

October 30, 2002

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

A regular meeting of the Board of Governors of the State Bar of Nevada was convened by President Gloria J. Sturman on October 30, 2002, at 9:40 a.m. at the Silver Legacy Hotel in Reno, Nevada.

The following members were in attendance:

Gloria J. Sturman	President
N. Patrick Flanagan III	President-Elect
Ann Price McCarthy	Vice President
John H. Mowbray	Immediate Past President
Nancy L. Allf		
Bruce T. Beesley		
James W. Bradshaw		
Vincent A. Consul		
Kathleen J. England		
Dara J. Goldsmith		
Rew R. Goodenow		
Bridget Robb Peck		
John P. Schlegelmilch		
Bill Turner		

STATE BAR STAFF:

Allen W. Kimbrough
Rob Bare
Christopher T. Boadt
Patrice Eichman
Marla Hockfeld
Audrey Bath

GUESTS:

Robert Crowell, Jr.
C. Coe Swobe

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Ben Graham

1. CALL TO ORDER AND INTRODUCTIONS

The meeting was called to order at 9:40 a.m. by President Gloria Sturman and a quorum was declared.

2. APPROVAL OF MINUTES OF PRIOR MEETINGS OF BOARD OF GOVERNORS

The Minutes of the June 12, 2002, meeting of the Board of Governors were approved as amended.

The Minutes of the August 23, 2002, meeting of the Board were approved after a correction (changing "at" to a "a") was made in paragraph 4 thereof.

The Minutes of the Board's teleconference on September 13, 2002, were approved with Ms. England and Mr. Schlegelmilch abstaining.

The Minutes of the Board's teleconference on October 2, 2002, were approved with the correction that Ms. Goldsmith attended by telephone and not in person.

3. REPORT ON ACTIONS AND RECOMMENDATIONS OF OPERATIONS COMMITTEE

The Board reviewed the minutes of the September 11 and October 16 meetings of the Operations Committee and ratified the list of proposed fact finders provided at the request of the Nevada Local Government Labor-Management Relations Board.

A motion was made to delegate the appointment of such fact finders in the future to the Operations Committee with the Board to ratify subsequently. That motion was tabled for discussion at a future meeting of the Board.

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4. REPORT OF CONTROLLER

The Board reviewed the financial condition of the State Bar as of September 30, 2002, and the Executive Director responded to questions regarding same.

Ms. Goldsmith inquired as to the status of the Client Security Fund and a set aside for claims arising out of John Faedgen's misfeasance not directly reflected in the current financial statements. The Controller was requested to report to the Board on the financial status of the Client Security Fund and provide a financial statement for the Fund.

The Board ratified the transfer by the Executive Director of \$5,000 from the CLE Written Materials line item to Fixed Assets.

The Audit Committee, chaired by Ms. Goldsmith, was asked to review the internal operating procedures.

The Executive Director answered questions regarding the difference between Operating and Departmental Expenses and reviewed with the Board the 1990 Supreme Court Order regarding the operation of the State Bar and its finances. Mr. Kimbrough advised the Board that the State Bar was essentially in compliance with all of these directives.

5. REPORT OF STATE BAR DELEGATE TO ABA HOUSE OF DELEGATES

The Board reviewed the written report of Margo Piscevich, State Bar Delegate to the American Bar Association House of Delegates, regarding the 2002 Annual Meeting of the ABA held in Washington, DC. The Executive Director responded to questions regarding the level of representation of Nevada in the ABA and the terms of current representatives.

6. CONSIDER FEE SUSPENSION OF MEMBERS

The Board approved the suspension of certain members as proposed by the Executive Director for failure to pay 2002 State Bar dues.

7. CONSIDER MATTERS RELATED TO ATTORNEY SPECIALIZATION

Bruce Beesley, Chair, presented the report of the Specialization Committee and requested that Vice President McCarthy advise the Board of its prior action on the specialization issue and the work of the group studying this

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issue in the 1999-2000 bar year.

The Committee having recommended approval, the Board voted (with two dissents) to approve the filing of an ADKT petition for amendments to SCR 196(4) and SCR 198 that would permit the advertising of specialties under certain conditions. The Committee will continue to monitor the process.

8. REPORT ON MATTERS RELATED TO SCR 191 (Pro bono service)

The Board discussed the proposed ADKT petition on SCR 191 seeking to have the Supreme Court establish mandatory reporting of pro bono activities (the Board having approved the concept at the August 23 Board meeting). Mr. Goodenow shared with the Board that the Access to Justice Summit voted to support not only mandatory reporting but also making pro bono service mandatory.

The Board approved the filing of the ADKT petition with one dissent.

9. CONSIDER MATTERS RELATED TO 2003 SESSION OF THE NEVADA LEGISLATURE

Past President Robert Crowell, Jr. met with the Board to discuss the upcoming 2003 session of the Nevada Legislature and issues of concern to lawyers, such as the gross receipts tax and the levy of sales taxes on services. Bar Counsel expressed his opinion that the State Bar may be able to participate in the debate on these issues without being in violation of the *Keller* decision.

A motion to permit the State Bar to lobby the legislature on the gross receipts tax and sales tax on services issues was defeated by a 4-8 margin. A motion to reconsider this matter at the December 6 meeting of the Board was approved on a divided vote, when the Board will have the benefit of the report of the Governor's Task Force and written comments from Mr. Bare. It was also noted that any efforts by the State Bar would have to be coordinated with the Supreme Court.

10. CONSIDER MATTERS RELATED TO LAWYERS CONCERNED FOR LAWYERS

Coe Swobe, Coordinator of the State Bar's Lawyers Concerned for Lawyers Program, and Ben Graham, a key member of the LCL Committee appeared before the Board and reported on the recent work of the program. Mr. Swobe and Mr. Graham states that new Supreme Court Rule 106.5 had been very useful to their efforts.

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11. CONSIDER SUPREME COURT RULE GOVERNING RESIDENCE OF MEMBERS

The Board (with one dissent) approved the filing of an ADKT petition to make the official address of the member provided under SCR 79 to be the member's "residence address" for purposes of State Bar elections.

12. CONSIDER POLICIES FOR SALE OR USE OF STATE BAR MAILING LIST

The Board unanimously approved the new Mailing List Policy as proposed by the Executive Director.

13. REPORT ON IMPLEMENTATION OF NEW SUPREME COURT RULES RELATED TO MULTIJURISDICTIONAL PRACTICE

The Executive Director provided an oral report in supplementation of his written report on the implementation of the new Rules governing the multijurisdictional practice of law.

14. REPORT ON MEMBER BENEFITS

The Board reviewed various matters related to the Member Services programs of the State Bar, including the Anthem Blue Cross health insurance and the MBNA affinity credit card.

15. REPORT ON PENDING ADKT FILINGS

The President reported on the ADKT hearing held at the Supreme Court on October 24 at which all pending ADKT petitions were approved.

16. CONSIDER MATTERS RELATED TO ACCESS TO JUSTICE COMMITTEE

The Board liaisons to the Access to Justice Committee reported on the Summit held on October 11 in Reno, which was deemed a success in both attendance and participation.

17. CONSIDER MATTERS RELATED TO MIDYEAR MEETING OF THE STATE BAR

The President and Executive Director discussed preliminary plans for the second Midyear Meeting of the State Bar and Bar Leadership Forum to be held

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in Reno on Saturday, February 22. Goals for the meeting are to hear from the section and committee chairs on needed assistance from the State Bar and to focus on more section and committee visibility in *Nevada Lawyer*, in CLE programming, and on the State Bar website.

A planning committee consisting of Mr. Goodenow as Chair and Ms. England and Mr. Bradshaw as members was appointed by the Board.

18. CONSIDER MATTERS RELATED TO COMMITTEE ON LAWYER REFERRAL AND INFORMATION SERVICE

The Board approved the appointment of Gerald Welt of Las Vegas as Chair of the Lawyer Referral and Information Service Committee and expressed its thanks to outgoing Chair Cecilia Rosenauer for her dedicated service to the LRIS Committee.

19. CONSIDER MATTERS RELATED TO NEVADA LAW FOUNDATION

The Board discussed the need for non-dues revenue to fund State Bar programs such as law related education and the funding shortage anticipated by the Nevada Law Foundation (Nevada's IOLTA foundation). It was noted that \$350,000 was distributed in 2001 but that less would be available for 2002 grants as the result of the drop in interest rates.

The Executive Director was asked to provide financial information to the Board at the December 6 meeting of the Board and to invite Suzan Baucum, Executive Director of the Foundation, to meet with the Board to discuss matters of mutual concern.

The Executive Director stated that the State Bar's LRE program had submitted a grant proposal to the Foundation and asked that the Board lobby members of the Foundation's board of trustees in support of same.

20. REPORT ON 75TH ANNIVERSARY CELEBRATION (STATE BAR DIAMOND JUBILEE)

The President provided a report on planning for the upcoming 75th Anniversary of the State Bar, including plans to have a formal ceremony at the Supreme Court on Friday, January 31, 2003.

21. CONSIDER MATTERS RELATED TO FEE DISPUTE ARBITRATION COMMITTEE

The Board appointed the following persons to the Fee Dispute Arbitration

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Committee:

Keith Loomis	Attorney Member	Carson City Panel
Marianne Gatti	Mediator Only	Las Vegas Panel C
James Wilkerson, Sr.	Lay Member	Las Vegas Panel A
Jack S. Hegedius, Sr.	Lay Member	Las Vegas Panel C

22. CONSIDER MATTERS RELATED TO THE CLIENT SECURITY FUND COMMITTEE

The Board appointed Lawrence Mittin of Las Vegas as a member of the Client Security Fund Committee.

23. REPORT OF STANDING COMMITTEE ON ETHICS AND PROFESSIONAL RESPONSIBILITY

The Board discussed the work of the Standing Committee on Ethics and Professional Responsibility, chaired by Marshal Willick. The President announced that the Ethics 2000 Committee, chaired by Mr. Wolfson, would be charged with overseeing the amendments needed to bring the Nevada rules of professional conduct in line with the new ABA Model Rules and that the committee would be assisted by Bar Counsel, Mr. Willick, and Mr. Beesley as Board Liaison.

24. REPORT OF YOUNG LAWYERS SECTION

The Board approved the proposed amendments to the Bylaws of the Young Lawyers Section and the appointment of Molly Anderson as Budget Officer for the Section.

25. REPORT OF ADMISSIONS DEPARTMENT

Director of Admissions Patrice Eichman gave a report to the Board regarding the 2002 bar examination and the changes in admission fees approved by the Court on October 24.

26. REPORT OF CONTINUING LEGAL EDUCATION DEPARTMENT

Director of Continuing Legal Education Christopher Boadt discussed various matters with the Board, including the advent of online CLE and the better-than-anticipated level of interest expressed by our members in that program.

The Board appointed Mace Yampolsky as a member of the CLE

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Committee and Jinna Kim as a non-voting member.

The Board appointed Andrew Gordon as Chair of the CLE Publications Subcommittee and David Hardy (north) and Stephen Smith (south) as members.

27. REPORT OF COMMUNICATIONS DEPARTMENT

The Board appointed The Hon. Robert Johnston of Las Vegas and Scott Wasserman of Carson City as members of the Publications Committee.

28. CONSIDER APPOINTMENTS TO NORTHERN AND SOUTHERN NEVADA DISCIPLINARY BOARDS

The Board appointed Howard Miller as Chair of the Southern Nevada Disciplinary Board.

The Board reappointed Conrad Claus (attorney member) and Dr. Alan Tishk (lay member) to the Southern Nevada Disciplinary Board and approved the redesignation of Mr. Claus, Lauren Diefenbach, Edward Hanigan, and Bernard Zadrowski as primary attorney panel members.

The Board reappointed Barry Breslow and Robert Lowe as attorney members of the Northern Nevada Disciplinary Board and approved the redesignation of Scott Freeman, Stephen Osborne, Cecilia Rosenauer, and Tom Susich as primary attorney panel members. Additionally, the Board approved the redesignation of John L. Collachi, Jr. and Kelly A. Marshall as primary lay panel members.

29. REPORT OF BAR COUNSEL

Bar Counsel reported on various pending litigation matters in Executive Session and responded to questions.

30. CONSIDER COMPLAINT AGAINST BAR COUNSEL'S OFFICE

In Executive Session, the President (as required by SCR 104(2)) presented her findings regarding various complaints lodged against the Office of Bar Counsel, and the Board determined that no further action was warranted.

31. REPORT OF EXECUTIVE DIRECTOR

The Executive Director elaborated on his written report to the Board and advised that he was undertaking a review of the State Bar's election rules and

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practices for a future report to the Board.

32. REPORT OF PRESIDENT-ELECT

The President-Elect announced that the Loews Coronado Hotel in San Diego had been selected as the site for the 2004 Annual Meeting of the State Bar. He also discussed that a potential legal and cultural exchange trip to Ireland for the fall of 2003 was under investigation.

33. REPORT OF PRESIDENT

At the request of the President, the Board ratified the change in the date of the January 2003 meeting of the Board from the 16th to the 31st to coincide with the 75th Anniversary of the State Bar.

The President expressed her appreciation to Chris Boadt for his excellent planning for the 2003 Annual Meeting in New Orleans, Louisiana.

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There being no further business, the meeting was adjourned at 2:50 p.m.

Respectfully submitted,

Gloria J. Sturman
President

Allen W. Kimbrough
Executive Director