

**OFFICIAL MINUTES  
STATE BAR OF TEXAS  
EXECUTIVE COMMITTEE MEETING  
Texas Law Center  
Austin, TX  
September 1, 2016**

The Executive Committee met on September 1, 2016 in Austin at the Texas Law Center. President Frank Stevenson called the meeting to order at 10:30am, and Executive Director Michelle Hunter called the roll.

**Present:** Rehan Alimohammad, Barbara Bass, Immediate Past President Allan K. DuBois, Chair of the Board Joe Escobedo, Sylvia Firth, TYLA President Sam Houston, Joe Indelicato, John Jansonius, Audrey Moorehead\*, Gary Nickelson, TYLA President-elect Baili Rhodes, Lance Sharp, President Frank Stevenson, Travis Torrence, President-elect Tom Vick

**Participating via teleconference:** Tina Green\*, Pat Maher\*, Mary Martin

*\*Nonvoting member*

I. APPROVAL OF MINUTES

**Upon motion properly made by Joe Indelicato and seconded by Barbara Bass, the minutes of the March 10, 2016 Executive Committee meeting were approved as presented.**

II. REPORTS

A. Report from the President: President Frank Stevenson gave an update on his travels and activities since June, including the Bar Leaders Conference, the ABA meeting in San Francisco, and the new Section Chairs orientation. The solo and small firm outreach will continue this month with a CLE presentation September 14 in El Paso.

Stevenson reported on the Sunset process, which began last year with a Sunset evaluation that was presented at a June 23 hearing at the Capitol in Austin. On August 22, the Sunset Advisory Commission met to vote on its recommendations for the State Bar. Those recommendations involve retaining the referendum requirement for State Bar rules, approving various enhancements to the grievance system, establishing an independent ombudsman's office under the Supreme Court to help oversee the attorney grievance system, requiring that more data on disciplinary actions be posted on the State Bar website, maximizing the use of the informal dispute resolution program, and continuing the State Bar for 12 years. These recommendations will go to the full Legislature for consideration in the regular session that begins in January.

The Texas Opportunity and Justice Incubator (TOJI) program is moving forward, and the incubator director job opening was posted on July 15. During Annual Meeting, law school deans and executive directors of metro bars were invited to an incubator roundtable. The Austin Bar Association has offered the use of meeting room space and a free one-year membership to TOJI participants. The State Bar will begin accepting applications from potential TOJI participants in October.

B. Report from the Chair of the Board: Chair of the Board Joe Escobedo reported that the Board will continue to reach out to local bar associations and deliver a State Bar Update CLE presentation. In October, a letter from the directors in each district will be sent to all constituents in their respective district. At the September Board meeting, the Board will receive a communications packet with detailed instructions on constituent communication. Also at the September Board meeting, the Board will be asked to refer the resolutions adopted at the Annual Meeting General Session to the DCAAP committee for study. The two resolutions came from the

General Practice, Solo and Small Firm Section, and one is relating to how long attorneys must maintain client property after termination of representation, and the other concerns the regulation of the sale of a law practice.

C. Report from the President-elect: Tom Vick reported on his activities since the Annual Meeting. The Budget Committee will hold its first meeting on Thursday, September 15<sup>th</sup>, the day before the Board meeting in El Paso. Budget packets will be furnished to division and department directors on October 3<sup>rd</sup>, with a deadline completion date of October 14. The Budget Committee will meet again on Thursday, December 8<sup>th</sup> to discuss and finalize a proposed fiscal year 2017-18 budget for presentation to the Executive Committee and to the Board at their respective January meetings. This year, a Committee Review Task Force has been appointed to review the State Bar's standing committees. The State Bar Act requires the Board to conduct a comprehensive review of the standing committees biennially to determine two things; whether there is a continued need for each committee, and whether there is unnecessary overlap of committee activities. The Task Force will meet with each of the committee chairs and review the activities of each committee over the past two years, with a goal of completion of the final report by the April Board meeting.

D. Report from the Immediate Past President: Immediate Past President Allan DuBois reported on his work with the Texas Lawyers Assistance Program on law firm outreach efforts. He also reported that as of this week, a grand total of \$512,200 has been raised for the Sheeran-Crowley Memorial Trust.

E. Administration Committee: Pat Maher reported that the Performance Measures and Strategic Planning subcommittee, chaired by Amy Bryan, is preparing to review input gathered from the Board retreat in July in order to update the State Bar's biennial strategic plan. The subcommittee will recommend updates to the strategic plan at the January Board meeting.

Gary Nickelson reported that back in March, the Executive Committee reviewed and discussed a proposed *Texas Bar Journal* advertising policy submitted by the *Texas Bar Journal* Board of Editors. The Executive Committee expressed concern that a few of the provisions in the policy may present first amendment challenges. Constitutional lawyer Tom Leatherbury of Dallas reviewed the proposed policy and suggested revisions which were approved by the Board of Editors.

**On behalf of the *Texas Bar Journal* Board of Editors, Gary Nickelson moved for approval of the updated *Texas Bar Journal* Advertising Policy. No second needed. Motion carried.**

F. Audit & Finance Committee: Barbara Bass reported that the amount of general fund net revenues over expenditures budgeted at this point was approximately \$217,000, and the actual net amount was approximately \$596,000, which results in a positive net variance of 175%. The CPA firm of Padgett & Stratemann is currently performing the State Bar's financial audit for FY 2015-16. The fieldwork at the Texas Law Center has been completed, and the financial audit report will be presented to the Committee during its January meeting. The CPA firm of Maxwell Locke & Ritter has started the State Bar's internal audit for fiscal year 2015-16. The State Bar's 4-Year Internal Audit Plan specifies reviewing the following areas this year: CDC, governmental relations, human resources, MCLE, TBLS, TexasBarCLE, and cash disbursements, payroll, the Public Funds Investment Act, and bank accounts for membership dues and legal services fees within the finance division. The internal audit report will be presented to the Committee during its January meeting and then presented to the Board for acceptance.

G. Nominations & Elections Subcommittee: Immediate Past President DuBois reported that the Nominations and Elections Subcommittee will begin the process of finding potential nominees to run for President-elect. For this next election cycle, it is an open city year, meaning that potential nominees may come from any county in the state. The subcommittee will meet in El Paso in conjunction with the Board meeting to begin considering potential nominees, and plans to conduct interviews in December in order to submit the names of two nominees to the Board in January for consideration. The State Bar has been notified by an attorney in Austin who has indicated an interest in potentially filing as a petition candidate to run for president-elect. He has been circulating a petition to collect signatures and has sent out an email about his potential candidacy.

Approximately 5000 signatures need to be collected and submitted by March 1<sup>st</sup> in order to be eligible to run. The election will begin on April 3 and end on May 2. Also, staff has issued an RFP to 21 election services providers to select a new provider to use for this upcoming election.

H. DCAAP Committee: Tina Green reported that the DCAAP Subcommittee will hold its first meeting in El Paso on September 16<sup>th</sup>, and they will have a brief overview from CDC to learn about what is going on in the disciplinary system. The Committee will review new attorney succession planning resources for the State Bar website, including the final version of the “designation of custodian attorney” form that was handed out at the last Board meeting.

I. Member Services and Education Committee: Joe Indelicato reported that the PDP Subcommittee will meet jointly with the CLE Committee in Austin on September 9<sup>th</sup> to develop new topics for webcasts and other events and hear staff reports. In 2016, TexasBarCLE awarded 476 scholarships for live and video courses and 144 for online classes. As of June 1, attorneys 70 year and older must complete a minimum of 15 hours of accredited CLE during each MCLE compliance year. Since the rule went into effect, 3.7% of the scholarship recipients were over 70. TexasBarBooks started offering scholarships for publications such as practice manuals about a year ago and have awarded more than \$8,400 worth of publications to 21 recipients to date.

John Jansonius reported that this year, the number of major medical enrollments in the Texas Bar Private Insurance Exchange is projected to grow by 25%. The State Bar Insurance Trust Audit has just concluded. The health insurance open enrollment period will run from November 1 to January 31, 2017, and open enrollment presentations will be conducted in Austin, Dallas and Houston. The Insurance/Member Benefits subcommittee is working to create an enhanced marketing strategy to increase member awareness and participation in the member benefits program. The subcommittee will also be supporting the TOJI initiative by enlisting support from our legal vendors in the member benefits program.

J. Legislative Policy Subcommittee: Gary Nickelson reported that the subcommittee met on August 18-19<sup>th</sup> to consider proposals that were submitted from seven Sections: Real Estate, Probate, and Trust Law, Poverty Law, LGBT Law, Family Law, Construction Law, African-American Lawyers, and ADR/Collaborative Law. The legislative submission and review process is set out in the State Bar policy manual, which requires Sections to circulate their proposals to all other Sections and Committees for review and comment. The subcommittee voted to recommend support of 24 of the 25 proposals.

K. Supreme Court Liaison: Nina Hess Hsu, general counsel of the Supreme Court of Texas, reported on behalf of Justice Phil Johnson. The Court adopted a Texas Rule of Civil Procedure, Rule 145, regarding Affidavit of Inability to Pay Costs, which will be effective that day.

L. Texas Young Lawyers Association: TYLA President Sam Houston reported that at the ABA annual meeting in San Francisco in August, TYLA received a first place award in diversity for their “*Pregnancy in the Workplace*” project, first place in service to the public for their “*Strength in Unity*” project, and first place in comprehensive. Houston reported on upcoming TYLA activities and projects, including their first Board meeting in Corpus Christi the following weekend and the Vote America! video rollouts in El Paso high schools.

M. Report from the Executive Director: Michelle Hunter reported on the variety of types of emails she’s received since the last Board meeting.

There being no further business, the meeting was adjourned at 11:53 a.m.