2016 DEC 16 PM 2: 30 IN DISCIPLINARY DISTRICT I **OF THE** BOARD OF PROFESSIONE **BOARD OF PROFESSIONAL RESPONSIBILITY OF THE** M. Kuidet SUPREME COURT OF TENNESSEE EC SECT

IN RE: EVERETT HOGE MECHEM BPR # 11854, Respondent, An Attorney Licensed and Admitted to the Practice of Law in Tennessee (Sullivan County)

DOCKET No. 2016-2603-1-AW(22.3)

JUDGMENT OF THE HEARING PANEL

This matter came to be heard for final hearing on the 22nd day of November, 2016, on the Petition for Final Discipline filed July 20, 2016, before Hearing Panel members Olen Gale Haynes, Jr., Lee Dan Stone, III, and Laura Steel Woods, Panel Chair. A. Russell Willis, Disciplinary Counsel, appeared for the Board of Professional Responsibility (Board). The record reflects Mr. Mechem was given adequate notice of the final hearing and informed Disciplinary Counsel he would not be attending the final hearing. Disciplinary Counsel conveyed to the Hearing Panel Mr. Mechem expressed remorse for his conduct and his belief that his attendance at the final hearing would add little to the proceedings. Other than the statements conveyed through Disciplinary Counsel, Mr. Mechem did not appear at or participate in the hearing.

STATEMENT OF THE CASE

This is a disciplinary proceeding against the Respondent, Everett Hoge Mechem, an attorney licensed to practice law in Tennessee in 1986.

1. A Petition for Final Discipline, Docket No. 2016-2603-1-AW(22.3), was filed on July 20, 2016, and service was perfected upon Mr. Mechem pursuant to Tenn. Sup. Ct. R. 9, § 18.1.

2. In addition thereto, Mr. Mechem acknowledged service of the Petition for Final Discipline in a phone call to Disciplinary Counsel on October 13, 2016.

3. As a result of the telephone conversation, Disciplinary Counsel and Mr. Mechem agreed that an Answer to the Petition for Final Discipline would be filed on or before October 25, 2016.

4. Mr. Mechem did not file an answer as agreed or otherwise respond in writing to the Petition for Final Discipline.

5. On November 15, 2016, Disciplinary Counsel filed a Motion for Default Judgment and That Charges in Petition for Discipline be Deemed Admitted.

6. Mr. Mechem did not file a response to the motion.

7. The Hearing Panel, duly appointed July 29, 2016, entered an Order Granting Motion for Default on November 22, 2016.

8. The Final Hearing was held November 22, 2016, in Johnson City, Tennessee.

STATEMENT OF THE FACTS

9. Respondent, Everett Hoge Mechem, is an attorney licensed to practice law in the State of Tennessee in 1986, holding Board of Professional Responsibility number 11854. Mr. Mechem's most recent preferred address as registered with the Board of Professional Responsibility is 220 Broad Street, Suite 206, Kingsport, Tennessee 37660; however Mr. Mechem

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was served at his residence, 4518 Mitchell Road, Kingsport, TN 37664 being in Disciplinary District I.¹

10. On June 13, 2016, Mr. Mechem was found guilty in *United States of America v. Everett H. Mechem*, Case No. 2:15-CR-71, United States District Court for the Eastern District of Tennessee, of violating Title 18 United States Code Section 1343: Wire Fraud; Title 42 United States Code Section 1383a(a)(3): Supplemental Security Income Fraud; Title 18 United States Code Section 1001: False Statement; and Title 18 United States Code Section 641: Theft of Public Money.

11. Pursuant to Tennessee Supreme Court Rule 9, Section 22.3, the Tennessee Supreme Court suspended Everett Hoge Mechem from the practice of law by Order of Enforcement entered July 11, 2016, and directed the Board to institute formal disciplinary proceedings at which the sole issue to be determined is the imposition of the appropriate disciplinary sanction.

12. Pursuant to the granting of the default judgment and the evidence presented at the final hearing, the following facts are established:

Mr. Mechem was found guilty of twenty-eight (28) counts of wire fraud, two (2) counts of Supplemental Security Income Fraud, two (2) counts of making a false statement and one (1) count of theft of public money. See Petition for Final Discipline introduced as <u>Exhibit</u> <u>1</u>. The indictment and resulting felony convictions result from Mr. Mechem's representation of his wife and her receipt of SSI benefits. See First Superseding Indictment introduced as <u>Exhibit 2</u>. Sheila A. Mechem, wife of Mr. Mechem, applied for Supplemental

¹ The Certificate of Service for the *Petition for Final Discipline* shows service at Mr. Mcchem's preferred address of 220 Broad Street, Suite 206, Kingsport, TN 37660. A *Second Amended Certificate of Service* was filed by Disciplinary Counsel on August 10, 2016 to correct the spelling of the street for Mr. Mechem's home address of Mitchell Road. It is not in doubt for the Hearing Panel that Mr. Mechem was provided with appropriate notice of the filing of the *Petition for Final Discipline* and an opportunity to respond.

Security Income (SSI) benefits on or about July 11, 2007. Mr. Mechem notified the Social Security Administration (SSA) on or about April 22, 2008, he was representing his wife in her claim for benefits. On or about July 17, 2008, Sheila A. Mechem was found eligible for SSI benefits and began receiving payments. On or about January 22, 2009, Mr. Mechem applied to become the representative payce for his wife and was appointed as such on January 30, 2009. A Representative Payee has the duty, among others, to notify SSA of any event or change in the beneficiary's circumstances including living arrangements, amount of income, and amount of resources that might affect the beneficiary's eligibility for SSI benefits. Mr. Mechem was appointed representative payee of his wife on or about January 30, 2009. After being appointed representative payee, Mr. Mechem falsely represented that his wife lived separately from him when, in fact, they resided in a home they purchased on or about April 26, 2012; he knowingly and willfully filed documents with the SSA falsely representing Ms. Mechem lived alone; he knowingly and willfully failed to disclose financial resources available to Ms. Mechem which had not been reported previously to SSA; and he knowingly and willfully stole and converted to his personal use \$17,807.80 in SSI benefits his wife was not entitled to receive. The information withheld from and misrepresentations provided to SSA by Mr. Mechem materially affected Ms. Mechem's eligibility for SSI benefits.

CONCLUSIONS OF LAW

13. Pursuant to Tenn. Sup. Ct. R. 9, § 8 (2014), attorneys admitted to practice law in Tennessee are subject to the disciplinary jurisdiction of the Supreme Court, the Board of

Professional Responsibility, the Hearing Committee, hercinafter established, and the Circuit and Chancery Courts.

14. Pursuant to Tenn. Sup. Ct. R. 9, § 1 (2014), the license to practice law in this state is a privilege, and it is the duty of every recipient of that privilege to conduct himself or herself at all times in conformity with the standards imposed upon members of the bar as conditions for the privilege to practice law.

15. Pursuant to Tenn. Sup. Ct. R. 9, § 11 (2014), acts or omissions by an attorney, individually or in concert with any other person, which violate the Rules of Professional Conduct of the Supreme Court of Tennessee constitute misconduct and grounds for discipline, whether or not the act or omission occurred in the course of an attorney-client relationship.

16. Based upon the facts established at the final hearing, the Hearing Panel concludes Mr. Mechem knowingly and willfully engaged in serious criminal conduct as defined in Tenn. Sup. Ct. R. 9, §2.

17. Pursuant to Tenn. Sup. Ct. R. 9, § 15.4, the appropriate discipline must be based upon application of the ABA Standards for Imposing Lawyer Sanctions, ("ABA Standards"). The Panel finds the following ABA Standards applicable in this matter:

- 5.11 Disbarment is generally appropriate when:
 - (a) lawyer engages in serious criminal conduct a necessary element of which includes false swearing, misappropriation, fraud, or theft or
 - (b) a lawyer engages in any other intentional conduct involving dishonesty, fraud, deceit, or misrepresentation that seriously adversely reflects on the lawyer's fitness to practice.

18. Pursuant to ABA Standard 9.1, the Hearing Panel may consider aggravating and mitigating circumstances in determining the appropriate disciplinary sanction to impose.

- 19. The Hearing Panel finds the following aggravating factors applicable in this matter:
 - (a) dishonest or selfish motive;
 - (b) substantial experience in the practice of law.

20. Although Mr. Mechem did not appear and participate in the final hearing, Mr. Mechem did contact Disciplinary Counsel prior to the hearing to express remorse for his conduct. The Hearing Panel considers the statement of Mr. Mechem a mitigating factor in this matter.

JUDGMENT

In consideration of the above, the Hearing Panel finds the appropriate disciplinary sanction to impose upon Everett Hoge Mechem is disbarment pursuant to Tenn. Sup. Ct. R. 9, § 12.1 (2014). In addition to all other requirements and obligations of disbarred attorneys set forth in Tenn. Sup. Ct. R. 9, payment of all costs assessed in this matter, payment of all registration fees due and owing, payment of all professional privilege taxes due and owing, and compliance with all CLE requirements are conditions precedent to the reinstatement of Everett Hoge Mechem to the practice of law in Tennessee.

IT IS SO ORDERED.

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Lee Dan Stone, III, Panel Mem

NOTICE TO RESPONDENT

This judgment may be appealed pursuant to Tenn. Sup. Ct. R. 9, § 33 (2014) by filing a Petition for Review in the Circuit or Chancery court within sixty (60) days of the date of entry of the hearing panel's judgment.

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Order has been sent to Respondent, Everett Hoge Mechem, 4518 Mitchell Road, Kingsport, TN 37664, by U.S. First Class Mail, and handdelivered to A. Russell Willis, Disciplinary Counsel, on this the 19th day of December, 2016.

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Rita Webb Executive Secretary