

BEFORE THE OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

IN THE MATTER OF THE APPEAL OF,)
)
B. MORRIS and D. MORRIS,) OTA NO. 19115431
)
) APPELLANTS.)
)
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TRANSCRIPT OF PROCEEDINGS

Cerritos, California

Wednesday, August 13, 2025

Reported by:
ERNALYN M. ALONZO
HEARING REPORTER

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APPEARANCES:

Panel Lead: ALJ AMANDA VASSIGH

Panel Members: ALJ JOHN O. JOHNSON
ALJ ASAF KLETTER

For the Appellant: D. MORRIS
RYAN NOWICKI

For the Respondent: STATE OF CALIFORNIA
FRANCHISE TAX BOARD

JAMES YOUN
MATTHEW MILLER

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I N D E X

E X H I B I T S

(Appellant's Exhibits 1-15 were received into evidence at page 7.)

(Department's Exhibits A-J were received into evidence at page 8.)

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1 Cerritos, California; Wednesday, August 13, 2025

2 10:03 a.m.

3
4 JUDGE VASSIGH: We are going on the record.

5 This is the Appeal of Morris, OTA Case
6 No. 19115431. The date is August 13th, 2025, and the time
7 is 10:03 a.m. This hearing is being held in Cerritos,
8 California.

9 I am Judge Vassigh, and I will be the lead for
10 the purposes of conducting this hearing. My co-panelists
11 Judge Johnson and Judge Kletter and I are equal
12 participants in deliberating and determining the outcome
13 of this appeal.

14 I'm going to ask the parties to identify
15 themselves and who they represent, starting with the
16 Franchise Tax Board.

17 MR. YOUN: Good morning. My name is James Youn,
18 and I'm representing the Respondent Franchise Tax Board.

19 MR. MILLER: Good morning. Matthew Miller for
20 the Franchise Tax Board.

21 JUDGE VASSIGH: Thank you.

22 And for Appellant.

23 MR. NOWICKI: Good morning. Ryan Nowicki for
24 Appellant Deidre Morris.

25 MS. MORRIS: Deidre Morris.

1 JUDGE VASSIGH: Thank you very much.

2 As stated in the Minutes and Orders, the parties
3 have agreed that the issues to be decided in this appeal
4 are: One, whether the Noneconomic Substance Transaction
5 Understatement penalty, otherwise known as the NEST
6 penalty, under Revenue & Taxation Code Section 19744 is
7 applicable; and two, whether the interest-based penalty,
8 under Revenue & Taxation Code Section 19777, is
9 applicable.

10 Now, before this hearing, a hearing binder --
11 exhibit binder was sent to the parties. And I would like
12 to discuss we had a submission J from Franchise Tax Board,
13 which was a compilation of Appellant's exhibits presented
14 at settlement; is that correct?

15 MR. MILLER: Yes, that's correct.

16 JUDGE VASSIGH: Okay. So what we did is we
17 allowed Appellant's exhibits. Is there a need for this to
18 be duplicated in FTB's exhibits?

19 MR. MILLER: I guess I'm unclear. The
20 Appellants' exhibits contain everything that was in
21 Exhibit J. I didn't see that.

22 JUDGE VASSIGH: Mr. Nowicki, did you check?

23 MR. NOWICKI: So the Exhibit J includes our
24 argument to the settlement department. Whereas, the
25 exhibits that we submitted does not include our argument.

1 JUDGE VASSIGH: Okay.

2 MR. MILLER: Right.

3 MR. NOWICKI: So if you wanted to keep Exhibit A
4 but just have the letter to the Settlement Bureau, that
5 would be fine.

6 JUDGE VASSIGH: Okay. So, Franchise Tax Board, I
7 just want to make sure you would like Exhibit J entered
8 into the record?

9 MR. MILLER: Yes.

10 JUDGE VASSIGH: Okay.

11 MR. MILLER: Thank you.

12 JUDGE VASSIGH: And I'm just making sure
13 Appellants have no objection to that?

14 MR. NOWICKI: Correct.

15 JUDGE VASSIGH: Okay. So Appellants submitted
16 Exhibits 1 through 15, and we have not received any
17 objections from FTB so far and, therefore, Exhibits 1
18 through 15 are now admitted into evidence.

19 (Appellant's Exhibits 1-15 were received into
20 evidence by the Administrative Law Judge.)

21 JUDGE VASSIGH: And FTB submitted Exhibits A
22 through J. Appellants did not object to the admissibility
23 of these exhibits. Therefore, Exhibits A through J are
24 now admitted into evidence.

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(Department's Exhibits A-J were received into evidence by the Administrative Law Judge.)

JUDGE VASSIGH: Appellants indicated during the prehearing conference that they would be calling Ms. Morris as a witness, and we have no objections to that. So we will go ahead and start with Appellants' presentation. Now, before we begin, I'd like to place Ms. Morris under oath.

You will remain under oath until the conclusion of this hearing today.

MS. MORRIS: Okay.

JUDGE VASSIGH: Please raise your right hand.

D. MORRIS,

produced as a witness, and having been first duly sworn by the Administrative Law Judge, was examined, and testified as follows:

JUDGE VASSIGH: Thank you so much.

And, Mr. Nowicki, you have 30 minutes for your presentation.

MR. NOWICKI: All right. Thank you. Good morning, Your Honors.

JUDGE VASSIGH: Good morning.

///

1 on his second marriage and had three kids. Deidre was 18.
2 Deidre was actually at a party because she was starting to
3 date Bryant's son. Bryant became enamored with Deidre.
4 He courted her and convinced her to go on a two-year
5 sailing trip around the world with her. In those two
6 years, he -- he molded her into being submissive to him.
7 He molded her into being non-questionable to him, and he
8 convinced her that he had exceptional business acumen,
9 that he would always take care of her, and that she, not
10 only should not have to worry about anything, but that she
11 should never ask any questions. This becomes really
12 important later on.

13 When they returned from that two-year sailing
14 trip, they moved in together. In 1978, they married and
15 had two children together. In 1985, they separated after
16 many issues with Bryant's addiction. At the time
17 Bryant -- in 1985, Bryant was now living in Napa,
18 California, and Deidre was in San Diego. In 1990, Deidre
19 moved to Washington State, further separating herself from
20 Bryant. What's important here is, even though they were
21 separated, they remained legally married. Bryant would
22 often tell Deidre and sometimes joke that he didn't want
23 to divorce her because paying her alimony and child
24 support for the two children would be more expensive and,
25 by staying married to her, he wouldn't have to marry any

1 of his new girlfriends.

2 So he was very controlling, very aggressive in
3 what Deidre had access to in his finances. And I'll say
4 his finances because they really were his finances.
5 Bryant would pay Deidre a monthly allowance, instead of
6 giving Deidre access to, call it the marital finances. As
7 long as Deidre didn't ask any questions and stayed away
8 from asking questions, then Bryant would continue to make
9 shows payments. And they continued that for -- for the
10 remainder of Bryant's life. Deidre had no reason to doubt
11 Bryant's business acumen. No reason to doubt that he
12 would stop paying. Bryant -- Bryant was a very successful
13 businessman. He was a very successful real estate
14 developer in his time.

15 Bryant was the primary developer of the Seaport
16 Village shopping center in San Diego also, a popular
17 seaport area in Long Beach. And he was the principal
18 developer of the Raging Waters theme park in San Dimas.
19 He surrounded himself always by what Deidre considered
20 smart intelligent business people; business advisers,
21 lawyers, et cetera. So Deidre always entrusted that she
22 would be okay. She never doubted Bryant's ability to take
23 care of himself, to raise -- to earn income, and to earn
24 revenue.

25 With all that said, Bryant would always tell

1 Deidre don't ask. Don't ask questions. You don't --
2 you're not in a position to ask. I pay you, and that's
3 it. With that came a relationship over a couple of
4 decades then where Deidre had little to no knowledge of
5 Bryant's financial affairs. Bryant would often either
6 forge Deidre's signature on legal documents that required
7 a spouse's signature. Or, if he needed her signature, he
8 would force her to sign, essentially, under duress. And
9 again, don't ask any questions. This is all important
10 because it leads up to 2005 and 2006.

11 In 2005, Bryant started putting together the
12 structure for what would become this 2006 tax shelter
13 transaction. Bryant put together -- or he created, what
14 we and what the FTB considers, sham trusts, limited
15 partnerships, promissory notes, all in an effort to defer
16 or evade taxes on a 2006 sale of real estate. Although
17 Deidre's signature appears on some of these documents, she
18 doesn't recall signing them. And even if she did, she
19 would have been signed them under duress. Again, don't
20 ask any questions.

21 In 2006, Bryant sold a piece of real estate under
22 this tax shelter transaction that we acknowledge as the
23 bogus optional basis adjustment tax shelter. Again,
24 Deidre had no idea that Bryant did this. She had no idea
25 what this structure was. She had no knowledge of his --

1 of his business dealings when he was doing this. Again,
2 she's living in Washington State. They're separated.
3 He's here in California.

4 Sometime before 2012, the Franchise Tax Board
5 initiates an audit of the joint tax return, again, because
6 they're legally married. The FTB initiates the audit.
7 They assess a tax liability of close to 6 -- of a little
8 over \$600,000 on the joint return. And again, Deidre has
9 no knowledge that any of this is going on. All the FTB
10 notices are being sent to Bryant, and Deidre is in
11 Washington State. From 2012 until Bryant passed away in
12 2021, Bryant kept this liability from Deidre. She had no
13 idea this liability was out there. Bryant and his
14 professional advisers, both business advisers and lawyers,
15 devised a plan to delay, delay, delay in hopes of running
16 the statute of limitations on collections so the FTB would
17 not collect.

18 Bryant then passes away in 2021. When Bryant
19 passed away in 2021, Deidre became in charge of his estate
20 and learned for the first time of this tax liability. She
21 discussed it with his then advisers, and they advised her
22 at the time -- again, these are Bryant's advisers -- stay
23 the course, don't do anything, see if the statute will run
24 in collections. Deidre wanted to take -- and I'm glad she
25 took -- the high road and said, no. I understand that

1 this looks like we owe the taxes. So I'm willing to pay
2 the taxes. But the penalties should not apply to Deidre.

3 And to discuss the penalties real quick, we have
4 two penalties at issue here. There's a penalty. It's
5 called the interest-based penalty under section 19777 of
6 the California Revenue & Taxation Code. This penalty was
7 born out of the 2003 voluntary compliance initiative,
8 which I'll refer to as VCI1. Essentially, under VCI1, if
9 the FTB contacted a taxpayer about a potentially abusive
10 tax shelter before the taxpayer offered that information
11 to the FTB, then the FTB can assess a penalty equal to
12 100 percent of the interest that has accrued on the taxes.

13 Again, Deidre had no knowledge that Bryant had
14 reported -- that Bryant had entered into the tax shelter
15 transaction. She had no knowledge of, really, what was on
16 the tax returns because Bryant would often file them
17 without her knowledge or consent. So she had no reason to
18 come forth. So there's no reason for her -- and she had
19 no knowledge as to why she would need to comply with the
20 voluntary compliance initiative for the section 19777
21 interest-based penalty. For that reason, this penalty
22 should not apply to Deidre.

23 If Bryant were sitting here right next to me, we
24 would have a very difficult time making that argument.
25 But Deidre is here, and Deidre had no knowledge of any of

1 these financial dealings. The second penalty under 19774
2 is the noneconomic substance transaction penalty. Similar
3 to the interest-based penalty, the NEST penalty was born
4 out of the second voluntary compliance initiative from the
5 Franchise Tax Board in 2011. There, if the taxpayer
6 voluntarily -- or if a taxpayer was contacted by the FTB
7 about it -- about a potentially abusive tax shelter before
8 the taxpayer offered the information to FTB first, then
9 the FTB could assess a 40 percent penalty on that
10 taxpayer.

11 Again, Deidre had no knowledge of any of these
12 financial, say, wrongdoings that Bryant had entered into
13 in 2006. His -- his professional advisers also kept this
14 information from her. So she had no reason to come forth
15 to voluntarily comply. So this penalty should also not
16 apply to her. We do understand that a joint return,
17 spouses are typically jointly and several -- jointly and
18 severely liable for taxes on the return. So Deidre has,
19 from moment one, offered to pay the taxes and still does
20 offer to pay the taxes that are owed on this. But we
21 respectfully request that these penalties not apply to
22 Deidre.

23 And lastly, the subject of interest under
24 Section 19116, the Franchise Tax Board can suspend
25 interest and suspend the accrual of interest on a tax

1 liability if that -- if the FTB did not mail a Notice of
2 Proposed Assessment to the taxpayer within three years of
3 the tax return being filed. In this case, the Notice of
4 Proposed Assessment was not mailed to Bryant until after
5 four years after the return was filed. So interest should
6 be suspended in this case as well. We understand that
7 there's an exception to the interest suspension rules if
8 the interest-based penalty under 19777 applies. But
9 again, we respectfully request that the 19777 penalty not
10 apply to Deidre.

11 And lastly, Deidre, would you like to address the
12 panel?

13 MS. MORRIS: Okay. Thank you.

14

15 WITNESS TESTIMONY

16 MS. MORRIS: That's embarrassing just to hear
17 that. Okay. I -- I wrote a long explanation about two --
18 two to three paragraphs, and then I wrote a shorter one
19 just doing bullet points, and then I did a very short one.
20 I don't know how much you want to hear about my
21 background, or I mean --

22 JUDGE VASSIGH: I want you to share whatever you
23 feel is relevant to share. So in terms of timing, you
24 have 15 minutes.

25 MS. MORRIS: Fifteen minutes. All right.

1 JUDGE VASSIGH: So feel free to share as much as
2 you would think.

3 MS. MORRIS: All right. I'll -- I'll read the
4 short one, and then if there's questions I'm happy to
5 answer.

6 All right. Three months before my husband died
7 he called me to return from Washington State to California
8 help him die. We had been separated over 15 years, but
9 that did not stop him. He expected me to help. I had met
10 him at my high school graduation party when I was 18 and
11 he was 42. He was immediately enamored, and I was
12 flattered. Short -- not long after he had a heart attack
13 and an open heart surgery. So he gave his second wife and
14 her five children that he had adopted everything; the
15 house, the cars, the bank account.

16 And we bought a boat, and we sailed to the South
17 Pacific. After several years, we returned at the request
18 of his father and helped -- to help his brother in the
19 restaurant business. Not long after, the City of San
20 Diego asked him to resubmit a bid that he had made seven
21 years before, and it was accepted. We moved to San Diego,
22 and he built several projects. By that time, my sons were
23 7 and 10. I joined a women's group and discovered that my
24 husband was an alcoholic. We separated, and from that day
25 forward never lived together again. I lived in Washington

1 State, and he lived in Northern California. My whole life
2 I've lived on a stipend and continued to until he died.

3 I -- in my longer version, I told that I didn't
4 realize until my sons were diagnosed with severe learning
5 disabilities that I too had dyslexia. I had
6 just compensated. I knew when I went to high school that
7 the headmaster said just put your head down, don't show
8 your work to anybody, and we'll get you through this four
9 years. It was a private school, and they really wanted
10 the tuition, and my grandfather was paying it. So I am
11 particularly bad at numbers, but I'm not much better at
12 letters. I've survived my life. But anyway, my husband
13 never let me be a part of his office or any kind of goings
14 on with money or anything like that. He just said stand
15 back. So he's very firm fellow. You don't really get a
16 say. And so it -- I don't know. It just caused me to be
17 obedient. My father -- my own birth father was a tyrant,
18 and then I married a tyrant. I don't get it. But okay.

19 The other things you might want to know, you --
20 Ryan said I'm -- I'm happy to -- I have both my houses. I
21 have a house and a piece of land. The house is on the
22 market. The piece of land is on the market. I've lowered
23 the prices. I'm trying to sell them. I'm trying to --
24 I -- I went -- the minute my husband died I turned the
25 house into an Airbnb. And during that time, I saved

1 \$100,000 from making it an Airbnb. And I've gathered
2 monies, and I want to do right.

3 It was the other lawyer that kept telling me,
4 just kick the can down the road. Don't -- let sleeping
5 dogs lay. Don't make a fuss, and -- and it wasn't until I
6 met a gal in Washington, a friend of mine, and she said,
7 you know, my husband is a lawyer. He could look into
8 this. And that's when I got rid of the other lawyer, and
9 I got Mr. Nowicki, and I'm prepared to do right. That's
10 what I want the Court to know.

11 I can tell you other things about my life that
12 indicate who I am as a human being, but I just want to
13 make this right and get this chapter of my life over with
14 because it's been hanging over my head. And I -- I'm 72
15 now, and I just want to go on with my life, if I can.

16 Yeah. That's about it, unless there's any
17 questions you have, or you want me to say more?

18 JUDGE VASSIGH: Thank you so much for sharing
19 your personal story. I'm going to turn to my co-panelists
20 to see if they have any questions for you or for
21 Mr. Nowicki.

22 Judge Johnson, do you have any questions.

23 JUDGE JOHNSON: This is Judge Johnson. No
24 questions. Thank you.

25 JUDGE VASSIGH: Judge Kletter, do you have any

1 questions?

2 JUDGE KLETTER: I just have one question for
3 Mr. Nowicki. You know, these circumstances about the lack
4 of knowledge and lack of reason to know, on what legal
5 basis are you pointing to that the Office of Tax Appeals
6 has the authority to waive or abate this penalty based on
7 those reasons?

8 MR. NOWICKI: It would essentially be a
9 reasonable cause argument that the -- that Deidre here
10 relied on the business acumen of her husband. She relied
11 on all of his professional advisors to make the tax
12 filings to essentially take care of her financial life.
13 And she had no reason to think that any wrongdoing was
14 happening.

15 We understand that the -- the ability to get out
16 of these penalties is severely restricted under the Code.
17 But our argument to the panel is that these penalties just
18 should not apply to Deidre. These penalties are intended
19 to be punitive to punish taxpayers who knowingly enter
20 into these unlawful tax shelter transactions. And that
21 may have been Bryant, but that certainly was not Deidre.

22 JUDGE KLETTER: This is Judge Kletter. Thank
23 you, and no more questions.

24 MR. NOWICKI: Thank you.

25 JUDGE VASSIGH: I'd like to see if the Franchise

1 Tax Board has any questions for Ms. Morris.

2 MR. YOUN: We do not.

3 JUDGE VASSIGH: Okay. Thank you.

4 Then at this time, we would like to move on to
5 the Franchise Tax Board's presentation. You also have
6 30 minutes, and please begin when you are ready.

7 MR. YOUN: If possible, we would like to request
8 a brief recess to confer?

9 JUDGE VASSIGH: Okay. Is 15 minutes, 10 minutes
10 adequate? Ten?

11 MR. YOUN: Yes.

12 JUDGE VASSIGH: Okay. Let's take a 10-minute
13 recess. It is now 10:28. We will reconvene at 10:38.

14 And we will go off the record at this time.
15 Thank you.

16 (There is a pause in the proceedings.)

17 JUDGE VASSIGH: We are now going back on the
18 record in the Appeal of Morris, and Franchise Tax Board is
19 ready to proceed with their presentation.

20 But before you start, I know that Judge Kletter
21 has a question for Appellants.

22 JUDGE KLETTER: Yes. Mr. Nowicki, I just wanted
23 to follow up. I should have asked this earlier, but you
24 mentioned that general reasonable cause and some policy
25 reasons should apply that, you know, we don't apply these

1 penalties, interest-based and the noneconomic substance
2 penalty. I'm just wondering, are you aware of any
3 regulations or any cases in which under facts similar to
4 these facts that it was held that that lack of knowledge
5 constitutes reasonable cause?

6 MR. NOWICKI: I'm not. Mostly because in
7 situations like this, taxpayers would ordinarily qualify
8 for innocent spouse relief, and we don't necessarily have
9 that here. But we continue to assert that Ms. Morris had
10 no knowledge of -- of the tax shelter transaction, and
11 that she relied on Bryant to file the returns. She relied
12 on his professional advisers to -- to provide an accurate
13 return. And again, she was kept out of the financial
14 affairs of Bryant and out of, you know, asking any
15 questions.

16 And so, you know, for -- it's more of a policy
17 argument that these penalties should just not apply to
18 her. Because again, these penalties are punitive, and
19 they're intended to punish taxpayers who intentionally
20 enter into these unlawful tax shelters, and that is not
21 Deidre.

22 JUDGE KLETTER: This is Judge Kletter. Thank
23 you.

24 JUDGE VASSIGH: Okay. Mr. Youn, whenever you're
25 ready.

1 partnership interest to the trust. As such, the
2 noneconomic substance transaction penalty should apply to
3 Appellant.

4 Further, Section 19774 is clear that there's no
5 relief available for reasonable cause or good faith
6 regarding the NEST penalty. The Code does permit the
7 chief counsel to Franchise Tax Board to comprise all or
8 any portion of this penalty. On December 26, 2018,
9 Appellants did request relief from the NEST penalty from
10 chief counsel. This request was denied on July 12, 2019.
11 Additionally, Section 19774(d)(3) makes clear that this
12 determination by the chief counsel is not reviewable in
13 any administrative or judicial proceeding. As such, the
14 NEST penalty was properly imposed because Appellants'
15 transaction lacked economic substance as defined under
16 section 19774. There's no relief or abatement available
17 to Appellant.

18 With regard to the interest-based penalty,
19 Section 19777 imposes this penalty where a taxpayer has a
20 deficiency attributable to an abusive tax avoidance
21 transaction and has been contacted by the Franchise Tax
22 Board regarding this abusive tax avoidance transaction.
23 Pursuant to section 19777, and abusive tax avoidance
24 transaction includes a transaction to which a NEST penalty
25 under section 19774 applies. This penalty is added to a

1 tax in the amount of 100 percent of interest payable under
2 section 19101 for the period beginning on the last date
3 prescribed by the law for the payment of that tax, and
4 ends on a date the proposed assessment is mailed.

5 As discussed before, Respondent properly imposed
6 a NEST penalty where there is no dispute the trust and
7 installment sale transaction at issue lacked economic
8 substance. Respondent notified Appellant of its
9 determination that the transaction lacked a nontax
10 business purpose. Accordingly, Respondent's imposition of
11 interest-based penalty equal to 100 percent of interest
12 payable on the understatement was proper. Additionally,
13 section 19116, as discussed, does not apply to any
14 penalties, addition to tax, or additional amounts relating
15 to any abusive tax avoidance transaction as defined
16 section 19777. This is specifically covered in
17 19116(d) (8) of the Revenue & Taxation Code.

18 In conclusion, the Revenue & Taxation Code is
19 clear in where there's an understatement attributable to a
20 transaction that lacks economic substance or a nontax
21 business purpose. The imposition of the NEST and
22 interest-based penalty is appropriate. There is no
23 disagreement that the installment sale of Appellant's
24 limited partnership interest lacked economic substance or
25 a nontax business purpose. Therefore, both penalties are

1 applicable and were properly imposed. Respondent
2 respectfully request the Office of Tax Appeals sustain
3 Franchise Tax Board's action.

4 Thank you. And at this time, I'd be happy to
5 answer any questions the panel may have.

6 JUDGE VASSIGH: Thank you, Mr. Youn.

7 I do not have any questions. I'll check with my
8 co-panelists.

9 Judge Johnson, do you have any questions?

10 JUDGE JOHNSON: This is Judge Johnson. No
11 questions. Thank you.

12 JUDGE VASSIGH: Thank you.

13 And, Judge Kletter, any questions?

14 JUDGE KLETTER: This is Judge Kletter. No
15 questions. Thank you.

16 JUDGE VASSIGH: Okay. Now, Mr. Nowicki, as we
17 discussed in the prehearing conference, Appellants have
18 the last word here. So I'd like to offer you 5 to
19 10 minutes for a rebuttal if you would like to take that
20 time.

21 MR. NOWICKI: Sure. Thank you.

22 JUDGE VASSIGH: Okay. You may begin when you're
23 ready.

24 MR. NOWICKI: Thank you. I will be brief.

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JUDGE VASSIGH: Thank you very much.

Judge Johnson, do you have any questions at this time?

JUDGE JOHNSON: This is Judge Johnson. No questions, but thank you.

JUDGE VASSIGH: And, Judge Kletter, do you have any questions?

JUDGE KLETTER: This is Judge Kletter. No questions. Thank you.

JUDGE VASSIGH: Okay. Thank you so much.

This case is now submitted on August 13th, 2025. The record is now closed.

I'd like to thank the parties for participating today. And I thank Ms. Alonzo and OTA staff for ensuring that everything proceeds smoothly, and we have a clean record here.

The judges will meet to deliberate on this matter, and we will issue an opinion within 100 days from today.

Today's hearing in the Appeal of Morris is now concluded.

Thank you, everyone.

(Proceedings concluded at 10:48 a.m.)

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HEARING REPORTER'S CERTIFICATE

I, Ernalyne M. Alonzo, Hearing Reporter in and for the State of California, do hereby certify:

That the foregoing transcript of proceedings was taken before me at the time and place set forth, that the testimony and proceedings were reported stenographically by me and later transcribed by computer-aided transcription under my direction and supervision, that the foregoing is a true record of the testimony and proceedings taken at that time.

I further certify that I am in no way interested in the outcome of said action.

I have hereunto subscribed my name this 21st day of August, 2025.

ERNALYN M. ALONZO
HEARING REPORTER