

**OFFICIAL MINUTES
STATE BAR OF TEXAS
EXECUTIVE COMMITTEE MEETING
Texas Law Center
Austin, TX
March 10, 2015**

The Executive Committee met on March 10th, 2015 in Austin at the Texas Law Center. President Trey Apffel called the meeting to order at 10:30 a.m., and Executive Director Michelle Hunter called the roll.

Present: President Trey Apffel, David Alders, David Chamberlain, President-elect Allan K. DuBois, Sara Dysart, Larry McDougal, Gail Plummer, Tom Riney*, Scott Rothenberg*, Immediate Past President Lisa Tatum

Participating via teleconference: Jaime Balli, TYLA Immediate Past President Kristy Blanchard, Laura Gibson, Gary Nickelson*, Immediate Past Chair Cindy Tisdale*

**Nonvoting member*

I. APPROVAL OF MINUTES

Upon motion properly made by Gail Plummer and seconded by Immediate Past President Lisa Tatum, the minutes of the January 8th, 2015 Executive Committee meeting were approved as distributed.

II. REPORTS

A. Policy Manual Subcommittee:

Diane DeVasto called in by teleconference to report on proposed revisions that the Policy Manual subcommittee will be bringing to the Board for action at the April Board meeting. The revisions include the following: Section 8.02 pertaining to the Amicus Brief approval process, Section 7.05 regarding certain policies for the Texas Bar Journal, Section 4.01.04 concerning the terms of standing committee members, Section 1.04.03 regarding the Ad Hoc Committee to Select Minority Directors, and the deletion of Section 3.09 concerning sponsorships and the addition of a new Section 7.08 regarding Member Benefits.

B. Report from the President:

President Trey Apffel reported that the ABA held its midyear meeting in Houston in February, and Texas was well represented in attendance and programming. President Apffel noted that Travis Sales participated in a panel discussion on veterans' legal initiatives and highlighted the work of the HBA Veterans Legal Initiative and Texas Lawyers for Texas Veterans. Chief Justice Hecht delivered his State of the Judiciary address on February 18th, addressing critical access to justice issues. The State Bar continues to add sections to our members-only social media platform, Texas Bar Connect, and the redesign of texasbar.com is progressing with the official unveiling to come in the months ahead. Another solo/small firm outreach event was held on March 3rd in Sugarland, and it received a great response from attendees. The State Bar Annual Meeting will take place June 18-19 in San Antonio.

President Apffel reported that one minority director position on the Board will expire in June this year. The Ad Hoc Committee to Select Minority Directors, chaired by Andrew Wallace, submitted two candidates for consideration, and President Apffel interviewed both of them in person. President Apffel selected Rehan Alimohammad of Sugarland to fill the position, and the appointment will be voted on by the Board at the April Board meeting.

President Apffel reported that two legislative proposals were added to the State Bar's legislative package according to the policy manual process for responding to legislation as it is filed during session. On February 15th, at the request of David Chamberlain, the Ad Hoc Emergency Legislative Response Committee voted to support Senate Bill 534, which would make an addition to the attorney oath to require lawyers to swear that they will "conduct [themselves] with integrity and civility in dealing and communicating with the court and all parties."

President Apffel moved for approval to ratify the Ad Hoc Committee's decision that the State Bar will support Senate Bill 534; President-elect Allan DuBois seconded. Motion carried.

On February 28th, at the request of the Native American Law Section, the Ad Hoc Emergency Legislative Response Committee voted to allow the Section to take a position in support of House Bill 825, which includes proposed procedures for identifying Native American heritage of children in certain hearings in suits affecting the parent-child relationship. The Family Law Section was informed of this proposal and had no objections.

President Apffel moved for approval to ratify the Ad Hoc Committee's decision to allow the Native American Law Section to support House Bill 825; Immediate Past President Tatum seconded. Motion carried.

C. Report from the President-elect:

President-elect DuBois reported that he attended the ABA midyear meeting in Houston as well as the TBLS induction ceremony in Austin. He also presented awards at the American Lawyers Alliance midyear luncheon in Houston, which he said was one of the highlights of his time serving as President-elect so far. President-elect DuBois noted that the emphasis for his presidential year will be on the mission of Texas Lawyers' Assistance Program and the Sheeran-Crowley Trust.

President-elect DuBois reported that the public hearing on the State Bar's proposed budget will be held on March 31st at the Law Center. The proposed budget has not changed since its presentation during the January board meeting.

On behalf of the Budget Committee, President-elect DuBois moved for approval of the presentation of the FY 2015-2016 SBOT proposed budget to the Supreme Court of Texas; no second needed. Motion carried.

President-elect DuBois reported that the State Bar Act requires the Executive Committee to conduct a comprehensive review of the standing committees biennially to determine whether there is a continued need for each committee, and whether there is unnecessary overlap of committee activities. The Committee Review Task Force has completed its review of all standing committees. At this time, the Task Force concluded that the committee structure is working well and there is a continuing need for all standing committees with a couple of exceptions, and that they are working on mutually exclusive projects. As such, the task force made the following recommendations: implement term limits for Pattern Jury Charge committees and the Real Estate Forms Committee, eliminate the Paralegals Committee, change the name of the Pattern Jury Charges-General Negligence and Intentional Personal Torts Committee, and eliminate the Web Services Committee.

On behalf of the Committee Review Task Force, President-elect DuBois moved that the Executive Committee approve the recommendations of the Committee Review Task Force, to be effective June 1st in conjunction with the Bar's fiscal year; no second needed. Motion carried.

D. Report from the Immediate Past President:

Immediate Past President Tatum enjoyed welcoming the ABA to Texas in February, in particular having the chance to present a forum along with Benny Agosto on how to prepare bar associations for diversity and

inclusion. She also had the opportunity to speak at the Native American Law Conference that was held at the Law Center on January 30th.

E. Administration Committee:

Laura Gibson called in by teleconference to report on the work of the subcommittees of the Administration Committee. The Employment/Salary/Evaluation Subcommittee is currently reviewing Texas Legal (formerly Texas Legal Protection Plan), and has reviewed a draft report. The Subcommittee is also working on revising the State Bar Employee Handbook, and the policies have been reviewed by Board Certified Employment lawyer Lacey Gourley of Winstead PC. Gibson also reported that the Facilities and Equipment Subcommittee unanimously approved leasing 7,684 rentable square feet on the third floor of the Woodway building for the Houston CDC office, and the next step will be for the Administration Committee to review and consider leasing the space.

F. Audit & Finance Committee:

Tom Riney reported that the actual amount of general fund net revenues over expenditures totaled approximately \$1.7 million, which results in a positive variance for 8 months ending January 31st of \$346,000, or 25%. Requests for proposal were issued in January for the following areas of service: Financial Auditor, Internal Control Auditor and Investment Manager. Several responses were received and they are currently being analyzed. The Committee is considering revisions to the policy manual related to the frequency of sending requests for proposals for audit services and investment management services. The suggested revision is to increase the frequency from every three years to every five years in order to create efficiencies and improve the effectiveness of the Bar's auditors and investment managers. The Bar's current internal audit firm, Maxwell Locke & Ritter, is developing a new 4-year Internal Audit Control Plan, and it will be presented to the Committee before the April Board meeting.

G. Nominations and Elections Subcommittee:

Immediate Past President Tatum reported that the two candidates for President-elect are out on the campaign trail through the month of March. The campaign period will be ending on April 1st (the date the ballots are distributed) and candidates will no longer be allowed to campaign after that. The election will begin on April 1st and will end on April 30th. There are also 10 district directors of the Board whose terms will be ending at the Annual Meeting, and five of those races are contested. Immediate Past President Tatum reminded the members of the Executive Committee that the policy manual requires that board members refrain from endorsing or supporting any candidate for any State Bar elected office.

H. DCAAP Committee:

Larry McDougal reported that the DCAAP Committee received a proposal from the Disciplinary Rules of Professional Conduct Committee. The proposal seeks to add a disciplinary rule that addresses conflicts of interests that arise from lawyers' provision of pro bono legal services. The Committee will be studying the rule proposal and will make a recommendation to the Board in the future.

I. Member Services and Education Committee:

Gary Nickelson reported on behalf of the PDP Subcommittee, noting that as of the end of January, CLE attendance is up over the last year on 31 live programs and down on 29, and for each dollar spent on CLE so far, the State Bar has earned \$1.48. While overall attendance on live and video-reply programs is down 13%, revenue and attendance from online programs are up so far this year. David Chamberlain reported on the Texas Bar Private Insurance Exchange and the State Bar Insurance Trust, noting that the AD&D and Health & Wellness programs are being enhanced this year in order to improve the program and maintain a competitive status in the marketplace.

J. MCLE Committee:

Jason Honeycutt from the MCLE Committee called in by teleconference to report that in April of 2014, the Task Force on Aging Lawyer Issues made a recommendation to the Board to eliminate the MCLE exemption for Emeritus attorneys, and these recommendations were submitted to the MCLE Committee for consideration. The MCLE Committee approved recommendations for changes to the MCLE rules and regulations that would eliminate the age exemption for emeritus attorneys. The first change repeals the age exemption from MCLE Rules, Section 4 (G) and MCLE Regulations, Section 5.9. The age exemption would be repealed with an effective date as of Supreme Court approval. The initial compliance year for emeritus members would start on the birth month that falls on or after June 1, 2016 and end 12 months later. Emeritus attorneys with a June birth month would be the first to comply in June 2017 and each year thereafter. Emeritus attorneys would also be given a one-year initial grace period to complete CLE requirements. The second change reduces non-compliance and reinstatement fees for emeritus members. Emeritus attorneys would not be exempt from fees associated with repeat suspensions and with multiple year suspensions.

President Apffel moved for approval of the proposed changes to the State Bar MCLE Rules and Regulations concerning elimination of the MCLE age exemption; President-elect DuBois seconded. Motion carried.

There being no further business, the meeting was adjourned at 12:06 p.m.