

**OFFICIAL MINUTES  
STATE BAR OF TEXAS  
BOARD OF DIRECTORS MEETING  
Renaissance Worthington Hotel  
Fort Worth, Texas  
April 17, 2009**

The Board of Directors of the State Bar of Texas met in a regular session on April 17, 2009 at the Renaissance Worthington Hotel in Fort Worth, Texas. Chair Joe Shannon called the meeting to order at 9:00am, and Executive Director Michelle Hunter called the roll. A quorum of voting Board members was present. Larry Chambliss, First Assistant District Attorney in Johnson County and an ordained Baptist minister, gave the invocation. James Higdon led the pledges to the U.S. and Texas flags.

***Present:***

**Board Members:** J. Arnold Aguilar, Pablo Almaguer, Glenn Ballard, Jr., Talmage Boston, Deborah Bullion, TYLA President Sylvia Cardona, Theresa Chang, Michelle Cheng, Guy Choate, Janna Clarke, Warren Cole, Jeanne C. (Cezy) Collins, David W. Copeland, President Harper Estes, David Fisher, Susan M. Fisher, Deborah Gagliardi, Pamela Gilbert, Beverly Godbey, Mike Gregory, L. Bradley Hancock, TYLA President-elect Cori Harbour, John Hatchel, Randy Howry, President-elect Roland K. Johnson, Rob Kyker, Kyle Lewis, Samuel B. Lovelady, TYLA Immediate Past President William W. Miller, Jr., Timothy Mountz, Goodwille Pierre, W. Thomas Proctor, Robert Roby, Mark K. Sales, Chair of the Board Joe Shannon, Jr., John D. Sloan, Jr., Randy O. Sorrels, Lisa Tatum, Immediate Past Chair of the Board Travis Vanderpool\*, R. Patrick Wolter, Immediate Past President Gib Walton, Barbara S. Young

**Liaisons\*:** Judge Vanessa Gilmore, Justice Phil Johnson, Judge Lawrence E. Meyers, R.E. Thompson

**Section Representatives\*:** Chad Baruch, Steve Bolden, James N. Higdon, John Jansonius, Dan Micciche

**Ex Officio\*:** Executive Director Michelle Hunter, General Counsel Elizabeth Rogers, CDC Linda Acevedo

***Excused Absences:*** *W. Stephen Benesh, Curtis Flowers, Van Hilley, Lamont Jefferson, William W. Ogden, Judge Suzanne Stovall, Cheryl Wilson*

(\* = nonvoting)

**I. CONSENT AGENDA ITEMS:**

**Upon motion properly made by Debbie Bullion and seconded by Rob Kyker, the following items from the Consent Agenda were approved:**

**A. APPROVAL OF MINUTES:**

- a. Approval of minutes of Board meetings conducted on *January 30, 2009*
- b. Ratification of actions taken at the following Executive Committee meetings:
  - 1) *April 1, 2009:* Approved minutes of the January 8, 2009 Executive Committee meeting

**B. ITEMS FROM THE PRESIDENT:**

Approval of appointments to the following entities:

**a. Commission for Lawyer Discipline:**

- 1) for one-year terms effective September 1, 2009 through August 31, 2010:

**Chair: Betty Blackwell (Austin)**

**Vice Chair: Ron Bunch (Waxahachie)**

- 2) for three-year terms effective September 1, 2009 through August 31, 2012:

**Frank Costilla Jr. (Brownsville)**  
**Guy Harrison (Longview)**

- b. **Law Focused Education, Inc.**, for two-year terms effective June 1, 2009 through May 31, 2011:

**Leah Blankenship (Austin)**      **Cynthia Estes Ladyman (Abilene)**  
**Patricia Hayes (Austin)**      **Dr. Rosemary Morrow (Austin)**  
**Dana Kelley (Richardson)**      **Eduardo Roberto Rodriguez (Brownsville)**

- c. **Out of State Liaison to the State Bar Board**, for three year term effective June 25, 2009 through June 2012:

**Scotty Holloman (Hobbs, NM)**

- d. **Texas Legal Protection Plan**, for three-year terms effective June 1, 2009 through May 31, 2012:

**Teri L. Danish (Brownsville)**  
**Patricia Hayes (Austin)**  
**Romeo Rodriguez (Brownsville)**  
**James C. Winton (Houston)**  
**Cory Canon (Midland)**

- e. **Resolutions Committee**, for terms expiring at the 2009 Annual Meeting:

- 1) Officers:

**Chair: SBOT Immediate Past Chair of the Board**  
- **Travis Vanderpool (Dallas)**  
**Vice-Chair: TYLA Chair**  
- **Clay Scheitzach (Dallas)**  
**Secretary: Local Bar Leaders Committee Chair**  
- **Michael Truncale (Beaumont)**  
**Parliamentarian: Bill Miller**  
**Alternate: Steve Bolden**  
**Alternate: Mark Sales**

- 2) Review Committee:

**Travis Vanderpool (Dallas)**  
**Randy Sorrels (Houston)**  
**Kyle Lewis (Dumas)**

- f. **Texas Bar Foundation**, for one year term as SBOT Board Liaisons effective June 2009 through May, 2010:

**Jeanne "Cezy" Collins (El Paso)**  
**Lamont Jefferson (San Antonio)**

**C. ITEMS FROM THE PRESIDENT-ELECT:**

- a. Approval of State Bar committee chairs to serve during the year 2009-10 per State Bar Rules, Art. VIII, Section 1B

**D. ITEMS FROM COMMITTEES AND SECTIONS/DIVISIONS:**

- a. Approval of request by the State Bar Family Law Section to hold its Annual Meeting at the Marriage Dissolution seminar in April 2009

- b. Approval of request by the State Bar Bankruptcy Law Section to increase its dues from \$20 to \$25

[Exhibit A]

- c. Approval of request by the State Bar Construction Law Section to amend its bylaws
- d. Approval of request by the International Law Section to increase its dues from \$25 to \$30
- e. Approval of request by the Taxation Section to increase its dues from \$25 to \$35

E. **OTHER ITEMS:**

- a. Approval of recipients for the pro bono awards to be presented at the Annual Meeting:

- 1) **Pro Bono Award: Houston Bar Association Volunteer Lawyers Program**
- 2) **Frank J. Scurlock Award: John Crews (Lubbock) and Ed & Maria Hernandez (El Paso)**
- 3) **The J. Chrys Dougherty Legal Services Award: Scott Medlock (Austin)**
- 4) **W. Frank Newton Award: Vinson & Elkins' Veterans' Initiative (statewide/US-wide)**

- b. Approval of recipients for the Nancy Garms Memorial Award to be presented at the Annual Meeting:

**Prater Monning (Dallas)**

- c. Approval of resolutions honoring:

- 1) **Jeffrey Scott Kubes**
- 2) **James Bruce Barlow**
- 3) **Judge Fred Davis**
- 4) **Judge Dixon Holman**
- 5) **Sharon Sherman**
- 6) **25<sup>th</sup> Anniversary of IOLTA**
- 7) **Corpus Christi Bar Association (presented previously)**
- 8) **John Neal (presented previously)**

II. **REPORTS:**

A. **Report from the Chair of the Board:**

Chair Joe Shannon welcomed everyone to Fort Worth, and Janna Clarke presented Harper Estes with a gift from the Tarrant County Bar Association. Shannon reported that one person, David Fisher, submitted his intent to run for 2009-10 Chair of the Board.

**Janna Clarke moved for approval of the election of David Fisher as 2009-10 Chair of the Board; Warren Cole seconded. A vote was conducted by show of hands, and Fisher was named Chair of the Board for the 2009-10 year.**

B. **Report from the President:**

President Estes reported that it has been a great year with significant changes, and the transition to a new Executive Director and Chief Disciplinary Counsel has been very smooth. Talmage Boston gave a report on the Annual Meeting, noting that the Bar has raised more than \$160,000 from law firms and businesses and approximately \$190,000 from corporate sponsors and exhibitors. There will be great speakers this year, including David Brooks, Doris Kearns Goodwin, and Morris Dees. President Estes introduced Khayan Williams from Fort Worth to give a report on LeadershipSBOT Academy.

President Estes reported that the Ad Hoc Emergency Legislative Committee approved a resolution to increase funding for legal services to be used by Sections and any others, and the resolution is being presented to the Board for approval.

**Debbie Bullion moved for approval of the ratification of actions taken by the Ad Hoc Emergency Legislative Committee that approved the resolution supporting legal aid in Texas; Mike Gregory seconded. Motion carried. [Exhibit B]**

President Estes reported that the State Bar's Legal Services to the Poor in Civil Matters Standing Committee has brought forth a resolution regarding amending Rules 191.3 and 215 of the Texas Rules of Civil Procedure.

**Goodwill Pierre moved for adoption of the resolution from the Legal Services to the Poor in Civil Matters Standing Committee; John Sloan seconded. Motion carried. [Exhibit C]**

**President Estes moved for approval of the appointment of Yvette Ostolaza (Dallas) as a minority member to the Board of Directors, for a three-year term effective at the Annual meeting of 2009 and expiring at Annual Meeting 2012; Lisa Tatum seconded. Motion carried.**

C. Task Force on Grievance Committee Structure:

Orrin Harrison, chair of the Grievance Committee Task Force, reported on the work of the task force and their recommendations for reducing the number of grievance subdistricts through attrition in order to make the grievance committees more streamlined and efficient.

**Lisa Tatum moved for approval of the recommendations of the Task Force on Grievance Committee Structure; Barbara Young seconded. Motion carried. [Exhibit D]**

At this time, a member of the public, Anya Hernandez-Nickerson from Houston, came forward to ask a question regarding lawyer-client relationships in a child custody case, and she was referred to Chief Disciplinary Counsel Linda Acevedo for further information.

D. Report from the President-elect:

President-elect Roland Johnson reported that the budget is unchanged from the one approved by the Board in January, and that the budget presentation to the Supreme Court is scheduled for May 12.

**On behalf of the subcommittee, President-elect Johnson moved for approval of the 2009-10 budget for presentation to the Supreme Court of Texas; no second needed. Motion carried. [Exhibit E]**

E. Report from the Immediate Past President:

Immediate Past President Gib Walton reported on the election this year, noting that it has been a great election and that the Nominations & Elections committee will be looking at the voting process and ways to increase voter turnout.

F. Technology Oversight Subcommittee:

Theresa Chang reported on the work of the subcommittee in updating the business technology plan, the first of which was created in 2000 and provides a three-year planning perspective. This technology plan focuses on three different areas of technology and ways to improve these areas.

**On behalf of the subcommittee, Chang moved for approval of the update to the business technology plan for FY 2010-12; no second needed. Motion carried. [Exhibit F]**

G. MCLE Committee:

David Smith gave background information on the proposed changes to the fee structure and reported on the various fees that would be increased, including accreditation, non-compliance, delinquent, and paper. Smith noted that it is not a dues increase, and there will be no increase in sponsor fees.

**Randy Sorrels moved for approval of the proposed amendments to the MCLE regulations pertaining to related fee increases in the MCLE program; Debbie Bullion seconded. Motion carried. [Exhibit G]**

H. Texas Young Lawyers Association:

TYLA President Sylvia Cardona highlighted the various activities of TYLA, including Ten Minute Mentor, LeadershipSBOT, "Know Your Rights" and "Healing the Wounds" videos, and the mock trial competition. The Technology Committee is working on updating the TYLA website, and Cardona encouraged everyone to attend the TYLA Midnight Mambo at the Annual Meeting.

I. Commission for Lawyer Discipline/Chief Disciplinary Counsel:

Betty Blackwell reported on various aspects of the Commission and CDC, including the budget, centralized compliance, the grievance referral program and its prevention efforts of attorneys with mental health and substance abuse problems, and the number of disciplinary actions. **[Exhibit H]**

J. Administration Committee:

Randy Sorrels highlighted the various projects of the Administration subcommittees, including the Employment/Salary/Evaluation subcommittee's compensation study, a building update from the F & E subcommittee, and the Litigation subcommittee's review of outside counsel for a case.

K. Unauthorized Practice of Law Committee:

UPL Committee Chair Leland De la Garza and Vice-chair Clint Lewis gave background information and a historical perspective on the committee, reporting that nearly 200 people serve in various capacities of the committee. De la Garza noted that the main charge of the committee is to eliminate unauthorized practice of law.

L. Performance Measures and Strategic Planning:

David Fisher reported on the strategic plan, noting that the State Bar Act requires the State Bar to submit a Strategic Plan and a Performance Measures Outcome report every year, which is being presented to the Board for approval.

**On behalf of the subcommittee, Fisher moved for approval of the following:**

- 1) Performance Measures Outcomes Report to the Supreme Court; no second needed. Motion carried. [Exhibit I]**
- 2) SBOT FY 2010 & FY 2011 Strategic Plan; no second needed. Motion carried. [Exhibit J]**

M. Audit and Finance Committee:

Warren Cole reported on the financial highlights and noted that Ken Couch from PFM Asset Management LLC attended the committee meeting the day before.

**On behalf of the Audit and Finance Committee, Warren Cole moved for acceptance of the quarterly investment report for the period ending February 28, 2009; no second needed. Motion carried.**

Also on behalf of the committee, Vice-chair Mark Sales moved for approval of the following:

1) Maxwell, Locke & Ritter, LLP as SBOT financial auditors for FY 2008-09, 2009-10, and 2010-11, and Padgett, Stratemann & Co., LLP as internal auditors for FY 2008-09, 2009-10, and 2010-11; no second needed. Motion carried.

2) Two-year contract with PFM Asset Management LLC as SBOT investment manager for FY 2009-10 and 2010-11; no second needed. Motion carried. [Exhibit K]

N. Client Security Fund Subcommittee:

CSF Chair Michelle Cheng reported that the subcommittee is overhauling the rules to make them clearer, and highlighted the substantive changes of Policy Manual amendments to section 3.08.02.

**On behalf of the Policy Manual subcommittee, Barbara Young moved to adopt the revisions to Policy Manual Section 3.08.02 concerning Client Security Fund rules; no second needed. Motion carried. [Exhibit L]**

O. Policy Manual Subcommittee:

**On behalf of the Policy Manual subcommittee, Barbara Young moved for approval of amendments to the Policy Manual definitions of metropolitan counties and Texas Trade Associations and to Section 1.03.05 concerning eligibility requirements for elected directors; no second needed. Motion carried. [Exhibit M]**

P. Member Services and Education:

Goodwill Pierre reported that the Appeals/Grants Review subcommittee finalized their review of Dean Hawkins' appeal regarding the TBLS denial of his application, and the subcommittee decided that the standards for CLE and percentage of practice requirements were not met and there was substantial evidence to uphold the decision of TBLS.

**On behalf of the subcommittee, Pierre moved for approval of the recommendation to deny the appeal submitted by Dean Hawkins and uphold the decision of the Texas Board of Legal Specialization; no second needed. Motion carried. [Exhibit N]**

Guy Choate reported that the PLI subgroup requested that a RFP be drafted and sent to six providers of PLI to compare policies and rates between them. John Sloan and Pat Nester reported on the recent activities of the PDP subcommittee and CLE.

Q. Public Services and Education:

Debbie Bullion reported that as of today, there has been a 20% increase in the number of bills filed. The Office of Capital Writs bill was voted favorably out of the Senate, and chances are good that it will pass.

R. Section Representative to the Board:

Chad Baruch reported that Sections are moving along.

S. Women in the Profession Standing Committee:

Beverly Godbey, on behalf of the State Bar's Women in the Profession Standing Committee, reported on the background of the book "Rough Road to Justice".

T. Supreme Court Liaison:

Supreme Court liaison Justice Phil Johnson reported that the Court has been active with the legislature, and is positive about what is happening. The Court is also giving feedback on revisions to the Rules.

U. Federal Judicial Liaison:

Judge Vanessa Gilmore reported that there are 15 vacancies on the Court of Appeals and 50 on district courts. All of the border judges met in Houston recently to discuss the increased violence in border towns due to the drug cartels.

S. Judicial Section Liaison:

Judge Suzanne Stovall was not present but submitted a written report. **[Exhibit O]**

T. Out of State Lawyer Liaison:

R.E. Thompson reported that nearly 10,000 members of the State Bar live outside the state of Texas, in in-house counsel positions or law firms. Thompson reported on the state of the economy and how it has affected both real estate lawyers and young lawyers.

U. Executive Director:

Executive Director Michelle Hunter reported that the goal of cost-cutting measures is to be more efficient and provide more services to members. She and Al Cumming will be hosting a book club in the coming months. Hunter made remarks about Jesus Chacon, who was presented with the Employee of the Quarter award.

V. General Counsel:

General Counsel Elizabeth Rogers submitted a written report in lieu of an oral report. **[Exhibit P]**

There being no further business, the meeting was adjourned at 11:52am.