful issues in her personal life, such as her attempts to have a child and related fertility treatments; her inability to coordinate and organize her financial papers; simultaneously running her law practice, her husband's medical practice and ORA, the tax exempt charitable organization of which she was the secretary and treasurer; and daily travel to New York City.

22. Respondent's contention that she understood she had to file tax returns but did not realize that once her extension expired it became a crime not to file the return, is not credible.

### III. CONCLUSIONS OF LAW

By her conduct as set forth above, Respondent violated the following Rules of Professional Conduct and Rule of Disciplinary Enforcement:

1. RPC 8.4(b) - It is professional misconduct for a lawyer to commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer.

2. RPC 8.4(c) - It is professional misconduct for a lawyer to engage in conduct involving dishonesty, fraud, deceit or misrepresentation.

3. Pa.R.D.E. 203(b)(1) - Conviction of a crime, which under Enforcement Rule 214 (relating to attorneys convicted of crimes) may result in suspension, shall be grounds for discipline.

#### IV. DISCUSSION

This matter is before the Board for consideration of the appropriate discipline to address Respondent's criminal conviction of three counts of failure to file tax return, supply information or pay tax. The Hearing Committee has recommended a one year and one day period of suspension, retroactive to August 17, 2007. Respondent objects to this sanction and contends that either a public censure or a suspension of one year or less is appropriate discipline.

In determining the appropriate discipline, the Board balances a concern for the public welfare with a respect for the substantial interest that an attorney has in maintaining her license to practice law. Office of Disciplinary Counsel v. Lewis, 426 A.2d 1138 (Pa. 1981). The Board must analyze the underlying conduct in the context of the

aggravating and mitigating circumstances and case precedent in order to reach a recommendation. Office of Disciplinary Counsel v. Chung, 695 A.2d 405 (Pa. 1997).

Respondent's legal career involved business transactions and tax issues. She had a working knowledge of this area of the law but failed to apply such knowledge to her own tax obligations. Her contention that she did not know it was a crime to fail to file her tax returns after her extension expired is simply incredible. While Respondent offered justifications that her personal life was very stressful, the Board does not find such excuses acceptable as to why she violated federal law.

Respondent's conviction and her imprisonment for one year reflect the seriousness of her criminal conduct and weigh in favor of a suspension. Respondent is correct that there are failure to file tax cases in which public censure has been imposed, e.g., Office of Disciplinary Counsel v. Paul L. Hammer, No. 136 DB 1997, No. 376 Disciplinary Docket No. 3 (Pa. July 15, 1999); however, a public censure is not automatically appropriate. Office of Disciplinary Counsel v. Lucarini, 472 A.2d 186 (Pa. 1983). Each case must be decided on the totality of facts.

The Board has stated, "in most of the failure to file cases, public discipline ranging from public censure to a two year period of suspension was imposed, but in the cases that resulted in suspension, it appears that more than one count of failure to file was involved, as well as either prison time or a long period of probation." In re Anonymous (George Stenhach, Walter Stenhach), Nos. 98 & 99 DB 1996, Nos. 246 & 247 Disciplinary

Docket No. 3 (Pa. April 14, 1998).

Several cases have resulted in suspension of more than one year. In re Anonymous (Robert G. Weisgerber), No. 16. DB 1994, No. 7 Disciplinary Docket No. 3 (Pa. Aug. 31, 1995) (plea to four counts of failure to file; Court imposed a three year suspension where respondent's reason was that he was under pressure to pay personal bills); In re Anonymous John J. McGee, No. 108 DB 1989, 7 Pa. D. & C. 4<sup>th</sup> 361 (1990) (conviction on three counts of failure to file; Court imposed a two year suspension; respondent argued that he did not realize that the failure to file was a crime); In re Anonymous (Michael F. Newton), No. 38 DB 2001, 18 Pa. D. & C. 4<sup>th</sup> 266 (1990) (plea of guilty to two counts of failure to file state returns because of financial mismanagement; Court imposed one year and one day suspension).

The Hearing Committee's recommendation of suspension for one year and one day, retroactive to the date of temporary suspension, is well within the range of discipline previously imposed by the Court. The totality of the record supports this sanction. Respondent was convicted of three counts of failure to file, supply information or pay tax and received a one year prison sentence. Respondent's legal background handling tax and business matters makes it all the more inconceivable that she was unaware of her obligations as to her own taxes. Respondent's lack of disciplinary history is duly noted, as is her remorse, but such mitigation is not weighty enough to justify a suspension less than one year and one day. Respondent must be required to file for reinstatement and demonstrate her eligibility to return to the Bar.


V. RECOMMENDATION

The Disciplinary Board of the Supreme Court of Pennsylvania unanimously recommends that the Respondent, Blonde Grayson Hall, be suspended from the practice of law of a period of one year and one day retroactive to August 17, 2007.

It is further recommended that the expenses incurred in the investigation and prosecution of this matter are to be paid by the Respondent.

Respectfully submitted,

THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

By:   
Gabriel L. Bevilacqua, Board Member

Date: September 10, 2009

Board Member Jefferies recused.