

DRAFT
OFFICIAL MINUTES
STATE BAR OF TEXAS
BOARD OF DIRECTORS MEETING
Four Seasons Hotel Houston – Ballroom A&B
1300 Lamar St.
Houston, TX 77010
Friday, January 24, 2020 – 9:00 am

The Board of Directors of the State Bar of Texas met in a regular session on January 24, 2020, at the Four Seasons Hotel in Houston. Chair Jerry Alexander called the meeting to order at 9:00 am, and Executive Director Trey Apffel called the roll. A quorum of voting Board members was present. Director James Woo delivered the invocation, and Director Diane St. Yves led the pledges to the United States and Texas flags.

Present:

Board Members: Chair Jerry Alexander, Jeff Allison, Andres Almanzan, Kate Bihm, Rebekah Brooker, Luis Cardenas, Alison Colvin, Derek Cook, Christina Davis, Alistair Dawson, Leslie Dippel, TYLA President Victor Flores, Jarrod Foerster, Immediate Past Chair Laura Gibson*, Charlie Ginn, Shari Goldsberry, Marc Gravely, August Harris, TYLA President-elect Britney Harrison, Wendy-Adele Humphrey, Michael Hurst, Neil Kelly, David Kent, Immediate Past President Joe K. Longley, Aldo Lopez, Yolanda Cortes Mares, President-elect Larry McDougal, Bob McKnight, Steve Naylor, Amie Peace, TYLA Immediate Past President Sally Pretorius, Carmen Roe, David Sergi, Alan Sims, Dinesh Singhal, Jason Smith, President Randy Sorrels, Diane St. Yves, Michael Vasquez, Nicole Voyles, Amy Welborn, James Wester, and James Woo.

Liaisons*: Justice Benavides, Denise Hoggard, Justice Lehrmann, and Judge Richardson

Section Representatives*: Judge Copeland, Deborah Cordova, Shelby Jean, Matthew Kolodoski, Emily Miller, and Kathryn Murphy

Excused Absences: Rob Crain, Michael Dokupil, Adam Schramek, and Santos Vargas
(* denotes nonvoting)

CONSENT AGENDA ITEMS {**Exhibit A**}¹:

C1. APPROVAL OF MINUTES:

(Minutes Tab) a. Approval of minutes of the Board meeting conducted on September 20, 2019

C2. ITEMS FROM THE PRESIDENT:

Approval of appointments to the following:

Texas Board of Legal Specialization, for an unexpired term effective January 24, 2020, through June 30, 2022:

Cynthia Barela Graham (Amarillo)

Texas Bar Historical Foundation Board of Trustees, for a term ending May 31, 2022:

Bob Black (Beaumont)

C3. ITEMS FROM THE PRESIDENT-ELECT:

Approval of appointments to the following:

Texas Bar Foundation's Board of Trustees, for three-year terms, effective June 1, 2020 to May 31, 2023:

¹ Exhibits are available at www.texasbar.com/board

Kenda L. Culpepper (Rockwall)
Andrew L. Kerr (San Antonio)

C4. ITEMS FROM COMMITTEES AND SECTIONS/DIVISIONS:

(Yellow Tab A) a. Tax Section Updated Bylaws

C5. OTHER ITEMS

(Yellow Tab B) a. Approval of the 2020-21 Preliminary Calendar/Holiday Schedule

(Yellow Tab C) b. Approval of State Bar Legislative Timetable

(Yellow Tab D) c. Approval of 2020 General and Run-off Election Timetable for President-elect and District Director

(Yellow Tab E) d. **Approval of resolutions honoring:**

1. Keri D. Brown (Houston)
2. Tobias A. "Toby" Cole (Houston)
3. Tara Shockley (Houston)
4. Christine McKeeman (Austin)

I. REPORTS:

A. Remarks from the General Public:

There were no remarks from the General Public.

B. Presentations of Citations:

President Randy Sorrels presented resolutions to Keri Brown, Tobias Cole, Tara Shockley, and Christine McKeeman.

C. Report from the Executive Director:

Executive Director Trey Apffel reported on travel, meetings, and activities since the September 2019 board meeting. Mr. Apffel gave updated the Board on the upcoming NBE/NCBP/NCBF/ABA meetings being held in Austin in February 2020, the upcoming 2020 Annual Meeting in Dallas, the upcoming Judicial Poll, and recent bar staff retirements. Mr. Apffel also gave an update on mandatory bar challenges, and the SBOT Client Security Fund. He presented the staff excellence award to Astra Runnels. **{Exhibit B}**¹

D. Report from the Chair:

Chair Jerry Alexander gave an update on the district letters that were mailed in November and encouraged the board to communicate with the members of their districts before the end of the bar year. Chair Alexander reminded the board to take advantage of and be more active on the board portal.

Director James Wester made a motion to approve the minutes of the September 20, 2019, Board meeting and the Consent Agenda Items. Director Wendy-Adele seconded. No discussion; motion carried.

Chair candidates: Charlie Ginn, Wendy-Adele Humphrey, and Carmen Roe were each given four minutes to address the board of directors. **{Exhibit C}**

Chair Alexander 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 as a result of the vote, voting will be written ballot at the April meeting in Bryan.

E. Report from the President:

¹ Exhibits are available at www.texasbar.com/board

President Randy Sorrels reported on his recent State Bar related travel, meetings, and the new idea of the month. He gave an update on 30 Benefits in 30 Short Minutes, Fastcase, contract lawyer portal, AT&T and regional discounts, QR codes for MCLE reporting, and the Social Media Engagement Team. {Exhibit D}

President Sorrels made a motion for the appointment of Derek Cook (Midland) to the Board of Directors Social Media Engagement Team. Director Andy Almanzan seconded. No discussion ensued; motion carried.

F. Report from the President-elect:

President-elect Larry McDougal gave an update on TLAP, member benefits, and Law Practice Management. He also gave an update on the proposed FY 2020-21 budget. {Exhibit E}

President-elect Larry McDougal made a motion to approve the SBOT 2020-21 proposed budget for publication in the Texas Bar Journal. Coming from a committee, no second was needed. No discussion. Motion carried.

G. Report from the Immediate Past President:

Immediate Past President Joe K. Longley reported that the SBOT has a presence at the Texas Legislative Reference Library with the materials he donated with regard to his bar service from 2016 through the present. He provided an update on the president-elect elections.

H. Board of Law Examiners:

Executive Director Susan Henricks gave an update on behalf of the Board of Law Examiners and a proposed rule regarding out-of-state lawyers serving as in-house counsel in Texas. Discussion ensued.

I. Report from the Supreme Court:

Justice Lehrmann reported on the transition to the Uniform Bar Exam on February 1. Justice Lehrmann also reported that the Court is working on the mental health task force that was created in October 2019, and the ABA task force on the "Future of the Legal Profession" that was created to focus on the bar exam.

J. Report from the Professional Development Subcommittee:

Director Nicole Voyles reported that the CLE Committee and the Board PDP Subcommittee met December 18, 2019, to discuss new topics for CLE programs and publications, finances, and operations. Director Voyles reported that an ad hoc group was created to explore how to increase diversity in the planning of programs and recruit more diverse attorneys as CLE speakers and authors.

K. Report from the Nominations and Elections Subcommittee:

Immediate Past Chair Laura Gibson gave an update on the president-elect race and the ten district director positions. {Exhibit F}

L. Report from the Policy Manual Subcommittee:

Director Neil Kelly reported that the subcommittee has been working on several tasks: one, coming up with a plan and how to rewrite or take an examination of all the components of the policy manual; and two, to consider provisions regarding officer appointments.

Director Neil Kelly made a motion to approve the proposed policy manual change to create a local bar award in honor of Janna Ward Clarke. Coming from a committee, no second was needed. No discussion, motion carried. {Exhibit F}

M. Report from the Commission for Lawyer Discipline, Chief Disciplinary Counsel Update:

Chief Disciplinary Counsel Seana Willing reported that the Commission received 278 complaints, issued 219 sanctions, and collected \$150,000 in attorney fees. Ms. Willing reported that the Grievance Committee appointment process will start in Spring 2020 and that directors should coordinate their recommendations with the State Bar regional counsel. {Exhibit G}

Chair Alexander recessed the board at 12:03pm and the board returned to business at 12:28 pm.

N. Report from the Administration Committee:

Director James Wester gave an update on the study of potential IOLTA deposit exemptions for advanced flat fees below a certain amount.

O. Report from the Performance Measures & Strategic Planning Subcommittee:

Director David Kent reported that the Strategic Plan is up for review in 2020 and that a board planning session is scheduled for July 2020. He reported that the subcommittee help plan the July retreat. Mr. Kent recommends that the board retain Elizabeth Derrico for the strategic planning session.

P. Audit & Finance Committee:

Director Jarrod Foerster presented the State Bar financial reports and provided a general review of the financial statements. {Exhibit H}

On behalf of the Audit & Finance Committee, Director Jarrod Foerster made a motion to accept the FY 2018-2019 Annual Financial Report and financial audit opinion. Coming from a committee, no second was needed. No discussion; motion carried.

On behalf of the Audit & Finance Committee, Director Jarrod Foerster made a motion to accept the November 2019 State Bar Quarterly Investment Reports. Coming from a committee, no second was needed. No discussion; motion carried.

Q. Report from the DCAAP Subcommittee:

Director Steve Naylor reported on proposed amendments to the Texas Disciplinary Rules of Professional Conduct generated by the Committee on Disciplinary Rules and Referenda (CDRR). There are two proposed rules (Rule 1.01, Rule 6.05) and CDRR's proposal on the lawyer advertising rules. {Exhibit I}

Director Steve Naylor made a motion to approve the DCAAP Subcommittee's recommendation to reject the proposed amendments to Rule 1.01 of the Texas Disciplinary Rules of Professional Conduct. Coming from a committee, no second is needed. No discussion; motion carried.

On behalf of the DCAAP Subcommittee, Director Steve Naylor made a motion that the Board of Directors approve the proposed amendments relating to new Rule 6.05 of the Texas Disciplinary Rules of Professional Conduct. Coming from a committee, no second is needed. No discussion; motion carried.

Closed Session: At 12:49 pm, the State Bar Board of Directors recessed the open meeting and reconvened in closed session pursuant to Texas Government Code Section 551.071 for the purpose of consulting with legal counsel, including regarding pending or contemplated litigation (*McDonald et al. v. Sorrels et al;* and *Rosalinda Solis v. Interra Sky 4801 Woodway, L.L.C (No. 2019-18261 in the District Court of Harris County)*). 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 1:06 pm, 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 litigation and other confidential legal advice were discussed. No action was taken in closed session.

In open session, discussion ensued.

President Randy Sorrels made a motion to delegate authority to the Ad Hoc Submission Committee and Litigation & Contract Subcommittee to make decisions regarding LawHQ LLC vs. Seana Willing filed January 23, 2020 in the Western District of Texas. Director Steve Naylor seconded. No discussion; motion carried.

R. Report from the Client Security Fund Subcommittee:

Director Bob McKnight reported that the subcommittee met on Thursday, January 23, and reviewed 92 applicants, resulting in a total disbursement of \$330,147.73 to 58 applicants. To date, the Client Security Fund has paid out \$538,208.22 for the bar year.

S. Committee on Disciplinary Rules and Referenda:

Chair Lewis Kinard gave an update on the committee's work. {**Exhibit J**}

T. Report from Affordable Legal Services Subcommittee:

Section Representative Shelby Jean reported that the committee met on Thursday, January 23, and that it discussed recommendations from a report that was issued in 2016 regarding people whose income is too high to qualify for legal aid. The two recommendations were utilizing the Texas Opportunity & Justice Initiative (TOJI) and unbundled services. The committee heard from two presenters: Ann Marie Rabago of TOJI and Trish McAllister of the Texas Access to Justice Commission.

U. Report from the Appeals Grant Subcommittee:

Director Amie Peace reported that the subcommittee received three requests for authorization to seek outside funding: 1. "Iconic Women in Legal History" by the Texas Young Lawyers Association, "Texas History Curriculum Differentiation Project" by Law Focused Education Inc., and "Stop Minding Your Own Business: What Every Lawyer and Law Student Must Know About Depression and Suicide" by the Texas Lawyers Assistance program. The subcommittee unanimously approved these requests to seek funding for these projects. {**Exhibit K**}

V. Lucy Forbes, a member of the public, addressed the board regarding social media and gave suggestions on member education.

W. Report from Insurance Member Benefits Subcommittee:

Director Leslie Dippel gave an update on the Texas Bar Private Insurance Exchange and non-insurance member benefits. She reported that the subcommittee voted unanimously to recommend a renewal term of 10 years with successive one-year auto renewals to the board. {**Exhibit L**}

On behalf of the Insurance member Benefits Subcommittee, Director Leslie Dippel made a motion to approve the proposed renewal term of 10 years with successive one-year auto renewals. Coming from a committee, no second was needed. No discussion; motion carried.

X. Report from the Technology Oversight Subcommittee: No report.

Y. Report from the Ad-Hoc Committee to Select At-Large Directors:

Director Wendy-Adele Humphrey reported that there is one at-large director term up this year at Annual Meeting, and the deadline to submit nominations was December 2. Ms. Humphrey reported that the committee reviewed the nominations and they interviewed five of the nominees on January 17, 2020.

Z. Report from the Section Representatives to the Board COmmittee:

Section Representative Emily Miller reported that the Section Representatives are working on drafting policies regarding section finances policy and will be working with the Policy Manual Subcommittee on Policy Manual changes and updates.

AA. Report from the Ombudsman:

Stephanie Lowe reported that her Ombudsman role was created during the last State Bar Sunset Review and reports to the General Counsel of the Texas Supreme Court and is required to report to the State Bar. She gave an overview of her annual report. {**Exhibit M**}

BB. Texas Young Lawyers Association:

TYLA President Victor Flores reported on TYLA activities including focusing on connecting with Texas lawyers through social media and TYLA Roadshows. Mr. Flores reported that TYLA is focusing on attorney wellness and that

TYLA is working on a new hub with materials and podcasts available for attorneys. He also reported on the Texas Bar Foundation grant for “Your Voice Now.”

CC. Succession Planning Workgroup:

Immediate Past Chair Laura Gibson gave an update on the workgroup’s task of finding practical ways for attorneys to plan for the cessation of their practices.

On behalf of the workgroup, Immediate Past Chair Laura Gibson made a motion that the board vote to approve the launch on texasbar.com of the electronic designation process created by the workgroup. Director August Harris seconded. No discussion; motion carried.

DD. Report from the Court of Criminal Appeals:

Judge Richardson reported that the Judge Barbara Hervey is continuing her work on the Mental Health Commission, and that Judge Newell is on the Rules Advisory Committee and the Texas Board of Legalization Committee. He recommended to the board that if they know law students who are looking for clerkships, they should reach out to the Court of Criminal Appeals.

EE. Federal Judicial Liaison:

Judge Rodriguez reported on court caseloads in the federal judicial districts, the confirmation of judges with just one vacancy left and the creation of new judgeships.

FF. Judicial Section Liaison:

Justice Benavides reported that the Office of Court Administration has not issued the 2019 Judiciary Report yet. She reported that the 14th Court of Appeals issued close to 10,000 opinions in 2019, that it was a 50/50 split between criminal and civil. Justice Benavides reported that civil filings are up by 39 percent and gave an update on the Texas Commission on Judicial Selection. The Judicial Section is preparing for the next legislative session.

GG. Out-of-State Lawyer Liaison Report:

New director Denise Hoggard reported on working cohesively as an association and member benefits. She thanked the board for its hard work.

There being no further business, the meeting was adjourned at 2:35 pm.

Exhibits referenced in these minutes are available online at texasbar.com/board