

**OFFICIAL MINUTES
STATE BAR OF TEXAS
EXECUTIVE COMMITTEE MEETING
Texas Law Center
Austin, TX
Thursday, March 9, 2017**

The Executive Committee met on March 9, 2017 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: Immediate Past President Allan DuBois, Rehan Alimohammad, Sylvia Firth, Chair of the Board Joe Escobedo, Jr., Tina Green*, President Frank Stevenson, TYLA President Sam Houston, TYLA President-elect Baili Rhodes, Joe Indelicato, Jr., Immediate Past Chair of the Board David Chamberlain*, John Jansonius, Pat Maher*, Audrey Moorehead*, Gary Nickelson, Lance Sharp, Travis Torrence, President-elect Tom Vick

Participating via teleconference: Barbara Bass

**Nonvoting member*

I. APPROVAL OF MINUTES

Upon motion properly made by John Jansonius and seconded by Tom Vick, the minutes of the January 10, 2017 Executive Committee meeting were approved as presented.

II. REPORTS

A. Report from the President: President Frank Stevenson gave a general update on his travels and activities since the January Executive Committee Meeting which included the National Conference of Bar Presidents in Miami, the American Bar Association's Mid-Year Meeting and Texas Delegation Breakfast in Miami. President Stevenson spoke to the Ector County Bar association in Odessa, Texas, he visited Baylor Law School in Waco, Texas, he spoke to the Florida's Young Lawyers Association at a meeting in Dallas, and attended the Construction Law annual conference in San Antonio, Texas.

President Stevenson reported that the next Solo and Small Firm CLE will be held on April 5, 2017 in Fredericksburg, Texas. Allan DuBois, David Chamberlain, Christy Amuny, Erich Birch, and Cindy Tisdale will speak.

President Stevenson reported that the 2017 State Bar Annual Meeting will be held in Dallas from June 22-23. The keynote speakers will be Chief Judge Carl Stewart of the U.S. Court of Appeals for the Fifth Circuit, Author and leadership consultant Joseph Jaworski, and Professor and writer Bryan Garner, editor in chief of *Black's Law Dictionary*.

President Stevenson gave a Sunset update, he reported that the State Bar Sunset bill has been filed, SB 302 by Senator Kirk Watson and HB 2102 by Representative Senfronia Thompson. The bills put into statutory language the recommendations adopted by the Sunset Commission in August.

President Stevenson reported that 1.8 million users have visited the State Bar website, up from 1.6 million this time last year. The State Bar of Texas blog has seen a 56 percent increase in page views (82,898 vs. 53,082). On social media, the State Bar has seen growth across all platforms. This is particularly true in the key category of "engagement," which means how many people are interacting with State Bar messages. Facebook engagement is up 105 percent, Twitter engagement is up 270 percent, and engagement on Instagram is up nearly 18,000 percent.

President Stevenson gave an update on Texas Opportunity & Justice Incubator (“TOJI”), Stevenson reported that the launch of TOJI is scheduled for April 3, 2017. Ten (10) incubator lawyers have accepted our invitation to join the Inaugural Cohort and will start Boot Camp on April 3, 2017. Boot Camp is an intensive 3-week training program designed to help incubator lawyers lay a firm foundation while kick-starting their practices. The incubator lawyers intend to provide services in the areas of consumer protection, contracts, criminal defense, elder law, estate planning & probate, family law, guardianship, immigration, and real estate. Two of these incubator lawyers aim to set-up nonprofit law firms to serve low- and modest-income clients.

B. Report from the President-elect: President-elect Tom Vick reported that he attended the American Bar Association Mid-Year meeting and National Conference of Bar of Bar Presidents. Vick attended the Texas Board of Legal Specialization ceremony, he spoke at the Council of Chairs.

Vick gave a report on the Executive Director Search committee, Bob Black was named chair of the search committee. The committee endeavors to have a new Executive Director to be voted on at the September Board Meeting.

Vick reported that the public hearing on the State Bar’s FY 2017-2018 proposed budget will be held on April 3 at 10:00 a.m. at the Texas Law Center.

On behalf of the Budget Committee, President-elect Vick moved for approval of the SBOT FY 2017-18 proposed budget for presentation to the Supreme Court of Texas; no second needed. Motion carried.

President-elect Tom Vick reported on behalf of the Committee Review Task Force, Vick reported that the review of all standing committees had been completed. The Task Force met with each of the committee chairs and reviewed the activities of each committee over the past two years. The Task Force makes the following recommendations:

1. Eliminate the Crime Victims Committee;
2. Amend the purpose clauses of five committees, Administration of Rules of Evidence, Child Abuse and Neglect, Disability Issues, Laws Related to Immigration and Nationality, and Legal Services to the Poor in Criminal Matters.
3. The last recommendations of the task force are to amend board policy in two ways:
 - a. to specify what happens when committee members move out of state. There have been instances where committee members have left the state and wanted to continue to serve on our standing committees.
 - b. The Task Force also recommends some clean up language to help clarify how committee members may be removed.

On behalf of the Committee, President-elect Vick moved for approval of the Task Force’s recommendations pertaining to standing committees, to be effective June 1, 2017; no second needed. Motion carried.

C. Report from the Immediate Past President: Immediate past President Allan DuBois gave a general report on his travels and activities since the last meeting this past January. Mr. DuBois received the St. Thomas More Award from St. Mary’s University School of Law for his work in bringing attention to mental health and substance abuse issues that many attorneys face.

D. Administration Committee: Pat Maher reported on the Committee's evaluation of the Texas Center for Legal Ethics, more information will be provided at the June Board meeting.

E. Audit & Finance Committee: Barbara Bass reported the amount of General Fund net revenues over expenditures budgeted for this point in the fiscal year was approximately \$543,000 and the actual net amount was approximately \$1.8 Million. The result was a positive net variance for the 8 months ending January 31 of approximately \$1.2 Million or 227%. Included within the overall positive variance of \$1.2 Million is a positive net variance for TexasBarCLE (CLE) of approximately \$462 Thousand.

F. Nominations & Elections Subcommittee: Immediate past Chair David Chamberlain reported that Joe Longley obtained enough signatures to be certified as a petition candidate for President-elect with 5,332 signatures. This means that there will be a three way race for President-elect as. Chad Baruch, Laura Sharp, and Joe Longley will all be included on the ballot that goes out on April 3. The election will conclude on May 2. If no candidate receives a majority of votes, then there will be a run-off election held between the two who received the highest number of votes. The run-off election will be conducted from May 11th to May 25th.

Chamberlain reported that it is anticipated that candidates will have additional campaign travel expenses this cycle, and the Committee may ask the board in April to increase reimbursement amounts for the candidates.

Chamberlain reported that there are 10 district directors of the board whose terms will be ending at Annual Meeting. Out of those 10 positions, five of them have contested races, and the remaining 5 board member positions are unopposed. In District 4, there are three positions up for election. All three of them have contested races, and one of them, Place 4, has three candidates. If no one receives a majority in that race, there will also be a runoff election held with the two who receive the highest number of votes. The other contested races are in district 9 (Austin) and District 17 (El Paso).

The terms for the new President-elect and district directors will begin at Annual Meeting in June.

G. Discipline & Client Attorney Assistance Committee: Tina Green had no report.

H. MCLE Committee: Nathan Anderson reported on proposed changes to the MCLE Rules and Regulations. Mr. Anderson reported the following proposed changes to the MCLE Rules and Regulations:

1. MCLE Regulations Sections 5.1-5.1.2 have been modified to be consistent with the MCLE Rules and to separate full-time and part time faculty course credits. Full-time faculty will automatically receive 12-hours of course credit per compliance year, and part-time faculty will be eligible to claim actual hours taught, not to exceed 12 hours.

2. MCLE Regulations, Section 5.7 has been modified to be consistent with Section 81.113 of the Texas Government Code, which allows course credit for attorneys employed by the Texas Legislature only. The reference to attorneys employed by the US Congress has been deleted, since these attorneys are not eligible for a course credit allowance.

3. MCLE Rules, Section 9 (A) and MCLE Regulations, Section 5.11.1 have been modified to allow the MCLE Department to review and determine extensions and exemptions, and to remove the restriction that requires a request for an exemption to be filed prior to the last day of the birth month.

4. MCLE Rules, Section 9 (A) and MCLE Regulations, Section 5.4.1 have been modified to allow automatic initiation of deferrals for completion of MCLE requirements.

5. MCLE Rules, Section 4 (G) has been modified to allow course credit to be applied in any compliance year the attorney is a member of the designated legislative bodies.

6. MCLE Regulations, Section 10.8.5, has been modified to exclude institutions of higher education from the exemption for payment of Sponsor Accreditation and Renewal fees.

A motion was made by John Jansonius and seconded by Joe Indelicato to approve the proposed changes to the MCLE Rules and Regulations. The motion carried, no discussion.

I. Professional Development Subcommittee: Joe Indelicato, Jr. reported that The Professional Development Subcommittee met jointly with the CLE Committee to discuss new topics for webcasts and other events and hear staff reports. The “CLE Fifteen” and “Best of” online packages earned more than \$2.5 million in gross revenue in 2016. So far this fiscal year, TexasBarCLE has awarded 338 scholarships for live and video courses and 121 for online classes. As of June 1, 2016 attorneys 70 years and older must complete a minimum of 15 hours of accredited CLE during each MCLE compliance year. New editions of the Texas Real Estate Forms Manual and the Texas Collections Manual will be released in May. The online versions of these manuals will launch shortly before the release of the new print editions. The online versions of the Texas Family Law Practice Manual and the Texas Guardianship Manual have earned more than \$75,000 in gross revenue this year from more than 500 subscribers.

J. Insurance/Member Benefits Subcommittee: John Jansonius reported that major medical enrollments in the Insurance Exchange have grown by 27 percent (6,123 to 7,776). The number of individuals enrolled in one or more products has grown by 10 percent (12,370 to 13,612). The subcommittee approved the addition of a complimentary offering of Teledoc to all PIE enrollees Member Benefits is setting up an Association Health Plan that should offer access to more extensive insurance networks with potentially lower rates. The anticipated launch date is July 1, 2017, and our subcommittee will consider adding it as an option on the PIE.

As of January, the member benefit program has collected \$547,245 in non-dues revenue. This compares to a total of \$383,003 for all of last fiscal year (43 percent growth). Total revenue for this fiscal year is projected to be \$750,000.

K. Legislative Policy Subcommittee: Gary Nickelson had no report.

L. Section Representatives to the Board: Pat Maher gave a general report on the February Council of Chairs meeting. Elections were held for the new Section Representatives to the Board; Shelby Jean from the Poverty Section and Elizabeth Copeland from the Tax Section.

M. Report from the Chair of the Board: Chair of the Board Joe Escobedo, Jr., reported that the district emails from the SBOT board members were sent in February. They highlighted the latest news on State Bar and TYLA elections, Annual Meeting, Sunset Review, as well as a variety of member benefits and services. Chair Escobedo reminded the Committee members to let the State Bar communications team know before they give any local presentations. Chair Escobedo will display an updated map showing where everyone has presented, at the upcoming April board meeting.

N. Ad Hoc Submission Committee: Chair Escobedo gave a report on behalf of the Ad Hoc Submission Committee, Escobedo reported on the January 20th request from the Intellectual Property Law Section to file an amicus brief in the case of *In Re Silver*. As required by the policy manual, the request was circulated to the full

board for comment. After considering comments from the board and from other State Bar sections, the Ad Hoc Committee decided not to approve the request. After the request was disapproved, a council member of the IP Section met with State Bar legal counsel and related that the council plans to create an amicus policy to help it address future requests.

On behalf of the Committee, Chairmen Escobedo moved to approve the Ad Hoc Submission Committee's decision not to approve the Intellectual Property Section's request. No second needed. Motion carried.

O. Supreme Court Liaison Report: Nina Hess Hsu reported on behalf of Justice Phil Johnson. Ms. Hsu reported on HB 1258 regarding electronic access to court records. The bill is still pending in committee at the time being.

P. Texas Young Lawyers Association: TYLA President Sam Houston reported on several TYLA projects including the Sexual Assault Survivor Rights Guide website, "I was the First, you Can be a Lawyer Too," "Transitioning in and out of Government Practice Guide," and the Paralegal Section Guide on attorneys learning to work with paralegals. Houston reported that TYLA held free CLEs in El Paso and McAllen, Texas.

Q. Report from the Executive Director: Michelle Hunter indicated that she would be retiring as Executive Director in the coming months.

R. Closed Session: At 11:48 a.m., the Executive Committee recessed the open meeting and reconvened in closed session pursuant to Texas Government Code Sections 551.071 and 551.074 for the purpose of consultation with legal counsel concerning pending litigation (Gegenheimer v. Stevenson et al., Longley v. State Bar of Texas et al.) and to deliberate regarding a personnel matter, the Executive Director's retirement. With the exception of Board liaisons and Section representatives, all other individuals including non-essential staff and other guests excused themselves from the closed session.

Open Session: At 11:58 a.m., the open session of the Executive Committee meeting reconvened. During the closed session, only matters relating to consultations with legal counsel concerning contemplated litigation were discussed. No action was taken in closed session.

There being no further business, the meeting was adjourned at 11:59 a.m.