

State Bar of Texas Board Meeting 06-12-19

LAURA GIBSON: If you'll please take your seat we'll begin. With that I'd like to call on our Executive Director Trey Apffel to do a roll call.

TREY APFFEL: Mr. Alexander.

JERRY ALEXANDER: Present.

TREY APFFEL: Mr. Alimohammad.

REHAN ALIMOHAMMAD: Here.

TREY APFFEL: Mr. Allison.

JEFFREY W. ALLISON: Present.

TREY APFFEL: Ms. Amuny.

CHRISTY AMUNY: Here.

TREY APFFEL: Mr. Birch. He's here. I saw him. Ms. Burgower.

WENDY BURGOWER: Here.

TREY APFFEL: Mr. Chandler.

JEFF CHANDLER: Here.

TREY APFFEL: Judge Clapp.

JUDGE CLAPP: Here.

TREY APFFEL: Ms. Colvin.

ALISON COLVIN: Here.

TREY APFFEL: Mr. Cook.

DEREK COOK: Here.

TREY APFFEL: Judge Copeland. She's here. I saw her. Mr. Crain.

ROBERT CRAIN: Here.

TREY APFFEL: Mr. Dawson.

ALISTAIR DAWSON: Here.

TREY APFFEL: Ms. Dippel.

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LESLIE DIPPEL: Here.

TREY APFFEL: Mr. Dokupil. Ms. Escobar.

ESTRELLA ESCOBAR: Here.

TREY APFFEL: Mr. Flores.

VICTOR FLORES: Here.

TREY APFFEL: Mr. Foerster.

JARROD FOERSTER: Here.

TREY APFFEL: Ms. Gibson.

LAURA GIBSON: Here.

TREY APFFEL: Mr. Ginn.

JOHN CHARLES GINN: Here.

TREY APFFEL: Ms. Goldsberry.

SHARI GOLDSBERRY: Here.

TREY APFFEL: Mr. Gravely.

MARC GRAVELY: Here.

TREY APFFEL: Mr. Harris.

AUGUST HARRIS: Here.

TREY APFFEL: Ms. Hernandez.

MS. HERNANDEZ: Here.

TREY APFFEL: Judge Hervey.

BARBARA HERVEY: Here.

TREY APFFEL: Ms. Humphrey.

WENDY-ADELE HUMPHREY: Here.

TREY APFFEL: Ms. Jean.

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SHELBY JEAN: Here.

TREY APFFEL: Ms. Keathley.

SARAH CLOWER KEATHLEY: Here.

TREY APFFEL: Mr. Kelly.

NEIL KELLY: Here.

TREY APFFEL: Mr. Kent.

DAVID KENT: Here.

TREY APFFEL: Mr. Kolodoski.

MATTHEW KOLODOSKI: Here.

TREY APFFEL: Justice Lehrmann.

DEBRA LEHRMANN: Here.

TREY APFFEL: Mr. Longley.

JOE LONGLEY: Here.

TREY APFFEL: Mr. Lopez.

ALDO LOPEZ: Here.

TREY APFFEL: Mr. McKnight.

ROBERT MCKNIGHT: Here.

TREY APFFEL: Mr. Metayer. Ms. Miller. Ms. Miller, I saw her. She's here. Mr. Naylor.

STEPHEN NAYLOR: Here.

TREY APFFEL: Mr. Oddo.

CHRIS ODDO: Here.

TREY APFFEL: Ms. Peace.

AMIE PEACE: Here.

TREY APFFEL: Ms. Pretorius.

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SALLY PRETORIUS: Here.

TREY APFFEL: Mr. Pritchard.

CURTIS PRITCHARD: Here.

TREY APFFEL: Ms. Rhodes.

BAILI RHODES: Here.

TREY APFFEL: Ms. Richardson.

LISA RICHARDSON: Here.

TREY APFFEL: Mr. Rodriguez.

FIDEL RODRIGUEZ: Here.

TREY APFFEL: Ms. Roe. Mr. Sampson.

GREG SAMPSON: Here.

TREY APFFEL: Judge Scholer.

KAREN GREN SCHOLER: Here.

TREY APFFEL: Mr. Sims.

ALAN SIMS: Present.

TREY APFFEL: Mr. Singhal.

DINSEH SINGHAL: Here.

TREY APFFEL: Mr. Sorrels.

RANDALL SORRELS: Here.

TREY APFFEL: Judge Thomas has an excused absence. Mr. Vick.

G. THOMAS VICK: Here.

TREY APFFEL: Ms. Voyles.

K. NICOLE VOYLES: Here.

TREY APFFEL: Mr. Weber.

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BRADLEY WEBER: Here.

TREY APFFEL: Ms. Welborn.

AMY WELBORN: Here.

TREY APFFEL: Mr. Wester.

JAMES WESTER: Here.

TREY APFFEL: Mr. Woo.

JAMES WOO: Here.

TREY APFFEL: Madam Chair, we have a quorum.

LAURA GIBSON: Thank you. Now I'd like to call on director Jeff Chandler to come give our invocation.

JEFF CHANDLER: Please join with me for the invocation. Lord, as we start this last board meeting of the year we pause to give thanks for our profession and particularly those in our profession, like those in this room, who have so graciously chosen to volunteer their knowledge, time and talents all for the good of others. We know that you bless us with unique gifts and talents, and we acknowledge that we are continually given the opportunity to use those gifts and talents. Let us use those here today. We're thankful for this board's leadership and focus, leadership that have allowed - has allowed for so many great accomplishments this year. Accomplishments that have instantly impacted the lives of lawyers the people of the state and even beyond. And as one bar year ends and as another soon begins and as those charged with leadership soon assume their new roles, we ask that they be given wisdom and energy to not only continue the momentum of this year, but to achieve even greater things in the year to come. We also asked that they be blessed with the will and desire to defend this great organization. And no matter our age we ask that we may always grow as lawyers, but more importantly grow as people. And may our desire to positively influence the lives of others never grow old in our hearts. Amen.

LAURA GIBSON: Thank you, Jeff. Now I'll call on Director Chris Oddo to do the pledge of the United States flag and the Texas flag.

CHRIS ODDO: I pledge allegiance to the flag of the United States of America. And to the republic for which it stands one nation, under God, indivisible with liberty and justice for all. Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

LAURA GIBSON: With that I will now welcome any members of the public who are present and note that anyone who is here from the public who wishes to speak should sign the blue sign-in card that's at the back of the room or as you enter the room and each public member will be given three minutes to address the board. Before I call on - are there any other members of the public besides Mr. Leone? One other, all right. Let's talk about housekeeping for a moment. Your annual meeting packets are in front of you. If you bought tickets for any events please check to be sure that the tickets for the events you purchased are in your packet. If there is something missing, you know, the women over here, Jennifer and Chelsea, can make wonders. But please let them know that you are missing a ticket before we leave

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here so that we can get everything handled before we scatter in the winds. With that, let me turn it over to President Joe Longley for the presentation of presidential citations.

JOE LONGLEY: Thank you, Madam Chair. It's my pleasure to present some presidential citations that are well-deserved for this past year. As many of you know, just after being sworn in last year, I traveled, at my own expense, down to our southern border, with - to meet with the various groups and individuals concerning the crisis of the separation of families that was being experienced in that area. I later made another trip to the upper border at El Paso at my own expense to do the same thing. But I wanted to make clear that, even though this was done at my own expense and at my - under my own volition, it still earned me the honor of being sued. In Paragraph 35 of McDonald v. Longley, for which, I guess - it's somewhat of a of an interesting honor. But nevertheless, I'm happy to accept it because I believe in what the bar did, what I did and what we're all continuing to do. All along, I have been clear that the state bar is not getting involved in the politics of this issue. But I am interested in ensuring that the state bar is meeting its statutory obligations to aid the courts and carrying on and improving the administration of justice and to improve the quality of legal services to the public. So for that reason, today, I'm honoring three organizations with presidential citations for the work in this regard. First is proBAR, which is an acronym for this for the South Texas Pro Bono Asylum Representation Product - Project. And with that I would like to also honor the Texas Civil Rights Project and the Texas Rio Grande Legal Aid. In a moment, I will call representatives of each of these organizations to come forward, but first I want to read the citation that each will receive. A presidential citation is presented to these organizations for outstanding service in providing access to justice to populations that cannot afford or do not have access to an attorney. The State Bar of Texas applauds your efforts to uphold the rule of law and to improve the quality of legal services and the administration of justice in this state. Presented this 12th day of June, 2019. So with that first let me have Kimi Jack - Kimi Jackson and Emily Joyner come forward for the South Texas Pro Bono Asylum project - Representation Project, known as proBAR. If you come forward, here, that's... (APPLAUSE)

JOE LONGLEY: Second is the Texas Civil Rights Project. And Emma Hilbert, will you come forward to receive your award? (APPLAUSE)

JOE LONGLEY: And I might add, before I make the last award for these organizations, is that I visited with all of these groups, individuals and people for two days during that first trip, and also in El Paso with the Texas Rio Grande Legal Aid as well. And it was an eye-opening experience, and it's one in which the state bar can be proud that we have lent our efforts, particularly with Lowell Brown and the others who have put together a great resource of people individuals organizations that are helping these folks who are not citizens, but need legal help because they are in our country. So third is Texas Rio Grande Legal Aid. Attorney Claire Antonelli, will you come forward? (APPLAUSE)

JOE LONGLEY: Round of applause for all three of these. They are truly doing the Lord's work. (APPLAUSE)

JOE LONGLEY: Finally, there are many more organizations and individuals working on this family separation issue. And the state bar's legal access division has put together a list of groups and individuals involved in providing legal services, which you will see on the screen. We did our best to include all of them on the list, but it's possible that we missed someone. So give all of these organizations a great round of applause because they're doing the Lord's work in this regard. Thank you. (APPLAUSE)

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JOE LONGLEY: Next, I have a citation for directors. I have three presidential citations to present to members of the board for the exceptional work that they've done this year. First is my good friend, Estrella Escobar. Will you come forward, please, as I read your citation? (APPLAUSE)

JOE LONGLEY: For outstanding service on the State Bar of Texas Board of Directors, your experience, wisdom and insight as a public member proved invaluable time and time again throughout your service on the board and its executive committee and as chair of the policy manual subcommittee. You provided a steady hand of leadership as the board worked through a variety of important governance issues, to the betterment of the state bar and the people it serves. Presented this 12th day of June, 2019. And there's still work to do as you will see later today. (APPLAUSE)

JOE LONGLEY: Next is Greg Sampson. Greg, would you come forward while I read your citation? For outstanding

: (APPLAUSE)

JOE LONGLEY: For outstanding service on the State Bar of Texas Board of Directors and its executive committee, your diligent work as chair of the board's insurance members benefits subcommittee as well as the cessation of law practice efforts have brought tangible benefits to Texas lawyers and further the state bar's mission to enable its members to better serve their clients and the public. Presented this 12th day of June, 2019. (APPLAUSE)

JOE LONGLEY: Finally, Dinesh Singhal, will you come forward please? (APPLAUSE)

JOE LONGLEY: For outstanding service on the State Bar of Texas Board of Directors, through your exceptional contributions to the executive committee, policy manual subcommittee and ad hoc committee to select at - large directors, you've helped ensure the state bar of Texas, its meeting - its mission to support the administration of legal system enable its members to better serve their clients and the public and to promote diversity in the administration of justice and the practice of law. Presented this 12th day of June, 2019. (APPLAUSE)

JOE LONGLEY: And that, Madam Chair, completes the list of the citations. Thank you.

LAURA GIBSON: Thank you, President Longley, for those recognitions. I skipped item agenda five because I thought I saw somebody else filling out a blue card. Do we have any other members of the public, besides Mr. Leon, who are here to address the board? If not, Mr. Leon, I'll call on you to make your remarks. They're limited to three minutes, please. Thank you.

CARLOS LEON: Thanks. (Speaking Spanish) Carlos Leon, (speaking Spanish) Austin Texas, June 12, 2019, to speak what's right, (speaking Spanish). First and foremost, (speaking Spanish) for letting me fight for justice and to fix your lawyer discipline system. Article 2, Section 9 of state bar rules says y'all swore or affirmed you'd faithfully execute the duties of office and, to the best of your ability, preserve protect and defend the Constitution and laws of the United States and of this state, so help you God. Yet, City of Austin attorneys Chase Reed Gomillion and Elizabeth Carrie Grace have not been officially punished or legally prosecuted for their alleged serious, professional and criminal misconduct because BODA-backed CDC misclassifying my evidence-based grievances inquiries to quash them. I filed a complaint June 5th with Ombudsman Lowe, who has to receive it, review my grievances to determine whether the state bar followed the proper grievance procedure, and answered my questions about the system's operation.

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Per Texas Government Code 81.0883, parts 1, 2 and 4, in front of you now, establishing, implementing and publicly disseminating written guidelines for grievance classification, vesting veto power in an independent, non-lawyer human, reviewing all grievances classified inquiries and making public all grievances and grievance-related work products are tandem, transparent accountability mechanisms to expose and fix your dysfunctional discipline system. Similar sunshine measures are needed to defeat the anti-justice shadow, dark track of the Austin Municipal court system under presiding Judge Sherry Statman, exposed in explicated it in my online backup materials from the October 1 and November 5th, 2018 Austin Public Safety Commission meetings, posted on their website. And you have the links in front of you right now. All the guilty white-collar, public-servant criminals involved should be prosecuted and punished to the fullest, maximum extent of the law, following constitutional law, showing no one is above the law, especially those of you who practice the law. In Jesus's name I pray, amen. Thank you, Lord. God bless Texas, the United States of America, constitutional law and truth. And above all (speaking Spanish), God's word. Thank you, Chair.

LAURA GIBSON: Thank you, Mr. Leon. With that, I will call on our executive director, Trey Apffel, for his report.

TREY APFFEL: Well, welcome to the annual meeting that's kicking off this week. I want to thank Jennifer Reames and Chelsea Barbara for all the work that I have seen them do in the last few weeks, putting together packets, organizing meetings, meeting rooms and what have you. So kudos to Jennifer and Chelsea. Thank y'all very much. (APPLAUSE)

TREY APFFEL: And then, Susan Brennan our marketing and outreach manager. She's over at the annual meeting and under Kay Lenz's watchful eye. So they have been working also feverishly. They have our entire annual meeting staff downstairs on the second floor. If you get a chance to see any of them, you'll see the common theme - either a black t shirt or a blue or purple polo. Be sure and give them a shout out if you get a chance on a somewhat somber note, I wanted to report to you that we lost an extended state bar family member this past week. Chris Ritter- many of you know him, he is our TLAP director - his wife, Rochelle, lost her battle with cancer after a lengthy and courageous fight. She passed away last week. Her memorial service was yesterday. Many of our state bar staff, including President Longley, attended the service. And Rochelle left surviving her Chris and their 5-year-old daughter, Madeleine. So please keep Chris and Madeline in your thoughts and prayers. And if you get a chance to run across Chris in some of your dealings as a director, give him a good word of encouragement. Thank you. So as we come to the end of our bar year, I want to provide you with a brief year in review from my perspective and state bar staff's perspective. There are many things I could discuss, but I'll focus on a few - particularly three areas. First, we continue to work to ensure that the State Bar of Texas is a leader in open government and open communications. Since April 2018, we've been video recording and all of our state bar board meetings and posting videos on texasbar.com. I want to thank President Longley for his vision in that regard. We also post all board agenda backup materials online for public access at texasbar.com/board. Our staff attorney for open records, who was hired in 2018, continues to enhance our public information program and is doing a fantastic job. Our staff facilitated the Weaver transparency review at the direction of August Harris and Jarrod Foerster And they coordinate - we have coordinated implementing the Weaver recommendations. And that is all in place. We launched and continued to maintain the - our finances page on texasbar.com/finances with several years' worth of budget documents, financial statements and independent auditors' reports for anyone and everyone to review. In June of 2018, we launched the State Bar of Texas podcast, in partnership with legal talk network, as another vehicle to reach members with information to help them in their practices and to educate them on State Bar governance matters. Our Archives Department, thanks to the vision of past

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president, Tom Vick, handled two important public records transparency initiatives this year. One was the implementation of a fully searchable online digital archives portal, which is live at texasbar.com/digitalarchives. And two, improving and re-certifying the bar's records retention schedule. And then finally, thanks to the efforts of legal counsel and associate executive director John Sirman, we launched a webpage to educate our members and the public on the McDonald v. Longley lawsuit and other similar type filings involving other unified bars around the country. The second major topic I want to talk to you about is financial accountability. Working with president-elect Randy Sorrels and the budget committee, we kept our proposed general fund spending for fiscal year 2019-2020 below \$44 million dollars for the second straight year. As you will recall, in 1819 we increased our reserves by roughly - right at 600 - I'm sorry. Yeah, \$653,000. In 1920, we increased our reserves by \$1.2 million. That's an overall increase of 20 percent of our overall reserves, which now total roughly right at \$11 million. So - and we also increased our monthly operating expenditure level from 2.8 months to that magic mark of 3.0 months of operating expenditures. And we're proud of that effort. Additionally, our internal auditor performed an in-depth audit plan based on an entity-wide risk assessment. And the internal audit report determined we are in compliance with regulations and that appropriate internal controls are in place. Our financial audit opinion remains unmodified, which is the best opinion available. Also, as previously reported, this year we shifted to an all-online dues collection process that will save the bar approximately \$100,000 annually in printing and postage costs. I want to report to you some of the facts and figures on that. As part of that process, the new online billing portal opened on March 4. And the responses from law firm coordinators has been remarkable. The portal has made it easy for firms to pay their member fees online. And we continue to receive positive feedback about the process. Last year, 381 law firms participated in the Firm Billing process. With the addition of the new Firm Billing portal, we currently have 1,065 firms participating in this updated process. This represents an increase of 684 law firms, or 180 percent increase in the amount of firms participating in that process from last year - and more continue to sign up. A membership fees reminder notice was emailed to attorneys between April 22 and May 1 and was sent by regular mail on May 1. To date, we have almost 80,000 of our 104,000 lawyers paid up either through the Firm Billing portal or through the individual online payment system. This is way ahead of previous years at this point in time. I want to thank our I.T. department for the many hours it took to develop the - and finetune the online system and Firm Billing portal, primarily Craig Chapman. Craig's in the back. Craig, will you stand up? Craig's our director of I.T.. And - yeah...

: (APPLAUSE)

TREY APFFEL: And under Craig's direction, he and Angie Burke, who works with Craig in the I.T. department, they made this happen. They had spent many, many hours consulting with Cheryl Howell and Tracy Jarrett and Sandi Gavin and Karen Reberneck. And I want to thank them as well for all of their efforts to make this happen. Cheryl Howell has told me that this has been her mission in life over the last several years. And she made it - she made it a reality for us all. So I want to thank all of our state bar staff for those fine efforts. Our third area I want to talk to you briefly about - member benefits and our services program, which continues to grow and improve. This program offers discounts and special deals to our members on anything from insurance, office supplies, to travel. We added seven new vendors to the program this year. We now have 43 vendors who support our efforts in this area. Two complementary health advocate products were added to our Texas bar private insurance exchange. A financial services review was also completed and we expanded our Bank of America agreement to add business banking and merchant services to the financial offerings available. Greg Sampson, whom we've heard about already, has two other significant projects in the works - succession planning and free contract job postings. And I'll let him talk about those in a moment. In addition, we launched a new

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member service Solace - S-O-L-A-C-E - to connect lawyers experiencing an extreme hardship with those willing and able to help them. We added staff to our ethics help line to help ensure members receive prompt answers to questions. And thanks to president-elect Sorrels' innovative idea, TexasBarCLE launched its Flash CLE Silver program to assist attorneys 70 and older in meeting their MCLE requirements at a discounted rate. CLE scholarships are available to all bar members on request. I also want to thank Hetty Bauer for her efforts to make this Flash CLE Silver program a reality. I sat in with Hetty and her team when - we didn't talk to Randy. We knew what Randy wanted. I watched them just throw ideas back and forth and talk through the problem, work through the problem. And they put together a very fine product that I think is helping all of our attorneys 70 and older. So as you can see, it's been a productive year. I'm continue - I continue to stand proud with all of our state bar staff, our employees that just worked so incredibly hard. One of the best pieces of advice that I got when I took this job came from past President Tom Vick. Tom, I don't know if you remember this. But there I was, you know, in the first months of taking the job, Tom asked something like, how's it going? I said, it's going well. It's going well. And I guess he heard that little voice cracking or something. He says - he says are you trying to do it all yourself? Or are you delegating like you supposed to do? And I said, yes.

: (LAUGHTER)

TREY APFFEL: And he said, you need to learn to trust your people. And I said, I'm working on it, Tom. And that was the best piece of advice I've gotten through this whole process. I want to thank Tom for that. I want to thank all of you for your efforts in assisting me personally, but more importantly, in assisting State Bar of Texas and our professional staff in carrying out the good works that you all do. Staff Excellence Award - Ms. Linzy Hill, would you please come forward. And while Linzy's coming forward...

: (APPLAUSE)

TREY APFFEL: ...I want to tell you a little bit about her. She's a rather remarkable young lady. She's a legal secretary who started with the State Bar in November of 2017. And she just took the LSAT test. Linzy has gone above and beyond in taking the initiative this year and improving processes for the grievance referral program compliance team. Highlights of her contributions include - she created an exercise for respondents entering the GRP who struggle with time management. She also created an exercise for respondents entering the program who struggle with law office management related to the delegation of assignments and oversight of legal support, specifically paralegals. She gathered resources to provide respondents in conjunction with and in support of assignment of CLE coursework. Depending on what the attorney needed help with, examples of those resources include articles regarding time management, managing employees and mental health. Linzy also procured more resources for the GRP, including books on subjects such as time management, leadership and resilience and articles regarding topics that are most relevant to the issues that attorneys and GRP typically struggle with. Finally, Linzy created an SOP binder - or standard operating procedures binder for both the GRP and compliance components of the GRP administrator role. Her objective was to have all of the information regarding the responsibilities in this role organized, easy to follow and in one central location. Linzy, we thank you for your exceptional service to the State Bar of Texas, the lawyers of Texas and the people of Texas. Thank you.

: (APPLAUSE)

TREY APFFEL: Madam Chair, that completes my report.

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LAURA GIBSON: Thank you very much executive director Apffel. That takes us to Item 8 on your agenda. And you might be thinking, like I am, where's the language about the executive session since we're going to talk about the Fleck v. Wetch case and the McDonald v. Longley case? I'm told that Tom Leatherbury is able to make his report without revealing any information that is protected by the attorney-client privilege. If we get to a point where there are questions that will cause us to have to divulge attorney-client privileged information, we'll go into executive session at that time. Before I call Tom to the podium, let me please just - on behalf of this board - thank him and the law firm of Vinson & Elkins and his colleagues, who've been working tirelessly. I will tell you that, since we saw each other at the last board meeting - gosh, when was that? - in April, we've had so many calls on all of the lawsuits. Hopefully we've kept you all informed about what's going on. We've tried to also include the incoming directors because they'll be substituted in place of the outgoing third-year directors tomorrow as defendants in the lawsuit. So welcome to the club. But let's please take a moment and express our gratitude to Tom Leatherbury, his colleagues at Vinson Elkins for their hard work.

: (APPLAUSE)

LAURA GIBSON: With that, I'll call on Tom Leatherbury to make the report from outside counsel.

TOM LEATHERBURY : Thank you, Madam Chair and good afternoon. I hasten to add defendants in there in your official capacities only. As members of the bar board of directors, important distinction bears emphasis, especially for the new directors. We have a three-page handout for you, it's at tab one of your materials. And unlike in April when we really hadn't filed anything with Judge Yeakel, you know, our positions are public. They're in the court. We've moved for summary judgment and responded to the other side's motion for summary judgment. Just a couple of words about - walk you through the handout. I mean, Page 1 really gives you the status of all the pleadings and the briefing, including the amicus briefs that have been filed. We've had some wonderful amicus briefs filed in support of the state bar. And all of these materials are, of course, available on the web. They gave you that that address and I commend them to you - great support from lawyers throughout the state. We had a status conference on May 23, that was after we had filed our cross-motion for summary judgment and responded to the other side's motion for summary judgment. At the status conference, the plaintiffs indicated that they were going to pay their bar dues for this year because they didn't want to risk going into not in good standing status. And so that put their request for a preliminary injunction sort of to the side. They also indicated and then did amend their complaint to address a motion to dismiss that we had filed, indicating that perhaps they had sued the wrong parties for at least some of the relief that they sought. So where we are now is we have one more brief to file in reply in support of our motion for summary judgment. That will be filed on the 18. We have some housekeeping details to handle. We need to get with the new defendants. We need to get with opposing counsel and work our way towards the August 1 hearing that Judge Yeakel set on cross-motions for summary judgment and get prepared for that. So really don't expect all that much to happen in the next couple of months, just getting ready for the hearing and doing some cleanup work - cleaning up the pleadings, as Chair Gibson indicated and getting the record in shape for Judge Yeakel, the way he wants it, to consider the cross-motions for summary judgment. Page 2 is just a reminder of what our principal arguments are in support of our motion for summary judgment. You know, count one attacks compulsory membership in the bar. We have argued in our papers that that complaint's foreclosed under either the right of free speech or the right of free association by U.S. Supreme Court precedent - particularly Keller v. California State Bar and Lathrop v. Donahue. Count two argues that certain expenditures - primarily access to justice-related or diversity-related or legislative-related - are political or ideological - and that's their term - and that they should not be made to contribute to those through their compulsory dues. The key words for us in that, as

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we've argued in our papers, is that we believe all the state bar's expenditures either regulate the legal profession or improve the quality of legal services in the state and those are the permissible purposes for state bar expenditures under Keller. And then count three challenges the procedures used to potentially opt out of paying certain bar fees. And again, we say that falls with the - because the same arguments in count two, that the state bar's procedures - expenditures are germane under Keller and precedent. And so the procedures are adequate and fine. Page 3 of the handout really gives you a snapshot of where the other lawsuits stand. We're sort of third in line of most mature challenge to the compulsory bars. Fleck v. Wetch had already made it up to the U.S. Supreme Court when the Janice case was decided last term. And of course - or term - yeah, last term. And that, of course, is the hook for plaintiff's argument that they shouldn't be required to join a bar association. Fleck will be reargued in the Eighth Circuit tomorrow. I expect that the oral argument of that will be up in the next couple of days after tomorrow on the Eighth Circuit's website. I don't know exactly how long they take, but I imagine it'll be up in 48 - 72 hours after the after the arguments, certainly by early next week. And then the Oregon case has gone to judgment in the district court. The judge ruled in favor of the Oregon State Bar. And plaintiffs immediately noticed the appeal to the Ninth Circuit. So that will be working its way up. And then Oklahoma and Wisconsin, those challenges were filed shortly after the McDonald case was filed here in Texas. So there are a lot of moving pieces. Thank goodness for automatic docket alerts. It's a lot easier to keep up with what's going on in cases now than it used to be. And I have to give a shoutout to all the lawyers who are working with me on it - Josh Johnson and Morgan Kelly in our D.C. office and then Pat Mizell in Houston - because they really are doing outstanding work. For the new members of the board, I know you've been copied on some of the communications. I think that the state bar staff and officers have done just a really good job of communicating and being very transparent with the board and with the public about what's going on in the lawsuit. In between board meetings we have had a number of calls with the ad hoc committee as things have come up that we needed decisions on. And I expect that you will continue to be copied on interim communications by John Sirman, by the rest of the staff, by Trey. And again, I don't really expect much news to be made before the August 1 hearing. But if there is something unexpected that comes up, I'm sure you'll hear about it right away from the state bar staff. That's my report.

LAURA GIBSON: Do we have any questions for Tom Leatherbury? Good. Thank you very much.

TOM LEATHERBURY : Guess I'll just take my phone back. Congratulations to you.

LAURA GIBSON: If you see Josh Johnson, Morgan Kelly, Pat Mizell please give them their thanks. And if you see any Vinson Elkins lawyers, give them your thanks because the firm is representing the bar on a reduced rate, on a pro-bono-basis, so we're very appreciative of that. We are now at Item 9 on the agenda. 9A is a consideration of our consent agenda, which is under the consent tab in your bar materials. Do I have a motion to approve the consent agenda? Motion by director Estrella Escobar. A second...

RUDY METAYER: Second.

LAURA GIBSON: ...By Rudy Metayer. All those - any discussion? All those in favor signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: Any opposed signify by saying nay. The motion carries. With that, it takes me to item 9B, which is the general report and the overview of the bar. Like you I have undertaken my responsibility

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to get out in the community and visit with our constituents to tell them about what the bar is doing, to communicate the fact that the state bar has been challenged, that the mandatory bar is under attack. And what I find is, even my most well-plugged-in colleagues don't know what's going on. So we have our work cut out for us to make sure that we let people know because I'm firmly convinced that dues, which have not been increased since 1991, will skyrocket through the roof if the mandatory bar is successfully challenged. So it is in the interest of all of our lawyers to keep the mandatory bar because we do so much. And as you'll hear later on, some of the programs that we do generate such significant revenue that it allows us to keep our bar dues so low. So in terms of my responsibility and what I've done to try to communicate what we're doing at the state bar level, I communicated with the University of Houston Law Center - Women of the Law program on April 30. I attended the board dinner for the Texas Center for Legal Ethics on May 2. I attended the Gulf Coast Family Law Specialists Annual Dinner on May 9. And our own Wendy Burgower is a past recipient of that organization's major award. I attended the University of Houston Law Center alumni annual meeting on May 15. I attended the Houston Bar Association annual dinner on May 16, along with directors Carmen Roe, Angelica Hernandez, Jarrod Foerster, Karen and Trey Apffel and director Nicole Voyles. I attended the TACTAS - that's the Texas Association of Civil Trial and Appellate Specialists - dinner, the judge of the year dinner on May 23. And finally, I attended the Houston Bar Association Harvest celebrating underwrite - Harvest Celebration - underwriting reception on June 5. Now, let's talk about what all of you have been doing. We have had another great year of bar service. It's been a very productive 12 months. We all know that we only meet quarterly. But while we're not meeting, we're busy working on our committee assignments. We're busy doing - interacting with our sections for which we serve as a liaison. We're busy interacting with our standing committees for which we serve as liaisons and it's a lot of work. So we have really gotten a lot done. Some of you know or may remember that under chair Frank Stevenson's leadership, we committed to better communicate with our constituents. And I want to thank all of you for working so hard to get that goal accomplishment - accomplished - excuse me. I also wanted to thank you for working with the state bar staff in getting your letters and emails out to our constituents so that they know what we're doing and why the bar is important to them. Let me go to this map of the district presentations. We didn't quite - we got this little hole in the middle. But as you can see, that's our form of a doughnut. We have made presentations in 16 districts and director Bob McKnight gets the shout out for the most persistent director on this board. He hounded the people in District 11 and begged them to let him make presentations. I saw the emails myself so people tell you we're not getting the word out or we're not doing our job. Send them to me. And I'll send them Bob McKnight's emails. So thank you for making our message and our - what we do for our lawyers accessible to our constituents. Now...

: (Inaudible).

LAURA GIBSON: That's right. I am - I am remiss in not telling you that Fidel Rodriguez has already booked that appointment. So how - hello, can you coat color that even with a little piece of purple?

: (LAUGHTER).

LAURA GIBSON: Because it's going to be done before we know it. Thank you for reminding me of that. You know, I am so honored to have been sworn in with this class of third-year directors. I'm amazed that of all they have done in the last three years. Unfortunately under bar precedent, I only get to recognize one outstanding third-year director. I lobbied for more, but I was told I only get to have one outstanding third-year director. But because I believe this entire third-year class of directors has gone above and beyond in their service to the bar, I took the time - and thank God I have a great secretary. I took the

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time to write each outgoing third-year director a letter expressing my gratitude to you for all that you've done and reminding you because I think when you read your letter, you're not even going to remember what you did in year one. It's a lot. So I've asked that Jennifer and Chelsea to go ahead and take those letters or pass those letters out to our third-year directors. You know, and it's very easy to become frustrated at the criticism directed to the bar. And I hope that this letter will remind you of all the things you've done to make the lawyers in the state of Texas better and more importantly what you've done to serve the public in the state of Texas. At this time, I would like to ask all third-year directors to rise and be recognized.

: (APPLAUSE).

LAURA GIBSON: So they're an amazing class, but now it's time for me to recognize one person in particular. This person, this director has been invaluable in her role as chair of the ad hoc committee to select at large members for the past two years. And prior to that, she served as a first-year director on that committee when it was known by another name. Her work has been absolutely instrumental bringing some phenomenal members to this board and to ensure that this board represents the interests of our attorneys from the varied backgrounds that compose our membership. She even was so persuasive that somehow she persuaded the members of her committee to travel on Super Bowl Sunday so that they could be present for their meeting the following Monday morning. And they fell for it. They fell for it. So she obviously has the power of persuasion. Now during her time on the board, this director is also served with excellence in numerous other capacities. She served on the executive committee. She served on the nominations and elections committee. She served on the new directors Orientation Committee. And she's been a member of the board Portal focus group. Angelica Hernandez, we honor you for your substantial contributions.

: (APPLAUSE).

LAURA GIBSON: Public member award - from time to time and not always is it appropriate the chair has authority to make a special award to public members of our board for outstanding service. This public member provided sound, leadership as chair of the policy manuals subcommittee. And, boy, what a subcommittee it is. She always ran an efficient meeting. She ensured that everyone had a chance to provide input and thoroughly discussed the options before a decision was made. She was gracious in every regard. She was put to work as you will see when we get to her agenda item. Her last committee board meeting was Friday afternoon, additionally this director has been a valued member of the executive committee and the legislative policy committee. Estrella Escobar, we are grateful for your exceptional service to the state bar. Please come forward to be recognized.

: (APPLAUSE).

LAURA GIBSON: From those photos people are going to think I'm exceptionally tall.

: (LAUGHTER).

LAURA GIBSON: And now it's time for me to recognize my immediate past chair, Rehan Alimohammad. Rehan chaired the board so ably from 2017 to 2018. And those of you who served on the board at that time will remember that's when our board, many meetings became inordinately long. That's when our board meetings didn't have a lunch break. We worked through lunch and still we barely caught our flights back to our homes. His command of Robert's Rules of Order and most importantly his gracious

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manner enabled us to have deliberations in a professional but yet respectful manner. Please join me in thanking Rehan for his four years of service on this board.

: (APPLAUSE).

LAURA GIBSON: Now, I want to recognize immediate (unintelligible) president Baili Rhodes. She will be leaving our board at this time, too. She's not only a real-life marathoner, but she has run a marathon with her years of service for the young voters of Texas and to the state of Texas. I know that I'll miss her energy, her enthusiasm and her beautiful smile. Please let's all thank Baili for her service to this board.

: (APPLAUSE).

LAURA GIBSON: Next, I want to recognize the immediate past president Tom Vick. This time last year, Tom wasn't feeling well. In fact, he was feeling so poorly that when I took the gavel as the incoming chair I was to recognize Tom. And they told me he'd stepped out of the room. And then Rehan handed me a note and said he's not coming back. So we got to talk about Tom without him being here. You know, we had no idea at the time of the annual meeting last year how sick Tom was. And I say without exaggeration we almost lost Tom. And we're so thankful that he's here, that he's recovered his health - excuse me. And we are so grateful for his service to our bar. He didn't get to be recognized last year. And I wanted to make sure that we recognized him this year. Tom, would you please stand and be recognized?

: (APPLAUSE).

LAURA GIBSON: That truly puts - that puts things in perspective. OK, now I heard that some of you thought this was a bomb or something planted here. You owe this to me. This year's directors have a bottle on your seating area with the initials SB. Now, let - before I tell you what SB stands for, I need to tell you that my family has a highly coveted and extremely secret recipe that we refer to as special blend. And it is no coincidence that SB not only stands for special blend it also stands for State Bar. Now, I'm sure when every third-year director in this room - I'm sure that they will tell you that when they were sworn in three years ago just like our new directors will be tomorrow they didn't know the other directors who were part of their class. They didn't consider themselves to be bar insiders. They didn't enter the bar building through some private entrance. And they had not been anointed to serve the State Bar of Texas. Rather, they took the initiative to gather 100 signatures on a petition which enabled them to be eligible to run for a director position for their district. They campaigned among their colleagues. And they rightfully earned the vote to serve the state bar - a service that requires that they miss out not only from their jobs, which can adversely affect their income that they earned to provide for their families but also forego their time with families. And new directors, lest you think that you're going to get some good meals, I can tell you you won't.

: (LAUGHTER).

LAURA GIBSON: You will not get one single good meal while you're here. You just can't feed this many people good food. Now I expect that they will tell you that it was by opportunity your accident that they got involved in serving our profession - profession. Some started with their young lawyer division whether statewide or in their home communities. Others worked like I did with my local bar organization. Still others of these directors got involved with substituting sections of the state bar. A few of them were involved in providing CLE programs. Or some of them were involved in our regulatory

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functions. I actually served on the advertising review committee before I became a state bar director. Regardless of the path they took to get this position, they came with a desire to serve. And they earned the right to serve. I will - I expect that they will tell you that through the shared respect of our profession, a commitment to helping our fellow lawyers, a desire to improve the quality of our legal services to make sure the public gets the best legal advice possible and their work on common goals and objectives. They formed close friendships and developed a mighty sense of respect not only for the members of their class but also for those directors who served a year ahead of them and those directors who are a year behind them. By virtue of these relationships, this board is the embodiment of a special blend. As a result I thought it only fitting that I share my family's secret recipe for special blend in recognition of the role that each of you have played in making this board of directors a truly special blend. We all have different perspectives, backgrounds practice areas and circumstances. But our individually - individuality comes together through this board as a formidable force and truly a special blend. So I hope that you will use your special blend spices to make your food more flavorful and your celebrations more memorable. Thank you again for your service.

: (APPLAUSE)

LAURA GIBSON: That takes us to item 10 on our agenda. And I'll call on President Joe Longley for his report.

JOE LONGLEY: Thank you, Madam Chair. And once again let me review some of the items for my report. This is the general report. And as you watch the screens there'll be some scrolling as to where I've been, what I've been doing and what's been happening with the state bar over the last year. Recently, we had law day at the state bar at the Texas Legal Center and Law Center. And that was a lot of fun with a lot of people getting awards. May 13, we had a new lawyer induction ceremony. And I happened to note and I heard at that ceremony that admissions to law schools are now almost 25% lower than they were 10 years ago. So our profession is constricting somewhat. And the reasons are not altogether clear. But it probably has something to do with student loans and the economy. Looking back over the last couple of years - in 2017, I was privileged to run as a petition candidate. In that effort, I gathered over 5,800 signatures of our fellow active members of the State Bar of Texas. The idea was to try to initiate a new day dawning of constructive reform within the state bar. And so the result of that campaign was that in the 80-year history of the State Bar of Texas, I've been the only petition candidate privilege to stand for election and the only petition candidate ever to win such an election. So I attribute that to my focus upon each and every one of our members' equal right to vote. And as I close out my term as president of the state bar - and you'll hear more about this as our final meeting goes along - we have established many many of the goals that I set out to establish. And these have been constructive reforms, which will be with us long into the future in my estimation. So truly it's been a privilege. And we've made the state bar together more transparent, as Trey's already told you, fiscally sound. We've saved almost 5 million dollars in our expenditures since 2017. And when we went before the Supreme Court last month to get approval of our state bar budget, we were commended for the exercise of fiscal - good, sound fiscal judgment that we've had with our budgets over the past two years. And the Supreme Court - and Justice Lerman was one of the justices who singled out the state bar for showing such great restraint and a steady hand on the budget. So I'm pleased to report that we've made a positive difference on how the state bar conducts its business. As you've probably noticed, our campaigns are run very differently than they were two years ago. Most restrictions have been taken off in favor of free speech. There's no limitations on who you can see, who you can contact, what you can do or even what you want to spend under the Citizens United case. So that has totally changed since 2017. On the screen, you might see In Macallan, last year where Lowell Brown and I went down

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immediately after the annual meeting last year to address the border situation. I've already discussed that with you. But we had dinner with Hillary Bass, who was then president of the ABA. And she went on TV that night on national TV documenting what was happening to not only the separation of families but the children in cages. And we have been instrumental in trying to collect resources from all around the United States with Spanish-speaking lawyers, people who are educated with regard to immigration and asylum issues and from the lower valley all the way up to the upper valley, Brownsville to El Paso we've been very effective in getting the word out with regard to getting help for these people who need it so badly. You can find a clearing house webpage at [Texasbar.com/volunteer](https://www.texasbar.com/volunteer) to connect Texas lawyers who wish to help with volunteer opportunities in whatever way you may be able to assist in South Texas and along our Southern border. While Lowell and I were down there and that - it was about three days after I was sworn in as bar president, we were having breakfast when we learned that the decision in *Janice v. The American Federation of State County Local Employees* came down from the United States Supreme Court, which dealt with mandatory dues of labor unions, which everybody had been watching for some time with regard to what effect if any it might have upon mandatory state bars around the United States. Well as we know now, twelve months later, it has had an effect because the - on December the 3, 2018, the Supreme Court reversed and remanded - deflect decision back to the 8th Circuit with instructions to rehear the case which will be done tomorrow in light of the *Janice* decision. So we're faced with the challenges not only here but all around the United States with regard to mandatory bars as to what the future may look like. And as I said back in January, we can't sit on our hands and hope that this takes care of itself. We've obviously got to be proactive. And we've got to look at what the bar, all the bars futures are going to look like within the next two to three years. Those challenges include examining mandatory bar membership and examining the structure of our own State Bar of Texas. So that's been the situation for the last 12 months. It's something that's going to challenge President elect Sorrels when he takes over and after him President (unintelligible). And I look forward to working with all of our directors and officers with regard to the betterment of the state bar. That's the general outlook or history that we've seen within the last year. And I want to now switch to - this is not a item that requires an executive session. But I want to discuss with you the general counsel evaluation that has taken place by our evaluation committee within the last couple of months. Under our policy, the general counsel is evaluating once every fiscal year. And the executive committee delegates that task to the evaluation subcommittee. I'm pleased to report that the subcommittee has completed its review. The review included a survey covering the General Counsel's performance of tasks and duties in accordance with the engagement agreement, availability and responsiveness to the board officers executive director and bar legal counsel, representation, advisement and performance of any additional task and duties as assigned and overall performance. The subcommittee unanimously agreed that his performance was satisfactory on all counts. So I want to thank Ross Fisher, our General Counsel, for his great work for the board this year. And we look forward to continuing our work with you in the in the year ahead.

: (APPLAUSE)

JOE LONGLEY: Now at this point we do need to go into executive session. So at...

LAURA GIBSON: 2:11.

JOE LONGLEY: ...2:11 p.m. we're going to request that the room be cleared with all personnel - Oh. I'm sorry. Go ahead - didn't mean to take that over.

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LAURA GIBSON: It's 2:11 p.m. And the state bar board of directors will now recess the open meeting and reconvene in closed session pursuant to Texas government code Section 551.074 for the purpose of discussing the evaluation duties and compensation of the executive director. With the exception of board liaisons and section representatives, all other individuals including incoming directors, nonessential staff and other guests need to excuse themselves for the closed session. And the open session of the board of directors meeting will now reconvene. During the closed session, only matters relating to the evaluation, duties and compensation of the executive director were discussed. I'll ask President Longley to resume his presentation

JOE LONGLEY: Thank you, Madam Chair. Based upon our discussions, I have a motion to make on behalf of the executive director evaluation subcommittee. I move approval of the recommendation for Trey Appel to receive a \$15,000 one-time lump sum merit payment effective June 1, 2019.

LAURA GIBSON: We have a motion to give Trey Apffel, our executive director, a one-time lump sum bonus of \$15,000. Do I have a second?

UNIDENTIFIED CROWD: Second.

LAURA GIBSON: Director Chandler seconded. Any discussion? All those in favor, signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: Any opposed, signify by saying nay. The motion carries.

JOE LONGLEY: Madam Chair, that concludes the president's report.

LAURA GIBSON: Thank you very much, President Longley. I'll now call on the - Tom Vick for the report from - excuse me - Randy Sorrels for the report from the president-elect.

RANDALL SORRELS: They're going to make you president-elect again, Tom.

TOM VICK: That's all right.

RANDALL SORRELS: (Laughter).

LAURA GIBSON: No do-over.

RANDALL SORRELS: OK. So on your agenda, there's a few things to discuss. The first is a general report, and I - here, I might tell you all the different places I visited over the last few months, and it's been a lot. But let me just tell you last week what happened and why. There's a great program for you to go to your districts and constituents. And I just gave the 30 Member Benefits In 30 Short Minutes program to TTLA last week. Five people emailed me and said, I did not know the State Bar of Texas did all these things for the lawyers, so thanks for educating me. There is a program in a can for you to give to your constituents that's easy to give. It's a PowerPoint. The staff tells you what you say for each PowerPoint, and people are amazed at everything that we're doing, so I encourage you to do that in your district. All right, so on - back onto the agenda. The State Bar budget was presented to the Supreme Court of Texas on May 13th. We're waiting on the signed order from the Supreme Court. We anticipate the Supreme Court will get to it sometime this week or next week, and it will be signed. The Courthouse Access Badge Task

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Force update - you know, you have to celebrate successes, and then you have to identify things that just didn't go well, and I'm going to do that now. There was two parts to the access badge. One part was the legislative effort, and that's a good start. It's off to a good start. We had a number of representatives sign on to the bill. It got out of committee. It got stalled in calendars. There are people who are against this access badge. They had their own reasons, but I think working with them over the next couple of years till the next session - hopefully, we can bring that up to a point where we can get a vote on the floor on the House and the Senate and get it signed by the governor. Larry has made this a big part of his campaign, I think guessing that it wasn't going to be done the first time, and I appreciate his support. I'll talk to any one of you about the issues or concerns, but we've got a really good program in place. The task force, that didn't go as well because the task force met. They came up with a plan to maybe go to a local bar and start in one particular region. And what we found was there was inflexibility on different counties because, for example, Fort Bend County did not believe that Harris County could properly do a background check and didn't want to trust their badge. And so we're going to meet resistance with that around counties, and there may be another effort, but I would say that was not a success. That task force did the work but didn't have a successful outcome. That's just the way it is sometimes, but it doesn't mean we should give up on this particular project. The social media engagement team - it's on tab 3 of your agenda, and I'm telling you a little bit about it. There's a lot of misinformation that's sometimes out there in social media, and so my plan was to create a social media engagement team to respond and post on Facebook and other discussion groups and other online platforms for Texas lawyers to discuss substantive legal or practice management issues. The idea is to identify issues that the State Bar needs to know about - and there are, from time to time, State Bar issues - to identify misinformation and to work with the staff to get proper information response to that. So we have - I've appointed a number of directors. And I saw Andrew Turlington in here earlier. He may have left, but I want to maybe even add some non-directors who are active on social media. If you believe you're active on social media or want to get active on social media and could be part of this, we want to grow this engagement team because Facebook does not show me everything it shows you. It decides what they want you to see and what they want me to see, so we need a pretty big engagement team out there to identify issues. So at this time, under tab 3, I move to approve those board members nominated to serve as a 2019-2020 social media engagement team.

LAURA GIBSON: President-elect Sorrels has moved to approve - made a motion to approve the eight persons identified in tab 3 on the social engagement team. Do I have a second?

UNIDENTIFIED SPEAKER #1: Second.

LAURA GIBSON: Carmen - Director Roe. I have second from Director Roe. Any discussion? All those in favor, signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: Any opposed, signify by saying nay.

UNIDENTIFIED SPEAKER #2: Actually, you're breaking the rules on having committees, so I'm not sure if they can actually second it.

UNIDENTIFIED SPEAKER #3: It's not a committee.

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LAURA GIBSON: It's not a committee. Under Robert's Rules of Order, she is authorized to second that motion. Any opposed, signify by saying nay. All right. The motion carries.

RANDALL SORRELS: OK. The next thing is we're going to consider, discuss and, hopefully, approve the continued authority the ad hoc submission committee and litigation subcommittee to make decisions regarding the McDonald vs. Longley and each one of you all case as needed. And so just so you all know, we approved in the McDonald case a small group of people who could respond quickly and consider issues quickly and created this ad hoc subcommittee - and the ad hoc sub commission or submission committee, litigation subcommittee was that group. They've been monitoring and making decisions. So before we start - as we start a new year, I move that the board reaffirm the authority of this group to make decisions regarding the McDonald vs. Longley and related matters as needed.

LAURA GIBSON: President-elect Sorrels has made a motion to reaffirm the ad hoc submission committee and litigation subcommittee authority to monitor the litigation pending. Is there a second? Second. Director, clap. Any discussion? Yes. Director Foerster.

JARROD FOERSTER: (Unintelligible).

LAURA GIBSON: Yes, we can.

RANDY SORRELS: Sure. Raise your hand...

: (LAUGHTER).

RANDY SORRELS: ...If you're on the committee and I can identify you by name. Laura, Christy, Rudy, Matthew...

LAURA GIBSON: And it will be whoever is appointed tomorrow...

RANDY SORRELS: Joe...

LAURA GIBSON: ...As the litigation chair of the litigation portion of the administration committee.

UNIDENTIFIED PERSON #1: (Unintelligible).

RANDY SORRELS: Joe (unintelligible).

LAURA GIBSON: Yes, the people - if you're a third-year director and are on that committee, you will be replaced by the person who's now fulfilling the same role you held on this board.

RANDY SORRELS: And if you're one of those names, we probably could get them...

UNIDENTIFIED PERSON #2: (Unintelligible).

RANDY SORRELS: OK.

LAURA GIBSON: Any further discussion about the motion? And Director Kelly.

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NEIL KELLY : (Unintelligible).

LAURA GIBSON: It monitors.

NEIL KELLY : (Unintelligible).

LAURA GIBSON: I believe it's created by the the terms of the policy manual. So the policy manual set forth what the committee can do. The motion is to reaffirm that committee's authority to continue to monitor and make decisions and report to the board about the pending litigation. Any further discussion? All those in favor signify by saying I.

UNIDENTIFIED AUDIENCE: I.

LAURA GIBSON: Any oppose signify by saying nay. The motion carries.

RANDY SORRELS: And the last thing to consider is a workgroup on attorney succession planning. As you know, this has become, and Greg was recognized a little bit for this, an important part of the future of the State Bar on attorney succession planning, the issues that face those and the resources that we're going to put together on behalf of those who want to go into the actual planning mode. So in other words when lawyers become incapacitated, they die. They are colleagues, staff, friends and family who are often left with no understanding of what to do with all these files. There's no direction for them. There's ethical issues that arise. Clients aren't protected. In summary, it becomes a mess. So our aim this year to ease that burden. The insurance member benefits subcommittee has been working on succession planning resources. And our chair Laura Gibson has made this a significant effort and priority. So what I would like to do is see this work continue under the leadership of Laura and Greg. We've asked to continue in this group. And he's done significant work. And so I make a motion that we create as a board a succession planning workgroup to be chaired by Chairman Gibson and Greg Sampson to develop resources and make recommendations to the board for implementation. There is a physical impact note and roster of members in your materials.

LAURA GIBSON: There's been a motion made to approve the creation of a working group to deal with succession planning. Do I have a second? Director Wester seconded it. Any discussion? All those in favor signify by saying I.

UNIDENTIFIED AUDIENCE: I.

LAURA GIBSON: Any oppose signify by saying nay. The motion passes. And let me go back to the ad hoc submission committee and litigation subcommittee. For our record, the persons who will be part of that committee - So congratulations if I call your name - are James Wester, Rob Crain, Alistair Dawson, Wendy-Adele Humphre, Neil Kelly, Rebekah Brooker, Adam Schramek, Michael Hurst and Steve Naylor.

RANDY SORRELS: And that concludes my report.

LAURA GIBSON: Now, I'll call on immediate past president Tom Vick to make his report.

TOM VICK: Thank you so much, Madam Chair. I'll be brief. And the purpose of my remarks are just this. I don't remember much about what happened a year ago.

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: (LAUGHTER).

TOM VICK: I left here on Saturday and was put in the hospital on Monday and was in ICU for five days intubated, intubated and almost died. But now I'm back.

: (LAUGHTER).

TOM VICK: I've been rehabbing and using a cane. And I've thought recently that instead of trying to get rid of the cane that I'm going to get a top hat and a monocle and start, stop wearing pants and just be Mr. Peanut that'd so much easier.

: (LAUGHTER).

LAURA GIBSON: A tall Mr. Peanut.

TOM VICK: Yeah. We had - I was going to introduce and thank all the third-year directors, but Madam Chair has done that. I wanted to thank you guys and all of our public members who don't have to do this but you do for the better of our profession. We had an interesting three-year run. We installed a new executive director, a new board counsel. We went through Hurricane Harvey. We went through the lawyers at the airports. We started the program with the kids seeking asylum. And we did all of that and you did it as tremendous servant leaders. During that time we also did a significant rewrite of the policy manual and all of our election rules. After Joe was elected, he and I were at lunch. And we were driving back. And we drove past the state cemetery. And he said, you know, Tom, since we were elected by a statewide election, we're eligible to be buried in that cemetery. And I thought more times than one it could be sooner than later, Joe.

: (LAUGHTER).

TOM VICK: But we've worked well. And you've done a tremendous job. I would keep - I would encourage you guys and the incoming directors to keep your eye on the mission statement. And if you'll always followed that mission and if you'll always think about what's best for the public, for the law and for the lawyers of Texas, it would be a tremendous state bar and you'll do a great job. Thank you very much.

: (APPLAUSE).

LAURA GIBSON: That takes us to item 13A, the nominations and elections subcommittee. And I gather by the fact that Tom has seated himself that Rehan Alimohamma is going to give that report.

REHAN ALIMOHAMMA: Thank you, Madam Chair. The election season is over for the State Bar of Texas as Tom will say thank God. Larry McDougal of Richmond was elected president elect of the state bar after defeating Cezy Collins of El Paso. I want to congratulate Larry on his election as president elect.

: (APPLAUSE).

REHAN ALIMOHAMMA: And I also want to thank Cezy he for her efforts in running as a candidate for president elect.

: (APPLAUSE).

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REHAN ALIMOHAMMA: We had good participation in the election for a small city year. We had 24,758 people vote, which is a return rate of about 24 percent. Since 2000, the average percentage for small city election has been 24 percent. Of the people who voted, there were 71 percent who voted online and 29 percent voted by paper ballot. In this election cycle, there are 10 new district directors that were elected in your packet tap four are the names of the newly elected board members. Make sure you welcome them, haze them, you know, whatever you need to do. We're excited to have you. This concludes my report. And I want to thank everybody who served on this committee as well as my friend Tom Vick. Thank you.

: (APPLAUSE).

LAURA GIBSON: Thank you very much. That takes us to item 13B. And I'll call on Director Estrella Escobar for her report on behalf of the policy manual subcommittee.

ESTRELLA ESCOBAR : Thank you, Madam Chair. First, I'd like to take a moment to thank you and President Longley for those wonderful recognitions. I'm very moved. For those of you that don't know me well, my field is in higher education. And when I got appointed to this board, I was excited to learn and to do some work in a field other than my own. But what I have found after three years is that what I cherish most is the memories we made over the three years and the friendships I have made with many of you if not all of you and not only directors but with the staff leadership. So I encourage, first-year directors don't miss the dinners, don't miss the lobby conversations because that's what you will cherish the most. So thank you very much for the recognition. With that, I'd like to say that this year the policy manual has done work on a lot of items and many items that could have gone south very quickly, some very controversial items, tense moments, very completely on different opposite sides from very strong personalities on issues. And with that, I'd like to recognize the members of the committee because if it had not been for their dedication and professionalism a lot of these things would have not come to fruition to present to you as a board. So if you could remain standing, incoming chair Jerry Alexander, Alison Colvin, Leslie Dippel, Shelby Jean, Neil Kelly, President Joe Longley, Rudy Metayer, Dinesh Singhal and although not members participated and not all our committee meetings and calls President elect Randy Sorrels and Board Chair Laura Gibson. Thank you for all the work you did this year.

: (APPLAUSE).

ESTRELLA ESCOBAR : And finally just one last thing to the exceptional staff team that supported us John Sirman, Don Jones, Ross Fischer, Trey Apffel, and, of course, a special shout out to Chelsea and Jennifer who kept all of our paperwork organized. We - I don't know what we would have done without them. So while my goal was to have no reported, this meeting we have five items for action today, so I utterly failed. Four of the proposals are behind tab five of your board materials. And since you had those with plenty of lead time, we're going to do those together. And one we're going to separate because it was provided to you as a handout, supplement to your board materials. The plan is to summarize the items that were included in your materials and then we can have discussion, if you'd like, and then do the other ones separate. The first proposal would provide for a new award, the James E. Brill Award, for excellence in succession planning. As we have talked about in previous meetings, and as Randi said in his report, the state bar has started an effort to increase the number of succession planning resources available to attorneys. As part of this effort, Chair Laura Gibson suggested that the board create an award to recognize outstanding efforts in succession planning. The proposal before you would create a new award to be given as warranted to an attorney, individual or organization who has made

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outstanding contributions toward succession planning. The award's namesake, Jimmy Brill, is a pioneer in this area. The proposed policy provides that any state bar or board member can recommend award nominees to the insurance member benefits subcommittee, which will then make a recommendation to the board. If you approve the creation of the award now, the committee is prepared to recommend an awardee. Committee chair, Greg Sampson, will cover this in his report later in this meeting. The second proposal in your backup is a revision to a section of the policy manual, which would require all board members to be issued a state bar e-mail account. I'd like to give a shout out to Director Metayer because he's been talking about this for years. And it also was a recommendation of the audit. For the duration of the tenure of the board, which they might use for state bar business. Board members would have the option of one, use the account to send and receive messages or to CC or BBC or forward to the account. So if you're like me, and you're used to using your own e-mail and you don't want to use a separate e-mail for this and separate - all you have to do is copy. Copy it, forward to it or BBC it so that it's easy when we get open-records requests to gather those materials. The third proposal involves revisions to the policy manual regarding submitting and publishing annual meeting resolutions. This item was brought to us by Director Singhal. And the proposed revisions would modernize the process for submitting and publishing resolutions which are proposed by bar members, reviewed by resolutions committee and, if approved, voted on by the board's general assembly at the annual meeting. The revisions require that a summary of the annual meeting resolutions policy and procedure be published in the federal - in the February bar journal. If a proposed resolution is timely submitted, notice of the fact will be published in the May issue of the bar journal, along with a link to the online posting of the resolution. Basically, what this says is, right now they get published. And as director Singhal often mentioned, when a lot of people read them and think that's it's a done deal, just because it's in the bar journal. What this would do is it would put it - it would lead you to the website where you could read it there before the vote. The fourth policy manual proposal is concerning international travel by state bar entities and volunteers on state bar business with an accompanying acknowledgement in waiver form. Under this proposed policy, if a state volunteer or group of volunteers wish to travel internationally on state bar business, they must first consult the travel advisory destinations on the U.S. Department website. Those levels are 1, 2, 3 and 4. Our recommendation is that for level 4, we do not allow travel of anybody on behalf of the state bar. And for level 1 through - and 3, we would require each traveler to sign and submit an executive - to the executive director an acknowledgement of waiver form, also included in your materials behind tab 5. And this is necessary - we've talked about this before - because we've had committees recently asking for permission of the full board to travel into Juarez. We had a section go to Mexico City. I believe to Canada, as well. And so this is becoming much more common. And this would set forth in the policy manual the guidelines that would have to follow. And I think those are the four that we want to put together. As chair of the policy manual subcommittee, I move that the board approve the proposed revisions to the policy manual regarding the James E. Brill Award, the Texas Bar email accounts for directors, the annual meeting resolution process, and international travel, as set forth in tab five of your materials.

LAURA GIBSON: The motion coming from a committee needs no second. Any discussion? All those in favor, signify by saying aye.

AUDIENCE: Aye.

LAURA GIBSON: Any opposed, signify by saying nay. The motion carries.

ESTRELLA ESCOBAR : Thank you. It would look really bad for getting those recognitions if there was this controversy. (LAUGHTER)

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ESTRELLA ESCOBAR : All right. The fifth proposal - the only reason we're doing it separate is because you didn't have time to review it and the portal, with all the other materials. But not for anything other than the fifth proposal is a new section, 1.25, concerning the disqualification of a board member who is an adverse party, should you - you should have received a copy at your - where you're sitting. Does everybody - has everybody seen it? Yes. OK. Chair Laura Gibson requests the creation of this policy and the subcommittee enlisted the assistant of our general counsel, Ross Fisher, in researching and drafting this provision. I do want to say - and I want you to know because this is a different type of resolution - I mean of item - that there was extensive discussion on the site. Ross did a lot of research on it, we talked about it, Chair Gibson had a version that she wanted, we had people that didn't want it at all. And what you have in front of you is a consensus. The vote was 4-3 at the committee, but is a consensus that our general counsel feels comfortable with. There is nothing currently in the policy manual that addresses this, so this language is language that the general counsel - and he can talk about it further, if you'd like - that he feels comfortable would be a first step in having in our policy manual regarding this matter. In summary, this section prohibits a board member who is an adverse party from participating in any discussion on a matter in which the director's interests are adverse to the bar. A director with adverse interests may not attend any non-public session, including an executive session during which the matter in which they are an adverse party is discussed. Adverse party means a party whose interests are opposed to the State Bar in a legal action. The proposed section also provides that if a board member who is an adverse party requests state board documents relating to the matter, he or she is not seeking the document in his or her official capacity. As chair of the policy manual subcommittee, I move that the board adopt the proposed revision to the policy manual regarding disqualification from participation as set forth in the handout supplement to tab 5 to your materials.

LAURA GIBSON: The motion coming from a committee needs no second. Before I open it up for discussion, I wanted to let you know that this one-page handout should be at your seating place. It has - it's titled "Disqualification From Participation," and it's basically one long - one medium paragraph and one sentence. So let me now open it up for discussion. Director Singhal.

DINESH SINGHAL: Madam Chair, I believe we may have to go in the closed session, since I would like to have this discussion with the aid of our general counsel regarding this - the information we've received in that package today.

LAURA GIBSON: OK. It is now 2:50 p.m., and the State Bar Board of Directors now recesses the open meeting and reconvenes in closed session pursuant to Texas Government Code Section 551.074 for the purpose of discussing legal advice given to the board by our general counsel and other legal authority regarding the disqualification policy that's pending before the board. With the exception of board liaisons and section representatives, all other individuals, including incoming directors, non-essential staff, and other guests, please need to excuse themselves from the closed session. It's now 3:13, and the open session of the board of directors will now reconvene. Only matters regarding legal advice concerning the policy being contemplated by the board are discussed. Are there any further discussion points on this motion that do not require disclosure of attorney-client privileged information? Yes.

DAVID KENT: Yes.

LAURA GIBSON: Director Kent.

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DAVID KENT: David Kent. The question is, exactly what is the motion? Are we moving to approve this or moving to study it further?

LAURA GIBSON: The motion has been to approve the policy on disqualification from participation that's on your desk. The two paragraphs, one medium paragraph and the small, one-sentence paragraph, that's the motion. Any further discussion? All right. All those in favor of passing the motion signify by saying...

JOE LONGLEY: Point of order. I ask for a roll call vote.

LAURA GIBSON: There's been a request for roll call vote. Mr. Executive Director, could you please do a roll call?

TREY APFFEL: Mr. Alexander.

JERRY ALEXANDER: Aye.

TREY APFFEL: Mr. Allison.

JEFFREY ALLISON: Aye.

TREY APFFEL: Miss Amuny.

CHRISTY AMUNY: Aye.

TREY APFFEL: Mr. Chandler. Miss Colvin.

ALISON COLVIN: Aye.

TREY APFFEL: Mr. Cook.

DEREK COOK: Aye.

TREY APFFEL: Mr. Crain.

ROBERT CRAIN: Aye.

TREY APFFEL: Mr. Dawson.

ALISTAIR DAWSON: Aye.

TREY APFFEL: Miss Dippel.

LESLIE DIPPEL: Aye.

TREY APFFEL: Mr. Dokupil.

MICHAEL DOKUPIL: Nay.

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TREY APFFEL: Miss Escobar.

ESTRELLA ESCOBAR: Aye.

TREY APFFEL: Mr. Flores.

VICTOR FLORES: Aye.

TREY APFFEL: Mr. Foerster.

JARROD FOERSTER: No.

TREY APFFEL: Miss Gibson.

LAURA GIBSON: I vote only in the event of a tie.

TREY APFFEL: Mr. Ginn.

CHARLIE GINN: No.

TREY APFFEL: Miss Goldsberry.

SHARI GOLDSBERRY: Aye.

TREY APFFEL: Mr. Gravely.

MARC GRAVELY: Nay.

TREY APFFEL: Mr. Harris.

AUGUST HARRIS: Aye.

TREY APFFEL: Miss Hernandez.

ANGELICA HERNANDEZ: Aye.

TREY APFFEL: Miss Humphrey.

WENDY-ADELE HUMPHREY: Nay.

TREY APFFEL: Miss Keithley.

SARAH CLOWER KEATHLEY: Aye.

TREY APFFEL: Mr. Kelly.

NEIL KELLY: No.

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TREY APFFEL: Mr. Kent.

DAVID KENT: No.

TREY APFFEL: Mr. Longley.

JOE LONGLEY: No.

TREY APFFEL: Mr. Lopez.

ALDO LOPEZ: Aye.

TREY APFFEL: Mr. McKnight.

ROBERT MCKNIGHT: Aye.

TREY APFFEL: Mr. Metayer.

RUDOLPH METAYER: Aye.

TREY APFFEL: Mr. Naylor.

STEPHEN NAYLOR: Aye.

TREY APFFEL: Mr. Oddo.

CHRISTOPHER ODDO: Aye.

TREY APFFEL: Miss Peace.

AMIE PEACE: Aye.

TREY APFFEL: Miss Pretorius.

SALLY PRETORIUS: Aye.

TREY APFFEL: Mr. Pritchard.

CURTIS PRITCHARD: Aye.

TREY APFFEL: Miss Rhodes.

BAILI RHODES: Aye.

TREY APFFEL: Mr. Richardson.

BERT RICHARDSON: Aye.

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TREY APFFEL: Mr. Rodriguez.

XAVIER RODRIGUEZ: Yes.

TREY APFFEL: Miss Roe.

CARMEN ROE: Aye.

TREY APFFEL: Mr. Sampson.

GREGORY SAMPSON: Aye.

TREY APFFEL: Mr. Sims.

ALAN SIMS: Aye.

TREY APFFEL: Mr. Singhal.

DINESH SINGHAL: No.

TREY APFFEL: Mr. Sorrels.

RANDALL SORRELS: Aye.

TREY APFFEL: Mr. Vick.

THOMAS VICK: Aye.

TREY APFFEL: Miss Voyles.

NICOLE VOYLES: Aye.

TREY APFFEL: Mr. Weber.

BRADLEY WEBER: Aye.

TREY APFFEL: Miss Welborn. Mr. Wester.

JAMES WESTER: Aye.

TREY APFFEL: Mr. Woo.

JAMES WOO: Aye.

LAURA GIBSON: The motion carries.

ESTRELLA ESCOBAR : I have no other items, madam chair. Thank you.

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LAURA GIBSON: Thank you to the policy manual subcommittee for all of their hard work. You can tell they worked very diligently this year, considered some tough issues. We appreciate your hard work. Now we're on item 14 on our agenda, the report on the commission for lawyer discipline. Seana Willing, will you please come forward?

SEANA WILLING: Good afternoon, and thank you for your patience today. I'm going to give the report of the Commission for Lawyer Discipline. I'm Seana Willing. I'm the chief disciplinary counsel. Friday, I will be in that position for 100 days, and what have I done in my first hundred days? I managed to get sued. (LAUGHTER)

SEANA WILLING: So...

LAURA GIBSON: Welcome to the party.

SEANA WILLING: Yeah, thanks. Thanks for that (laughter). But there - small consolation, I'm in excellent company. So the last year has been a year of great change, transition, but a lot of forward momentum. As you know, Linda Acevedo, the chief disciplinary counsel for 10 years, retired. Laura Popps, the deputy counsel for administration, retired at pretty much the same time, leaving a void that needed to be filled. Fortunately, the Commission for Lawyer Discipline and the State Bar Board of Directors selected me, and I appreciate it. I'm really enjoying the position. The deputy counsel position was quickly filled by Royce Lemoine. He and I had worked together for eight years at the judicial conduct commission, and I knew he was the right person for the job. And he started in mid-April and has hit the ground running, and so we've not - as I said, we've not lost any momentum going forward in these last three months. Other changes - you know, we had Sunset. Two years ago, the Supreme Court promulgated rules for some of those changes that went into effect last June. Included in that was bringing back investigatory hearings, and those started in earnest after the rules passed in June, with San Antonio kind of leading the way. But all of our regional offices last year ended up having almost 220 investigatory hearings. And then we've trained the new grievance panel members last month and this month, and so they're prepared going forward because there will be more of these. They've been very successful. We also started, through the Sunset recommendations, discretionary referrals to CAAP, the Client-Attorney Assistance Program, which has also proven to be really successful to get cases early on in the process during classification referred to that group so that they can try to work out some of the differences - perhaps, you know, a failure to communicate or not returning a file or a fee dispute. They were able - of the 292 referrals last year, 65% were successfully resolved. As far as discipline, we've had the highest number of disciplinary actions in the last five years. Disbarments, we had 14. Resignations in lieu of discipline, we had 17. A hundred and fifty-two suspensions, 32 public reprimands, a hundred and twenty-four private reprimands and 75 cases resolved through the grievance referral program - in total, almost 590 complaints were resolved through 414 sanctions. Attorney fees - a banner year for us in terms of collection of attorney fees - over \$430,000 in attorney fees last year. That's a hundred and twenty-two thousand more than what we had projected. Last but not least, I wish some of my commission members were here today because I would like to take a moment and ask you to join me in recognizing three of our outgoing members who served with distinction these last six years of their term. John Neil served as both chair and vice chair during his six years. Bruce Ashworth is our current vice chair, and he's finishing up a six-year term. And then our public member Vance Goss is finishing up his sixth year. And if you all would just join me - even though they're not here, I'll tell them all about it tomorrow - in thanking them for their service. (APPLAUSE)

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SEANA WILLING: And that is it for me. Thank you. (APPLAUSE)

SEANA WILLING: Thank you very much. That brings us to item 15 on our agenda, and I'll recognize Director Jarrod Foerster to give the report on the Audit and Finance Committee.

JARROD FOERSTER: Thank you, madam chair. The materials we're going to be reviewing today are found behind tab 7 in your board packet. This slide represents the financial operating results of the State Bar's general fund, which is our primary operating account. As of April 30th, the general fund actual net revenues over expenditures, transfers and board commitments totaled approximately \$2.4 million. As of this time last year, the general fund had a net increase of \$618,000, so very good to the positive there. The operating results indicate a strong and steady growth, both revenues and expenses. We will break down the revenues and expenditures further in the following slides and then with a comparison of our budget. This chart shows revenue's trends of the general fund by department for the current fiscal year to date compared to the prior two fiscal years. The three top revenue-generating departments of the Bar are membership, Texas Bar CLE and MCLE. The financial trends indicate that departments show steady revenue growth and have shown it over the last three years. The revenue growth of the State Bar from last year to this year is primarily due to a steady increase in the number of attorneys paying dues, the steady growth of the use of Texas Bar CLE products as well as an increase in MCLE dues due to an increase in the number of CLE accredited by department. Similar to the previous slide, this chart shows expenditures trends of the general fund by division for the current fiscal year to date compared to the prior two fiscal years. The public protection division shows the highest growth in expenditures due to planned increases in costs as a result of implementing Sunset Advisory Commission recommendations. The board-committed expenditures, which is the last column on the right, varied from year to year since it's spent based on what the prior year's excess funds from operations were. This chart indicates expenditure trends of the general fund remain stable or have had - have controlled growth over the last three years. Lastly, this slide presents a comparison of operating revenues to the approved budget of the general fund for the 11 months ending April 30th, 2019. This comparison shows that revenues are exceeding budget expectations, and expenses are remaining controlled within approved budget parameters during the 11 months of operation this fiscal year. Further details on the general fund and other funds are provided in the financial statements, which are included in the board packet. The Audit and Finance Committee has worked closely with Tracy Jarratt and has developed a dashboard of financial activity. That is also included in your packet for easy reference. This dashboard presents graphical representations of the financial position of the bar compared to prior years. Next is the business expense reimbursement policies and procedures. The board policy manual requires that the executive director to annually submit to the State Bar - annually submit a State Bar business and expense reimbursement policies and procedures for the upcoming fiscal year to the Audit and Finance Committee for approval. A copy of the submitted policies and procedures is included in your packet. It is entitled State Bar of Texas Business Expense Reimbursement Policies and Procedures. These policies apply to State Bar staff, board members, TYLA board members, committee members, task force members, Commission for Lawyer Discipline members and other volunteers. The purpose of this is to be used as a single guide for State Bar-related entities. These policies are designed to provide guidance on reimbursable expenses and to clarify acceptable parameters for various travel-related expenses. They formally document the practice processes of the Bar. Minimal changes were made to the prior year's policy. The Audit and Finance Committee has met and reviewed the proposed policies, and it has approved them for use during the fiscal year 2019-2020. And we recommend that this board approve - well, sorry - internal audit and control - a control and audit plan. The state bar's internal auditors, McConnell and Jones, developed a three-year internal audit plan, which is included in your packet behind tab 7. The internal auditors develop the internal audit plan using a comprehensive risk

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assessment process that complies with the Institute of Internal Auditors' international standards for professional practice of internal auditing. It's a great book. You should read it. According to the audit report, this plan will provide reasonable assurance that the State Bar's highest risk functions have been independently assessed to confirm that adequate controls are in place and are working as intended. In developing this plan, the auditors surveyed the department and division directors, as well as several members of the Audit and Finance Committee, to understand the processes and risks at the State Bar of Texas. The auditors assessed certain risk of doing business, such as financial exposure, compliance exposure, information exposure, efficiency exposure and other relevant risk within the State Bar. The auditors considered the State Bar's objectives and its strategic plan, prior audits when they developed this audit plan. The comprehensive methodology is included on page 20 of the audit plan, which is also part of your packet. The auditors outlined specific objectives, sub-objectives and proposed defined audits, which were selected on the risk assessment results. The audit plan proposes an examination of internal controls, compliance, data security, integrity, various areas within the Bar, including Texas Bar CLE, accounting and finance sections, chief disciplinary council, information technology, MCLE and investment compliance. This plan was presented to the Audit and Finance Committee by Darlene Brown during the April board meeting, and the committee voted to approve the three-year plan in May. On behalf of the Audit and Finance Committee, I make a motion to approve the new three-year internal audit plan.

LAURA GIBSON: Coming from a committee, no second is needed. Any discussion? All those in favor of approving the three-year audit plan, signify by saying aye.

UNKNOWN CROWD: Aye.

LAURA GIBSON: All those opposed, signify by saying no. It carries.

JARROD FOERSTER: State Bar audits - the fiscal year 2018 financial - 2019 financial audit will be conducted by RSM. The financial audit fieldwork is scheduled to begin in two weeks in July with - for six - and six weeks beginning in August at the Texas Law Center. Audit financial statements will be reported to the board at the meeting in January. The fiscal year 2018-2019 - an internal audit will be completed by McConnell and Jones and will be presented at the April 2020 meeting. This concludes my presentation. Thank you.

LAURA GIBSON: Thank you very much. (APPLAUSE)

LAURA GIBSON: We are now at item 16 of our agenda, so I'll call on Director Curtis Pritchard to give his report for the DCAP subcommittee.

CURTIS PRITCHARD: You may recall, in April, the DCAP committee had several motions that were made that were passed by the board that all dealt with giving lawyers additional advice and help on how to deal with clients with diminished capacity, diminished mental capacity. Well, we have a technical problem that we need to fix with another motion today. In those motions that we made then, we incorrectly referred to Rule 1.05G of the Texas Disciplinary Rules of Professional Conduct when we should have referred to Rule 1.02G. Same motion; we just referred to a different rule. And as you'll remember, all of these rules dealt with the mental capacity issue and lawyers dealing with that mental capacity. So in order to make the record straight, we're going to move, and I'm going to move on behalf of the DCAP committee, that we approve the proposed amendments relating to deletion of Rule 1.02G

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and new-proposed Rule 1.16 of the Texas Disciplinary Rules of Professional Misconduct, which correctly states the statutes that we're referring to.

LAURA GIBSON: There's been a motion made to delete Rule 1.02G and replace it with 1.16 of the Texas Disciplinary Rules of Professional Conduct. Coming from a committee, no second is required. Is there any discussion? All those in favor, signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: All those opposed, signify by saying nay. The motion carries. We are now on item 17 of our agenda, and I'll call on Christy Amuny to make a report for the administration committee.

CHRISTY AMUNY: Before we get started, everyone, I have no report... (APPLAUSE)

CHRISTY AMUNY: ...But I know Rodriguez does... (LAUGHTER)

CHRISTY AMUNY: ...For the subcommittee.

FIDEL RODRIGUEZ: (unintelligible) to go before I did.

LAURA GIBSON: Ah, did I do that? Oh, I did. It was at the bottom of the page.

CHRISTY AMUNY: And we also have no report. (LAUGHTER)

LAURA GIBSON: So we're now on item 16B. My apologies to Director Richardson. We're getting the report on the client security fund subcommittee.

LISA RICHARDSON: Well, my report is short. So I can't beat Christy's, but it is short. So the client security fund - we met this morning. We reviewed 21 cases and ended up paying out \$116,080.80, so the total for the 2018-2019 bar year that was - the committee ended up paying out was \$650,146. And with the start of the new bar year, I'm proud to report that the fund currently has \$1.3 million available. And I'd like to thank all the committee members who worked so hard on this committee, Rob Crain, Charlie Ginn, Shelby Jean, David Kent, Brad Weber, Tom Kaiser, Bob McKnight, Chris Oddo and Amie Peace. It's been a pleasure to serve as the chair of this committee this year and on this committee - my term on the board, and thanks again to Jean and Claire who kept us on track.

LAURA GIBSON: Thank you very much, Director Richardson. (APPLAUSE)

LAURA GIBSON: So we'll now go to item 17B, the report from Director Fidel Rodriguez on the performance measures and strategic planning subcommittee.

FIDEL RODRIGUEZ: Good afternoon. The performance measures and strategic planning subcommittee has completed the required biannual update to the State Bar performance measures. You'll find a red line of that version behind tab 9 of your packet. This document represents routine updates to conform the State Bar performance measures with the most recent strategic plan. Each year, performance measures outcomes are published in the Texas Bar Journal and as part of the Bar's annual report. I also want to thank our subcommittee members Wendy Humphrey and Rob Crain for their service on this

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committee for the past year. I move that the board approve the proposed updates to the State Bar of Texas performance measures.

LAURA GIBSON: Coming from a committee, no second is required. Is there any discussion on the motion to approve the Texas performance measures? All those in favor, signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: Any opposed, signify by saying nay. The motion carries. That takes us now to item 18A, and I'll call on Director Greg Samson to report on the insurance member benefits subcommittee.

GREGORY SAMPSON: Thank you, madam chair. So the Texas Bar Private Insurance Exchange - hi. Everybody got a little bigger piece this year. We've been having a lot of activity on our Web site. We'll talk a little bit more about that, but the bottom line, for starters, is that this year, the number of major medical enrollments in the insurance exchange grew by 18% from 9,547 to 11,230. That represents about a 20 percent increase over our target. Also, even better, the number of individuals enrolled in one or more products grew by 13 percent. And that was about a 50 percent increase over our target, which was already a targeted increase. So we have exceeded all of our annual growth projections. The Member Health Plan, a very key component of the insurance exchange. The group major medical purchases did increase also by 60 percent since the launch of this product. This month our insurance exchange provider Member Benefits, Inc. filed the Member Health Plan for permanent certificate with the Department of Insurance. So that is working its way toward a permanent product that we, again, are going to hopefully - after a few hurdles are covered we can maybe start offering this product to our solo attorneys. The non-insurance Member Benefits is also doing extremely well. Revenue through the program exceeded a million dollars for the first time. So congratulations to all of you for helping us do that.

: (APPLAUSE)

GREG SAMPSON: It reached \$1,011,020. This, of course, helps to keep our dues low, which we like to remind our members about. The Vonlane that I think a lot of you are obviously driving - a lot of your constituents, I think, are riding - in just eight months since this was launched as a benefit under our benefits page, a total of 957 trips have been purchased. And a total savings of \$14,830 has been achieved for our members. So that's doing very well. Our web traffic to the benefit program grew by 28 percent and I think this explains all the other numbers I just described to you. There were 46,063 visits to the home page compared to 35,987 last year. Much of this should be credited to Randy and his push to inform our members about what is available. Laura has contributed to the push. All of you, I know, have contributed to the push, the 3030 program. All of this buzz that has been about what's available on the Member Benefits page has drawn people to it. And when they get there, they find out there's something they really need. So we're really delighted to see that progress. The next thing that we addressed at our subcommittee was to move forward with a project that Randy initiated. There's a group that runs the career center called yourmembership.com. They are currently providing career matches for employers and employees, for lawyers seeking and law firms looking to hire. And they are going to add - at our recommendation, they are going to go ahead and add to that a contract attorney posting feature. So that's not going to be any additional cost to us to do that. And they will be able to run that similarly to the way they did the full-time employment. So this will help us ensure that there's an affordable way to connect lawyers looking for work with lawyers who need help in the growing field of contract legal work. So thank you, Randy, for that suggestion. I'm delighted to move forward with

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that. Well, let's talk about succession planning yet again. You've heard about it a few times, as Randy mentioned in conjunction with a work group that you all approved - we appreciate very much you having done that. I'm excited about this work group. It's a really great group of eight stakeholders in this area of wanting to help lawyers - and certainly their law firms and ultimately their families - when there's a sudden cessation of a practice or there's a need to transition the practice in a sudden event. There's an overwhelming need to protect those clients as well because there's little direction or resources sometimes available to them. So an initial step in this process is to address the need for the appointment of a cessation - of practice custodian attorney. And those, if they can be appointed by the attorney who's representing the clients, can avoid the need for an independent court appointment of a custodian attorney. The appointment of court-appointed custodians is actually a very arduous process. It's really bogging down the CDC right now because, as we know, there's an aging population of lawyers. And with the stress of our workload, many more lawyers are experiencing these kinds of sudden cessation events. And this is really overloading the CDC, trying to deal with these situations. If we can get lawyers to name custodians that they think would be able to handle this, we can certainly avoid the need to have a court appoint them and to have them be court supervised. And so this is really the nature of the work group that we're going to be working toward. And I think you've seen some of that in your materials. But I'm very excited about the group we've got to do that. And this, of course, will help mitigate the burden on the courts and protect the interests of our clients in the event of a need for a custodian attorney arises. Currently, the Texas Rules of Disciplinary Procedure, Part 13 provides that court-appointed custodian attorneys have a limitation of liability for acts they take under the TRDP, Part 13 - absent the intentional misconduct or gross negligence, of course. And they are also extended attorney-client privilege as if the custodian attorneys were the attorneys for the clients. They don't become the attorneys for the clients. They simply become these custodian attorneys trying to transition the files to another attorney who can take over and notify the courts and notify the opposing counsel of the cessation of the attorneys practice. So this potential for liability and the lack of attorney-client privilege when they are not court-appointed we think would have a chilling effect on the willingness of attorneys to undertake the role of a custodian attorney outside of the court-monitored process that is allowed by Part 13. So we need volunteers for this. And if we're going to encourage volunteers I think we need to give them a little protection for serving in that role. So we suggest that the board ask the Supreme Court of Texas to extend a liability protection for all attorneys who serve as custodians. You have a handout at your place and I think it's actually the last sheet of paper that you - that greeted you when you got to your seat. There's some handouts there. I think it's the last one. Looks like this. It says state bar resolution. And this resolution asks the court to consider the adoption of a comment to the TRDP, Part 13, extending the rules of limitation of liability to custodian attorneys designated by a client's attorney. The resolution also requests extending the attorney-client privilege to custodian attorneys designated by the client's attorney. So as an action item, as chair of the Insurance Member Benefits Subcommittee, I move that the board approves sending the resolution that you have before you to the Supreme Court of Texas for their consideration.

LAURA GIBSON: The motion has been made to approve the resolution - sending the resolution before you to the Texas Supreme Court coming from a committee that requires no second. Is there any discussion? All those in favor, signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: Any opposed, signify by saying nay. The motion carries.

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GREG SAMPSON: Thank you. Then my final action item is - since you earlier voted to approve the creation of the James E. Brill Award for Excellence in Succession Planning - which I, again, I very much appreciate you having done - we need to move to who is the first recipient of this. When I was a much younger estate planning attorney, I attended some advanced probate seminars. And a gentleman named Jimmy Brill, to whom this award honors, spoke about the dangers of having wills in vaults and not having good file retention policies and the problems of not naming lawyers to succeed to your practice or to have custodians who take over for your practice. This is something he's been thumping about, I'm saying, at least two decades. He used to scare the heck out of me when he would talk about it. And so - and I know a lot of other lawyers - in my area, at least - with respect to wills were very concerned about this. And he really created this movement toward what we are talking about today. So Jimmy Brill I think would certainly be the best recipient and that is what the subcommittee is recommending. So I move to have the James E. Brill Award first awarded to its namesake, James E. Brill.

LAURA GIBSON: I can personally speak that he's been on this passion for 29 years because he helped my stepmother and I close my father's practice when he died. Coming from a committee, it requires no second, the motion's been made to award the James E. Brill Award for Outstanding Planning - For Succession Planning to Jimmy Brill. Is there any discussion? All those in favor, signify by saying aye.

UNIDENTIFIED CROWD: Aye.

LAURA GIBSON: Any opposed, signify by saying nay. The motion carries.

GREG SAMPSON: Thank you all for that. And then finally - and I'm glad Joe walked back into the room. I also want to thank Joe for the presidential citation. The work that we've been doing - really, a lot of people have been doing - towards this business succession planning, that's now going to continue through the work group, I'm very excited to be a part of. I'm very excited to be working with Laura on that and this wonderful committee that you guys have approved - or, I should say, work group that you all have approved. And as you know - and this is my last time to speak before you as my end of my three-year term. It's a fantastic opportunity to be here. You new members of the board are just going to love this. There were two half-truths told to me when I came to the board. The first was that you will get everything out of this experience that you put into it - wrong. You'll get a lot more than you put into it, that's for sure. And the other thing is that they said you'll have some of the best relationships or meet some of the best people that you'll ever meet in your life in the board experience. And that was a half-truth in the sense that, these are not only the best people but - y'all are not just the best people but y'all are the best lawyers, the sharpest folks. And it's just a true pleasure to work with y'all for three years and looking forward to seeing what y'all are going to do in the future. Having said that, I do also want to thank all the people that really helped with this. So this subcommittee that we're talking about is the most extensive state bar benefit program in the nation. It has a one-person department at the state bar, you may or may not know this. Is Cory here? Can you stand, Cory Squires, if you're here? There he is. Everybody take a look at Cory. Cory is the man.

: (APPLAUSE)

GREG SAMPSON: Thank you, Cory. He negotiates these deals. He's amazing. And there was no way we could have accomplished as much as we have. And there's so much more to be accomplished and it certainly will be at the great hand of Cory Squires. But thanks to the way our board - our bar is structured and managed, there's an extensive level of support, as we all know, having done lots of work on various committees in our time here - lots of support from the staff and the board members that

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make it possible. The particular people you see in front of you now on the screen - the bottom three - Mr. Lopez, Ms. Dipple and Ms. Goldsberry - those are the members of the subcommittee. Everybody did a great job there. The top row there are people who are - have been involved in the committee, of course, as well. And all of them contributed a great deal to our success. But on the next slide I wanted to share - these are the people that are behind the scenes, that are doing so much in support of us and Cory. You can probably recognize a lot of those faces. And interestingly, I'll mention that Trey Apffel is in the background. You know, I see Trey in the background of a lot of things...

: (LAUGHTER)

GREG SAMPSON: ...But he's there. And he's - and what he said earlier, I think, is so true. You know, he learns to trust people and to motivate them to get the job done. And he does a great job. And this group here is wonderful. There's a few people not pictured here. John Sirman, who you all know very well, has worked really hard with Don Jones on some of the drafts that we've been working on for the succession planning - want to give a shoutout to them. Lowell Brown is not pictured. He, of course, is responsible for a lot of the communications. And we certainly couldn't have achieved the kind of numbers that we achieved this year without Lowell and all of his support staff and so many others - I won't take any more time doing them. But I am going to do this. Cory, I'm going to give you my presidential citation. I want you to have everybody sign it...

: (LAUGHTER)

GREG SAMPSON: ...Because that's who deserves it. And I want to have a remembrance of that. And thank you all very much. Appreciate it.

: (APPLAUSE)

LAURA GIBSON: When I told Greg that I was appointing him to the Insurance and Member Benefits Committee he said, I don't know anything about insurance, but I'll try. And, boy, is he all in. Thank you very much, Greg.

: (APPLAUSE)

LAURA GIBSON: That takes us to item 18B - the Appeals Grant Review Committee Director Chris Oddo.

CHRIS ODDO: Thank you, Madam Chair. For my last report of my third year - I saved the longest one for this - there is no report.

: (LAUGHTER)

CHRIS ODDO: I just wanted to say thanks to Ray, as well as the entire bar staff, though. It's been a pleasure working with y'all. Y'all keep the trains on track. And I know you're hearing the same stories over and over again. But it really wouldn't work without your handholding and daily input. With regard to everybody in the room, it's been a pleasure to serve with you. So it's a real honor to be a part of this distinguished organization, so thank you.

: (APPLAUSE)

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LAURA GIBSON: Thank you very much, Chris. I'll call on now Ali Colvin to give a report under item 18C - the New Directors Orientation Subcommittee. I heard they got out early today.

ALISON COLVIN : We did. It was a very efficient meeting. We had the new directors orientation this morning for the new directors, liaisons and section representatives. I want to thank all the committee members and the staff. Jen and Chelsea obviously did a incredible job and made my job super easy. This year we have a dynamic group. We have eight new female directors. And we also have two new at-large directors - one from El Paso and one from Edinburg. And they will all be sworn in tomorrow. So I just ask that you say hi to them, introduce yourself tonight at the dinner and welcome them to the board. Thank you.

: (APPLAUSE)

LAURA GIBSON: Thank you, Ali. And now I'll call on director Sarah Keathley to give the professional development subcommittee report.

SARAH KEATHLEY : Thank you, Madam Chair. I am pleased to report that, as of April the 30th, the TexasBarCLE is 3 percent above our projected net revenue, with strong showings on our online CLE classes, sponsorships and royalties. Expenses are down 4 percent, mainly due to lower than anticipated expenses. The Supreme Court, as I've mentioned previously, has amended the comment to our Disciplinary Rule 1.01 to reflect that remaining proficient and competent in the practice of law includes knowledge of the benefits and risk associated with technology. The TexasBarCLE has put together five online technology CLE bundles at a reduced price that address issues related to this mandate. The - we've talked about Flash CLE already, which is up and running. TexasBarCLE, Texas Bar Books both have upgraded our email marketing system to offer customized opt-in, opt-out provisions, which is working well for our members. New additions to the "Texas Silver Pattern Jury Charges" volumes covering business and oil and gas have been released. And the sales are good. Texas Bar Books has launched the Texas Probate System online, I know we've mentioned that. Very successfully and very popular is the probate essentials tab that allows users to view collections of very basic documents for independent administration of an estate, which is very helpful for practitioners who don't do that particular type of law all the time. We currently have more than 1,900 active online subscribers - and this is an increase of approximately 800 subscribers since the beginning of this fiscal year. We are projected to be \$365,000, or a 50 percent increase in revenue, just from this one endeavor. And finally - I know is important to our newly elected president, McDougal. In order to take price out of the equation of CLE, we continue to promote and fund full and partial scholarships to all of our TexasBarCLE programs. So far we've awarded almost \$252,000 in scholarships. And not only is this for our live, video and online classes, we also have scholarship for our bar books. So with that being said, that concludes my report. So thank you, Madam Chair. I'd like to give a big thanks to the staff Hedy Bower, Sharon Sandle, Pam and Jill - everyone who has helped continue to make TexasBarCLE the best in the nation, if not, the world. And our staff - Wendy Burgower, Alistair Dawson, Stephen Naylor, James Wester and James Woo - thank you all for working so diligently and for this opportunity to serve on this wonderful State Bar of Texas.

: (APPLAUSE)

LAURA GIBSON: Thank you very much, Sarah. Well you may not know is that Sarah participated in the solo small firm CLEs before every board meeting her second and third year and that she and Director Lisa Richardson spearheaded the bar's Disaster-Proof Your Practice CLE in Corpus Christi and Texarkana. So let's give Sarah and Lisa a round of applause.

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: (APPLAUSE)

LAURA GIBSON: We're now at 18E. And I'll call on director Brad Weber to give our report the Technology Oversight Subcommittee.

BRAD WEBER : Good afternoon. This is my last board meeting. So I'm glad I can give you this report on the Technology Oversight Subcommittee. At the January board meeting, I reported that the advertising review project was underway. The ad review department and I.T. staff have completed the testing of the system. On the back side, we are still working on rolling out the online web portal for the system. The new system will streamline the processing of applications for ad reviews submitted by lawyers and will make the process much more streamlined. Also Trey reported earlier that the new Firm Billing portal is up and running. And it has been a huge success this year. We've seen 185 percent increase in firm participation and have collected over \$6 million of fees through the portal. Also the CDC regional office telephone systems have all been replaced and the Texas Board of Legal Specialization office is scheduled for a similar system replacement later this month. Also in terms of technology, the state bar staff desktop computer systems have been completed in Austin, Houston and San Antonio and the Dallas office is scheduled for replacement next week. Also the annual state bar staff training for PCI, HIPAA, privacy and security has been completed. This is an online training program where our staff receives training about privacy and security on different topics, such as handling medical information and credit card information. And then finally, our committee had a telephone meeting in April where we discussed the forecasted technology needs of the state bar for the next three years. And we approved an updated business technology plan. In your packet under tab 11 is an executive summary of the new plan. And if you want to read the entire plan, which is over 50 pages, it's also available on BoardEffect. The new plan calls for improvements to our technology, business systems, e-business opportunities and security and compliance. And that concludes my report unless there are any questions. Thank you.

: (APPLAUSE)

LAURA GIBSON: Thank you very much, Brad. I'll now call on Director Jeff Chandler to do the report on behalf of the Legislative Policy Subcommittee.

JEFF CHANDLER: Two words - no report.

: (APPLAUSE)

LAURA GIBSON: I'll now call on Director Nicole Voyles to do the report for the Affordable Legal Services Subcommittee.

NICOLE VOYLES: I do not have a report.

: (APPLAUSE)

LAURA GIBSON: That takes us to item 20 on your agenda, which is the Section Representatives to the Board Committee report by director Erich Birch.

ERICH BIRCH: Thank you, Madam Chair. I have nothing to report but...

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: (LAUGHTER)

ERICH BIRCH: ...Someone stuck me on the front row here. And I want to have the chance to look at the rest of the board and thank you...

: (LAUGHTER)

ERICH BIRCH: ...Very much for the few years to serve with you all and to do what everyone else has done, which is compliment the staff, which is really pretty amazing. It's been fun.

: (APPLAUSE)

LAURA GIBSON: Thank you, Erich. Well that roll is going to stop because we're on item 21, so buckle your seats for a report from our TYLA president Sally Pretorius, who's going to do her report on the status of the Texas Young Lawyers Association and all of their many projects.

SALLY PRETORIUS: I really should say no report just to keep it going but...

: (LAUGHTER)

SALLY PRETORIUS: Now, what I'm most scared of is that if I don't give a report then Victor is going to start tomorrow, and he's going to outdo me. And then you guys won't remember all the great stuff we did. So I really - it's - you can blame this on Victor, really. So you're welcome, Victor. But our number one - Victor, I have two more days. And I'm excited to hand over the reins to Victor. And if you guys haven't met Britney, I would encourage you guys to meet Britney. She's in the back. She's our new president-elect-elect until on Friday, she becomes our elect. And - so excited about where TYLA is going. Britney is a great candidate. Her and Tim Newman out of Dallas ran a very clean race. And they both represented TYLA so great across the state of Texas. And I think Bailey would chime in and say that they did a great jobs. And she's our nominations chair. And she had minimal - headed minimal intervention with them. So (laughter) they did a great job and we're so proud of both of them. So I'm going to try to go through this as quickly as I possibly can, but I do - don't want Victor to updo me in about two days. So I'm going to run through everything we've accomplished. Like I said at the last meeting, this year - I know Tom's talked about this, and it wasn't the year that we all planned, for especially in TYLA. But it was the year we got and I could not be more thankful that it was the year I got. Looking back on it, I think that I was probably in one of the most amazing seats as TYLA president in our history, in order to see past leaders just come and really rally behind TYLA. And all of our support that we received - I got to meet TYLA presidents from, you know, 20, 30 years ago. And they all came forward and said, whatever we needed, that they would rally behind us. And it was so touching to sit back there at that last board meeting and have all of them come and really stand behind us. And I know the fight is not over, but I feel confident that we're going to - we're going to make it through. So thank you guys all here for your support. I know, without all of y'all's support, this would've been a lot harder of a year. And I'm so thankful. And I think that everybody on our board is thankful for everybody's support in this room and just the members across the State Bar of Texas. It's been a really fun year. And I've learned a lot of things that I didn't think that I would learn, but I've learned them, including responding to an A.G. report, which - never thought I would ever have to respond to one of those in my life. But it's been done. So what we've done this year - competitions. We've had three successful competitions. One of them is the Paper Chase, which is a combination or partnership with Baylor Law School. We host a brief writing competition. And that was successful and amazing. Right now, we have state moot court going on on the second floor, where we

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have all of the Texas teams, which is amazing because we haven't had all of the Texas teams in the past few years, but now we have every single one of our Texas law schools here, competing in a moot court competition. So next year, if you guys want to volunteer 'cause you member, hey I'm here at annual meeting, please feel free to sign up to Judge. National trial competition went off without a glitch. It was amazing. It happened in San Antonio. All of our - this is one of the best committees to be on just because this is one of the committees that involves most of the board not being on the committee. So it's outside to all the members that are on the board - are on the committee. And it's just so great to see all of them give up five days of work and go out there and compete. And we get national recognition for this competition. Our "Shero" podcast, which is a effort to offer mentoring to women across the state of Texas - we had 15 successful episodes. Our most recent one was a wrap up poor Bailey handled because I couldn't bear to get on another plane. It was a combination with M.M. LaFleur - and if you guys know who they are, they're this great women's clothing line. And they sponsored it along with Scott Douglas & McConnico. And we had Maggie Louise as well as one of the partners at Scott Douglas, Kim Bueno, come and talk. And it is been one of our most successful podcasts. And it was when we actually live taped it in front of a live audience. And it was pretty cool. And then LaFleur outfitted the entire panel. And it was just a really fun opportunity to get to partner with a national company on that. And we also partnered with "Changemaker Chats", who is a national female podcast. So that was pretty cool. We had the diversity toolkit, which ran at the beginning of this year. It was extremely successful at local affiliates. And we hope that will continue. We had 42 rollouts across the state of Texas this year of our projects that - we affected 6,500 people through those rollouts. And those are just the recorded rollouts that we know of done by our board members. And I'm extremely proud of them. They really rose to the challenge and made those rollouts awesome. Proud to be an American, which was done in conjunction with the Texas Bar Foundation, is up and running. It is a K through 12 program. If any of you guys are approached by schools or churches, and they want you to come and talk at lawyer day or career day, whatever it is, this is an amazing resource. It is - it was based on Bailey and I, when we went to the valley two years ago. We had our first insight, before the border crisis happened - well, it was a crisis back then, but it didn't have as much publicity - we got to tour the detention sites. And I remember Bailey and I, we shared a room. And we just sat there at night and were, like, I don't know what we can do that's not political to make a difference. And this was the response that we came up with. And it is an amazing program that helps educate K through 12 about their rights and duties as Americans. It also has several immigrants who talk about their story and why they're proud to be an American. So if you watched the very last episode, it kind of makes you tear up. Junior judges - that's on its way to being finalized. It's up and running on our website. We're just working on the rollout guides. Educators tool it was finalized. If you guys have any teachers in your family and they want to know what resources the state bar offers, this is a toolkit that puts all of those together. We created a children's advocacy coloring book. We actually created two - one for the counselors to use, and then one for judges to hand out in case any of the judges are going through, they have any of their children being interviewed by advocacy centers. It helps explain the process of what an advocacy center is in regards to children. Local affiliates - through our bookshelves and courtrooms, we put out 14 bookshelves throughout the state of Texas. Those have all been stopped. Wendy helped us get it going get us some publicity in Lubbock. We have them in Austin, we have them in Houston, we have them in Fort Bend, we have them in Dallas and Collin County. They're all over the place. And I know I can't even - Britney and I can't keep the Dallas ones stocked. So if y'all are in Dallas and have any books and you want to donate them, we're happy to take them. Bar leaders - we revamped that this year, and it was awesome. I hope that Victor keeps the same format, but if you won't, my feelings won't be hurt, Vick, it's fine. Our podcast series - we had 25 podcasts under our young gunners, which is our mentoring of attorneys in general that talks about different practice areas. That was successful. We rolled out a future of legal practice, which is a report that's going to be featured in the Texas Bar Journal next month. And in three different cities, we hosted

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key leaders in each city, and ask them where they thought the future of legal practice - if any of you guys are interested in seeing that report, it's really insightful and talks about where technology is going to play, where the law schools are going to play an effect. And I think it will be really helpful for the State Bar, once its final - in final four format to go out, in guiding some of the projects we create. Compassion fatigue - we had four different rollouts in four different major cities. Our whole TYLA website went up into a complete revamp. Public service in the courtrooms - we created a 4D court guide. We also created a Texas Housing Crisis Guide on a national front. We represented at the ABA Western Summit, where we presented on creating a podcast in a shoestring. And we've attended all of the ABA meetings and made sure that we had a really good presence. Last, but not least, we just approved some revised bylaws that are going to be presented our annual meeting on Friday. And hopefully, those will be approved and our bylaws will be up to date with all of the revisions that we all anticipated. So with that, we are done. Victor, I wish you the best tomorrow. Please don't come up the PowerPoint and make me look bad. But other than that, thank you guys so much. I'm still, as Brehan (ph) calls me, a lame duck for another year. So I'll just kind of sit back there in my seat as the immediate past, so thank you, guys. (APPLAUSE)

LAURA GIBSON: I don't know how you guys do so much and fight off a legal challenge at the same time. We are now on item 22, And I'll call on Texas Supreme Court Justice Debra Lehrmann to give the liaison report for the Texas Supreme Court.

DEBRA LEHRMANN: Thank you so much, Madam Chair. Well, this is a very busy time of the year for us. We're trying to - our goal, as always, is to clear our docket of argued cases by the end of June. So stay tuned on that. We recently appointed a new public member, Mr. Michael Vasquez, who's at the back of the room. He's a nuclear engineer, recently retired from the NRC. So he brings a bright new perspective to the board. So thank you for that. The State Bar budget is on schedule for our consideration and approval for next week's conference agenda. And so we will let you know about that. The legislature passed a number of bills that require us to invoke our rulemaking authority. For example, yesterday we repealed the rules for suspension of attorneys in default of guaranteed student loans in response to Senate Bill 37, which prohibits a licensing authority from suspending a license based upon a person's student loan default. So that was done just yesterday. We approved the format of the Texas law component of the uniform bar exam. And finally, as everyone else has thanked the bar, I want to thank the bar for what you've done, what you're doing. I want to thank all of you volunteers, the staff, Madam Chair, Mr. Apffel, Joe, our president, all of you - And the staff, you're wonderful. And during this time, you're always great, but during the time we're going through right now, I - it's - words can't describe it. Thank you for the - on behalf of the court. Thank you all. (APPLAUSE)

LAURA GIBSON: Thank you very much, Justice Lehrmann. I'll now call on Judge Barbara Hervey to do her report on behalf of the Court of Criminal Appeals.

BARBARA HERVEY: Thank you, Madam Chair. First of all, I want to thank everyone here. It's been a pleasure. I roll off this year, but it's been a wonderful experience. And I particularly want to thank the staff. They are wonderful people. They are always very helpful. Even though we may call them with some ridiculous questions or requests, they're always pleasant. And I really want to thank you. And thank everybody up here. I'm wondering - you have a cane, do you have a derby hat? I mean - oh, OK. Just wondering. My next good message is to embarrass my colleague who will replace me as a liaison from our court. I want all of you to take an opportunity to meet Bert Richardson - Judge Richardson. Bert, stand up so they can see you. OK. (APPLAUSE)

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BARBARA HERVEY: I've known Bert for over 30 years. We worked in the DA's office together. We both make that horrible trip from San Antonio up here to go to work. It's horrible. That's why they made me the co-chair of the mental health commission because I've been driving on I-35 for 18 1/2 years. But Bert is a great guy. He's a really good photographer. He's a great judge. He's a great person. And please take the opportunity to know him. He's a great person, and you're going to be happy to have him helping you here. Burt, I hope I embarrassed you enough, but if you really want to know some stories about Burt, see me at the dinner. We will have the pleasure - the Court of Criminal Appeals will have the pleasure tomorrow to judge the finals of the moot court competition. Every other year, it's a criminal matter, and so we will be doing that. I think eight of the nine of us will be present. We will look forward to doing that. And I want to personally thank the Young Lawyers Association. They work so hard, they make me feel guilty. I mean, these people are incredible, and we should all be very proud of all the efforts that they make. And they make Texas look good, and that's a great thing. So thank all of you. I also want to talk about legislation. Justice Lehrmann talked a little bit about it. We hide. We are not anticipating a good time because every time they're here, and I'll be - I'm glad that now we can find parking, and we can get into restaurants and stuff now that they're gone, but we do not look forward to all the new bills that they will have passed because we'll get some new law that, you know, we'll have to deal with. Fortunately for our court, it doesn't trickle up for a couple years, so we'll see how that goes. And finally, I want to mention the fact that with members of the Supreme Court, I will be attending the National Alliance for Mental Illness in Seattle next week, and we will be representing Texas. The president of that organization is from Texas presently, and so we will have a huge presence. And our commission, our joint commission on mental health, is doing great things. Our court is working on a huge project to put together - right now I think we're at 200 pages of information for everybody that wants it as to what facilities are available across the state to help the mentally ill and intellectually disabled people. So we're looking forward to giving that project to the commission so they can have a giant map, so it will give everybody some access to know what facilities are out there. The legislature is very intent on all lawyers, particularly the judges, knowing what we can do as alternatives to our present state beds. I understand the legislature's putting some money into refurbishing some of the state facilities and making some new ones. And that's good, but remember all of us have to pay attention to that topic. It will affect every single one of us. And so please if you have information, or you have questions, or you have any thing that you want to assist us on on helping that cause, please feel free to call me at the court. I am the co-chair, or you can call the Supreme Court. Justice Brown is in the process of going to Fedland, but there will be other members of the Supreme Court that will be able to help you. So please help us help Texas. Thank you. (APPLAUSE)

BARBARA HERVEY: Thank you, Judge Hervey, for your service to this board. We really appreciate all your hard work and the information you convey to us. I'll now call on federal judicial liaison Judge Karen Scholer.

KAREN SCHOLER: Thank you, Madam Chair. It's time for fun facts from the feds, or depending on your perspective, frightening facts from the feds. To start off with, we're now down to only nine open benches across the state for the federal district judges. Northern District of Texas, where I am in Dallas, gets sole whining rights for the rest of the state. We have five open benches. Two are in Dallas. Their nominees for those two benches are justice Ada Brown and Brantley Starr. We have an opening in Fort Worth. Justice Mark Pittman is the nominee for that. Amarillo nominee is Matt Kacsmayk. And in Lubbock, Wesley Hendrix. Western District of Texas, there's one opening. Judge Rodriguez, no more whining. You only have one. That's in San Antonio. That nominee is Jason Pulliam. Eastern District of Texas finally is down to one open bench, and that is in the Sherman Plano courthouse. And the nominee there is Austin attorney Sean Jordan. And then Southern District of Texas, there's two open benches.

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One in Galveston. Justice Jeff Brown is the nominee for that. And there is an open bench where there is no nominee, and that is Houston. Fun fact there is I believe it's been decided that that Houston open bench will now be a second open - will be moved to Corpus Christi. And so now there will be two federal benches in Corpus Christi, which is much needed. Last time it was reported that David Morales, after I believe was eight years of an open bench in Corpus Christi, has now taken the oath for that bench. In addition, Tyler is now - have their two federal benches full with Cam Barker taking the other bench. Jeremy Kernodle got confirmed months ago. And then we finally have a second Eastern District Beaumont division judge with Michael Truncale. Other fun facts, or maybe not so fun facts, criminal cases in the state of Texas on the federal side, just to put it in perspective, the national average - the weighted average cases nationwide is 521 criminal per judge. All four of our districts in Texas greatly are in great numbers over the national average. For example, Northern District is 603 over that 521. Eastern District is 604. Southern District 640. And leading number one in the nation is Western District of Texas, which is 789 criminal weighted average cases per judge. In addition, Eastern District of Texas is now number one in the United States for drug extradition cases, just ahead of Southern District of Florida. So those are the - that's the information I have to report to you all. It has been my honor to serve in my first year as a federal judge. Moving counterclockwise around the state, I now hand the gavel on the federal side to my good friend, and you all know Judge Xavier Rodriguez from the Western District of Texas. And you are in good hands. And again, I thank you all for all the good work that you do and allowing me to serve as the federal court liaison. Thanks. (APPLAUSE)

LAURA GIBSON: Thank you for your service, Judge Scholer. We appreciate your participation. That takes me to Judge Randy Clapp, who will give the report on behalf of the judicial section.

RANDY CLAPP: Good afternoon, everyone. I'll try to keep this brief. There are a lot of new judges in Texas. Last November, we elected about 213 trial and appellate judges. The college for new judges had about 211 people attending, and that is the most ever in the history of the college for new judges. The good news is there's a lot of new judges. The bad news is a lot of those judges are just now learning how to be judges, so be patient. The next election is going to be the first election where there is not a straight party ticket voting. So it's going to be interesting how that may affect the outcome of judicial elections. Nobody really knows. It's probably not going to change the fact that most people have no idea who they're voting for when they vote for a judge. That - but that - we'll save that discussion for another day. The good news is we've been trying for 18 years now to get another pay raise for judges, and we may have succeeded. The new bill that has passed both the Senate and the House, and it's sitting on the governor's desk waiting for his signature, avoided the political trap that we'd been in forever. It does not raise the base pay of a state judge. The base pay is going to stay the same. It's \$140,000. But it does give judges a raise after four years. If they manage to get reelected, they get a 10% raise. And then at the next four years, if they get reelected again, there's another 10% raise. And then at 12 years, there is a longevity pay, which is a little bit different. There was - the longevity used to kick in at year 16. It's now going to kick in at year 12. And that's 5%. It is - the Texas Commission on Judicial Compensation had recommended an across the board 15% raise to bring judges back up to where they needed to be. This is not that, but it is something that we managed to get through the legislature, so we're very happy. Something is much better than nothing. The only real negative is all these new judges who just got elected, they're not going to get a raise. But if they get reelected, they will. And if any of you are going to have dinner with Governor Abbott this week while you're here in town, please ask him to sign that bill. I think he has until Sunday at midnight to sign bills. Of course, if he does nothing, it becomes law. So we're OK there as well. I can't introduce you yet to my replacement. But before I do that or talk about that, I want to say that this year has been extraordinary. I'm very sorry to be leaving this group. I've made a lot of new friends all across the state. This is a wonderful organization. And I can say for a fact

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that it tends to attract very interesting, well-educated, friendly, diplomatic and wonderful people. I mean, I just - you all seem to be great. And I've made a lot of good, new friends, and I really do appreciate that. I'm going to miss this, this part of what I do. Our chair elect was Brett Busby, Justice Brett Busby from Houston. He did not get reelected. He was one of those who suffered the consequences of the big turnover. But then a few months later, he did get appointed to be a Supreme Court justice. So he's back on the bench. However, our bylaws say that a Supreme Court justice cannot serve as chair of the judicial section. And so we have gone out, and our nominating committee has just nominated Gina Benavides from Corpus Christi, the 13th Court of Appeals. She hasn't been elected yet, and that won't happen until September. We do have nominations from the floor, so there's always a chance, but it doesn't happen very often. So most likely, my replacement is going to be Gina Benavides. For those of you who know her, you'll know that she's a wonderful person and lots of fun. So that is my report. Any questions? Thank you. (APPLAUSE)

LAURA GIBSON: Thank you very much for your service to our board. We appreciate it very much, Judge Clapp. That takes us to item 23, our report from our general counsel. He has no report. Thank you. So no meeting would be good unless you go into closed session three times. It is now 4:24, and we are at item number 24 on our agenda, which requires discussion of pending litigation. So the State Bar of Texas will recess the open meeting and reconvene in closed session pursuant to Texas government code sections 551.071 and 551.074. With the exception of board liaisons and section representatives, all other individuals including incoming directors, nonessential staff and other guests will please need to excuse themselves from the closed session, please. And then for purposes of the record, I know that when Executive Director Apffel did roll call, Judge Copeland and Directors Roe and Metayer were not present. They have now - they attended earlier, so I wanted the record to reflect that all three of those board members were in attendance for today's meeting. I want to give you an important announcement. If you are staying on the board, you can't take your placard home. If you're leaving the board, you can take your placard home, OK? I also want to make an announcement. The group photo of both the outgoing board and the incoming board, so whether you're leaving the board or coming onto the board, you are part of the pictures. We're going to take it right after this. I more than anyone else in this room needs to use the restroom, but we are going straight to that picture room and getting that done first. If anybody cheats, I will know who you are. The reception tonight is going to begin at 6:30. We're going to have that at the Austin Central Library. The time to meet at the hotel lobby bus is 6:00 p.m. sharp. We'll leave you if you're not there. The hospitality suite is in room 555. That's located on the fifth floor. Tomorrow's board meeting will start at 9:00 a.m. sharp. It's in this same room. And now I want to call on director Fidel Rodriguez to do our benediction.

FIDEL RODRIGUEZ: This is also my last meeting, and I'm going to miss two things very, very much. The first is to have the ability to be here and to participate and make decisions for our state bar. And I've always termed it that way, and I ask that the new directors always remember that. It is our state bar. Second, I'm really going to miss my friends that I get to see every three months and catch up. And that is really something that is going to affect me. Moving on, last week marked the 75th year of the D-Day invasion, considered to be the turning point towards victory of World War II, which in turn preserved the freedoms that we treasure today. I borrowed parts of the prayer given to the nation by President Roosevelt on that fateful day for our benediction today. Please bow your heads. All mighty and holy father, watch over us and guard us and our families as we leave this meeting today. Protect and defend all who are in attendance today as we continue on the journey of life. Lead us on the straight and true path. Inspire us. Give strength to our arms, stoutness to our hearts and steadfastness to our faith. In thy name we pray, Amen.

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LAURA GIBSON: Thank you very much for that, Fidel. It's 4:44, and I will entertain a motion to adjourn. The loudest among us. Who was that, Aldo? Steve moved to adjourn. Do I have a second?

RUDY METAYER: Second.

LAURA GIBSON: That was Rudy. I heard that one. All those in favor say aye.

UNIDENTIFIED PEOPLE: Aye.

LAURA GIBSON: All those opposed, you're dead. We're adjourned. Picture next door