

**Board of Governors Meeting Highlights**  
**February 26, 2010**

The State Bar of Arizona Board of Governors held a regular meeting on February 26, 2010.

**Chief Executive Officer's Report**—John F. Phelps introduced Employee of the Month, Synda Prindle, Office Administrator, who oversees building facilities. CLE programs continue to gain fans from within and outside the state. SBA officers are planning an April meeting with officers of the Arizona Medical Association. The Board of Governors retreat will be held on July 8-9 in Flagstaff.

**President's Report**—President Ray Hanna attended the ABA Midyear Meeting. He will be visiting the Mohave County Bar Association this month and the Sierra Vista Bar Association next month. The Yavapai County Bar Association received money for their moot court from the Arizona Foundation for Legal Services & Education. The Board officers met on Feb. 25 with officers of the Foundation.

Leslie Hall inquired about the Foundation's financial issues, the banks, and status of proposed changes to the IOLTA rule. Alan Bayham updated the Board on those issues and ongoing dialogue with the Foundation about the IOLTA agreement with Arizona banks. Foundations throughout the country have suffered dramatic losses in revenue, and the Arizona Foundation is recognized as one of the country's leaders in dealing with IOLTA issues. Further discussion will take place at the March and April Board meetings.

President Hanna introduced Mark Harrison, 2010 recipient of the National Conference of Bar Presidents Fellows Award. Mr. Harrison has served as president of the State Bar of Arizona as well as the Arizona Foundation for Legal Services & Education.

**Legislative Update**—Janna Day, bar lobbyist, reported that this was the last week for bills to be heard in the committees of origin. A tentative budget will be released next week. The Bar invited Republican and Democratic legislators and their staff to attend separate Lunch and Learns about proposed changes to the lawyer discipline system.

Ms. Day updated the Board on the status of its proactive bills, two of which have already passed the House and two others that have passed through committee.

The Board approved the recommendations of the Family Law Section to:

- Oppose SB 1094 in its present form and propose alternative language for a more streamlined modification of A.R.S. §25-318D.
- Oppose SB 1199, which extends the divorce "waiting period" from 60 days to 180.
- Oppose SB 1314, Domestic Relations.
- Oppose SB 1032, Community Property; Separate Debts.

The Board also voted to:

- Support SCR1040 regarding the changes to the retirement age for justices and judges.

### **Liaison Reports—**

- **ABA House of Delegates**—Representative Brad Vylanek reported that Mike Mason has stepped into the young lawyer role on the delegation. *U.S. News and World Report* intends to publish a ranking of law firms, lawyers, and practices. The ABA recommends a new dues structure for certain categories of members of the Association effective for dues commencing with the 2010-2011 fiscal year and each year thereafter.
- **Arizona Women Lawyers Association**—Rhonda Barnes referenced State President Pamela Donison’s report, which was included in the Board materials. The association will host a reception for Arizona Supreme Court Justice John Pelander on March 10 and a Spring Swing at McCormick Ranch Golf Course on March 30.
- **Arizona Asian American Bar Association**—Lisa Loo reported that Maricopa County Superior Court Presiding Judge Barbara Mundell would be the keynote speaker at their April 14 annual banquet. Applications are open for a scholarship in the name of Hon. Thomas Tang.
- **Native American Bar Association**—Ted Campagnolo reported that the association is sponsoring a mixer with law students, at which they will award law student scholarships. Their schedule includes a golf tournament on March 20 and a March seminar on Indian gaming.
- **Young Lawyers Division**—The president, Sam Saks, stated that the YLD had a joint meeting with the solo and tax sections. They are cosponsoring a sushi bar night with the Sport Lawyers Association of Arizona, and on June 9 will participate in an event with all Arizona sister bar associations.

**Admission on Motion**—Dave Byers announced that the Character and Fitness Committee has received more than 100 applications, with the majority coming from Arizona residents. Registration for the first class stands at 175.

**Appointments Committee**—For two positions on the Arizona Commission on Appellate Court Appointments, the Board will send to the Governor the names of Richard Suzuki, William Ekstrom, Peter Guerrero, William Michael Smith, Bennett Cooper, Kellie Johnson and Ted Schmidt.

**Rules Committee**—Whitney Cunningham, Chair, introduced two items for information this month:

- The Civil Practice and Procedure Committee’s proposed comment in opposition to Rule Petition R-09-0022 would do two things: (a) medical bills would be automatically admissible in evidence and there would be a rebuttable presumption that the charges reflected in the bills are reasonable; and (b) medical records reflecting treatment would enjoy a rebuttable presumption that the treatment reflected in the records was necessary.
- The second item deals with changes to the Criminal Revised Arizona Jury Instructions, prepared by the Criminal Jury Instructions Committee. The Board will consider both items at its March meeting.

**Finance Committee/Treasurer/CFO Report**—Tom Johnson, Chief Financial Officer, reported for the month ended January 31, 2010. The Bar income statement, excluding sections, generated a surplus of \$115,000 which is favorable to budget by \$57,000, achieved as a result of \$26,000 more in revenues and \$31,000 less in expenses. The balance sheet shows a net worth of \$7,168,000.

Amelia Craig Cramer, Chair of the Finance Committee, announced that the prospective tenant for the second floor of the Tucson office declined the Bar's offer. The Finance Committee decided not to make any improvements to the space at this time.

The Board approved the following contribution requests:

- \$1,000 to the Mohave County Bar Association for Youth Court training in trial advocacy and citizenship.
- \$1,000 to the Arizona Women Lawyers Association to apply to any program sponsored by the association.
- \$1,000 to the Pima County Bar Association for the Second Annual Skyline Affair: A Benefit for Southern Legal Aid, Inc.
- \$1,000 to the Pima County Bar Association Young Lawyers Division for the 26<sup>th</sup> Annual Pima County YLD Judicial Reception.
- \$1,000 to the ABA Section of Litigation for Judicial Intern Opportunity Program.
- \$1,250 for a table at the Maricopa County Bar Association Barristers Ball.
- \$900 for a table at the American Jewish Committee of Arizona 2010 Judge Learned Hand Awards Luncheon.
- \$5,000 in scholarships for Arizona legal services and pro bono administrators to attend the ABA NLADA Equal Justice Conference from May 13-15 at the Pointe Hilton Tapitio Cliff Resort in Phoenix.
- \$5,000 toward a reception at the same conference.

The Board approved a motion to adopt an annual budget to cover sponsorships and similar type expenditures. Staff shall bring requests for funds to the Finance Committee, and the Committee has the authority to award the funds to the requesting organizations without Board approval unless the individual request exceeds \$1,000.

**Chief Bar Counsel Report**—Maret Vessella announced the Bar has already sponsored eight presentations on proposed changes to the lawyer discipline system and has two more scheduled for March 2 and 12. Reaction to the presentations has been mostly favorable, especially in regard to the changes in the probable cause review. Pima County has created a task force to review the proposed changes and to prepare and file a comment.

Bar counsel held a retreat on February 12th to identify what specific procedural, policy, and technology changes need to occur in anticipation of process changes. The second session of the retreat is scheduled for March 3.

Deputy Chief Bar Counsel and Senior Bar Counsel will be travelling to Colorado to meet with Chief Regulation Counsel and his Deputy Counsel to observe and discuss specific aspects of their process.

The 2009 Office of Lawyer Regulation Annual Report is on track. A 12% increase in written charges was more than offset by a decrease in phone charges, resulting in an overall decrease of 2% in charges received from 2008.

**Proposed Political Activities Policy**—John Furlong, General Counsel and Deputy Director, presented the policy as an information only item. The policy defines political activity and addresses the right for SBA employees and bar leaders to participate individually in the political process, and to make voluntary contributions of their nonworking time and personal resources to support candidates and political parties of their choice.

**Solo Practitioners/Small Firms Sections’ “Signature Project”**—Ray Hanna reported that the project aims to have lawyers agree to take on vulnerable adults on a limited representation basis. Further discussion was tabled.

**ABA Commission on Ethics 20/20 Information Paper**—Pat Sallen announced that the Commission held a public hearing in February and will look at issues in three areas:

- Issues that arise because U.S. lawyers are regulated by states but work increasingly across state and international borders.
- Issues that arise in light of current and future advances in technology that enhance virtual cross-border access.
- Particular ethical issues raised by changing technology.

The Commission may have recommendations for the ABA House of Delegates as early as August 2010.

**Special Presentation**—On behalf of the State Bar, President Hanna presented a crystal plaque to Susan C. Villarreal for her service on the American Bar Association House of Delegates for 2003-2009.

**Meeting Schedule**—The next Board meeting will be held on March 19, 2010 at 8:30 a.m. in the Boardroom. The full schedule is posted on the Bar’s Web site:  
[www.myazbar.org/AZBarInfo/BOG/BoardofGovernors.cfm](http://www.myazbar.org/AZBarInfo/BOG/BoardofGovernors.cfm)