

DRAFT
OFFICIAL MINUTES
STATE BAR OF TEXAS
BOARD OF DIRECTORS MEETING
Hyatt Hill Country
9800 Hyatt Resort Dr.
San Antonio, TX 78251
Friday, January 26, 2018

The Board of Directors of the State Bar of Texas met in a regular session on January 26, 2018 at the Hyatt Hill Country in San Antonio, TX. Chair Rehan Alimohammad called the meeting to order at 9:00 a.m., and Executive Director Trey Apffel called the roll. A quorum of voting Board members was present. Director Fidel Rodriguez, Jr. delivered the invocation, and Director Rebecca Simmons led the pledges to the U.S. and Texas flags.

Present:

Board Members: Jerry Alexander, Chair Rehan Alimohammad, Christy Amuny, Micah Belden, Alan Carmichael, Jeff Chandler, Alison Colvin, Leslie Dippel, Michael Dokupil, Estrella Escobar, Immediate Past Chair Joe Escobedo, Jarrod Foerster, Laura Gibson, Ricky Gonzalez, Ann Greenberg, August Harris, Angelica Hernandez, Rice Horkey, TYLA Immediate Past President Sam Houston, Sarah Keathley, Neil Kelly, David Kent, President-elect Joe Longley, Aldo Lopez, Robert McKnight, Rudy Metayer, Amie Peace, TYLA President-elect Sally Pretorius, Curtis Pritchard, TYLA President Baili Rhodes, Lisa Richardson, Fidel Rodriguez, Scott Rothenberg, Greg Sampson, Rebecca Simmons, Dinesh Singhal, Immediate Past President Frank Stevenson, Scott Stolley, Andrew Tolchin, President Tom Vick, Nicole Voyles and Michael Wynne.

Liaisons*: Judge Barbara Hervey, Justice Phil Johnson, Judge Amos Mazzant, Tim Mountz, Judge Jennifer Rymell

Section Representatives*: Erich Birch, Wendy Burgower, Philip Mack Furlow, Shelby Jean, Audrey Moorehead

Excused Absences: *Elizabeth Copeland*, Sylvia Firth, Gary Nickelson, Chris Oddo, Scott Sherwood, Brad Weber*

(* denotes nonvoting)

I. CONSENT AGENDA ITEMS:

C1. APPROVAL OF MINUTES:

(Minutes Tab) a. Approval of minutes of Board meeting conducted on September 22, 2017

C2. ITEMS FROM THE PRESIDENT:

Approval of appointments to the following:

- a. **Committee on Disciplinary Rules and Referendum for a term effective January 1, 2018, through December 31, 2019:**

Harold Frederick Hagan (Denton)

- b. **Texas Bar Foundation Board of Trustees for an unexpired term effective October 2, 2017, through May 31, 2019:**

Sylvia Firth (El Paso)

C3. ITEMS FROM THE PRESIDENT-ELECT:

Approval of appointments to the:

- a. **Texas Bar Foundation Board of Trustees for a three-year term, effective June 1, 2018, through May 31, 2021:**

Amanda Abraham (Marshall)
Tom Riney (Amarillo)
Mark Sessions (San Antonio)

C4. OTHER ITEMS

- (Yellow Tab A) **a.** Approval of the 2018-19 Preliminary Calendar/Holiday Schedule
- (Yellow Tab B) **b.** Approval of State Bar Legislative Timetable
- (Yellow Tab C) **c.** Approval of 2018 General and Run-off Election Timetable for President-elect and District Director
- (Yellow Tab D) **d. Approval of resolutions honoring:**
- 1) Sarah Dingivan
 - 2) Tom Caldwell

II. REPORTS:

A. Report from the President

President Tom Vick reported that he will be making a motion to appoint a new at-large director for a partial term. President Vick called on Director Angelica Hernandez, chair of the Ad-hoc Committee to select At-Large Members, to report on the selection process. Director Hernandez reported that the terms for two board members who were previously called minority directors were up for replacement. The committee considered 23 nominations and out of that group 8 people were interviewed at the Texas Law Center and then four were recommended to President Vick for consideration, who chose two of the four candidates to recommend to the Board for appointment as At-Large directors. Director Hernandez reported that it was a difficult in making the selections as all the candidates were extremely qualified and had strong attributes for serving on the board. She thanked the members of the committee for their service. {TAB 1¹}

President Vick made a motion to appoint James Woo of San Antonio to serve as at-large director of the State Bar Board, to serve a partial term effective January 26, 2018, through Annual Meeting 2020. Director Rebecca Simmons seconded. No discussion. Motion carried.

Justice Phil Johnson swore in new at-large director James Woo.

B. Remarks from the General Public

Carlos Leon of Austin addressed the Board regarding a dismissed grievance.

C. Report from the Executive Director

Executive Director Trey Apffel thanked John Sirman for his excellent work as interim executive director of the State Bar.

Mr. Apffel shared that he will continue his commitment to expanding our communication efforts through direct outreach to staff and membership. He is reviving the monthly Executive Director's column that was a regular feature in the *Texas Bar Journal* throughout the 1990s. His first column was published in December. At the end of each message he offers his contact information and invites members' feedback. The *Bar Journal* staff will start publishing a regular "director spotlight" feature.

Mr. Apffel reported that he has asked the State Bar staff to always be looking for how the Bar can be improved. The State Bar's focus, he said, should be on serving its members. He plans on traveling the state to let members know what the Bar can do for them and ask them what they need from the State Bar.

¹ Tabs 1 through 13 are available at www.texasbar.com/bodcentral under Meeting Agendas and Minutes.

Mr. Apffel reported that the State Bar staff will be receiving training on harassment prevention on January 30th. He reported that State Bar Labor and Employment Law Section and TexasBarCLE have put together a one-hour webcast titled “Beyond the Headlines: What You Need to Know About Sexual Harassment Law.”

Mr. Apffel acknowledged the issue of whether the State Bar should switch to an all-digital *Texas Bar Journal* to save money on printing and mailing. The State Bar has studied this issue since at least 2008 and has identified several major factors to consider before a change could be made.

Mr. Apffel reported that the State Bar is conducting an electronic judicial poll from January 16 through February 6. The races include contested primary races for the Texas Supreme Court, Court of Criminal Appeals, and the courts of appeals from the various judicial districts throughout the state. Ballots will be sent via email.

Mr. Apffel reported on records related to the official business of the State Bar that are public information. In calendar year 2017 the State Bar received about 250 public information requests, which is an unusually high number. He said the State Bar is adjusting its resources accordingly.

Mr. Apffel presented the Staff Excellence Award to accounts payable manager, Karen Peck, who has worked for the State Bar for 42 years.

D. Report from the Chair of the Board:

Chair Rehan Alimohammad reported that this year the State Bar is continuing its commitment to reaching out to its constituents through local director presentations. Mr. Alimohammad reported that to date, presentations have been given or scheduled to be given for Bar Districts 2, 4, 5, 7, 8, 10, and 16. Mr. Alimohammad further reported on the Directors’ Report email, which will be sent in February

Chair Rehan Alimohammad stated that he will be using the “Unanimous Consent Rules” in Roberts Rules of Order.

Chair Alimohammad asked if there were any objections to approving the items on the consent agenda. No objection; Consent agenda approved. {Consent Agenda}

Chair Alimohammad called on President Vick to do the presentation of Resolutions. President Vick honored Tom Caldwell and Sarah Dingivan for their outstanding service to the legal profession and the greater San Antonio community.

Mr. Alimohammad reported that directors Christy Amuny, Laura Gibson, and Rudolph Metayer have announced their intention to run for Chair of the Board for 2018-19, and the chair-elect candidates gave brief remarks. {Tab 2}

Chair Alimohammad conducted a vote to determine the method of voting to be used for the election of chair of the board at the April board meeting. He then declared that the method of voting will be done by written ballot at the April meeting in Fort Worth.

E. Report from the President:

President Tom Vick reported on his recent travels and events attended since the September Board Meeting including the State Bar Holiday party. President Stevenson provided an update on Solo and Small Firm Outreach.

President Vick reported that nearly 895,000 individuals or households in Texas have registered with the Federal Emergency Management Agency for assistance as a result of Hurricane Harvey. The State Bar’s toll-free disaster legal hotline helps to transfer callers to the legal aid agency in their area for assistance. During a recent Disaster Legal Services conference call, representatives from Lone Star Legal Aid and Texas Rio Grande Legal Aid reported that their call volumes remain heavy but that they are managing due to the outpouring of volunteer efforts.

President Vick reported that in coordination with the State Bar’s Professionalism Committee, the Supreme Court and the Court of Criminal Appeals have designated April 20, 2018, as the Texas Day of Civility in the Law. They are urging all Texas lawyers to participate in programs at local bar associations that will focus on the spirit and aspirations set forth in the Texas Lawyer’s Creed. The State Bar has created a Day of Civility Guide to help local bars organize their celebrations.

President Vick made a motion that the board adopt a resolution recognizing the Texas Day of Civility on April 20, 2018. Director Jerry Alexander seconded; No discussion; Motion carried.

President Vick reported that in December, the Appellate Section submitted a request for permission to file an amicus brief in the Texas Supreme Court which encourages the Court to grant review in *In re Paul & Cynthia Elizondo and Eagle Fabricators, Inc.*, which involves a procedural question regarding the finality of judgments. Because the deadline for filing the brief fell before the next EC and board meetings, the request was considered on an expedited basis by the Ad Hoc Submission Committee. On January 11, 2018, the Executive Committee approved the request unanimously.

President Vick made a motion that the board ratify the Ad-Hoc Subcommittee's decision and the Executive Committee's decision to approve the Appellate Section's request. Coming from a committee no second was needed; Motion carried.

F. Report from the President-elect:

President-elect Longley reported that the Bar needs to be more inclusive, and that his goal is get the membership participation in State Bar elections up from 30% to 50%. Mr. Longley's goal is to focus on the election process, to make it easier for candidates to run, welcome more petition candidates, and make participation with the State Bar easier. {Tab 4}

President-elect Longley called on Bill Brown to give an update on the 2017 Financial Responsibility and Fiscal Control Task Force. Mr. Brown reported that he was tasked with analyzing the internal control system at the State Bar before and after the theft perpetrated by Kathleen Holder. The objective was to determine whether sufficient corrective actions have been taken to avoid similar situations in the future. Mr. Brown reported that as a result of the theft, the State Bar's Internal Audit Plan Fiscal Years 2011-2014 was modified identifying the "Membership Department" as a "High Overall Risk" which subjected the Membership department to higher scrutiny during the Internal Audit Reports every two years by the independent auditors. The internal audit was modified to include an annual examination and review all of the bank accounts relating to the processing of attorney membership dues, occupation tax, and legal services fees.

Mr. Brown concluded that there are effective reconciliation procedures now in place regarding the above account that would have prevented Holder from concealing her theft. He noted that reconciling this account was not the responsibility of the State Bar's Accounting Department but rather was delegated to Holder in her capacity as Deputy Clerk of the Supreme Court. Mr. Brown reported that the written controls put in place quickly after discover of the theft adequately address the issues raised by Holder's theft. He observed a proper separation of duties which was lacking under Holder's control. Discussion ensued.

The proposed General Fund budget includes revenues and receipts from reserves of \$43,331,890 and has an equal amount of expenditures, transfers out, and proposed Board commitments. The decrease in both revenues and expenditures is primarily due to a decrease in the amount of recommended board commitments for FY 18-19. There is a \$300,000 annual transfer to the Client Security Fund and a \$288,800 annual transfer to the Texas Law Center Fund for the Capital Equipment Replacement Plan. Additionally, a \$500,000 annual transfer to the Technology Fund will be used to lease and maintain the Bar's computer equipment and printers and will also fund the purchase of software and software maintenance agreements. The policy manual requires that the Board consider reserves needed for litigation expenditures. The State Bar currently has pending lawsuits against it. Should a monetary judgment arise from any of these cases, the insurance procured by the State Bar and the funds set aside in the State Bar's regular general fund budget could be used to cover related expenses. The audit for fiscal year 16-17 has been completed and the total amount available for commitment by the State Bar Board is \$1,873,219 for the fiscal year 2018-2019 budget. The Budget Committee is recommending the following board commitments: an increase to the reserve for operating expenditures; \$800,000 to the Client Security Fund; \$350,000 to the Texas Access to Justice Foundation's Student Loan Repayment Assistance Program (SLRAP); and \$70,000 to establish a reserve to cover the cost of a run-off election during the State Bar's president-elect race should a run-off be necessary

On behalf of the Budget Committee, President-elect Longley moved that the State Bar's proposed fiscal year 2018–2019 budget be approved for publication in the March 2018 issue of the *Texas Bar Journal*. No second was needed; motion carried.

G. Report from the Immediate Past President:

Immediate Past President Frank Stevenson reported that the third TOJI cohort begins this spring with nearly 30 attorneys. As of January 9, 24 qualified attorneys had applied to join the next cohort scheduled to start in March. As of the end of November 2017, TOJI lawyers have served approximately 320 clients, including engagements and appointments. With 8

months reporting, the first cohort has provided approximately 740 hours of pro bono legal services and approximately 735 hours of service to modest-income Texans. With 2 months reporting, the second cohort has provided approximately 105 hours of pro bono legal services and approximately 50 hours of service to modest-income Texans. That's a total of 845 pro bono hours and 785 modest-means hours in only eight months—at an estimated total monetary value of \$247,500. In addition, TOJI has facilitated or coordinated approximately 130 hours of training for its member lawyers.

H. Nominations & Elections Subcommittee:

Immediate Past-president Frank Stevenson reported that there are proposed changes to the election guidelines in the Board Policy Manual pertaining to the elections of directors and Presidents-elect. A subcommittee of the subcommittee was created to study the election process issues and develop recommendations to the full subcommittee. The first revision is in regards petition signatures and 180-day expiry. President-elect Longley requested that the board vote on each proposed change separately. **{Tab 5}**

On behalf of the Nominations & Elections subcommittee, Mr. Stevenson made a motion that the Board approve the revision to the Policy Manual regarding 180-day expiry. Coming from a committee, no second is needed.

Discussion ensued. Roll call vote was called for. Mr. Longley motioned for a roll call vote, motion did not carry. Rising vote was again called for. Motion carried.

Mr. Stevenson reported that the second revision would change the entire nominations process so that the board would now be selecting its candidates at the September board meeting, instead of the January board meeting. A call for nominations will be in June and July with interviews in August. The proposed amendment to Art. IV Section 11D concerns open year elections. The subcommittee eliminated many other restrictions regarding campaign conduct in sections 1.03.08 B and 2.01.15. In Section 2.01.13, language was added to urge president-elect candidates to spend no more than \$25,000. There is a proposed a provision in 2.01.16, that the subcommittee may request the executive director to offer all candidates the opportunity to distribute one or more campaign messages via the State Bar's membership email list if the subcommittee determines it would contribute to fairness. In section 1.10, the revision would clarify that officers and members of the board may endorse candidates for state bar offices in their official capacities if they so desire. Discussion ensued.

Mr. Stevenson made a motion that the Board approve the amendments to Board policy pertaining to the election of director and President-elect as identified in your packet of materials under Tab 5, and that the amendments be effective June 1, 2018. No second is needed. Discussion ensued. Mr. Longley motioned for a roll call vote, no second. Motion carried.

Immediate Past Chair Joe Escobedo reported on the proposed amendments to the State Bar Rules: a 180 expiry period for signatures for petition candidates for director and president-elect (Article IV, Section 7 A and section 11B); Nominations of president-elect candidates would move from January to September (Art. IV Section 11 A); and Art. IV Section 11 D concerning open year elections and geographic rotation. If the Board approves these changes to the State Bar Rules, they will go to the Supreme Court for consideration.

On behalf of the Nominations and Elections Subcommittee, Mr. Escobedo made a motion that the Board approve the proposed amendments to the State Bar Rules for submission to the Supreme Court. Coming from a committee, no second was needed. No discussion. Mr. Longley moved for a roll call vote; Mr. Stolley seconded; roll call motion failed. Original motion carried.

Mr. Stevenson reported that on November 22, the committee passed a resolution selecting Lisa Blue of Dallas and Randy Sorrels of Houston as nominees for the board's consideration.

On behalf of the Nominations and Elections Subcommittee, Stevenson moved that the Board approve Lisa Blue of Dallas and Randy Sorrels of Houston as Candidates for President-elect for the 2018 election. Coming from a committee no second was needed. No discussion. Motion carried.

I. Commission for Lawyer Discipline/Chief Disciplinary Counsel Update:

Linda Acevedo reported on the Committee on Disciplinary Rules and Referendum created by the new State Bar Act that will be reviewing and making proposed amendments to both the substantive and the procedural rules governing attorney discipline. Ms. Acevedo reported on the new position of ombudsman that was created to make sure that the Chief Disciplinary Counsel's office is following the proper procedures when reviewing, investigating and prosecuting

grievances. Ms. Acevedo reported on CDC access to criminal history records applying for anyone admitted to the Bar after September 1, 2017. The District Grievance Committee appointments process will begin in February. The top areas of practice for grievances continue to be family law, criminal law, probate law and personal injury. {Tab 6}

J. Administration Committee

Director Scott Stolley reported that the administrative committee met by teleconference three times in late 2017 to discuss whether the State Bar Act requires the State Bar to elect a general counsel. Additionally, the committee considered whether the State Bar Act and Rules requires the general counsel be in-house. Mr. Stolley reported that at the committee's meeting in December, the committee voted by 5-1 that the State Bar Act mandates that the board have a general counsel and that the State Bar have an in-house legal counsel in addition to a general counsel.

On behalf of the Administration Committee, Mr. Stolley moved that the State Bar Board maintain an in-house legal counsel, who is a full-time employee subject to the executive director's control and direction and that the Board elect a separate general counsel. No second was needed; No discussion; Motion carried unanimously.

Chair Alimohammad called for a lunch break at 11:58 am. The State Bar Board of Directors open meeting resumed at 12:19 pm.

K. Policy Manual Subcommittee

Director Philip Mack Furlow reported there are six policy manual revisions to be considered by the board. {Tab 8}

Revisions to ABA Delegates (1.20) to make the process of choosing ABA delegates simpler and more manageable, and to designate the Chair and the Immediate Past Chair (in that order) as automatic alternates in the event the President, President-elect, or Immediate Past President are unable or unwilling to serve.

On behalf of the Policy Manual Subcommittee, Director Furlow moved that the proposed revisions to the State Bar Board Policy Manual section 1.20 be approved. No discussion; Motion carried.

Revisions to Board Committees (1.14) and Executive Committee (1.15): This provision codifies existing practice and provides that all appointments by the president or president-elect to any entity, including ad-hoc committees and task forces, be approved by the Executive Committee or the Board.

On behalf of the Policy Manual Subcommittee, Director Furlow moved that the proposed revisions to the State Bar Board Policy Manual sections 1.14 and 1.15 be approved. No discussion; Motion carried.

Section 9.03 is new and reflects existing law concerning official records of the State Bar. Section 9.05 revises the State Bar PIA policy.

On behalf of the Policy Manual Subcommittee, Director Furlow moved that the proposed revisions to the State Bar Board Policy Manual sections 9.03 and 9.05 be approved. No discussion; Motion carried.

Section 1.24 is new and makes it clear that officers, directors, and employees, in their official capacities, may not endorse candidates for non-State Bar elected offices.

On behalf of the Policy Manual Subcommittee, Director Furlow moved that the proposed revisions to the State Bar Board Policy Manual section 1.24 be approved. No discussion; Motion carried.

Proposed section 1.14.04 through 1.14.08 are new and are intended to bring the Policy Manual into line with sections 81.122 and 81.123 of the State Bar Act. Discussion ensued.

On behalf of the Policy Manual Subcommittee, Director Furlow moved that the proposed revisions to the State Bar Board Policy Manual sections 1.14.04 through 1.14.08 be approved. Standing vote was called for. One abstention. Motion carried.

Appointments by the President or President-elect (2.04) provides that all appointments by the President or President-elect to any entity, including ad-hoc committees and task forces, be approved by the Executive Committee or the Board.

On behalf of the Policy Manual Subcommittee, Director Furlow moved that the proposed revisions to the State Bar Board Policy Manual section 2.04 be approved. No discussion. Motion carried.

L. Officer's Request for Records

Executive Director Trey Apffel reported that he and President-elect Longley came to a resolution. Mr. Longley viewed the emails and then withdrew his original request. {Tab 9}

M. Audit and Finance Committee:

Director Tim Mountz reported that the CPA firm of RSM has completed the financial audit for FY 2016-2017. The financial audit resulted in an unmodified opinion also referred to as a "clean" opinion. The auditors identified two internal control deficiencies that are being addressed by management. One control deficiency relates to the accounting controls for the SBOT Insurance Trust. The other relates to the implementation of Governmental Accounting Standards Board (GASB) 68 for pension expense. The November 30, 2017, financial statements include information for the General Fund, TexasBarBooks Fund and each of the Bar's Special Revenue and Capital Projects funds. As of November 30, the General Fund actual net revenues over expenditures and transfers totaled approximately \$853,000. At the end of November, the General Fund had a positive budget to actual net variance of approximately \$ 1.2 million. This positive variance is primarily due to strong performance from TexasBarCLE, and open staff positions during the fiscal year. The CPA firm, McConnell & Jones, L.L.P., was unanimously chosen for the State Bar internal audit. Their RFP was comprehensive and fiscally responsible. Mr. Baughier provided an investment presentation to the board. As of November 30, 2017, the State Bar's General Fund portfolio is fully invested in: (1) US Treasuries; (2) Federal Agency securities, (3) high quality commercial paper; (4) FDIC insured certificates of deposit, and (5) AAA-rated money market mutual funds. {Tab 10}

On behalf of the Audit and Finance Committee, Director Mountz made a motion for the board to accept the FY2016-2017 Financial Audit Report. No discussion. Motion carried.

On behalf of the Audit & Finance Committee, Director Mountz made a motion for the board to accept the November 2017 State Bar Quarterly Investment Reports. No discussion. Motion carried.

N. Section Representatives to the Board Committee:

Director Audrey Moorehead reported that the Individual Rights and Responsibilities Section is requesting a name change to the Civil Liberties and Civil Rights Section, which would be more reflective of its mission and current terminology and will help grow the section membership. Director Michael Wynne stated a the name change to Civil Liberties, Rights & Responsibilities would be more accurate. {Tab11}

On behalf of the Section Representatives to the Board Committee, Director Moorehead made a motion that the Individual Rights and Responsibilities Section be allowed to change its name to the "Civil Liberties and Civil Rights Section." No Discussion. Motion carried.

Director Moorehead reported that the Section Representatives to the Board Committee has been asked to supervise the formation of a proposed new section, Child Protection Law Section.

On behalf of the Section Representatives Committee, Director Moorehead moved that the new Child Protection Law Section and its bylaws be approved. No second is needed. No discussion; motion carried.

O. Discipline and Client Attorney Assistance Committee:

Director Greg Sampson reported that as a result of legislation passed following the Sunset Review process, changes to the attorney disciplinary process are required through rule revisions proposed by the Chief Disciplinary Counsel (CDC) and adopted by the Texas Supreme Court. The primary objective of the legislative mandate is to promote earlier resolution of complaints and increased consistency in the process. The DCAAP Committee reviewed and approved the proposals at its December 2017 meeting and requested they be sent to the membership for comment. The legislation requires the Supreme Court to adopt rules by March 1, 2018. The effective date of the new rules is anticipated to be June 1, 2018. {Tab 12}

On behalf of the DCAAP Subcommittee, Director Sampson made a motion to approve the proposed rules relating to the attorney discipline system for submission to the Supreme Court of Texas pursuant to Senate Bill 302 directive. No discussion. Motion carried.

P. Judicial Section Liaison:

Judge Jennifer Rymell reported that there was a stand-alone meeting for the Judicial Section, where new officers and new chair-elect were all named. Judge Randy Klapp will be the new liaison for 2018-2019. The Judicial Compensation Committee requested that the Judicial Section be part of their initial meetings regarding judicial compensation. There will be a Judicial Section retreat in February to work on initiatives.

Q. Client Security Fund Subcommittee:

Director Alan Carmichael reported that there were 71 claims totaling \$292,208.39. Mr. Carmichael reported that \$70,209.54 in funds have already been paid out. Director Rice Horkey questioned whether if the funds are going out to the defrauded clients, can we send a Form 1099 to the lawyers?

R. Appeals-Grant Review Committee:

Director Rebecca Simmons reported that the Subcommittee received a request for authorization to seek outside funding from the Texas Bar Foundation. The Texas Young Lawyers Association sought funding in the amount of \$50,300 for its public service project called "*Proud To Be An American.*" The project would be to create a video, website and curriculum program in order to educate students about their legal rights and responsibilities of being a U.S. citizen, as stated in the U.S. Constitution and Bill of Rights. The Appeals and Grants Subcommittee unanimously approved the request to seek funding from the Texas Bar Foundation for this project. {Tab 13}

S. Professional Development Subcommittee:

Director Sarah Keathley reported that the Professional Development Subcommittee will meet jointly with the CLE Committee on April 18 where the committees will develop new topics for webcasts and other events and hear staff reports on operations and finances. Due to very strong online sales, TexasBarCLE currently shows a positive budget variance in revenue of 3%. Last fiscal year, TexasBarCLE awarded 509 scholarships, with a value of more than \$200,000. Ms. Keathley reported that TexasBarCLE is pleased to announce that as of August 2017 all CLE speeches in the online classroom include interactive transcripts and an option to view close captioning of the video. TexasBarBooks has reached 1,000 active subscribers for the four online subscription-based manuals. Revenue from online subscriptions has gone from \$6,500 per month at the end of FY 15-16 to over \$18,000 per month currently. TexasBarBooks recently launched new purchase web pages on the texasbar.com website that make it easier for attorneys to compare the available formats for manuals (print, digital download, or online subscription). So far this year, TexasBarBooks has provided scholarships for 87 publications at a total value of nearly \$28,000.

T. Insurance/Member Benefits Subcommittee:

Director Scott Rothenberg reported that enrollments have already exceeded projections for this fiscal year. Major medical enrollments in the Insurance Exchange have grown by 18 %. The subcommittee worked with the Exchange to conduct open enrollment presentations in Austin, Dallas, Houston, and San Antonio. The subcommittee reviewed possible enhancements to ensure the State Bar has the best possible exchange available. Some possibilities include LifeLock and supplemental health at no cost, and enhancements to make life insurance more attractive. As of November, revenue was already 21 percent greater than it was at the same point last year. Revenue is anticipated to continue to grow and will exceed \$900,000 this fiscal year. Mr. Rothenberg reported that the subcommittee is working on an affordable website platform for members, in cooperation with LexBlog. The State Bar will contribute \$5,000 monthly to cover setup and infrastructure, which will eventually be offset by a 10% royalty as members join the program. Member monthly subscriptions would be \$49.99 with no setup fee, including a free domain name.

U. Technology Oversight Committee:

Director Andrew Tolchin reported on the ongoing progress of various projects such as the new MCLE tracking system that was launched in October. The Law Center telephone and video conference systems will be installed in February., Vendor negotiations for a new advertising review system have begun. Mr. Tolchin reported that the subcommittee discussed their goals for the technology plan update which will drive the Bar's technology initiatives and funding for the next three years.

V. Affordable Legal Services Subcommittee: No report.

W. Texas Young Lawyers Association:

TYLA President Baili B. Rhodes reported that TYLA attended the ABA YLD meeting in Denver and presented “Making the Impact - Creating and Delivering High Quality Programming.” They were also able to showcase TYLA products. Ms. Rhodes reported that the TYLA Board had its November Board Meeting in Houston where they invited local affiliates. TYLA had a January Board Meeting in College Station, where Executive Director Trey Apffel attended. She also reported that TYLA filmed video content for “Free From Violence” and “Sexual Assault Survivor’s Guide”. She highlighted her project, “Teach Safe, Learn Safe, Be Safe,” which is supported by a grant from the Texas Bar Foundation. Ms. Rhodes reported on the “Privilege Guide,” “HIPPA Guide for Attorneys and Lawyers,” a roadshow with the Government Law Section and Independent Rights and Responsibilities Law Section in Laredo, and a CLE webcast for “The Hate Crimes Enhancement Statute”. TYLA’s nominees for President are Victor Flores (Denton) and Raymond Baeza (El Paso).

X. Access to Justice Commission:

Trish McAllister reported that the Commission is working on ways to improve the way that legal aid responds to disasters and improve systems that are already in place. The Texas Legal Answers program was launched as part of a nationwide push from the American Bar Association to allow the public to go online and seek legal assistance. The Commission held town hall meetings with legal aid providers and are working with law schools to see if they can partner professors to get more ideas on access to justice and how to get more wide-spread circulation. Ms. McAllister reported on the upcoming Access to Justice Gala fundraising event to be held in April.

Y. Supreme Court Liaison:

Justice Johnson gave a general report on items including Hurricane Harvey response updates, Justice Willett is moving to the Federal 5th Circuit Court of Appeals, the continuing discussion as to whether the courts should create a judicial commission on mental health, the task force on the bar exam, and the new Disciplinary Rules Committee.

Z. Court of Criminal Appeals Liaison:

Judge Barbara Hervey gave a general report on the Court of Criminal Appeals including the joint meeting on how mental health affects different people. One of the Court's projects this year to look into the legislation on mental health and to collect information from every county concerning their mental health facilities to determine what the Court might do to assist the mentally ill in Texas. Last fall, the Court had Japanese judges and PhD’s visit to see how the Court of Criminal Appeals handles convictions. The Court worked with the TexasBarCLE on a new video with the Texas Rangers and the Texas Forensic Scene Investigators. She also travelled to Washington, D.C. for neuro-science training.

AA. Federal Judicial Liaison:

Judge Amos Mazzant reported on the movement of judges - two new fifth circuit judges: Judge Willet and Judge Jim Ho (Dallas). He reported that Judge Prado from San Antonio has been nominated for an ambassadorship to Argentina. Judge Mazzant reported on the recent government shutdown and indicated the courts are able to pay their staffs for approximately three weeks. The Fifth Circuit conference will be in Austin from May 23- 25.

AB. Out-of-State Lawyer Liaison: Director Tim Mountz had no report.

AC. Report from Legal Counsel:

John Sirman reported that there is a new open records lawsuit against the State Bar, not posted for discussion.

AD. Closed Session:

At 2:09 pm, the State Bar Board of Directors recessed the open meeting and reconvened in closed session pursuant to Texas Government Code Sections 551.071 Closed Session as authorized by Texas Government Code Section 551.071(1) for the purpose of consulting with legal counsel regarding pending litigation, LegalForce RAPC Worldwide v. LegalZoom et. al.; Section 551.071(2) regarding a pending investigation concerning a former employee; and Section 551.074 to deliberate regarding personnel matter(s). 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.

AE: Open Session: At 2:14 p.m., the open session of the State Bar Board of Directors 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 2:15 pm.