

STATE BAR OF MICHIGAN
BOARD OF COMMISSIONERS
FRIDAY, JULY 26, 2019
MICHAEL FRANCK BUILDING
LANSING, MI
9:30 A.M.
AGENDA

State Bar of Michigan Statement of Purpose

“...The State Bar of Michigan shall aid in promoting improvements in the administration of justice and advancements in jurisprudence, in improving relations between the legal profession and the public, and in promoting the interests of the legal profession in this state.”

Rule 1 of the Supreme Court Rules Concerning the State Bar of Michigan

Finance Committee Meeting.....	Room 1
Professional Standards Committee Meeting.....	Hudson Room
Communications and Member Services Committee Meeting.....	Room 3
Public Policy Committee Meeting.....	Room 2

- I. Call to Order.....Jennifer M. Grieco, President

CONSENT AGENDA

II. **Minutes**

- A. June 14, 2019 Board of Commissioners meeting*

III. **President’s Activities**.....Jennifer M. Grieco, President

- A. Recent Activities*

IV. **Executive Director’s Activities**.....Janet K. Welch, Executive Director

- A. Recent Activities*

V. **Professional Standards**Dana M. Warnez, Chairperson

- A. Client Protection Fund Claims*
B. Unauthorized Practice of Law Complaints**

VI. **Finance**.....James W. Heath, Chairperson

- A. FY 2019 Financial Reports through May 2019*
B. Policy for Approval of Checks \$15,000 or Greater*
C. Policy of Transfer of Funds between Financial Institutions*
D. Policy Concerning Transfers of Cash or Investments from Client Protection Fund*

VII. **Public Policy**Dennis M. Barnes, Chairperson

- A. Model Criminal Jury Instructions*

VIII. **Board Officer Elections**.....Jennifer M. Grieco, President

- A. Joseph P. McGill**
B. Daniel M. Quick**
C. Erane C. Washington**

LEADERSHIP REPORTS

- IX. **President’s Report**.....Jennifer M. Grieco, President
 - A. Lakeshore Legal Aid Appointment**
- X. **Executive Director’s Report**Janet K. Welch, Executive Director
 - A. FY 2020 Proposed Budget*
 - B. 2020 Committees Resolution*
- XI. **Representative Assembly (RA) Report**..... Richard L. Cunningham, Chairperson
 - A. September 26, 2019 meeting
- XII. **Young Lawyers Section Report**.....Kara R. Hart-Negrich, Chairperson

COMMISSIONER COMMITTEES

- XIII. **Finance**.....James W. Heath, Chairperson
 - A. FY 2019 Financial Update
- XIV. **Audit Committee**.....James W. Heath, Chairperson
- XV. **Professional Standards**Dana M. Warnez, Chairperson
 - A. Institute of Continuing Legal Education (ICLE) Appointment**
 - B. Michigan Indian Legal Services (MILS) Appointment**
- XVI. **Communications and Member Services** Robert J. Buchanan, Chairperson
 - A. Event Summary
 - 1. Bar Leadership Forum*
 - 2. Upper Michigan Legal Institute*
 - B. Requests for New Sections
 - 1. Immigration Law Section*
 - 2. Senior Lawyers Section*
 - C. Michigan Legal Milestones Dedications
 - 1. Attorney General Frank Kelley*
 - 2. Senate Bill 31*
 - D. Insurance Services*
- XVII. **Public Policy**.....Dennis M. Barnes, Chairperson
 - A. Court Rules**
 - B. Legislation**

OTHER REPORTS

- XVIII. **American Bar Association (ABA) Report**Delegates

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

- XIX. **Comments or Questions from Commissioners**
- XX. **Comments or Questions from the Public**
- XXI. **Adjournment**

* Materials included with agenda,
**Materials delivered or to be delivered under separate cover or handed out
***Materials available on SBM website via link

President Grieco called the meeting to order at 8:30 a.m. on June 14, 2019 in the Grand Pavilion Room of the Grand Hotel on Mackinac Island.

Commissioners present:

David C. Anderson
Dennis M. Barnes, President-Elect
Joseph J. Baumann
Robert J. Buchanan, Vice President
Aaron V. Burrell
Hon. Clinton Canady III
B.D. "Chris" Christenson
Richard L. Cunningham
Syeda F. Davidson
Josephine A. DeLorenzo
Hon. Shauna L. Dunnings
Andrew F. Fink III
Jennifer M. Grieco, President
Lisa J. Hamameh

Kara R. Hart-Negrich
Edward L. Haroutunian
James W. Heath, Treasurer
Thomas H. Howlett
E. Thomas McCarthy Jr.
Joseph P. McGill
Barry R. Powers
Daniel D. Quick
Victoria A. Radke
Chelsea M. Rebeck
Gregory L. Ulrich
Dana M. Warnez, Secretary
Erane C. Washington

Commissioners absent and excused:

Danielle Mason Anderson
Michael S. Hohaus

Hon. David A. Perkins
Ryan Zemke

State Bar staff present:

Janet Welch, Executive Director
Marge Bossenbery, Executive Coordinator
Greg Conyers, Director of Diversity
Peter Cunningham, Assistant Executive Director and Director, Governmental Relations
Cliff Flood, General Counsel
Danon Goodrum-Garland, Director, Professional Services Division
Darin Day, Director of Outreach
Kathryn Hennessey, Public Policy Counsel
James Horsch, Director, Finance and Administration Division
Robert Mathis, Pro Bono Service Counsel
Kari Thrush, Assistant Director, Communications and Member Services Division
Anne Vrooman, Director of Research & Development

Guests

Justice Brian Zahra, Michigan Supreme Court
David Watson, Executive Director, ICLE

Consent Agenda

The Board received the minutes from the April 12 and May 2, 2019 Board meetings.

The Board received the minutes from the March 26 and May 14, 2019 Executive Committee meetings.

The Board received the recent activities of the president.

The Board received the recent activities of the executive director.

The Board received the FY 2019 Financial Reports through April 2019.

The Board received a section dues amendment from the Workers' Compensation Law Section.

Ms. Grieco asked the Board if there were any items that needed to be removed from the consent agenda. There were none.

A motion was offered and supported to approve the consent agenda. The motion was approved.

LEADERSHIP REPORTS

President's Report, Jennifer M. Grieco, President

Introduction of Guests

Ms. Grieco introduced Justice Brian Zahra and thanked him for attending the BLF.

Ms. Grieco introduced David Watson, Executive Director of ICLE.

Officer Election Candidates

Ms. Grieco reported that Mr. McGill, Mr. Quick, and Ms. Washington had submitted paperwork to be candidates for the elected position of treasurer of the Board for 2019-2020.

Strategic Planning Committee Update

Ms. Grieco informed the Board that the committee had met twice since the April meeting and provided the Board with an update on what the committee was considering regarding the structure of the SBM committees.

State Bar Operations, Structure, and Governance Task Force Update

Ms. Grieco informed the Board members that they will receive a survey this afternoon asking them about their experiences on the BOC, specifically how the Board is running, their engagement level, the composition of the Board, and its interaction with the Representative Assembly. She asked the Board to complete and return the survey as soon as possible, but no later than June 26.

Executive Director's Report, Janet K. Welch, Executive Director

Fleck v Wetch Update

Ms. Welch informed the Board that oral arguments on the *Fleck v Wetch* case were heard in Minneapolis on June 13.

Ms. Welch reported that since the April Board meeting she has been a speaker at the Equal Access to Justice Conference in Kentucky and the ABA National Conference on Professional Responsibility in Vancouver. At both conferences she addressed the topic of the future of integrated bars.

Election Update

Ms. Welch asked Ms. Bossenbery to provide the Board with an update on the 2019 SBM election. Ms. Bossenbery reported that the number of attorneys who have voted is slightly higher than 2018, that the election ends on June 15, and that the results will be certified by the Board of Tellers on June 26.

In response to a question about whether the State Bar sells attorneys' email addresses to interested parties, Ms. Grieco stated that it is currently against SBM policy to do so. She reported that requests were made for the emails from candidates this year and that the Executive Committee discussed the issue. The EC decided not to make email addresses available to candidates in 2019 but will consider this issue before the next election cycle begins, including the option of free availability to all candidates who qualify for the ballot.

IT Audit

Ms. Welch stated that the audit was undertaken earlier this year and asked Mr. Horsch to provide the Board with an overview of the process and recommendations that resulted. Mr. Horsch stated that the audit was conducted by Plante Moran and that the SBM was impressed by the quality of the consultants who conducted the audit. After reviewing some of the more comprehensive recommendations with the Board, Mr. Horsch indicated that the cost of implementing recommendations would be \$600K over a three-year period and some of those recommendations are included in the FY 2020 budget.

Ms. Welch stated the SBM constantly needs to refresh and redesign IT resources as we transition into a more automated environment.

FY 2020 Preliminary Budget—Key Budget Assumptions

Ms. Welch asked Mr. Horsch to review the preliminary FY 2020 key budget assumptions. Mr. Horsch reviewed the key budget assumptions and informed the Board that the preliminary budget is showing an excess of expenditures over revenue of just over \$1.8 million, which is better than what was projected previously in the long-range plan. He noted that the assumptions were reviewed by both the Finance Committee and the officers for input. He responded to questions and reported that the Finance Committee will meet with staff on July 11 to review the FY 2020 proposed budget.

Ms. Grieco reported that one of the FTEs included in the assumptions is for a full-time general counsel position. She informed the Board of Mr. Flood's intention to retire effective October 1, 2019. She stated that she had appointed a committee to make a recommendation on filling the position and that the committee will meet soon.

CloudLaw Licensing Agreement

Ms. Welch provided the Board with a review of the history of the relationship between the State Bar and CloudLaw, formerly known as ZeekBeek. She asked Mr. Flood to describe a proposed software licensing agreement to the Board. This agreement would allow for the continuation of the enhanced directory for State Bar members. Mr. Flood provided the Board with a memo describing the topics that were negotiated within the agreement and then reviewed the content of the memo and the proposed agreement. Mr. Flood stated that this matter was considered on an advisory basis by the Executive Committee at its May 14 meeting and is now presented to the full Board for its consideration. Ms. Welch and Mr. Flood responded to questions from Board members.

A motion was offered and seconded to authorize the executive director to sign the amended licensing agreement and the drag-along agreement with CloudLaw. A roll call vote was taken. The motion was approved.

Ayes

David Anderson, Barnes, Buchanan, Burrell, Canady, Christenson, Cunningham, Davidson, DeLorenzo, Dunning, Fink, Grieco, Hamameh, Hart-Negrich, Heath, Howlett, McCarthy, Powers, Radke, Rebeck, Warnez, Washington

Nays

Baumann, Haroutunian, McGill, Quick, Ulrich

Absent

Danielle Mason Anderson, Hohaus, Perkins, Zemke

Representative Assembly (RA) Report, Richard L. Cunningham, Chairperson

Mr. Cunningham reported that RA is on track with planning the agenda for the September RA meeting and indicated that the survey developed for the RA will be sent out soon.

Ms. Welch noted that at the April RA meeting the Assembly voted to support the Interim Administrator Program (IAP) and that when she presented an overview of the proposed IAP at a recent national Client Protection Fund conference, the reception was very enthusiastic.

Young Lawyers Section (YLS) Report, Kara R. Hart-Negrich, Chairperson

Ms. Hart-Negrich provided the Board with an update on recent activities of the YLS and mentioned that the Board of Commissioners was successful this year in the BOC v YLS challenge.

She informed the Board that the YLS held its 12th Annual Summit in Detroit and held its first Past YLS Chair Advisory Committee meeting, which was well received. She reported that 20 past chairs attended and that they plan to continue this meeting in the future.

COMMISSIONER COMMITTEES REPORTS

Finance Committee, James W. Heath, Chairperson

Mr. Heath reviewed the highlights of the FY 2019 financial reports through April 2019.

Mr. Heath stated that the committee approved three new financial policies regarding transfer of funds between financial institutions, transfer of cash or investments from the CPF, and the approval of checks \$15K or greater. Those policies will be brought before the Board for action at its July meeting.

Professional Standards, Dana M. Warnez, Chairperson

Ms. Warnez reported that the Professional Standards Committee met by conference call on June 13 to address outstanding matters regarding Unauthorized Practice of Law (UPL) complaints recommended for litigation by the UPL Standing Committee and Client Protection Fund (CPF) claims recommended for payment, and proposed amendments to the CPF Rules recommended by the CPF Standing Committee.

Communications and Member Services, Robert J. Buchanan, Chairperson

Liberty Bell Award

A motion was offered and supported to award Stefanie Mezigia the 2019 State Bar of Michigan Liberty Bell Award. The motion was approved.

Public Policy, Dennis M. Barnes, Chairperson

Court Rules

ADM File 2018-27: Proposed Rescission of MCR 8.123 Because counsel appointment plan review and data collection regarding payments for appointed counsel is now, by statute, a requirement of the Michigan Indigent Defense Commission under MCL 780.989 and MCL 780.993, this proposed amendment would rescind MCR 8.123, which requires certain data be collected from courts and plans for appointment be approved by SCAO.

ADM File No. 2018-27: Proposed Rescission of Administrative Order No. 1997-5 The proposed rescission of Administrative Order No. 1997-5 is consistent with the current practice of appointment of counsel, which is now governed by statute and regulated through the Michigan Indigent Defense Commission.

A motion was offered and supported to rescind the two court rules. The motion was approved.

Legislation

HB 4407 (Guerra) Courts; district court; authority of district court magistrate; expand. Amends sec. 8512 of 1961 PA 236 (MCL 600.8512).

A motion was offered and supported that this law is Keller permissible in that it improves the functioning of the courts. The motion was approved.

A motion was offered and supported to support this legislation. The motion was approved.

HB 4509 (VanSingel) Civil procedure; evictions; limited liability companies; allow members and others with personal knowledge to represent in certain situations. Amends 1961 PA 236 (MCL 600.101 - 600.9947) by adding sec. 5707

A motion was offered and supported that this law is Keller permissible in that it improves the functioning of the courts and affects the regulation and discipline of attorneys. The motion was approved.

A motion was offered and supported to oppose this legislation. The motion was approved.

Trial Court Funding Commission Interim Report

A motion was offered and supported that this is Keller permissible in that it affects the availability of legal services to society and improves the functioning of the court. The motion was approved.

A motion was offered and supported to support the recommendations presented in the Trial Court Funding Commission Interim Report. The motion was approved.

OTHER REPORTS

American Bar Association (ABA) Report

Mr. Ulrich reported that he will send out an ABA report to the Board.

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

Comments or Questions from Commissioners

Mr. Heath reported that the Michigan Indigent Defense Commission awarded Wayne County a \$17 million grant to provide indigent defense services.

Ms. Grieco acknowledged that Ms. Washington was awarded the Kappa Alpha Si Women of Achievement Award.

Ms. Grieco recognized that Mr. Conyers received the Trail Blazers Award from the Straker Bar Association.

Comments or Questions from the Public

Justice Zahra thanked the members of the Board for the opportunity to address them. He told the Board that the Supreme Court is going to reevaluate its decision regarding adopting the Unified Bar Exam (UBE) now that 38 states have adopted it. He also referenced the newly formed Justice for All Task Force, formed to better address the civil legal needs of all Michigan residents. He will represent the Court and lead the efforts of the task force.

Mr. Watson reported that ICLE has developed three on-demand seminars on LRS issues and that they are posted on the ICLE web page.

Ms. Grieco reminded the Board that Chief Justice Bridget McCormack is speaking to the BLF/UMLI attendees beginning at 12:30 p.m. and that she looked forward to seeing them there.

Adjournment

The meeting was adjourned at 11:23 a.m.

**President Jennifer M. Grieco
President's Activities
June 16 through July 26, 2019**

Date	Event	Location
June 17	President's Reception hosted by the Marquette County Bar Association – Including a program on the new rules concerning Limited Scope Representation	Marquette
June 18	Lunch with the Copper Country Bar Association (Keweenaw, Houghton, Ontonagon, and Baraga Counties)	Houghton
June 20	Detroit Bar Association Annual Dinner – The Detroit Golf Club	Detroit
June 27	Meeting on Human Trafficking – pro bono training	Birmingham
June 27	Meeting on collaboration regarding school to prison pipeline	Birmingham
July 8	Conference call with General Counsel position workgroup	Birmingham
July 9	President's Dinner (Wolverine Bar Association / D.A.Straker Bar Association)	Detroit
July 11	Attorney Discipline Board – Open House	Detroit
July 16	Executive Committee Conference Call	Birmingham
July 18	Practical Law with Henry S. Gornbein	Bloomfield Hills
July 18	Conference call with General Counsel position workgroup	Birmingham
July 23	Professionalism Committee Call	Birmingham
July 25	Judge Kameshia D. Gant Investiture	Pontiac
July 26	Board of Commissioners Meeting	Lansing

Executive Director Janet K. Welch
Executive Director Activities
June 16 through July 26, 2019

Date	Event	Location
June 17	Justice for All Planning Committee	Lansing
June 18	ICLE Executive Committee Meeting	Detroit
June 19	Committee Appointment Day 2019 with Dennis M. Barnes, Aaron V. Burrell, and Robert J. Buchanan	Lansing
June 19	ABA Standing Committee on Bar Activities & Services (SCOBAS) Conference Call	Lansing
June 20	CloudLaw Business Plan Conference Call	Lansing
June 21	Conference call re. fraudulent email event insurance claim	Lansing
June 23 – 26	Michigan Probate Judges Association Conference	Mackinac Island
July 3	Conference re. focus groups on CloudLaw products	Lansing
July 3	Conference call re. fraudulent email event insurance claim	Lansing
July 8	Conference call with General Counsel position workgroup	Lansing
July 9	Conference call re: Justice for All Task Force Workgroup 4 with Kathryn Hennessey and Jennifer Bentley	Lansing
July 9	Meeting with George Strander re. Interim Administrator Program	Lansing
July 9	Conference call re. fraudulent email event insurance claim	Lansing
July 10	Meeting with Illinois State Bar Association, CloudLaw	Chicago
July 11	Budget Review Meeting with Finance Committee	Lansing
July 12	Senior Management Team Meeting	Lansing
July 16	Executive Committee Conference Call	Lansing
July 23	Professionalism Committee Conference Call	Lansing
July 23	Conference call with Bar Execs re. <i>Fleck v. Wetch</i>	Lansing
July 26	Board of Commissioners Meeting	Lansing
July 26	Meeting with ICLE re: Civil Discovery Rules	Lansing

TO: Board of Commissioners
FROM: Professional Standards Committee
DATE: July 26, 2019, BOC Meeting
RE: Client Protection Fund Claims for Consent Agenda

Rule 15 of the Client Protection Fund Rules provides that “claims, proceedings and reports involving claims for reimbursement are confidential until the Board authorizes reimbursement to the claimant.” To protect CPF claim information as required in the Rule, and to avoid negative publicity about a lawyer subject to a claim, which has been denied and appealed, the CPF Report to the Board of Commissioners is designated “confidential.”

**CONSENT AGENDA
CLIENT PROTECTION FUND**

Claims recommended for payment:

a. Consent Agenda

Rec. No.	Claim No.	Amt. Recommended
1.	CPF 3190	\$3,500.00
2.	CPF 3431	\$3,100.00
3.	CPF 3451	\$10,000.00
4.	CPF 3458	\$3,000.00
5.	CPF 3488	\$750.00
6.	CPF 3489	\$750.00
7.	CPF 3501	\$345.00
8.	CPF 3504	\$1,330.00
9.	CPF 3541	\$750.00
10.	CPF 3559	\$2,500.00
11.	CPF 3560	\$2,500.00
	Total	\$28,525.00

b. Supporting documentation is provided separately.

The Professional Standards Committee recommends payment of these claims by the State Bar of Michigan Client Protection Fund:

1. CPF 3190 \$3,500.00

Claimant and his family retained Respondent to defend Claimant against criminal charges for a flat fee of \$13,500. Respondent received \$9,000 towards the agreed upon fee. Respondent moved to modify bond, conducted a preliminary examination, and arranged for a local attorney to handle the status conference without charge. Respondent abandoned the matter allowing the clock on the speedy trial deadline to run. Claimant remained incarcerated without bond. Claimant's new attorney successfully challenged the search warrant, leading to the dismissal of some charges, and negotiated a plea agreement. Claimant paid \$3,500 for the representation. The Committee determined that Respondent did not earn the full \$9,000 and Claimant Palmer and his family should be reimbursed the \$3,500 paid to new counsel. Respondent's failure to return the unearned portion of the flat fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

2. CPF 3431 \$3,100.00

Claimant retained Respondent to modify a loan, remove his ex-wife from the loan, and represent him in a show cause hearing. There is no written retainer agreement for the representation. The documents received during administration of the claim show the agreement required an initial payment of \$1,200, then payment of \$750 per month for three months, and payment of \$1,500 to attend the show cause hearing, which equals \$4,950. Respondent met with Claimant five times, submitted Claimant's loan modification application, corresponded with the lender, and appeared at the show cause hearing. Claimant paid Respondent \$8,050, resulting in an overpayment of \$3,100. Respondent's failure to return the unearned fee based on the work performed, constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

3. CPF 3451 \$10,000.00

Claimant retained Respondent to file a delayed appeal on Claimant's spouse's behalf. Respondent met with the client's trial attorney and purchased a copy of the trial transcript. Respondent admits to abandoning the representation, failing to communicate with the client, failing to file the delayed appeal, and failing to return the unearned portion of the retainer fee received in advance. Respondent's failure to return the unearned flat fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(D)(6), and 11(B).

4. CPF 3458 \$3,000.00

Claimant and Claimant's spouse retained Respondent to resolve their outstanding debts and/or file a bankruptcy petition for a flat fee of \$3,000. Claimant provided documentation reflecting payment of \$600; however, in a stipulation, Respondent admitted to accepting and agreeing to reimburse \$3,000. Respondent did not resolve his clients' outstanding debts or file a bankruptcy petition before Respondent's license to practice law was suspended. Respondent's failure to return the \$3,000 constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(D)(6), and 11(B).

5. CPF 3488 \$750.00

Claimant paid Respondent a flat fee of \$750 to file a bankruptcy petition. Respondent did not file the petition or safeguard the advanced fee for return to Claimant. Respondent's failure to reimburse the \$750 constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

6. CPF 3489 \$750.00

Claimant paid Respondent a flat fee of \$750 to file a bankruptcy petition. Respondent did not file the petition or safeguard the advanced fee for return to Claimant. Respondent's failure to reimburse the \$750 constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

7. CPF 3501 \$345.00

Claimant retained Respondent to respond to a Motion for Relief for a flat fee of \$400 and paid \$345 towards the agreed upon fee. The Attorney Fee and Costs Payment Schedule states, in part, that "Initial down payment (non-refundable attorney fee of \$150.00) paid on..." Nonrefundable retainers are ethically permissible if the fee agreement is unambiguous. *Grievance Adm'r v Cooper, Grievance Administrator v. Cooper*, 482 Mich 1079 (2008). Claimant could not provide a copy of the fee agreement. Respondent's standard fee agreement template does not address the premature termination of the representation before completion of any legal services. Since Respondent did not complete the agreed upon services, the nonrefundable flat fee may be deemed unreasonable or excessive contrary to MPRC 1.5(a). Respondent's failure to reimburse the \$345 constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

8. CPF 3504 \$1,330.00

Claimant retained Respondent to represent Claimant in a civil matter for a flat fee of \$1,500. Claimant requested reimbursement of \$2,250, but the agreement was for \$1,500 and Claimant only paid \$1,330 towards the agreed upon flat fee. The Committee found that Claimant received little or no value from the eight meetings with Respondent. Respondent's failure to safeguard the unearned fee of \$1,330.00 paid in advance to reimburse Claimant as needed constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

9. CPF 3541 \$750.00

Claimant paid Respondent a flat fee of \$750 to file a bankruptcy petition. Respondent did not file the petition or safeguard the advanced fee for return to Claimant. Respondent's failure to reimburse the \$750 constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(D)(6).

10. CPF 3559 \$2,500.00

Claimant and Claimant's spouse retained Respondent to represent their son in a commutation and, if needed, post-conviction appeal. They paid the agreed upon flat fee of \$2,500. Respondent met with Claimant and Claimant's spouse a few times and met with the client in prison at least five times but completed no further legal services. Via email, Respondent agreed to refund the retainer in full. Respondent's failure to complete the legal services or refund the unearned portion of the fees received in advance constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(D)(6), and 11(B).

11. CPF 3560 \$2,500.00

Claimant retained Respondent to represent Claimant's nephew in a commutation/post-conviction appeal for \$2,500. Respondent provided no legal services. Respondent's failure to return the unearned fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1), 9(D)(6), and 11(B).

Total payments recommended: \$28,525.00

State Bar of Michigan Financial Results Summary

8 Months Ended May 31, 2019

Fiscal Year 2019

Administrative Fund

Summary of YTD May 31, 2019 Actual Results

For the eight months ended May 31, 2019, the State Bar had an Operating Loss of \$589,285 and Non-Operating Income of \$357,585, for a decrease in Net Position of \$231,700 so far in FY 2019. Net Position as of May 31, 2019 totaled \$12,569,071. Net Position excluding the impacts of the Retiree Health Care Trust net of the GASB 75 liability totaled \$10,859,715.

YTD Variance from Budget Summary:

YTD Operating Revenue - \$25,547 favorable to YTD budget, or 0.4%

YTD Operating Expense - \$378,010 favorable to YTD budget, or 4.5%

YTD Non-Operating Income - \$235,435 favorable to YTD budget, or 192.7%

YTD Change in Net Position - \$638,992 favorable to YTD budget

YTD Key Budget Variances:

YTD Operating Revenue variance - \$25,547 favorable to budget:

- Operating revenue was favorable to budget by \$27,266, or 9.5% in Professional Standards (primarily C&F), by \$10,000 for a Diversity program grant that was not budgeted, and by \$8,149 in Dues and Related net of Pro Hac Vice fees and Other; partially offset by unfavorable variances of \$19,868, or 3.6% in Member & Communication Services (primarily Annual Meeting, Bar Journal and Directory, and Print Center).

YTD Operating Expense variance - \$378,010 favorable to budget:

- Salaries and Employee Benefits/ Payroll Taxes - \$160,696 favorable - (3.5%)
 - Underage in salaries and benefits due to vacancies, lower health care expenses, and no longer expensing retiree health care trust contributions.
- Non-Labor Operating Expenses - \$217,314 favorable - (8.1%)
 - Exec Offices - \$30,651 favorable - (5.9%) - Primarily Executive Office, Outreach, JI, Gen Counsel, R&D, and RA, partially offset by HR (temp staff) - some timing.
 - Finance & Admin - \$19,659 favorable - (2.0%) - Under in Facilities Services and partially offset in Financial Services due to credit card fees - some timing.
 - Member & Communication Services - \$127,291 favorable - (11.5%) - Primarily Internet, Bar Journal, Member & Endorsed Services and e-Journal; and to a lesser extent some other departments; partially offset by IT - some timing.

- Professional Standards - \$39,713 favorable - (37.4%) - Primarily C&F; and to a lesser extent, other departments - some timing.

YTD Non-Operating Revenue Budget Variance - \$235,435 favorable to budget

- Investment income is favorable to budget by \$64,327, or 52.7%, due to higher interest rates and more favorable cash management opportunities than planned. Retiree Health Care Trust investment income is favorable to budget by \$171,108 due to investment gains, as no income or loss was budgeted for this item.

Cash and Investment Balance – Admin Fund

As of May 31, 2019, the cash and investment balance in the State Bar Admin Fund (net of “*due to Sections, Client Protection Fund, and Retiree Health Care Trust*”) was \$9,748,500.

SBM Retiree Health Care Trust

As of May 31, 2019, the SBM Retiree Health Care Trust had a fund balance of \$3,240,254, which is an increase of \$209,328 so far in FY 2019, due to investment income of \$171,108 and contributions to the trust.

Capital Budget – Admin Fund

Through May 31, 2019, YTD capital expenditures totaled \$114,875 which is over the YTD capital budget by \$39,875 due to higher capital spending on the e-commerce site not anticipated in the budget, expected to be more than offset by lower expenditures on other projects.

Administrative Fund FY 2019 Year-End Financial Forecast

Based on the June forecast, we are projecting to do better than the FY 2019 budget by over \$520,000, not including the investment impacts of the retiree health care trust now consolidated within the Administrative Fund and not included in the 2019 budget. This is primarily due to the changes to the Annual Meeting, lower health care, better investment income, and lower operational expenses.

Client Protection Fund

The Net Position of the Client Protection Fund as of May 31, 2019 totaled \$1,839,205, a decrease of \$170,549 so far in FY 2019. Claims payments so far this year totaled \$516,515 and there are an additional \$1,200 in approved claims awaiting subrogation agreements.

SBM Membership

As of May 31, 2019, the total active, inactive and emeritus membership in good standing totaled 45,972 attorney members, for a net increase of 257 members so far in FY 2019. Active members totaled 42,411, and increase of 69 this fiscal year, and dues paying members (active and inactive less than 50 years of service) totaled 42,039, a decrease of 76 this fiscal year. A total of 777 new members have joined the SBM so far during FY 2019.

**STATE BAR OF MICHIGAN
ADMINISTRATIVE FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
May 31, 2019**

FY 2019

Note: Dues revenue is recognized and budgeted as earned each month throughout the year.

State Bar of Michigan
Administrative Fund
Statement of Net Position
For the Months Ending April 30, 2019 and May 31, 2019

	April 30, 2019	May 31, 2019	Increase (Decrease)	%	Beginning of FY 2019 October 1, 2018
ASSETS AND DEFERRED OUTFLOWS					
Assets					
Cash	4,649,706	3,868,291	(781,415)	(16.8%)	871,888
Investments (CDARS and CD's)	8,753,528	8,753,528	0	0.0%	9,213,528
Accounts Receivable	184,091	198,721	14,630	8.0%	229,144
Due from (to) CPF	(135,143)	(72,217)	62,926	46.6%	15,354
Due from (to) Sections	(2,886,171)	(2,801,103)	85,068	3.0%	(2,256,271)
Due from Attorney Discipline System	0	0	0	N/A	344,632
Inventory	51,566	43,458	(8,108)	(15.7%)	23,412
Prepaid Expenses	278,212	283,840	5,628	2.0%	400,408
Retiree Health Care Trust Investment	3,403,446	3,240,254	(163,191)	(4.8%)	3,030,926
Capital Assets, net	3,796,174	3,766,482	(29,692)	(0.8%)	4,008,941
Total Assets	\$18,095,408	\$17,281,255	(\$814,153)	(4.5%)	\$15,881,962
Deferred Outflows of Resources related to pensions	38,024	38,024	0	0.0%	38,024
Deferred Outflows of Resources related to OPEB	139,752	139,752	0	0.0%	139,752
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$18,273,184	\$17,459,031	(\$814,153)	(4.5%)	\$16,059,738
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
Liabilities					
Accounts Payable	303	62	(241)	(79.5%)	566,297
Accrued Expenses	438,447	443,186	4,739	1.1%	483,538
Unearned Revenue	3,112,902	2,496,525	(616,376)	(19.8%)	258,946
Net Pension Liability	263,680	263,680	0	0.0%	263,680
Net OPEB Liability	1,634,710	1,634,710	0	0.0%	1,634,710
Total Liabilities	\$5,450,042	\$4,838,164	(\$611,878)	(11.2%)	\$3,207,171
Deferred Inflows of Resources related to pensions	15,856	15,856	0	0.0%	15,856
Deferred Inflows of Resources related to OPEB	35,940	35,940	0	0.0%	35,940
Total Liabilities and Deferred Inflows	\$5,501,838	\$4,889,960	(\$611,878)	(11.1%)	\$3,258,967
Net Position					
Invested in capital assets, net of related debt	3,796,174	3,766,482	(29,692)	(0.8%)	4,008,941
Invested in retiree health care, net of related liability	1,872,548	1,709,356	(163,191)	(8.7%)	1,500,028
Unrestricted	7,102,624	7,093,233	(9,391)	(0.1%)	8,791,830
Total Net Position	\$12,771,346	\$12,569,071	(202,274)	(1.6%)	\$12,800,771
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$18,273,184	\$17,459,031	(\$814,153)	(4.5%)	\$16,059,738

NOTE: Cash and investments actually available to the State Bar Administrative Fund, after deduction of the "Due to Sections" and "Due to CPF" and not including the "Retiree Health Care Trust" is \$9,748,500 (See below):

	April 30, 2019	May 31, 2019	Increase (Decrease)	%	Beginning of FY 2019 October 1, 2018
CASH AND INVESTMENT BALANCES					
Cash	4,649,706	3,868,291	(781,415)	(16.8%)	871,888
Investments	8,753,528	8,753,528	0	0.0%	9,213,528
Total Available Cash and Investments	\$13,403,234	\$12,621,819	(781,415)	(5.8%)	\$10,085,416
Less:					
Due to Sections	2,886,171	2,801,103	(85,068)	(3.0%)	2,256,271
Due to CPF	135,143	72,217	(62,926)	(46.6%)	(15,354)
Due to Sections and CPF	\$3,021,314	\$2,873,319	(147,995)	(4.9%)	2,240,917
Net Administrative Fund Cash and Investment Balance (Not including Retiree Health Care Trust)	\$10,381,920	\$9,748,500	(\$633,420)	(6.1%)	\$7,844,499

State Bar of Michigan
Statement of Revenue, Expense, and Net Assets
For the eight months ending May 31, 2019
YTD FY 2019 Revenue

Revenue	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>	<u>Percentage</u>
Executive Offices				
Diversity Grant	10,000	0	10,000	N/A
Finance & Administration				
License Fees, Dues & Related	5,227,241	5,235,542	(8,301)	(0.2%)
Investment Income - SBM Operations	186,477	122,150	64,327	52.7%
Investment Income - Ret HC Trust	171,108	0	171,108	N/A
Other Revenue	285,065	268,615	16,450	6.1%
Finance & Administration Total	<u>5,869,891</u>	<u>5,626,307</u>	<u>243,584</u>	<u>4.3%</u>
Member & Communication Services				
Bar Journal Directory	38,570	46,800	(8,230)	(17.6%)
Bar Journal 11 issues	111,667	121,333	(9,666)	(8.0%)
Print Center	47,379	52,117	(4,738)	(9.1%)
e-Journal and Internet	56,073	51,933	4,140	8.0%
BCBSM Insurance Program	66,667	66,667	0	0.0%
Credit Card Program	0	0	0	N/A
Annual Meeting	0	18,000	(18,000)	(100.0%)
Labels	2,031	2,000	31	1.6%
Upper Michigan Legal Institute	12,765	11,200	1,565	14.0%
Bar Leadership Forum	11,800	8,700	3,100	35.6%
Practice Management Resource Center	20	733	(713)	(97.3%)
Lawyer Referral Service (LRS)	103,933	96,167	7,766	8.1%
Other Member & Endorsed Revenue	84,433	79,556	4,877	6.1%
Member & Communication Services Total	<u>535,338</u>	<u>555,206</u>	<u>(19,868)</u>	<u>(3.6%)</u>
Professional Standards				
Ethics	7,525	8,000	(475)	(5.9%)
Character & Fitness	279,255	246,300	32,955	13.4%
Lawyers and Judges Assistance Program	28,119	33,333	(5,214)	(15.6%)
Professional Standards Total	<u>314,899</u>	<u>287,633</u>	<u>27,266</u>	<u>9.5%</u>
Total Revenue	6,730,128	6,469,146	260,982	4.0%
Less: Investment Income	186,477	122,150	64,327	52.7%
Investment Income - Ret HC Trust	171,108	0	171,108	N/A
Total Operating Revenue	6,372,543	6,346,996	25,547	0.4%

State Bar of Michigan
Statement of Revenue, Expense and Net Assets
For the eight months ending May 31, 2019
YTD FY 2019 Expenses

Expenses	YTD Actual	YTD Budget	Variance	Percentage
Executive Offices				
Executive Office	43,678	52,767	(9,089)	(17.2%)
Representative Assembly	16,460	22,017	(5,557)	(25.2%)
Board of Commissioners	47,400	45,733	1,667	3.6%
General Counsel	16,245	22,569	(6,324)	(28.0%)
Governmental Relations	45,576	48,201	(2,625)	(5.4%)
Human Resources (incl. empl benefits)	1,253,262	1,363,999	(110,737)	(8.1%)
Outreach, Local Bar & Section Support	105,528	115,150	(9,622)	(8.4%)
Research and Development	7,076	11,675	(4,599)	(39.4%)
Justice Initiatives	131,032	140,033	(9,001)	(6.4%)
Diversity	30,801	24,667	6,134	24.9%
Salaries	987,899	996,925	(9,026)	(0.9%)
Executive Offices Total	2,684,957	2,843,736	(158,779)	(5.6%)
Finance & Administration				
Administration	21,636	26,641	(5,005)	(18.8%)
Facilities Services	250,057	283,717	(33,660)	(11.9%)
Financial Services	670,539	651,533	19,006	2.9%
Salaries	293,990	309,550	(15,560)	(5.0%)
Finance & Administration Total	1,236,222	1,271,441	(35,219)	(2.8%)
Member & Communication Services				
Bar Journal Directory	52,640	58,000	(5,360)	(9.2%)
Bar Journal 11 Issues	304,938	353,221	(48,283)	(13.7%)
Print Center	38,205	45,886	(7,681)	(16.7%)
Website	59,385	95,900	(36,515)	(38.1%)
e-Journal	24,331	32,367	(8,036)	(24.8%)
Media Relations	40,670	45,917	(5,247)	(11.4%)
Member & Endorsed Services	77,991	98,967	(20,976)	(21.2%)
Annual Meeting	11,122	9,000	2,122	23.6%
Bar Leadership Forum	4,430	4,600	(170)	(3.7%)
Practice Mgt Resource Center (PMRC)	2,526	4,267	(1,741)	(40.8%)
UMLI	4,647	4,700	(53)	(1.1%)
Lawyer Referral Service (LRS)	4,907	11,500	(6,593)	(57.3%)
Information Technology Services	351,375	340,133	11,242	3.3%
Salaries	1,300,567	1,320,772	(20,205)	(1.5%)
Member & Communication Services Total	2,277,734	2,425,230	(147,496)	(6.1%)
Professional Standards				
Character & Fitness (C&F)	23,736	46,436	(22,700)	(48.9%)
Client Protection Fund Dept	5,754	11,075	(5,321)	(48.0%)
Ethics	11,381	14,600	(3,219)	(22.0%)
Unauthorized Practice of Law (UPL)	9,807	14,872	(5,065)	(34.1%)
Lawyer & Judges Assistance Program	16,859	20,267	(3,408)	(16.8%)
Salaries	695,378	692,181	3,197	0.5%
Professional Standards Total	762,915	799,431	(36,516)	(4.6%)
Total Expense	6,961,828	7,339,838	(378,010)	(5.2%)
Human Resources Detail				
Payroll Taxes	241,645	253,082	(11,437)	(4.5%)
Benefits	966,087	1,073,752	(107,665)	(10.0%)
Other Expenses	45,530	37,165	8,365	22.5%
Total Human Resources	1,253,262	1,363,999	(110,737)	(8.1%)
Financial Services Detail				
Depreciation	357,333	357,333	0	0.0%
Other Expenses	313,206	294,200	19,006	6.5%
Total Financial Services	670,539	651,533	19,006	2.9%
Salaries				
Executive Offices	987,899	996,925	(9,026)	(0.9%)
Finance & Administration	293,990	309,550	(15,560)	(5.0%)
Member Services & Communications	1,300,567	1,320,772	(20,205)	(1.5%)
Professional Standards	695,378	692,181	3,197	0.5%
Total Salaries Expense	3,277,834	3,319,428	(41,594)	(1.3%)
NonLabor Summary				
Executive Offices	489,326	519,977	(30,651)	(5.9%)
Finance & Administration	942,232	961,891	(19,659)	(2.0%)
Member Services & Communications	977,167	1,104,458	(127,291)	(11.5%)
Professional Standards	67,537	107,250	(39,713)	(37.0%)
Total NonLabor Expense	2,476,262	2,693,576	(217,314)	(8.1%)

State Bar of Michigan
Statement of Revenue, Expense and Net Assets
For the eight months ending May 31, 2019
YTD FY 2019 Increase (Decrease) in Net Position Summary

	Actual YTD	Budget YTD	Variance	Percentage	Last Year Actual YTD
Operating Revenue					
- License Fees, Dues & Related	5,227,241	5,235,542	(8,301)	(0.2%)	5,246,550
- All Other Op Revenue	1,145,302	1,111,454	33,848	3.0%	1,113,823
Total Operating Revenue	<u>6,372,543</u>	<u>6,346,996</u>	<u>25,547</u>	<u>0.4%</u>	<u>6,360,373</u>
Operating Expenses					
- Labor-related Operating Expenses					
Salaries	3,277,834	3,319,428	(41,594)	(1.3%)	3,134,669
Benefits and PR Taxes	1,207,732	1,326,834	(119,102)	(9.0%)	1,249,774
Total Labor-related Operating Expenses	<u>4,485,566</u>	<u>4,646,262</u>	<u>(160,696)</u>	<u>(3.5%)</u>	<u>4,384,443</u>
- Non-labor Operating Expenses					
Executive Offices	489,326	519,977	(30,651)	(5.9%)	457,231
Finance & Administration	942,232	961,891	(19,659)	(2.0%)	868,003
Member & Communication Services	977,167	1,104,458	(127,291)	(11.5%)	912,388
Professional Standards	67,537	107,250	(39,713)	(37.0%)	77,532
Total Non-labor Operating Expenses	<u>2,476,262</u>	<u>2,693,576</u>	<u>(217,314)</u>	<u>(8.1%)</u>	<u>2,315,154</u>
Total Operating Expenses	<u>6,961,828</u>	<u>7,339,838</u>	<u>(378,010)</u>	<u>(5.2%)</u>	<u>6,699,597</u>
Operating Income (Loss)	<u>(589,285)</u>	<u>(992,842)</u>	403,557	N/A	<u>(339,224)</u>
Nonoperating Revenue (Expenses)					
Investment Income	186,477	122,150	64,327	52.7%	118,241
Investment Income - Ret HC Trust	171,108	0	171,108	N/A	0
Net Nonoperating revenue (expenses)	<u>357,585</u>	<u>122,150</u>	<u>235,435</u>	<u>192.7%</u>	<u>118,241</u>
Increase (Decrease) in Net Position	<u>(231,700)</u>	<u>(870,692)</u>	<u>638,992</u>	<u>N/A</u>	<u>(220,983)</u>
Net Position - Beginning the Year	<u>12,800,771</u>	<u>12,800,771</u>	<u>0</u>	<u>0.0%</u>	<u>12,277,875</u>
Net Position - Year-to-Date	<u>\$12,569,071</u>	<u>\$11,930,079</u>	<u>\$638,992</u>	<u>5.4%</u>	<u>\$12,056,892</u>

State Bar of Michigan Administrative Fund
Revenues, Expenses and Net Assets
FY 2019 - Year-End Forecast
Updated on June 14, 2019

	FY 2019 Year-End Forecast	FY 2019 Budget	Variance	Percentage	FY 2018 Actual
Operating Revenue					
- License Fees, Dues & Related	7,746,000	7,743,000	3,000	0.0%	7,732,039
- All Other Op Revenue	1,517,735	1,598,397	(80,662)	(5.0%)	1,632,613
Total Operating Revenue	9,263,735	9,341,397	(77,662)	(0.8%)	9,364,652
Operating Expenses					
- Labor-related Operating Expenses					
Salaries	5,096,134	5,140,392	(44,258)	(0.9%)	4,819,766
Benefits, PR Taxes, and Ret HC Exp	1,771,066	1,924,056	(152,990)	(8.0%)	1,775,841
Total Labor-related Operating Expenses	6,867,200	7,064,448	(197,248)	(2.8%)	6,595,607
- Non-labor Operating Expenses					
Executive Offices	804,431	802,850	1,581	0.1%	723,555
Finance & Administration	1,320,425	1,333,125	(12,700)	(1.6%)	1,179,734
Member & Communication Services	1,561,053	1,848,625	(287,572)	(15.6%)	1,608,750
Professional Standards	135,471	164,335	(28,864)	(17.6%)	145,435
Total Non-labor Operating Expenses	3,821,380	4,148,935	(327,555)	(7.9%)	3,657,474
Total Operating Expenses	10,688,580	11,213,383	(524,803)	(4.7%)	10,253,081
Operating Income (Loss)	(1,424,845)	(1,871,986)	447,141	N/A	(888,429)
Nonoperating Revenue (Expenses)					
Investment Income	250,000	175,000	75,000	42.9%	179,640
Investment Income - Ret HC Trust	0	0	0	N/A	202,417
Loss on Disposal of Capital Assets	0	0	0	N/A	(34,963)
Net Nonoperating Revenue (Expenses)	250,000	175,000	75,000	42.9%	347,094
Increase (Decrease) in Net Position	(1,174,845)	(1,696,986)	522,141	N/A	(541,335)

Operating Revenue forecast

- Under primarily in Annual Meeting (\$95k), Member and Endorsed Svcs (\$13k), Print Center (\$9k) Bar Journal Directory (\$8k) and other, net of higher C&F Fees (\$20k), ProHac Vice fees (\$18k) and Diversity program donation (\$10k)

Labor forecast:

- Salaries - vacancies and sick leave
- Benefits - under in health care (\$77k), other benefits/payroll taxes (\$36k), and (\$40k) retiree health care due to accounting change

Nonlabor forecast:

- Executive Offices - over budget by \$1,581
- Finance & Administration - under budget by \$12,700 due to higher credit card fees net of lower facilities expenses
- Member Services & Communications - under budget by \$287,572 primarily due to Annual Meeting, and also Bar Journal, Website, Member & Endorsed Svcs, LRS, and all other, partially offset by higher IT.
- Professional Standards - under budget by \$28,864 primarily due to C&F, and all other departments

Non-Operating Income forecast:

- Investment Income - will be better than budget due to higher interest rates than planned

Other forecast issues not reflected in the forecast:

- Potential additional savings in other operating expenses not reflected

State Bar of Michigan
Administrative Fund
FY 2019 Capital Expenditures vs Budget
For the eight months ending May 31, 2019

	YTD Actual	YTD Budget	YTD Variance	Variance Explanations	Total Approved FY 2019 Budget	FY 2019 Year-End Forecast	Projected Year-end Variance
<u>Building and Equipment</u>							
Electrical panel upgrade	0	0	0		35,000	35,000	0
Replacement of carpet (2nd, 3rd, 4th)	0	0	0	Will be deferred and used toward additional elevator upgrades	65,000	0	(65,000)
Elevator upgrade	0	0	0	Portion of work-in-progress and make-ready work	50,000	80,000	30,000
Replacement of floor copiers	0	0	0	Will be deferred to FY 2020	35,000	0	(35,000)
Meeting room technology upgrades	0	0	0		25,000	25,000	0
<u>Information Technology</u>							
e-commerce dues updates	40,000	0	40,000	Unplanned work on e-commerce site (if further work is done, will need to cut back resources on other projects)	0	50,000	50,000
Windows server OS 2016	0	0	0		22,000	22,000	0
Update/redesign Pro Hac Vice site ph 3	10,000	10,000	0		10,000	10,000	0
Web services tool for courts	0	0	0	No longer needed	10,000	0	(10,000)
C&F Board of Law Examiners portal	27,975	28,000	(25)		45,000	45,000	0
Firm administration application	0	0	0	Will be deferred to FY 2020	10,000	0	(10,000)
e-service application for court e-filing (e-mail addresses)	0	0	0	Janet is communicating with Court to confirm need	20,000	20,000	0
Firm billing/invoices for dues	0	0	0	Will be deferred to FY 2020	10,000	0	(10,000)
Lawyer referral consumer portal	26,950	27,000	(50)	Remaining project deferred to FY 2020	45,000	30,000	(15,000)
LRS Illinois build	0	0		New project in FY 2019	0	15,000	15,000
Application for soliciting volunteers for committees & work groups phase 2	9,950	10,000	(50)		10,000	10,000	0
Client Protection Fund portal	0	0	0	Will be deferred to FY 2020	20,000	0	(20,000)
Total	<u>\$114,875</u>	<u>\$75,000</u>	<u>\$39,875</u>		<u>\$412,000</u>	<u>\$342,000</u>	<u>(\$70,000)</u>

**STATE BAR OF MICHIGAN
CLIENT PROTECTION FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
May 31, 2019**

FY 2019

Note: Dues revenue is recognized and budgeted as earned each month throughout the year.

State Bar of Michigan
Client Protection Fund
Comparative Statement of Net Assets
For the Months Ending April 30, 2019 and May 31, 2019
FY 2019

	April 30, 2019	May 31, 2019	Increase (Decrease)	%	Beginning of FY 2019 October 1, 2018
Assets					
Cash	377,719	254,222	(123,497)	(32.7%)	288,570
Investments (CD's & CDARS)	1,561,092	1,553,412	(7,680)	(0.5%)	1,556,307
Accounts Receivable (Recoveries)	162,403	161,114	(1,289)	(0.8%)	175,001
Due from (to) Administrative Fund	135,143	72,217	(62,926)	(46.6%)	(15,354)
Accrued Interest Receivable	14,599	16,031	1,432	9.8%	9,610
Total Assets	\$ 2,250,956	\$ 2,056,996	\$ (193,960)	(8.6%)	\$ 2,014,134
Liabilities					
Accounts Payable	0	0	0	N/A	0
Unearned Revenue	269,960	217,791	(52,169)	(19.3%)	4,380
Total Liabilities	\$ 269,960	\$ 217,791	(\$52,169)	(19.3%)	\$ 4,380
Net Position					
Net Position at Beginning of Year	2,009,754	2,009,754	0	0.0%	2,009,754
Increase (Decrease) in Net Position	(28,758)	(170,549)	(141,791)	N/A	0
Total Net Position	1,980,996	1,839,205	(141,791)	(7.2%)	2,009,754
Total Liabilities and Net Position	\$ 2,250,956	\$ 2,056,996	\$ (193,960)	(8.6%)	\$ 2,014,134

* Note: In addition, there are authorized but unpaid claims totaling \$1,200 awaiting signatures of subrogation agreements.

State Bar of Michigan
Client Protection Fund
Statement of Revenue, Expenses, and Changes in Net Assets
For the eight months ending May 31, 2019
FY 2019

	FY 2019 YTD	Last Year FY 2018 YTD
Revenue		
Contributions Received	29,089	18,280
Member Fee Assessment	429,080	430,248
Pro Hac Vice Fees	8,970	7,680
Claims Recovery	3,550	22,685
Miscellaneous Income	0	0
Total Revenue	470,689	478,893
Expense		
Claims Payments *(See note below)	516,515	596,873
Administrative Fee	141,333	133,560
Litigation and Miscellaneous Expense	0	0
Total Expense	657,848	730,433
Operating Income (Loss)	(187,159)	(251,540)
Investment Income	16,610	10,477
Increase (Decrease) in Net Position	(170,549)	(241,063)
Net Position - Beginning of the Year	2,009,754	
Net Position - End of the Period	1,839,205	

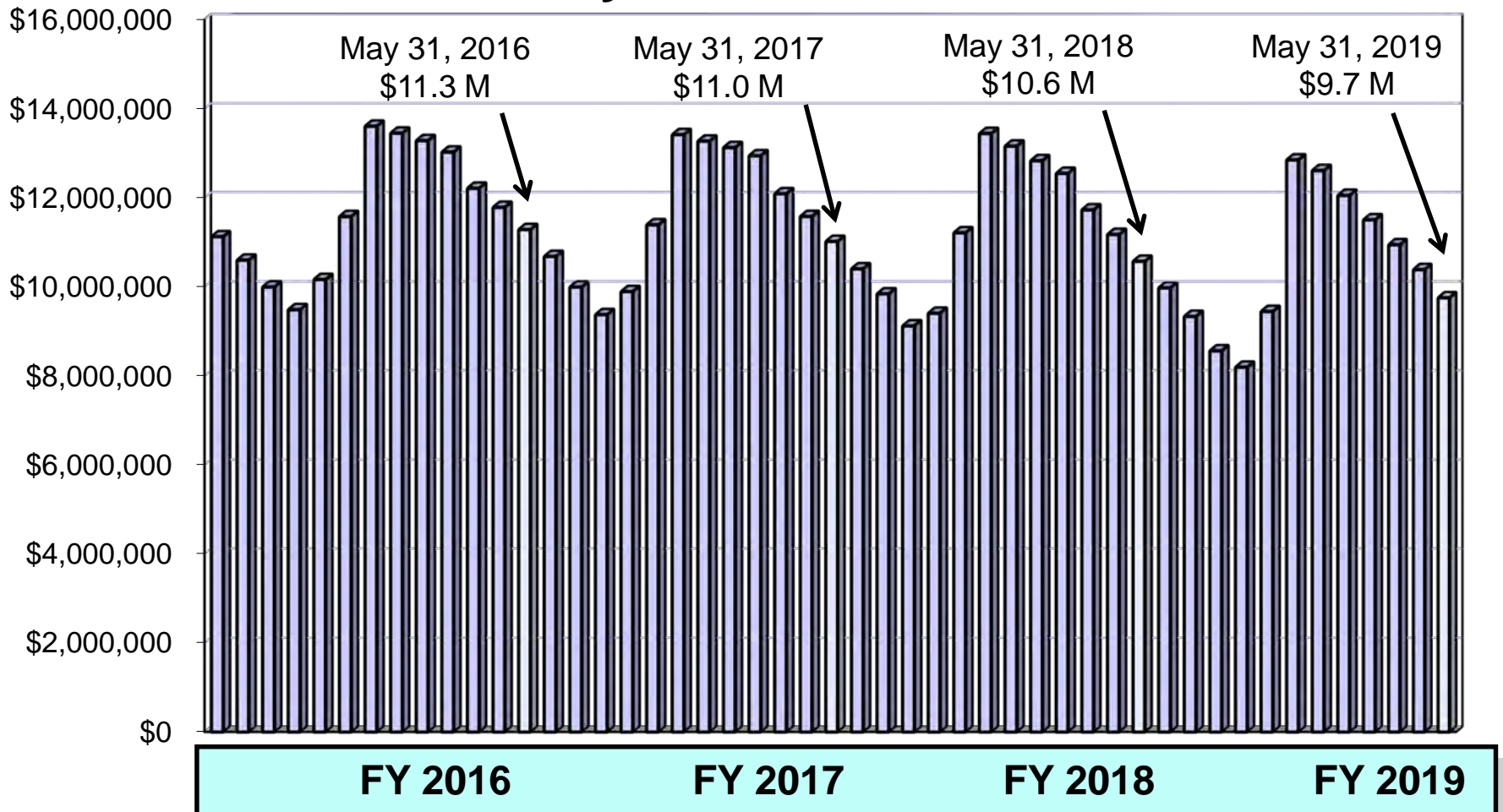
* Note: In addition, there are authorized but unpaid claims totaling \$1,200 awaiting signatures of subrogation agreements.

SBM Cash & Investment Balances

SBM Cash & Investment Balances

Excluding Sections, Client Protection Fund & Retiree Health Care Trust

May 31, 2019 - \$9.7 M



Note: The State Bar has no bank debt outstanding.

Summary of Cash and Investment Balances by Financial Institution
5/31/2019

Assets	Bank Rating	Financial Institution Summary	Interest Rates	Fund Summary
		SBM Chase Checking \$ 71,744.76		Client Protection Fund \$ 1,807,633.80
		SBM Chase Credit Card \$ 9,611.75		State Bar Admin Fund \$ 12,621,818.99
		SBM Chase E Checking \$ -		(including Sections)
		SBM Chase Payroll \$ -		Attorney Discipline System \$ 4,510,368.85
		SBM Chase Savings \$ 370,931.86	0.18%	SBM Retiree Health Care Trust \$ 3,240,254.34
		ADS Chase Checking \$ 4,388.25		ADB Retiree Health Care Trust \$ 891,861.05
		CPF Chase Checking \$ 19,722.60		AGC Retiree Health Care Trust \$ 3,180,025.39
		CPF Chase Savings \$ 46,227.04	0.18%	Total \$ 26,251,962.42
\$2.14 Trillion	4 stars	Chase Totals \$ 522,626.26		
		ADS Bank of America Petty Cash \$ 2,549.18	0.00%	
	4 stars	Bank of America Totals \$ 2,549.18		
		SBM Fifth Third Commercial Now \$ 2,919.89	0.00% ***	
\$140 Billion	5 stars	Fifth Third Totals \$ 2,919.89		
		Grand River Bank Money Market \$ 11,331.57	1.34%	
\$223 Million	4 stars	Grand River Bank Totals \$ 11,331.57		State Bar Admin Fund Summary
		Grand River Bank Total w/CD \$ 509,859.26		Cash and Investments \$ 12,621,818.99
				Less:
		First Community Bank \$ 12,636.60	1.40%	Due (to)/from Sections (2,801,102.52)
\$288 Million	5 stars	First Community Bank Total \$ 12,636.60		Due (to)/from CPF (72,216.76)
		First Community Bank Total w/CD \$ 257,636.60		
		Sterling Bank \$ 2,321.05	0.40%	Due to Sections and CPF \$ (2,873,319.28)
\$2.96 Billion	5 stars	Sterling Bank Total \$ 2,321.05		Net Administrative Fund \$ 9,748,499.71
		Sterling Bank Total w/CD \$ 977,321.05		
		Citizens Bank Checking \$ 100,100.00		SBM Average Weighted Yield: 2.08%
\$122 Billion	4 stars	Citizens Bank Money Market \$ 2,381,948.81	2.25%	ADS Average Weighted Yield: 1.13%
		CPF Citizens Bank CD \$ 500,000.00	2.50%	08/31/19 CPF Average Weighted Yield: 1.18%
		Citizens Bank Totals \$ 2,982,048.81		
		Mercantile Bank \$ 565,369.95	1.25%	
\$3.27 Billion	5 stars	Mercantile Bank Total \$ 565,369.95		Note: average weighted yields exclude retiree health care trusts
		Main Street Bank \$ 13,434.37	1.25%	
\$227.5 Million	4 stars	Main Street Bank \$ 13,434.37		
		MSU Credit Union \$ 8.92	0.10%	
\$3.85 Billion	5 stars	MSU Credit Union Total \$ 8.92		Notes:
		MSU Credit Union Total w/CD \$ 1,900,008.92		- All amounts are based on reconciled book balance and interest rates as of 05/31/2019
		SBM Flagstar Savings Account \$ 2,059.46	1.22%	- CDARS are invested in multiple banks up to the FDIC limit for each bank
		ADS Flagstar Savings Account \$ 767,303.73	1.21%	- Funds held in bank accounts are FDIC insured up to \$250,000 per bank
		ADS Flagstar CDARS -13 Week \$ 500,000.00	0.95%	- The SBM funds held with Charles Schwab in the Retiree Health Care Trusts are invested in 80% equity and 20% fixed income mutual funds
		ADS Flagstar CDARS -12 Month \$ 810,000.00	1.35%	- As of 05/31/2019, the funds held by SBM attributable to ADS was (\$323,872.31)
		ADS Flagstar CDARS -12 Month \$ 1,000,000.00	1.35%	* Flagstar Bank reserves the right to mature these CDARS at 12 months.
		ADS Flagstar CDARS -4 Week \$ 750,000.00	0.75%	** Formerly Talmer West Bank
		ADS Flagstar CDARS -4 Week \$ 500,000.00	0.75%	***Balance offsets lockbox fees by 0.35%.
		ADS Flagstar CDARS -4 Week \$ 500,000.00	0.75%	****Actual unreconciled Chase balance per statements was \$601,816.20
		ADS Flagstar CDARS -4 Week \$ 500,000.00	0.75%	
		CPF Flagstar Savings \$ 188,271.95	1.08%	
		CPF Flagstar CDARS -12 Month \$ 250,000.00	1.35%	
		CPF Flagstar CDARS -24 Month \$ 453,412.21	0.75%	
		CPF Flagstar CDARS -12 month \$ 350,000.00	1.35%	
\$16.8 Billion	4 stars	Flagstar Bank Totals \$ 6,071,047.35		
		SBM - CD Chemical Bank ** \$ 235,000.00	1.75%	
\$19.2 Billion	4 stars	SBM - CD Chemical Bank \$ 250,000.00	2.40%	
		SBM - CD Chemical Bank \$ 250,000.00	2.40%	
		SBM - CD Chemical Bank \$ 250,000.00	2.40%	
	4 stars	SBM - CD Chemical Bank \$ 250,000.00	2.40%	
	4 stars	SBM - CD First Community Bank \$ 245,000.00	2.22%	
		SBM - Grand River Bank \$ 253,527.69	2.50%	
\$3.9 Billion	4 stars	SBM - Grand River Bank \$ 245,000.00	2.75%	
		SBM-CD Horizon Bank \$ 240,000.00	1.00%	
		SBM-CD Horizon Bank \$ 240,000.00	2.81%	
		SBM-CD Horizon Bank \$ 240,000.00	2.81%	
		SBM-CD Horizon Bank \$ 240,000.00	2.81%	
		SBM-CD Horizon Bank \$ 250,000.00	2.66%	
		SBM-CD Horizon Bank \$ 250,000.00	2.66%	
		SBM-CD Horizon Bank \$ 250,000.00	2.48%	
		SBM-CD Horizon Bank \$ 250,000.00	2.48%	
		SBM-CD Horizon Bank \$ 250,000.00	2.48%	
\$1.36 Billion	4 stars	SBM-CD First National Bank of America \$ 240,000.00	1.60%	
		SBM-CD First National Bank of America \$ 240,000.00	2.60%	
		SBM-CD First National Bank of America \$ 240,000.00	1.85%	
		SBM-CD First National Bank of America \$ 240,000.00	1.85%	
\$184.1 Million	2 stars	SBM-CD Community Shores Bank \$ 240,000.00	1.25%	
\$192.4 Million	4 stars	SBM-CD Clarkston State Bank \$ 240,000.00	1.10%	
	5 stars	SBM-CD Sterling Bank \$ 245,000.00	2.50%	
		SBM-CD Sterling Bank \$ 245,000.00	2.50%	
		SBM-CD Sterling Bank \$ 245,000.00	2.50%	
		SBM-CD Sterling Bank \$ 245,000.00	2.50%	
\$397 Million	4 stars	SBM-CD The Dart Bank \$ 240,000.00	2.42%	
		SBM-CD The Dart Bank \$ 245,000.00	2.42%	
		SBM-CD The Dart Bank \$ 245,000.00	2.42%	
		SBM-CD The Dart Bank \$ 245,000.00	2.42%	
		SBM-CD The Dart Bank \$ 245,000.00	2.42%	
	5 stars	SBM-CD MSU Credit Union \$ 235,000.00	2.05%	
		SBM-CD MSU Credit Union \$ 235,000.00	2.05%	
		SBM-CD MSU Credit Union \$ 235,000.00	2.05%	
		SBM-CD MSU Credit Union \$ 235,000.00	2.05%	
		SBM-CD MSU Credit Union \$ 240,000.00	2.61%	
		SBM-CD MSU Credit Union \$ 240,000.00	2.61%	
		SBM-CD MSU Credit Union \$ 240,000.00	2.61%	
		SBM-CD MSU Credit Union \$ 240,000.00	2.61%	
		SBM-CD MSU Credit Union \$ 240,000.00	2.61%	
		Bank CD Totals \$ 8,753,527.69		
		Total Cash & Investments (excluding Schwab) \$ 18,939,821.64		
		SBM - Charles Schwab (Ret HC Trust) \$ 3,240,254.34		Mutual Funds
		ADB - Charles Schwab (Ret HC Trust) \$ 891,861.05		Mutual Funds
		AGC - Charles Schwab (Ret HC Trust) \$ 3,180,025.39		Mutual Funds
		Charles Schwab Totals \$ 7,312,140.78		
		Grand Total (including Schwab) \$ 26,251,962.42		
		Total amount of cash and investments (excluding Schwab) not FDIC insured \$ 10,327,505.99	54.53%	

Monthly SBM Member Report - May 31, 2019

FY 2019

<u>Attorney Members and Affiliates In Good Standing</u>							Current Fiscal Year	
	September 30 2013	September 30 2014	September 30 2015	September 30 2016	September 30 2017	September 30 2018	May 31 2019	FY Increase (Decrease)
Active	40,475	41,093	41,608	41,921	42,100	42,342	42,411	69
Less than 50 yrs serv	39,335	40,036	40,490	40,725	40,833	40,973	40,934	(39)
50 yrs or greater	1,140	1,057	1,118	1,196	1,267	1,369	1,477	108
Voluntary Inactive	1,263	1,211	1,218	1,250	1,243	1,169	1,139	(30)
Less than 50 yrs serv	1,231	1,184	1,195	1,230	1,217	1,142	1,105	(37)
50 yrs or greater	32	27	23	20	26	27	34	7
Emeritus	1,391	1,552	1,678	1,841	1,973	2,204	2,422	218
Total Attorneys in Good Standing	43,129	43,856	44,504	45,012	45,316	45,715	45,972	257
Dues Paying Members (Active & Inactive less than 50 yrs of Serv)	40,566	41,220	41,685	41,955	42,050	42,115	42,039	(76)
Affiliates								
Legal Administrators	19	14	13	13	13	10	11	1
Legal Assistants	433	413	425	405	400	401	434	33
Total Affiliates in Good Standing	452	427	438	418	413	411	445	34

Total Attorney Members and Former Members in the Database

State Bar of Michigan Member Type							Current Fiscal Year	
	September 30 2013	September 30 2014	September 30 2015	September 30 2016	September 30 2017	Sept 30 2018	May 31 2019	FY Increase (Decrease)
Attorney Members in Good Standing:								
ATA (Active)	40,475	41,093	41,608	41,921	42,100	42,342	42,411	69
ATVI (Voluntary Inactive)	1,263	1,211	1,218	1,250	1,243	1,169	1,139	(30)
ATE (Emeritus)	1,391	1,552	1,678	1,841	1,973	2,204	2,422	218
Total Members in Good Standing	43,129	43,856	44,504	45,012	45,316	45,715	45,972	257
Attorney Members Not in Good Standing:								
ATN (Suspended for Non-Payment of Dues)	5,248	5,427	5,578	5,743	5,888	6,072	6,303	231
ATDS (Discipline Suspension - Active)	400	407	415	418	430	439	438	(1)
ATDI (Discipline Suspension - Inactive)	10	12	11	18	19	19	22	3
ATDC (Discipline Suspension - Non-Payment of Court Costs)	1	1	3	3	16	15	17	2
ATNS (Discipline Suspension - Non-Payment of Other Costs)	76	83	92	99	94	95	97	2
ATS (Attorney Suspension - Other)*	1	1	1	1	0	1	1	0
ATR (Revoked)	519	521	517	534	562	583	588	5
ATU (Status Unknown - Last known status was inactive)**	2,174	2,088	2,076	2,074	2,070	2,070	2,070	0
Total Members Not in Good Standing	8,429	8,540	8,693	8,890	9,079	9,294	9,536	242
Other:								
ATSC (Former special certificate)	134	136	140	145	152	155	157	2
ATW (Resigned)	1,354	1,429	1,483	1,539	1,612	1,689	1,778	89
ATX (Deceased)	7,797	8,127	8,445	8,720	9,042	9,287	9,474	187
Total Other	9,285	9,692	10,068	10,404	10,806	11,131	11,409	278
Total Attorney Members in Database	60,843	62,088	63,265	64,306	65,201	66,140	66,917	777

* ATS is a new status added effective August 2012 - suspended by a court, administrative agency, or similar authority

** ATU is a new status added in 2010 to account for approximately 2,600 members who were found not to be accounted for in the iMIS database
The last known status was inactive and many are likely deceased. We are researching these members to determine a final disposition.

N/R - not reported

Notes: Through May 31, 2019, a total of 777 new members joined the SBM in FY 2019
A total of 438 Active and 55 Inactive members were suspended in February for non-payment of dues

Policy to Require Approval of Second Signature Checks or Electronic Payments \$15,000 or Greater

Approved by the Finance Committee on May 31, 2019 – For BOC review/approval

Background

Currently, as a financial control, two approvals are required for payments for \$15,000 or greater. The Executive Director signs all checks and approves all payments for \$15,000 or greater. Additionally, our current practice is to require the Treasurer to also authorize his or her electronic signature (second signature) in these instances, or authorize electronic payments. If the Treasurer is unavailable, any of the other SBM Officers and Lansing-based SBM Commissioners are authorized to have this approval authority. This is accomplished at each September Board of Commissioners meeting by Board resolution.

This policy formalizes the current practice of the Executive Director and Treasurer approving payments of \$15,000 or greater (or an SBM officer in the Treasurer's absence), and also serves to eliminate the need for a board resolution each September for this purpose.

Policy

The Finance Committee recommends that the Board adopt the following policy:

“Checks or electronic payments for \$15,000 or greater shall be approved by the Executive Director and by the Treasurer. If the Executive Director is not available, another senior management team member may be designated by the Executive Director to approve the payments. If the Treasurer is not available, a State Bar officer may approve the payments. The Finance Committee will review the most recent list of payments \$15,000 or greater at each meeting. This policy applies to all payments except payroll disbursements routinely handled through ADP.”

Policy to Require Approval of Transfer of Cash or Investments Between Financial Institutions

Approved by the Finance Committee on May 31, 2019 – For BOC review/approval

Background

Currently, for financial control purposes, anytime a transfer of cash or investments is made between financial institutions, usually for the purpose of investing excess funds in accordance with the investment policy or for liquidity purposes for payroll and bills, the Finance staff makes a recommendation for transferring cash or investments between financial institutions to the Director of Finance & Administration. Once approved, the Director of Finance & Administration sends the recommendation to both the Executive Director and the Treasurer review the recommendation and approve accordingly. This purpose policy of this policy is to formalize as a Board Policy the current practice of obtaining approval whenever transfers are made between financial institutions.

Policy

The Finance Committee recommends that the Board adopt the following policy:

“Any transfers of cash or investments between financial institutions shall be recommended by the Director of Finance and Administration, and shall be also approved by both the Executive Director and the Treasurer prior to the transfer being made. If the Executive Director is not available, another senior management team member may be designated by the Executive Director to approve the transfer. If the Treasurer is not available, a State Bar officer may approve the transfer. All transfer requests for approval to the Executive Director and Treasurer (or designees) will be communicated via e-mail. In addition, an alternative communication (phone call or text message) will also be provided to validate the legitimacy of the e-mail request.”

Policy Concerning Transfer of Cash or Investments from the Client Protection Fund

Approved by the Finance Committee on May 31, 2019 – For BOC review/approval

Background

At the September Finance Committee meeting, the Director of Finance & Administration reported to the Finance Committee that the State Bar had temporarily borrowed \$275,000 from the Client Protection Fund in order to have enough funds in the Administrative Fund to meet payroll. The shortage in cash occurred because of an unexpected delay in the receipt of dues payments as a result of an issue with the e-commerce site and an insufficient amount of time to convert available CDs to cash. The money borrowed was replaced several days later. The balance of the CPF fund itself never changed; rather, the composition of the Fund's assets and liabilities changed temporarily.

Although this was a highly unusual occurrence that was not a concern in and of itself, members of the Finance Committee were concerned that without additional controls, there could theoretically be additional borrowings that would deplete Client Protection Fund in the unlikely event the Administrative Fund lacked the necessary funds to make repayments. The Finance Committee's concerns further recognized that under the Rules of the Client Protection Fund approved by the Board of Commissioners: "[a]ll monies or other assets of the Fund shall constitute a trust and shall be held in the name of the Fund, subject to the direction of the Board of Commissioners."

The auditors reviewed the September transaction and did not have a problem with it. They noted that the financial reports of the Client Protection Fund are adequately reported to and reviewed by the Finance Committee and the Board of Commissioners, as well as the Client Protection Fund Committee. However, they suggested that if this type of transfer raised a concern, then it would be prudent to address it with additional controls, and staff concurs.

After a several deliberations by the Finance Committee considering different approaches on a policy concerning the use of CPF cash and investments, the committee agreed on a policy to make clear and clarify that CPF money can only be used for CPF purposes and not for any other purpose (such as temporary borrowing by the Administrative Fund), and that such a policy would be useful for institutional memory.

Policy

The Finance Committee recommends that the Board adopt the following policy:

"CPF cash and investments can only be used for CPF purposes and not for any other purpose."



**FROM THE COMMITTEE
ON MODEL CRIMINAL
JURY INSTRUCTIONS**

=====

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by August 1, 2019. Comments may be sent in writing to Samuel R. Smith, Reporter, Committee on Model Criminal Jury Instructions, Michigan Hall of Justice, P.O. Box 30052, Lansing, MI 48909-7604, or electronically to MCrimJI@courts.mi.gov.

=====

PROPOSED

The Committee proposes amending the language of M Crim JI 3.8 to make it easier to read and understand, and proposes adding a footnote to clarify its use in light of many instructions that contain lesser-included offenses in the instruction itself.

[AMENDED] M Crim JI 3.8 Less Serious Crimes

You may also consider whether [the defendant is / the defendants are] guilty of the less serious crime ~~known as~~ _____ of [*name lesser included charge(s)*]. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

[Provide elements of lesser included offense(s).]

Use Note

In some instructions, the language necessary for providing the jury with an instruction on lesser included offenses may be found within the instruction itself. In some instances, it will be necessary to use this instruction to introduce the lesser included offense.

**Public Policy Position
M Crim JI 3.8**

Support

Explanation:

The committee supports the amended language to Model Criminal Jury Instructions 3.8 as it will be easier for juries understand than the current instruction.

Position Vote:

Voted For position: 10

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 7

Contact Person:

Sofia V. Nelson snelson@sado.org



**FROM THE COMMITTEE
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=====

PROPOSED

The Committee proposes amending components of the self-defense instructions found in M Crim JI 7.15, 7.16, 7.21, and 7.22 to correct and clarify amendments to the instructions adopted by the State Bar of Michigan Standing Committee on Criminal Jury Instructions in response to the enactment of the Self-Defense Act, MCL 780.971 et seq. The self-defense instructions were amended in 2007 pursuant to language in MCL 780.972(1) regarding a person “not engaged in the commission of a crime at the time” when deadly force was used. They direct that self-defense is only available where the defendant was not committing a crime. MCL 780.972(1) actually addresses the duty to retreat before using deadly force. MCL 780.974 states that the common law right to self-defense was not diminished by the Act. *People v Townes*, 391 Mich 578, 593; 218 NW2d 136 (1974), states that a defendant does not necessarily lose the right to self-defense while committing another offense if that other offense was not likely to lead to the other person’s assaultive behavior. The current instructions state that self-defense is barred if the defendant is committing any crime, even one not likely to lead to assaultive behaviors, and would also appear to bar self-defense when the defendant is charged with, *inter alia*, being a felon in possession of a firearm, contrary to holdings in *People v Dupree*, 486 Mich 693 (2010), and *People v Guajardo*, 300 Mich App 26 (2013). The proposal amends the Use Note to M Crim JI 7.15, eliminates language in M Crim JI 7.21 and 7.22 that bars self-defense when the defendant is engaged in a criminal act, and combines acts using deadly and non-deadly force in M Crim JI 7.16.

[AMENDED USE NOTE] M Crim JI 7.15 Use of Deadly Force in Self-Defense

(1) The defendant claims that [he / she] acted in lawful self-defense. A person has the right to use force or even take a life to defend [himself / herself] under certain circumstances. If a person acts in lawful self-defense, that person's actions are justified and [he / she] is not guilty of [*state crime*].

(2) You should consider all the evidence and use the following rules to decide whether the defendant acted in lawful self-defense. Remember to judge the defendant's conduct according to how the circumstances appeared to [him / her] at the time [he / she] acted.

(3) First, at the time [he / she] acted, the defendant must have honestly and reasonably believed that [he / she] was in danger of being [killed / seriously injured / sexually assaulted]. If the defendant's belief was honest and reasonable, [he / she] could act immediately to defend [himself / herself] even if it turned out later that [he / she] was wrong about how much danger [he / she] was in. In deciding if the defendant's belief was honest and reasonable, you should consider all the circumstances as they appeared to the defendant at the time.

(4) Second, a person may not kill or seriously injure another person just to protect [himself / herself] against what seems like a threat of only minor injury. The defendant must have been afraid of [death / serious physical injury / sexual assault]. When you decide if the defendant was afraid of one or more of these, you should consider all the circumstances: [the condition of the people involved, including their relative strength / whether the other person was armed with a dangerous weapon or had some other means of injuring the defendant / the nature of the other person's attack or threat / whether the defendant knew about any previous violent acts or threats made by the other person].

(5) Third, at the time [he / she] acted, the defendant must have honestly and reasonably believed that what [he / she] did was immediately necessary. Under the law, a person may only use as much force as [he / she] thinks is necessary at the time to protect [himself / herself]. When you decide whether the amount of force used seemed to be necessary, you may consider whether the defendant knew about any other ways of protecting [himself / herself], but you may also consider how the excitement of the moment affected the choice the defendant made.

Use Note

*Paragraph (1) and “However” should not be given if ~~the duty to retreat is not in dispute~~ there is no dispute that the defendant had no duty to retreat. *See People v Richardson*, 490 Mich 115, 803 NW2d 302 (2011).

Use this instruction when requested where some evidence of self-defense has been introduced or elicited. Where there is evidence that, at the time that the defendant used force or deadly force, he or she was engaged in the commission of some other crime, the Committee on Model Criminal Jury Instructions believes that circumstances of the case may provide the court with a basis to instruct the jury that the defendant does not lose the right to self-defense if the commission of that other offense was not likely to lead to the other person’s assaultive behavior. See *People v Townes*, 391 Mich 578, 593; 218 NW2d 136 (1974). The Committee expresses no opinion regarding the availability of self-defense where the other offense may lead to assaultive behavior by another.

[AMENDED] M Crim JI 7.21 Defense of Others—Deadly Force

(1) The defendant claims that [he / she] acted lawfully to defend _____. A person has the right to use force or even take a life to defend someone else under certain circumstances. If a person acts in lawful defense of another, [his / her] actions are justified and [he / she] is not guilty of [*state crime*].

(2) You should consider all the evidence and use the following rules to decide whether the defendant acted in lawful defense of another. Remember to judge the defendant’s conduct according to how the circumstances appeared to [him / her] at the time [he / she] acted.

(3) ~~First, at the time [he / she] acted, the defendant must not have been engaged in the commission of a crime.~~

~~(4) Second, when [he / she] acted, the defendant must have honestly and reasonably believed that _____ was in danger of being [killed / seriously injured / sexually assaulted]. If [his / her] belief was honest and reasonable, [he / she] could act at once to defend _____, even if it turns out later that the defendant was wrong about how much danger _____ was in.~~

(5 4) ~~Third~~ Second, if the defendant was only afraid that _____ would receive a minor injury, then [he / she] was not justified in killing or seriously injuring the attacker. The defendant must have been afraid that _____ would be [killed / seriously injured / sexually assaulted]. When you decide if [he / she] was so afraid, you should consider all the circumstances: [the conditions of the people involved, including their relative strength / whether the other person was armed with a dangerous weapon or had some other means of injuring _____ / the nature of the other person's attack or threat / whether the defendant knew about any previous violent acts or threats made by the attacker].

(6 5) ~~Fourth~~ Third, at the time [he / she] acted, the defendant must have honestly and reasonably believed that what [he / she] did was immediately necessary. Under the law, a person may only use as much force as [he / she] thinks is needed at the time to protect the other person. When you decide whether the force used appeared to be necessary, you may consider whether the defendant knew about any other ways of protecting _____, but you may also consider how the excitement of the moment affected the choice the defendant made.

(76) The defendant does not have to prove that [he / she] acted in defense of _____. Instead, the prosecutor must prove beyond a reasonable doubt that the defendant did not act in defense of _____.

[AMENDED] M Crim JI 7.22 Use of Non-deadly Force in Self-Defense or Defense of Others

(1) The defendant claims that [he / she] acted in lawful [self-defense / defense of _____]. A person has the right to use force to defend [himself / herself / another person] under certain circumstances. If a person acts in lawful [self-defense / defense of others], [his / her] actions are justified and [he / she] is not guilty of [*state crime*].

(2) You should consider all the evidence and use the following rules to decide whether the defendant acted in lawful [self-defense / defense of _____]. Remember to judge the defendant's conduct according to how the circumstances appeared to [him / her] at the time [he / she] acted.

(3) First, at the time [he / she] acted, the defendant must not have been engaged in the commission of a crime.

(4) ~~Second~~, when [he / she] acted, the defendant must have honestly and reasonably believed that [he / she] had to use force to protect [himself / herself / _____] from the imminent unlawful use of force by another. If [his / her] belief was honest and reasonable, [he / she] could act at once to defend [himself / herself / _____], even if it turns out later that [he / she] was wrong about how much danger [he / she / _____] was in.

(5) ~~Third~~ Second, a person is only justified in using the degree of force that seems necessary at the time to protect [himself / herself / the other person] from danger. The defendant must have used the kind of force that was appropriate to the attack made and the circumstances as [he / she] saw them. When you decide whether the force used was what seemed necessary, you should consider whether the defendant knew about any other ways of protecting [himself / herself / _____], but you may also consider how the excitement of the moment affected the choice the defendant made.

(6) ~~Fourth~~ Third, the right to defend [oneself / another person] only lasts as long as it seems necessary for the purpose of protection.

(7) ~~Fifth~~ Fourth, the person claiming self-defense must not have acted wrongfully and brought on the assault. [However, if the defendant only used words, that does not prevent (him / her) from claiming self-defense if (he / she) was attacked.]

Public Policy Position
M Crim JI 7.15, 7.16, 7.21, and 7.22

Support

Explanation

The committee voted unanimously to support the Model Criminal Jury Instructions 7.15, 7.16, 7.21, and 7.22 as drafted because the proposed amendments correct and provide clarification to the current jury instructions regarding self-defense.

Position Vote:

Voted For position: 12

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 5

Contact Persons:

Sofia V. Nelson snelson@sado.org

Michael A. Tesner mtesner@co.geneseec.mi.us



**FROM THE COMMITTEE
ON MODEL CRIMINAL
JURY INSTRUCTIONS**

=====

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PROPOSED

The Committee proposes new instructions, M Crim JI 10.10, 10.10a, 10.10b and 10.10c, for use where gang-related crimes found in MCL 750.411u and 750.411v have been charged.

[NEW] M Crim JI 10.10 Gang-Motivated Crimes

(1) The defendant is charged with committing a crime related to gang membership or association. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that there was a group of persons that was a gang.

To prove that the group of persons was a gang, the prosecutor must prove that it was a group of five or more persons who had a continuing relationship with each other, and identified themselves as a gang in all three of the following ways:

- (a) The group had a unifying mark, manner, protocol, or method of expressing membership, which may include a common name, sign, or symbol, means of recognition, geographical or territorial sites, or boundary or location.
- (b) The group had an established leadership or command structure.
- (c) The group had defined membership criteria.

(3) Second, that the defendant was a member or an associate¹ of the gang.²

(4) Third, that the defendant committed or attempted to commit the felony crime of [*identify underlying charged offense*], as has previously been described to you.

(5) Fourth, that the defendant's membership in or association with the gang provided the defendant with the motive, means, or opportunity to commit the crime of [*identify underlying charged offense*].

Use Note

1. The statute does not define the term “associate.” Where the jury expresses some confusion about the term or asks for a definition, the Committee on Model Criminal Jury Instructions offers the following: an “associate” is a person who is not a member of the gang, but engages in gang-related activities with its members.

2. Where the defendant challenges whether he or she is a member or associate of a gang, it may be necessary to explain that merely being in the presence of persons who are gang members is not sufficient to establish that a person is a member or associate, but proof of engaging in activities with the gang or as part of the gang is required.

[NEW] M Crim JI 10.10a Encouraging Gang-Motivated Crimes

(1) The defendant is charged with causing, encouraging, or coercing another person to assist a gang in committing a felony. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that there was a group of persons that was a gang.

To prove that the group of persons was a gang, the prosecutor must prove that it was a group of five or more persons who had a continuing relationship with each other, and identified themselves as a gang in all three of the following ways:

- (a) The group had a unifying mark, manner, protocol, or method of expressing membership, which may include a common name, sign, or symbol, means of recognition, geographical or territorial sites, or boundary or location.
- (b) The group had an established leadership or command structure.
- (c) The group had defined membership criteria.

(3) Second, that members of the gang committed or planned to commit the felony crime of [*identify underlying charged offense*], as has previously been described to you.

(4) Third, that the defendant caused, encouraged, or coerced [*identify other person(s)*] to join, participate in, or assist the gang in committing or attempting to commit the crime of [*identify underlying charged offense*].

[NEW] M Crim JI 10.10b Making Threats to Deter a Person from Assisting Another to Withdraw from Gang Membership

(1) The defendant is charged with communicating a threat intending to deter a person from helping another person to withdraw from gang membership or association. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that there was a group of persons that was a gang.

To prove that the group of persons was a gang, the prosecutor must prove that it was a group of five or more persons who had a continuing relationship with each other, and identified themselves as a gang in all three of the following ways:

- (a) The group had a unifying mark, manner, protocol, or method of expressing membership, which may include a common name, sign, or symbol, means of recognition, geographical or territorial sites, or boundary or location.
- (b) The group had an established leadership or command structure.
- (c) The group had defined membership criteria.

(3) Second, that [*identify gang member*] was a member or associate¹ of the gang.

(4) Third, that the defendant communicated a threat to [*identify complainant*] that [he / she], [his / her] relative, or someone associated with [him / her] would be injured, or that the person or property of [*identify complainant*], [his / her] relative, or someone associated with [him / her] would be damaged if [*identify complainant*]

assisted or helped [*identify gang member*] withdraw from the gang. It does not matter whether the threat directly described the injury or damage that would occur, or implied that injury or damage would occur, so long as a reasonable person would understand it to be a threat of injury or damage.

(5) Fourth, that, when the defendant communicated the threat, [he / she] intended to deter or discourage [*identify complainant*] from assisting or helping [*identify gang member*] to withdraw from the gang.

Use Note

1. The statute does not define the term “associate.” Where the jury expresses some confusion about the term or asks for a definition, the Committee on Model Criminal Jury Instructions offers the following: an “associate” is a person who is not a member of the gang, but engages in gang-related activities with its members.

**[NEW] M Crim JI 10.10c Threatening a Person to Retaliate for
Withdrawing from Gang Membership**

(1) The defendant is charged with communicating a threat intending to punish or retaliate against a person for withdrawing from gang membership. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that there was a group of persons that was a gang.

To prove that the group of persons was a gang, the prosecutor must prove that it was a group of five or more persons who had a continuing relationship with each other, and identified themselves as a gang in all three of the following ways:

- (a) The group had a unifying mark, manner, protocol, or method of expressing membership, which may include a common name, sign, or symbol, means of recognition, geographical or territorial sites, or boundary or location.
- (b) The group had an established leadership or command structure.
- (c) The group had defined membership criteria.

(3) Second, that [*identify complainant*] was at one time a member or associate¹ of the gang.

(4) Third, that [*identify complainant*] withdrew from the gang.

(5) Fourth, that the defendant communicated a threat to [*identify complainant*] that [he / she], a relative of [his / hers], or someone associated with [him / her] would be injured, or that the person or property of [*identify complainant*], [his / her] relative, or someone associated with [him / her] would be damaged as punishment or retaliation against [*identify complainant*] for withdrawing from the gang. It does not matter whether the threat directly described the injury or damage that would occur, or implied that injury or damage would occur, so long as a reasonable person would understand it to be a threat of injury or damage.

(6) Fifth, that, when the defendant communicated the threat, [he / she] intended to punish or retaliate against [*identify complainant*] for withdrawing from the gang.

Use Note

1. The statute does not define the term “associate.” Where the jury expresses some confusion about the term or asks for a definition, the Committee on Model Criminal Jury Instructions offers the following: an “associate” is a person who is not a member of the gang, but engages in gang-related activities with its members.



Public Policy Position
M Crim JI 10.10, 10.10a, 10.10b, 10.10c

Support

Explanation:

The committee supports the new criminal jury instructions as written.

Position Vote:

Voted For position: 10

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 7

Contact Person:

Sofia V. Nelson snelson@sado.org

FY 2020 Proposed Budget

Key Budget Assumptions

Updated on 7/17/2019

General

- Budget consistent with the Strategic Plan and in compliance with the financial safety margin policy
- No change to the current SBM license fee structure
- No fee assumed for the proposed Interim Administrator program (pending approval by MSC)
- Membership revenue growth of approximately 0.2% over the FY 2019 member fee revenue budget, based on the current membership, adjusted for recent trends of new member applications, the number of character and fitness applications, members returning from suspension for non-payment of dues, and estimates of member attrition
- Budgeted staffing in FY 2020 of 76.0 FTE, an increase of 1.5 FTE over the FY 2019 budget, to meet the needs of member and public service called for in the SBM strategic plan. This includes changing an IT intern (.5 FTE) to a full-time position, changing General Counsel (.5 FTE) to a full-time position, and adding a part-time (.5 FTE) Interim Administrator Program attorney.

Labor

Salaries

- Salary compensation adjustments - salary adjustments budgeted totaling \$100,000 (approximately 2% of total salaries) to bring about one-third of the full-time positions to the mid-point in their salary grade based on a benchmarking study. A general increase of 2% budgeted for the remaining positions not receiving a salary adjustment based on comparisons to similar organizations and prorated for time worked in FY 2019. An additional \$50,000 (approximately 1% of total salaries) budgeted for discretionary merit-based incentive compensation not rolled into base salaries (as in previous years – no increase to the FY 2020 budget).
- 1% vacancy float in salaries and related benefits is assumed in FY 2020, based on FY 2019 experience (vs. 0% in FY 2019 budget).

Benefits

- Maintain the existing employee insurance benefits, with estimated inflationary increases:
 - Medical (Blue Cross Blue Shield of Michigan and Blue Care Network) at current coverages
 - Continued application of the hard cap established by PA 152, the Publicly Funded Health Insurance Contributions Act (PFHICA). The adjusted caps for FY 2020 are based on the current rates in effect for calendar year 2019 for the first 3 months of FY 2020, escalated by 3.4% for the remainder of FY 2020. The 2019 rates are \$6,685.77 for single coverage, \$13,980.75 for two-person coverage, and \$18,232.31 for family coverage. The caps limit the employer cost of medical insurance, including the medical claims tax, with employees paying the amount over and above the caps.

- Continued Medical insurance opt-out payment to eligible employees of \$1,800 to encourage employees to opt-out of medical coverage.
 - Vision - 0% increase (rate lock)
 - Dental - 5% increase
 - Long-term Disability (LTD), Short-term Disability (STD), Group Term Life (GTL) and Accidental Death and Dismemberment (AD&D) – 0% increase (rate lock)
- Maintain existing Retirement Plans, with estimated adjustments:
 - Defined Benefit Pension for 2 eligible Tier 1 employees – the rate is anticipated to remain flat at 21.98% applied to Tier 1 payroll. Total defined benefit pension expense recognized is based on adjustments from the State of Michigan as determined by GASB 68.
 - Defined Contribution Retirement for all Tier 2 employees – no change (4% contribution plus matching up to 3% of employee contributions)
 - Retiree Health Care premiums paid to the State of Michigan (projected 3% increase in actual premiums for current retirees billed by the State). Total retiree health care expense recognized is based on adjustments from the State of Michigan as determined by GASB 75. Additional retiree health care expense of \$40,000 in FY 2019 will no longer be budgeted as expense in FY 2020, as payments to the trust will be cash transfers only.

Payroll taxes

- No changes to the employer FICA and Medicare tax rates - taxes are based on budgeted salaries, no wage cap for Medicare tax, and current social security wage cap of \$132,900, escalated by 3%.

Non-Labor

- Postage – no overall change in USPS rates currently in effect for 2019, adjusted for changes in mailing volumes. There was a 6% increase (on average) effective in January 2019.
- Depreciation Expense – no change in the depreciation policy; expense based upon projected asset levels and capital spending.
- Payment in Lieu of Property Tax (PILOT) – 3% escalation based on projected asset valuations and updated millage rates.
- No short term or long-term debt.
- Investment Income – 2.10% of average projected cash and investment levels based on projected interest rates and the current investment policy. (\$50k increase over FY 2019 budget)
- Attorney Discipline System (ADS) fee revenue – 2% increase over the FY 2019 actual amount.
- Michigan State Bar Foundation (MSBF) rent revenue – 2% increase over the FY 2019 actual.
- Administrative Fee charged to the Client Protection Fund – 3% increase in non-labor CPF expenses and allocated staff labor.
- No change to what is charged to sections for services, but we will be analyzing costs for possible future increases to services, including a potential fee based on members.

Specific Division Assumptions

Executive Offices

Executive Office, BOC and RA

- Programs and staffing at current FY 2019 budgeted levels except:
 - Governance consultant continuing with a \$15k increase over the FY 2019 budget.

Human Resources

- Programs and staffing at current FY 2019 budgeted levels except:
 - Compensation benchmarking study not continuing in FY 2020 (\$10k).

Governmental Relations

- Programs and staffing at current FY 2019 budgeted levels.

Justice Initiatives

- Programs and staffing at current FY 2019 budgeted levels:
 - Continuing support for Michigan Legal Help (\$50k) and ATJ Fundraising (\$75k), to be reviewed by BOC. Not an increase to the FY 2020 budget.

Outreach

- Programs and staffing at current FY 2019 budgeted levels.

Research & Development

- Programs and staffing at current FY 2019 budgeted levels except:
 - Economics of Law Practice in FY 2020 (\$15k).

Diversity

- Programs and staffing at current FY 2019 budgeted levels.

General Counsel

- Programs and staffing at current FY 2019 budgeted levels except:
 - Replacing part-time counsel with full time position.

Professional Standards Division

- Programs and staffing at current FY 2019 budgeted levels except:
 - Full year impact of C&F fee approved in FY 2019 by MSC (\$90k).
 - Additional .5 FTE and expenses (2 months at the end of FY 2020) for proposed Interim Administrator Program attorney.

Member and Communication Services Division

- Programs and staffing at current FY 2019 budgeted levels except:
 - FY 2020 Annual Meeting (Next Conference) restructured and in Grand Rapids, and 50-Year Honoree Luncheon held separately (assuming a decrease of \$65k).

- New expense (\$54k) for CloudLaw directory license fee (approved by BOC).
- PGG agreement not renewed for non-health care insurance; seeking another provider but assuming a reduction in revenue of \$10k.
- Increase of .5 FTE to change IT intern to full time position.
- Additional IT contractor support for project management (\$30k) and PC desktop support (\$21k).
- New network upgrade capital costs for phase 1 of the tech audit recommendations (\$25k for 2 firewalls).
- New floor copier replacements in the FY 2019 budget that will be deferred to the FY 2020 budget (\$35k).

Finance & Administration Division

- Programs and staffing at current FY 2019 budgeted levels except:
 - Discontinuing lease for Detroit office location (\$7.2k).
 - Facilities capital projects – front elevator upgrade - \$120k for the portion in FY 2020.

Capital Expenditures Summary:

- The Proposed FY 2020 Capital Budget consists of \$120k for front elevator modernization (FY 2020 portion), \$180k for IT application development projects (some deferred from FY 2019), \$25k for 2 network firewalls recommended from the tech audit, \$35k for floor copier replacements deferred from the FY 2019 budget, totaling \$360k in FY 2020. This compares to the FY 2019 Capital Budget of \$412k.

FY 2020 Staffing Proposed Budget Full Time Equivalent (FTE's)

	FY 2019 <u>Budget</u>	Actual <u>7/17/19</u>	Year-End <u>Forecast</u>	FY 2020 <u>Proposed Budget</u>
Professional Standards (1)	17.50	17.50	17.50	18.00
Member & Communication Services (2)	31.50	29.50	31.50	32.00
Executive Offices (3)	17.50	17.00	17.50	18.00
Finance & Administration	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>
Total FTE's	74.50	72.00	74.50	76.00

Notes:

- 1) On budget in Professional Standards, and plan to add .5 FTE for an Interim Administrator Program attorney.
- 2) Under budget in Member & Communications Services in IT (1 FTE) and Media Relations (1 FTE), and plan to fill those positions and add .5 FTE in IT
- 3) Under budget in Executive Offices .5 FTE Intern, and plan to fill that position and increase General Counsel by .5 FTE

In addition to employees, there is ongoing contractor support. There are 3 on-site janitor contractors in Finance & Administration. There is also 1 part-time contractor in Member Services & Communications and 3 IT programmers on contract, and a planned project management resource. In addition, there are also periodic temp staff used during specific vacancies and leaves of absence.

FY 2020 Proposed Budget

Potential Risks, Possible Upsides & Open Issues

Potential Upsides

- Labor savings above the 1% vacancy float assumed and other expense efficiencies.
- Potential LRS module revenue

Potential Risks

- Higher labor expenses if less than 1% vacancy float.
- Higher than anticipated cost increases.
- Lower than anticipated non-fee revenue.
- Lower than anticipated dues revenue resulting from a reduction in new members
- Unexpected litigation.

Open Issues

- Pending final review by BOC of MSBF ATJ fundraising (\$75k) and Michigan Legal Help support (\$50k).

**State Bar Summary
FY 2020 Proposed Budget**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved Budget	FY 2019 Year-End Forecast	FY 2019 Forecast vs. FY 2019 Budget	FY 2020 Proposed Budget	FY 2020 Prop. Budget vs. FY 2019 Forecast	FY 2020 Prop. Budget vs. FY 2019 Budget
Operating Revenues								
- License Fees and Related	7,754,415	7,732,040	7,743,000	7,746,000	3,000	7,757,000	11,000	14,000
- All Other Operating Revenue	1,635,365	1,632,612	1,598,397	1,517,735	(80,662)	1,581,450	63,715	(16,947)
Total Operating Revenue	<u>9,389,780</u>	<u>9,364,652</u>	<u>9,341,397</u>	<u>9,263,735</u>	<u>(77,662)</u>	<u>9,338,450</u>	<u>74,715</u>	<u>(2,947)</u>
Operating Expenses								
- Labor-related Operating Expenses								
Salaries	4,625,399	4,819,766	5,140,392	5,096,134	(44,258)	5,441,927	345,793	301,535
Employee Benefits & Payroll Taxes	1,658,667	1,775,841	1,884,056	1,771,066	(112,990)	1,910,512	139,446	26,456
Retiree Health Care Liability Exp	12,078	0	40,000	0	(40,000)	0	0	(40,000)
Total Labor-related Operating Expenses	<u>6,296,144</u>	<u>6,595,607</u>	<u>7,064,448</u>	<u>6,867,200</u>	<u>(197,248)</u>	<u>7,352,439</u>	<u>485,239</u>	<u>287,991</u>
- Non-labor Operating Expenses								
Executive Offices	629,999	723,555	802,850	808,350	5,500	842,169	33,819	39,319
Finance & Administration	1,075,682	1,179,734	1,333,125	1,320,425	(12,700)	1,357,175	36,750	24,050
Member Services & Communications	1,688,188	1,626,390	1,848,625	1,567,953	(280,672)	1,666,913	98,960	(181,712)
Professional Standards	140,365	127,795	164,335	135,471	(28,864)	163,435	27,964	(900)
Total Non-labor Operating Expenses	<u>3,534,234</u>	<u>3,657,474</u>	<u>4,148,935</u>	<u>3,832,199</u>	<u>(316,736)</u>	<u>4,029,692</u>	<u>197,493</u>	<u>(119,243)</u>
Total Operating Expenses	<u>9,830,378</u>	<u>10,253,081</u>	<u>11,213,383</u>	<u>10,699,399</u>	<u>(513,984)</u>	<u>11,382,131</u>	<u>682,732</u>	<u>168,748</u>
Total Operating Income	(440,598)	(888,429)	(1,871,986)	(1,435,664)	436,322	(2,043,681)	(608,017)	(171,695)
Non-Operating Rev / (Exp)								
- Investment Income	112,863	179,640	175,000	250,000	75,000	250,000	0	75,000
- Investment Income - Retiree Health Care Trust	0	202,417	0	0	0	0	0	0
- Capital Contributions	8,836	0	0	0	0	0	0	0
- Loss on Disposal of Capital Asset	0	(34,963)	0	0	0	0	0	0
Total Non-OperRev / (Exp)	<u>121,699</u>	<u>347,094</u>	<u>175,000</u>	<u>250,000</u>	<u>75,000</u>	<u>250,000</u>	<u>0</u>	<u>75,000</u>
Incr / (Decr) in Net Position	<u>(\$318,899)</u>	<u>(\$541,335)</u>	<u>(\$1,696,986)</u>	<u>(\$1,185,664)</u>	<u>\$511,322</u>	<u>(\$1,793,681)</u>	<u>(\$608,017)</u>	<u>(\$96,695)</u>
			\$11,300,743	\$11,300,743		\$10,115,079	Adj. Beginning Net Position (Less Impacts of Retiree Health Care Asset and related Liability)	
			<u>(1,696,986)</u>	<u>(1,185,664)</u>		<u>(1,793,681)</u>	Increase/(Decrease) Net Position	
			<u>\$9,603,757</u>	<u>\$10,115,079</u>		<u>\$8,321,398</u>	Adj. Ending Net Position (Less Impacts of Retiree Health Care Asset and related Liability)	

**FY 2020 Proposed Budget
Professional Standards**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved Budget	FY 2019 Year-End Forecast	FY 2019 Forecast vs. FY 2019 Budget	FY 2020 Proposed Budget	FY 2020 Prop. Budget vs. FY 2019 Forecast	FY 2020 Prop. Budget vs. FY 2019 Budget
Professional Standards								
Operating Revenues								
- Ethics	9,805	8,620	8,000	8,500	500	8,500	0	500
- Character & Fitness	207,710	218,495	267,450	287,900	20,450	358,825	70,925	91,375
- Lawyers & Judges Assistance Program	43,605	40,718	50,000	44,074	(5,926)	42,000	(2,074)	(8,000)
Total Op Revenues	261,120	267,833	325,450	340,474	15,024	409,325	68,851	83,875
Prof Standards Salaries	1,032,364	1,144,166	1,071,630	1,089,755	18,125	1,144,901	55,146	73,271
Other Operating Expenses								
- Ethics	10,461	10,531	17,950	17,095	(855)	18,800	1,705	850
- Unauthorized Practice of Law	17,870	16,718	23,750	18,861	(4,889)	26,900	8,039	3,150
- Character & Fitness	53,595	45,350	69,800	53,262	(16,538)	53,800	538	(16,000)
- Client Protection Fund	14,981	16,735	17,235	13,985	(3,250)	11,035	(2,950)	(6,200)
- Lawyers & Judges Assistance Program	43,458	38,461	35,600	32,268	(3,332)	38,250	5,982	2,650
- Interim Administrator Program	0	0	0	0	0	14,650	14,650	14,650
Total Other Operating Expense	140,365	127,795	164,335	135,471	(28,864)	163,435	27,964	(900)

**FY 2020 Proposed Budget
Member & Communication Services**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved Budget	FY 2019 Year-End Forecast	FY 2019 Forecast vs. FY 2019 Budget	FY 2020 Proposed Budget	FY 2020 Prop. Budget vs. FY 2019 Forecast	FY 2020 Prop. Budget vs. FY 2019 Budget
Member & Communication Services								
Operating Revenues								
- Annual Meeting	119,634	115,388	112,750	17,500	(95,250)	16,250	(1,250)	(96,500)
- Member & Endorsed Services	295,872	288,154	237,950	225,385	(12,565)	216,100	(9,285)	(21,850)
- Bar Leadership Forum	10,469	11,377	10,250	11,225	975	11,725	500	1,475
- UMLI	11,692	12,193	11,200	12,500	1,300	12,500	0	1,300
- 50 Year Golden Celebration	0	0	0	0	0	2,300	2,300	2,300
- Practice Management Resource Center	1,148	125	1,100	50	(1,050)	1,050	1,000	(50)
- Bar Journal Directory	99,698	74,358	46,800	38,651	(8,149)	35,850	(2,801)	(10,950)
- Bar Journal	159,672	167,549	164,450	163,150	(1,300)	162,750	(400)	(1,700)
- Print Center	75,565	64,559	75,700	66,700	(9,000)	65,700	(1,000)	(10,000)
- Website	43,679	40,547	41,000	44,000	3,000	44,000	0	3,000
- e-Journal	30,550	33,053	29,500	30,000	500	30,000	0	500
- Lawyer Referral Service	128,852	148,667	140,000	145,000	5,000	157,000	12,000	17,000
Total Op Revenues	976,831	955,970	870,700	754,161	(116,539)	755,225	1,064	(115,475)
Member & Communication Services Salaries	1,626,601	1,765,811	2,060,000	2,004,132	(55,868)	2,203,842	199,710	143,842
Other Operating Expenses								
- Annual Meeting	218,975	187,706	233,900	64,502	(169,398)	47,338	(17,164)	(186,562)
- Member & Endorsed Services	84,274	96,441	132,500	112,250	(20,250)	126,950	14,700	(5,550)
- Bar Leadership Forum	32,461	28,736	38,100	34,000	(4,100)	37,650	3,650	(450)
- UMLI	24,916	23,644	29,600	28,600	(1,000)	29,450	850	(150)
- 50 Year Golden Celebration	0	0	0	0	0	24,075	24,075	24,075
- Practice Management Resource Center	6,749	6,105	7,250	3,885	(3,365)	6,800	2,915	(450)
- Bar Journal Directory	85,859	83,164	58,000	51,701	(6,299)	57,000	5,299	(1,000)
- Bar Journal	515,188	509,212	554,800	523,700	(31,100)	535,800	12,100	(19,000)
- Print Center	58,905	61,487	69,000	61,950	(7,050)	64,500	2,550	(4,500)
- Website	139,710	127,015	117,625	103,200	(14,425)	157,100	53,900	39,475
- e-Journal	37,436	36,080	39,450	31,680	(7,770)	32,950	1,270	(6,500)
- Media Relations	62,842	67,742	75,300	65,570	(9,730)	62,400	(3,170)	(12,900)
- Information Technology Services	409,229	381,418	471,500	481,635	10,135	481,200	(435)	9,700
- Lawyer Referral Service	11,644	17,640	21,600	5,280	(16,320)	3,700	(1,580)	(17,900)
Total Other Operating Expense	1,688,188	1,626,390	1,848,625	1,567,953	(280,672)	1,666,913	98,960	(181,712)

**FY 2020 Proposed Budget
Executive Offices**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved Budget	FY 2019 Year-End Forecast	FY 2019 Forecast vs. FY 2019 Budget	FY 2020 Proposed Budget	FY 2020 Prop. Budget vs. FY 2019 Forecast	FY 2020 Prop. Budget vs. FY 2019 Budget
Executive Offices								
Operating Revenues								
- Misc Revenue	0	0	0	10,000	10,000	0	(10,000)	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>	<u>0</u>
Exec Office Salaries	1,523,302	1,458,602	1,539,706	1,536,329	(3,377)	1,606,243	69,914	66,538
Employee Benefits & Payroll Taxes	1,658,667	1,775,841	1,884,056	1,771,066	(112,990)	1,910,512	139,446	26,456
Retiree Health Care Liability Contribution	12,078	0	40,000	0	(40,000)	0	0	(40,000)
Other Operating Expenses								
- Executive Office	50,099	65,147	85,050	97,950	12,900	101,550	3,600	16,500
- Rep Assembly	46,585	54,723	55,600	55,900	300	56,400	500	800
- Board of Commissioners	138,304	147,100	134,500	149,900	15,400	142,400	(7,500)	7,900
- Human Resources	50,438	55,907	69,000	78,120	9,120	71,900	(6,220)	2,900
- Research & Development	25,420	26,855	34,065	24,065	(10,000)	49,190	25,125	15,125
- Outreach, Committees, Sections & Local / Affinity Bars	130,954	110,617	123,150	118,350	(4,800)	118,644	294	(4,506)
- Equal Access Initiative/Diversity	32,968	47,464	36,800	46,800	10,000	35,000	(11,800)	(1,800)
- Pro Bono Initiative/ Pro Bono	12,852	13,490	0	0	0	0	0	0
- Resource Development Initiative	1,173	76,356	0	0	0	0	0	0
- Justice Initiatives (Combines PBI, RDI, JPI & CII in FY1	53,516	51,888	151,300	137,880	(13,420)	148,800	10,920	(2,500)
- Governmental Relations	68,424	66,629	68,335	69,335	1,000	73,235	3,900	4,900
- Criminal Issues Initiative	1,156	228	0	0	0	0	0	0
- Justice Policy Initiative	221	132	0	0	0	0	0	0
- General Counsel	17,889	7,019	45,050	30,050	(15,000)	45,050	15,000	0
Total Other Operating Expense	<u>629,999</u>	<u>723,555</u>	<u>802,850</u>	<u>808,350</u>	<u>5,500</u>	<u>842,169</u>	<u>33,819</u>	<u>39,319</u>

**FY 2020 Proposed Budget
Finance & Administration**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved Budget	FY 2019 Year-End Forecast	FY 2019 Forecast vs. FY 2019 Budget	FY 2020 Proposed Budget	FY 2020 Prop. Budget vs. FY 2019 Forecast	FY 2020 Prop. Budget vs. FY 2019 Budget
Finance & Administration								
Operating Revenues								
- License Fees & Related	7,754,415	7,732,040	7,743,000	7,746,000	3,000	7,757,000	11,000	14,000
- Chargeback to CPF	206,464	217,479	212,000	212,000	0	218,000	6,000	6,000
- Other Revenues	190,950	191,330	190,247	201,100	10,853	198,900	(2,200)	8,653
Total Operating Revenues	8,151,829	8,140,849	8,145,247	8,159,100	13,853	8,173,900	14,800	28,653
Non-Operating Revenue								
- Investment Income	112,863	179,640	175,000	250,000	75,000	250,000	0	75,000
- Investment Income - Retiree Health Care Trust	0	202,417	0	0	0	0	0	0
- Capital Contributions	8,836	0	0	0	0	0	0	0
- Loss on Disposal of Capital Asset	0	(34,963)	0	0	0	0	0	0
Fin & Admin Salaries	443,132	451,187	469,056	465,918	(3,138)	486,940	21,022	17,884
Other Operating Expenses								
- Admin	38,298	32,522	39,175	37,125	(2,050)	38,325	1,200	(850)
- Depreciation	386,329	436,514	536,000	536,000	0	558,000	22,000	22,000
- Property Taxes (in lieu of)	71,335	69,178	74,000	74,000	0	78,000	4,000	4,000
- Facilities Services	358,428	382,921	409,200	388,850	(20,350)	405,600	16,750	(3,600)
- Financial Services	221,292	258,599	274,750	284,450	9,700	277,250	(7,200)	2,500
Total Other Operating Expense	1,075,682	1,179,734	1,333,125	1,320,425	(12,700)	1,357,175	36,750	24,050

07/17/19

FY 2020 Proposed Capital Budget

Capital Budget Item	Justification	Budget	Division
FACILITIES, FURNITURE & OFFICE EQUIPMENT			
Elevator Upgrade/Modernization	Replacement elevator mechanisms and modernization needed on 40 year old front passenger elevator due to wear and needing replacement. This elevator has experienced significant recent downtime. Expenses will continue from FY 2019 after bids identified more extensive work and complete modernization required. Total project budget \$200k. \$65k on elevator plus \$15k make-ready work planned in FY 2019, and additional \$120k in FY 2020.	\$120,000	F&A
Replacement of Floor Copiers	Replacement of 4 main copiers, retaining 2 existing for lower/specialized usage. The copiers were purchased in 2009 and are requiring a lot of maintenance and parts are getting harder to obtain. We have a service tech here several times a month to fix problems that IT is unable to resolve. The print counts of the current copiers range from 425,000 to 824,000. Deferred from FY 2019	\$35,000	IT/ All Divisions
Total Facilities, Furniture & Office Equipment:		\$155,000	
INFORMATION TECHNOLOGY			
<u>IT Infrastructure:</u>			
Network Firewalls (2)	Replaces and upgrades the current firewalls. Recommended from the IT Audit /Assessment (phase 1 recommendations)	\$25,000	M&CS
<u>Application Software Development:</u>			
Receivership /Interim Administrator Program data portal (Phase I)	Required to support the new IAP anticipated to be approved by the Supreme Court	\$30,000	Prof Stds
E-commerce store (Phase 1)	Required to make the store operable since September 2019 for SBM gear, publications, certificates in good standing, and improve functionality.	\$20,000	M&CS

Capital Budget Item (Continued)	Justification	Budget	Division
e-Services Application for Court e-Filing to accommodate e-mail address	Project underway with Michigan Supreme Court to provide member e-mail addresses that will be used in the new statewide e-services/e-filing system. (Mostly deferred from the project budgeted in FY 2018 and FY 2019).	\$10,000	Exec Office
Firm Billing/Invoices for Dues	Build module in e-commerce system that will allow law firms and entities with many lawyers to pay dues for all lawyers in the firm with one invoice. (Deferred from the project budgeted in FY 2018 and budgeted in FY 2019).	\$10,000	M&CS/F&A
Firm Administration Application	Module to allow a firm administrator to maintain lawyer affiliation and public facing profile. (Deferred from the project budgeted in FY 2018 and FY 2019).	\$10,000	Exec Office
Lawyer Referral consumer portal (Phase 3)	Phase 3 of LRS build that will provide consumers with tools to obtain a referral 24/7 through the Legal Resource and Referral Center. Continuing and partially deferred from FY 2019 and increased cost in FY 2020.	\$40,000	M&CS
Unauthorized Practice of Law Portal (Phase 1)	Automate UPL processes for notification and processing of UPL complaints.	\$20,000	Prof Stds
Client Protection Fund Portal (Phase I)	Automate Client Protection fund processes for applying for and processing of CPF requests. (Phase 1). Deferred from FY 2019 and increased cost.	\$30,000	Prof Stds
Website functionality enhancements	Improve website functionality and navigation.	\$10,000	M&CS
Total Information Technology:		\$205,000	
Total Capital Budget		\$360,000	



To: Board of Commissioners
From: Strategic Planning Committee
Date: July 16, 2019
Re: Recommendations for Changes to Committees

The Strategic Planning Committee has been charged with, among other things, “reviewing all existing committees to identify overlap or omissions” and “recommend the creation or termination of committees, task forces, commissions, and workgroups.” On May 31, 2019, the Strategic Planning Committee met and reviewed the committee annual reports and memoranda submitted by various committee chairs requesting changes to their committees. Based on this review and subsequent discussions, the Strategic Planning Committee recommends the following changes to committees for the 2019-2020 bar year:

- Change the name of the Access to Justice Committee to the Justice Initiatives Committee due to confusion between the current committee’s name and the Access to Justice Fund and Access to Justice Campaign. *See* Memorandum from the Access to Justice Committee Chair Ashley Lowe, Attachment A.
- Discontinue the Professional Education & Events Committee; the committee believes that its work is a staff function with minimal group involvement and not conducive to committee work. *See* Memorandum from the Professional Education & Events Committee Chair Mary Chartier, Attachment B.
- Temporarily suspend the Social Media & Website Committee and instead create a workgroup to develop guidelines to improve State Bar outreach and information sharing through social media, website utilization, and other electronic media. *See* Memorandum from the Social Media & Website Chair Lori Buiteweg, Attachment C.

These recommendations have been incorporated in the Committee Resolution that is being presented to the Board of Commissioners.



Memorandum

To: Board of Commissioners
Strategic Planning Committee

From: SBM Access to Justice Committee Chair Ashley Lowe
SBM Pro Bono Service & Justice Initiatives Counsel Robert Mathis

Date: April 23, 2019

Re: Request for Name Change of Access to Justice Committee to Justice Initiatives Committee

Recently, there have been reports that a few State Bar members have confused the Access to Justice Committee, Access to Justice Campaign, and the Access to Justice Fund, due to name similarity. Since the Access to Justice Campaign is administered by the Michigan State Bar Foundation, its executive director reached out to SBM staff for help on identifying a solution to address the name confusion issue.

The issue was raised at the ATJ Committee's most recent meeting on March 27, 2019. After discussion, there was unanimous committee consensus to change to the name of the ATJ Committee to the "Justice Initiatives Committee." Several committee members commented that the new name more accurately reflected the jurisdiction of the committee.

Therefore, the ATJ Committee respectfully requests that the BOC's Strategic Planning Committee change the name of committee to the "Justice Initiatives Committee."

MEMORANDUM

To: Janet Welch
cc: Kari Thrush
Darin Day
From: Mary Chartier, Professional Education & Events Committee Chair
Date: April 18, 2019
Re: Recommendation to discontinue the Professional Education & Events Committee

I write to recommend the State Bar consider dissolving the Professional Education and Events Committee. Serving as the Chair of this committee the past year has been a great honor; however, it has also become apparent that the work of this committee remains mainly a staff function with minimal work group involvement and no real committee work.

The Jurisdiction of this committee is to:

Support the professional education services of the State Bar of Michigan:

- Making recommendations on and assisting in the development of budgeted educational events for State Bar members events such as the Bar Leadership Forum, Upper Michigan Legal Institute, and the Annual Meeting.
- Assessing the quality and relevance of SBM professional education services and their coordination and collaboration with ICLE and local bar education programming, and suggest and support any other desirable collaboration.
- Making recommendations on improving access to legal information for members through traditional and emerging methods of conducting legal research, including SBM-endorsed research programs, legal publications, print and online digital libraries.
- Providing guidance to the Practice Management Resource Center (PMRC) on the development, maintenance, and evaluation of resources, programs, and services designed to help members build and strengthen their law practices, with particular emphasis on the use of online resources as the primary vehicle to market and disseminate PMRC services.
- Assisting in the publicity and promotion of mentorship programs throughout the state.
- Reviewing and evaluating metrics measuring the effectiveness of the State Bar's professional education and events efforts.

This past year the committee only saw a need to meet one time, to review and make a recommendation to the Communications and Members Services Commissioner Committee (CAMS) regarding changes to the Annual Meeting. The Bar Leadership programming is developed by staff based on trends and information gathered through a variety of different channels including the ABA. The Upper Michigan Legal Institute program is developed with the input of a work group made up of northern Michigan attorneys who give input on topics, trends and speakers. The courses and logistics are finalized by ICLE and SBM staff. My understanding is that the PMRC previously had a standing committee that was

Attachment B

dissolved due to lack of work. This rationale seems also apply to the PMRC jurisdiction of our committee. In the 2017-2018 bar year, the mentorship workgroup developed under this committee, reviewed and discussed mentoring programs concluded that they are most effective when they align with one or more of the following: (1) the program draws mentors and mentees from a relatively local community, such as the same city or same county; and/or (2) the program draws mentors and mentees from the same practice area, for example a young lawyer interested in trial work matched with an experienced litigator or a new tax attorney matched with a seasoned tax attorney; and/or (3) the mentor-mentee relationship focuses on a specific project, for example a pro bono matter.

With respect to a statewide program, the workgroup concluded that the SBM Mentoring Center found at michbar.org provides a sufficient resource for interested mentors and mentees to find matches that align with one or more of these three principles -- local community-focused, practice area-focused, and/or project-focused. In addition, the workgroup directed staff to identify successful local mentoring programs and consider ways to promote and support them through the SBM. Finally, the workgroup concluded that much informal mentoring occurs within most, if not all, affinity bar associations and state bar sections. Where it is local and/or topic-focused, mentoring is strong throughout Michigan's legal community. Where there are opportunities for the SBM to provide additional support to a specific program or help make connections between and among programs, SBM staff within the Outreach Department, Diversity and Inclusion, and the Pro Bono Counsel's office are aware and engaged. Accordingly, the work of the SBM Mentorship Workgroup may be considered completed.

In the past year, four things have become clear:

1. The items outlined in our committee's jurisdiction, while important, warrant no committee.
2. The functions listed can be accomplished and are being accomplished successfully by staff.
3. Volunteers on a committee with no work create unhappy volunteers.
4. Creating work just to have something for volunteers to do ties up staff and creates less productivity.

Thus, it is my considered opinion that the State Bar should discontinue the Professional Education and Events committee; however, should the CAMS committee or SBM staff identify a need to develop programming or additional services within the areas of professional education, PMRC functions, or events, I would encourage the CAMS committee to consider the value of creating a short-term work group to address that need.

MEMORANDUM

To: Janet Welch

cc: Kathryn Hennessey
Sandra Barger

From: Lori Buiteweg, Chair of the Social Media & Website Committee

Date: May 10, 2019

Re: Recommendation to Temporarily Suspend the Social Media & Website Committee

The Social Media & Website Committee was created during the committee restructuring process and is in its second year. The committee has energized members committed to serving the bar, and has faced difficulties implementing meaningful projects. To facilitate its ability to effectively work, the committee wants SBM to (1) adopt guidelines and best practices for SBM use of social media; (2) revise the committee's jurisdiction to clarify the committee's role in achieving strategic plan goals; and (3) clarify a decision-making structure for how the Committee's work will be approved and executed.

The committee's jurisdiction is to:

Support the development and maintenance of the State Bar's website and use of social media:

- Providing assistance in the development, curation, and culling of content for the SBM website and social media.
- Offering suggestions regarding resources and information related to social media.
- Exploring and assessing the opportunities for collaboration consistent with SBM strategic goals in collaborative social media campaigns with local bar associations, non-legal professional associations, and other external entities.
- Conferring and coordinating regularly with the Michigan Bar Journal committee.
- Providing guidance and support for the promotion of the SBM website, social media, and SBM e-publications (e-Journal, Public Policy Newsletter, and SBM News).
- Reviewing and evaluating metrics measuring the effectiveness of the State Bar's public outreach and education efforts.

During the past year and a half, the committee has accomplished several meaningful projects, including:

- Creating automated messages to new Young Lawyers Section members so SBM can welcome, build relationships with, and communicate with new members.
- Providing a template for improved SBM website pages pertaining to attorney regulation, not only by the SBM, but also by the attorney regulatory agencies (e.g., Attorney Grievance Commission,

Attorney Discipline Board, and Judicial Tenure Commission) to help educate members and the general public.

- Reviewing the SBM website and making recommendations regarding content and organization.

Despite these achievements, the committee has struggled with understanding how to help SBM engage with social media. For example, the committee wanted to create twitter campaigns about attorney wellness and professionalism. As the committee explored this idea, it became unclear (1) whether the Lawyers & Judges Assistance Program or the Professionalism Workgroup had engaged in any social media campaigns; (2) whether the committee should collaborate with LJAP or the Professionalism Workgroup; (3) the best way to create a social media campaign; and (4) who would send the tweets.

Samantha Meinke was vital to helping the committee achieve its goals. It is unclear how the committee can move forward until SBM has secured a replacement for her..

I would suggest that the Board temporarily suspend the Social Media & Website Committee for FY 2019-2020 to provide time for SBM to: (1) adopt guidelines and best practices for SBM use of social media; (2) review and revise the committee's jurisdiction to clarify the committee's role in achieving strategic plan goals; (3) provide SBM staff with time to obtain a replacement for Samantha Meinke and clarify a decision-making structure for how the Committee's work will be approved and executed. If you would like me to assist with these tasks during a hiatus year, I would be happy to do so.



RESOLVED: That, pursuant to Article VI of the Bylaws of the State Bar of Michigan, the Board of Commissioners adopts the following as the committees and appointed subentities of the State Bar of Michigan for fiscal year 2018-2019.

STATE BAR STANDING AND SPECIAL COMMITTEES 2019-2020

Organizational Principles and Definitions

Regardless of its jurisdiction, no committee, task force, commission, or workgroup speaks for the State Bar. The work of most committees is advisory to the Board of Commissioners. Exceptions are specifically noted in a committee's jurisdiction. To the extent that any public activity or programming can be interpreted as a decision of the State Bar of Michigan or an expression of an ideological viewpoint, the activity or programming must be authorized in advance, in accordance with the bylaws of the State Bar of Michigan. Staff liaisons are accountable for ensuring that the committee's activity is consistent with these rules and within budget. Committees with overlapping subject-matter jurisdictions are encouraged to be aware of each other's work and collaborate where appropriate.

Commissioner Committee: Work supports the deliberations of the Board of Commissioners. Membership is primarily members of the Board of Commissioners, but committee membership may be supplemented to meet needs for particular expertise.

Standing Committee: Work expected to be ongoing, at least throughout the life cycle of the current Strategic Plan. In making standing committee recommendations and appointments, special attention should be paid to experience and continuity.

Special Committee: Work is intended to accomplish a complex but discrete mission, typically lasting at least one year but not exceeding any single Strategic Plan cycle. In making special committee recommendations and appointments, special attention should be paid to the expertise and representation of interested or affected communities. Recruitment from the leadership of sections and local and affinity bars is often essential.

Workgroups: Work is intended to be short-term and narrowly defined. It often reflects an unanticipated need or opportunity not evident during the annual planning of committee work. Workgroups may be formed at any time within a bar year, often on recommendation of a committee to the President, in whom the bylaws invest the authority of appointment. In making workgroup appointments, special attention should be paid to expertise and ability to commit to a fast-paced work schedule.

Subcommittees: The work of subcommittees supports the mission of the committee within which it operates. Unless otherwise directed by SBM leadership, chairs of committees, task forces, and commissions have the authority to create subcommittees as desirable to carry out their work. Subcommittee membership is always drawn from within the appointees of the committee, task force, or commission. If expertise beyond the appointees is necessary, the chair should request the creation of a workgroup.



PROPOSED 2019-2020 COMMITTEE STRUCTURE

Reflecting the general organization of the Strategic Plan, the organization of committees and workgroups is organized into four basic areas: Professional Standards, Communications and Member Services, and Public Policy, and Innovation, and Implementation. The boundaries between these groupings are permeable.

PROFESSIONAL STANDARDS			
Commissioner Committee	Standing Committees	Workgroups	Task Forces, Commissions
Professional Standards	Character and Fitness Client Protection Fund Judicial Ethics Judicial Qualifications Lawyers and Judges Assistance Law School Deans Professional Ethics Unauthorized Practice of Law	Ad hoc Workgroup on Professionalism	Task Force on the Ethics and Regulation of Legal Services Marketing

Professional Standards Commissioner Committee

Commissioner Committee

Jurisdiction: Attorney regulation and professionalism

- Review and make recommendations to the Board of Commissioners on policies and actions regarding character and fitness, the client protection fund, ethics, and the unauthorized practice of law, regulation and professionalism
- Review the structure and composition of the committees and workgroups it oversees, and make recommendations to the Board of Commissioners for the upcoming bar year
- Review and evaluate suggested metrics for measuring the effectiveness of SBM's efforts to meet its professional standards strategic goals
- Consider external **collaborations** to advance the professional standards objectives of the Strategic Plan

Character and Fitness Committee

Standing Committee

Jurisdiction: Support the work of the State Bar of Michigan conducted under the direction and authority of the Board of Law Examiners and Michigan Supreme Court by:

- Investigating the character and fitness of candidates for admission to the Bar pursuant to Rule 15, Section 1, of the Supreme Court Rules Concerning the State Bar of Michigan. This workproduct is provided to the Board of Law Examiners for its consideration. The workproduct is not provided to, or subject to approval by, the Board of Commissioners or Representative Assembly.
- Making recommendations on changes to rules concerning admissions related to character and fitness, and SBM interaction with Michigan law schools concerning character and fitness
- Meeting on a biennial basis with the Board of Law Examiners
- Determining how the committee's work might interact with and support the work of the Professional Ethics, Judicial Ethics, Lawyers and Judges Assistance, and Client Protection Fund committees, including through conferring and coordinating regularly with them on trends, data, insights, and **metrics**

- Suggesting metrics for measuring the effectiveness of the work carried out by the Character and Fitness committee

Special Characteristics: *This committee may have more than 15 members. The work of this committee is conducted pursuant to the authority, and under the oversight of, the Board of Law Examiners. The committee's and district committees' workproduct is not provided to, or subject to review by, the Board of Commissioners or any other entity of the State Bar of Michigan.*

Client Protection Fund Committee

Standing Committee

Jurisdiction: Advise the Board of Commissioners on the operation of the Client Protection Fund program pursuant to the [Client Protection Rules](#) adopted by the Board of Commissioner by:

- Making recommendations on the reimbursement of claims authorized by the Board of Commissioners
- Proposing or advising on revisions to rules and policies concerning the Client Protection Fund
- Recommending subrogation actions to recoup monies paid from the Client Protection Fund
- Reviewing and recommending loss prevention measures to minimize claims and public loss
- Determining how the committee's work might interact with and support the work of the Professional Ethics, Judicial Ethics, Lawyers and Judges Assistance, and Character and Fitness committees, including through conferring and coordinating regularly with them on trends, data, insights, and **metrics**
- Being aware of and discussing **metrics** measuring the effectiveness of national and state efforts to reduce lawyer misappropriation of funds and to reimburse victimized clients

Special Characteristics: *This committee may have more than 15 members.*

Judicial Ethics Committee

Standing Committee

Jurisdiction: Offer analysis and guidance concerning the Michigan Code of Judicial Conduct, and, to the extent that they relate to judicial conduct in Michigan, to provisions of the Michigan Rules of Professional Conduct, the ABA Code of Judicial Conduct, and other applicable standards of professional conduct, as well as emerging issues of professional conduct affecting judges and judicial candidates by:

- Drafting informal opinions on judicial ethics published on the State Bar of Michigan website
- Drafting proposed formal opinions for consideration by the Board of Commissioners
- Making recommendations concerning amendments to the Michigan Code of Judicial Conduct and other standards professional conduct, on the committee's own initiative or upon request by the Board of Commissioners or Representative Assembly
- Meeting biennially with the Judicial Tenure Commission and the leadership of the Michigan Judicial Institute
- Determining how the committee's work might interact with and support work of the Professional Ethics, Lawyers and Judges Assistance, Character and Fitness, and Client Protection Fund committees, including through conferring and coordinating regularly with them on trends, data, insights, and **metrics**
- Being aware of and discuss **metrics** measuring the effectiveness of national and state efforts to reduce behavior leading to judicial discipline and promote civility.

Special Characteristics: *Members are nominated by and drawn from among the membership of the Michigan Judges Association, the Michigan Probate Judges Association, the Michigan District Judges Association, the Michigan Association of District Court Magistrates, the Judicial Section Council, and the Referee Association of Michigan.*

Judicial Qualifications Committee

Standing Committee

Jurisdiction: As requested by the Governor, evaluate candidates for possible appointment to judicial vacancies and report in confidence to the Governor.

Special Characteristics: *The evaluations of this committee are advisory only to the Governor and are not provided to, or subject to approval by, the Board of Commissioners or Representative Assembly. The chief staff attorney of the Attorney Grievance Commission serves as reporter for this committee. Chairs of the committee may serve more than three two-year terms. This committee may have more than 15 members.*

Law School Deans Committee

Standing Committee

Jurisdiction: Confer on issues and subjects that affect the law schools of Michigan and the State Bar, and its members, including legal preparation, law school admissions, education, standards, and testing of candidates for admission to the bar.

Special Characteristics: *This committee meets upon the initiative of a majority of the Michigan law school deans. Its membership includes the officers of the State Bar and the executive director of the Board of Law Examiners.*

Lawyers & Judges Assistance Committee

Standing Committee

Jurisdiction: Propose and support measures to advance the well-being of lawyers, judges, and law students by:

- Recommending, developing, and supporting programs and educational presentations that provide assistance to law students, lawyers, and judges regarding substance use issues, mental health issues, anxiety, and general wellness
- Reviewing and making recommendations concerning proposed statutes and court rules affecting assistance to lawyers and judges faced with personal and professional problems related to substance use and mental health issues
- Monitoring national trends and data on attorney and judge wellness and treatment
- Determining how the committee's work might interact with and support work of the Professional Ethics, Judicial Ethics, Character and Fitness, and Client Protection Fund committees, including by conferring and coordinating regularly with them on trends, data, insights, and **metrics**
- Being aware of and discussing **metrics** measuring the effectiveness of national and state efforts to reduce attorney drug and alcohol addiction and depression
- Reviewing and evaluating **metrics** measuring the effectiveness of efforts to promote attorney wellbeing, including evaluating available online wellness assessment tools for lawyers

Special Characteristics: *The LJAP committee may develop and carry out programming consistent with this jurisdiction and within allocated budgetary resources, without explicit approval by the Board of Commissioners or Professional Standards committee. This committee may have more than 15 members and may include non-State Bar members.*

Professional Ethics Committee

Standing Committee

Jurisdiction: Offer analysis and guidance concerning the Michigan Rules of Professional Conduct, and, to the extent that they relate to attorney conduct in Michigan, provisions of the ABA Model Rules of Professional Conduct, the ABA Model Code of Judicial Conduct, and other applicable professional conduct standards, as well as emerging issues of professional conduct affecting lawyers:

- Drafting informal opinions on professional ethics published on the State Bar of Michigan website
- Drafting proposed formal opinions for consideration by the Board of Commissioners
- Making recommendations concerning amendments to the Michigan Rules of Professional Conduct, and other standards of professional conduct that relate to lawyer conduct, on the committee's own initiative or upon request by the Board of Commissioners or Representative Assembly
- Proposing and advising on revisions to court rules or legislation affecting professional ethics
- Determining how the committee's work might interact with and support work of the Judicial Ethics, Lawyers and Judges Assistance, Character and Fitness, Client Protection Fund, and Unauthorized Practice of Law committees, including through a meeting of the chairs at least annually to discuss trends, data, insights, and **metrics**
- Conferring with the Attorney Grievance Commission and the Attorney Discipline Board to discuss trends, data, insights
- Reviewing and evaluating **metrics** measuring the effectiveness of efforts to reduce behavior subject to professional discipline and promote professionalism and civility

Special Characteristics: Pursuant to operating rules adopted by the Board of Commissioners, informal ethics opinions of this committee are made public on the committee's own initiative, without approval of the Board of Commissioners. This committee may have more than 15 members.

Unauthorized Practice of Law Committee

Standing Committee

Jurisdiction: Provide advice on and support for the State Bar of Michigan's unauthorized practice of law responsibilities under Rule 16 of the Supreme Court Rules Concerning the State Bar of Michigan:

- Proposing and supporting measures to educate the public and the legal profession about unauthorized practice of law issues
- Providing guidance to the Board of Commissioners concerning matters involving the alleged unauthorized practice of the law (UPL), including recommendations on the filing and prosecuting of actions to enjoin the unauthorized practice of law.
- Proposing and advising on revisions to courts rules and legislation related to the unauthorized practice of law
- Determining how the committee's work might interact with and support work of the Professional Ethics, Public Outreach and Education, and Affordable Legal Services committees, including through conferring and coordinating regularly with them on trends, data, insights, and metrics
- Reviewing and evaluating metrics for measuring the effectiveness of efforts to carry out the responsibilities of the State Bar of Michigan under Rule 16, MCL 600.916, and MCL 450.681

Special Characteristics: UPL activity of the State Bar of Michigan is subject to the ongoing oversight of the Michigan Supreme Court and recommendations of the committee on specific UPL prosecution must be approved by the Board of Commissioners. This committee may have more than 15 members.

Ad Hoc Work Group on Professionalism

Workgroup

Jurisdiction: Implement the Recommendations as stated in the Promoting Professionalism in the 21st Century Summary Report from the State Bar of Michigan October 2018 Professionalism & Civility Summit, with priority placed on the first three recommendations:

1. Encourage bar associations, lawyer organizations, and judicial groups to conduct similar summits
2. Consider the adoption of Michigan-specific civility guidelines for lawyers and judges and use them more deliberately
3. Review The Lawyer's Oath more frequently and include it in a State Bar curated clearinghouse and professionalism tool kit

Task Force on the Ethics and Regulation of Legal Services Marketing

Task Force

Jurisdiction:

1. Make recommendations on revisions to the Michigan Rules of Professional Conduct concerning attorney advertising and online legal services marketing. Although the Task Force is encouraged to explore all innovations that have emerged in the online marketplace, the Task Force at a minimum should address the following:
 - a. Essential consumer information in the advertising of legal services
 - b. Fee sharing
 - c. Lawyer referral services
 - d. Search functions involving special designations and certifications (e.g. limited scope representation)
 - e. Ratings
 - f. Client reviews
2. Make recommendations on the need for and possible efficacy of regulation of:
 - a. Advertising and marketing programs offered for use by lawyers and non-lawyer legal services providers
 - b. Non-lawyer legal services providers
 - c. Expanded access to legal services funding (e.g. nonlawyer ownership) and lending (e.g. third-party litigation funding)

In the development of its recommendations, the Task Force should consider and evaluate the efficacy of the regulatory objectives recommended by the Regulatory Objectives Workgroup.



COMMUNICATIONS AND MEMBER SERVICES

Commissioner Committee	Standing Committees	Workgroups	Task Forces, Commissions
Communications and Member Services	Awards Michigan Bar Journal Public Outreach & Educ.	Upper Michigan Legal Institute Social Media & Website	None

COMMUNICATIONS AND MEMBER SERVICES COMMITTEE

Commissioner Committee

Jurisdiction: Communications and member services

- Review and make recommendations to the Board of Commissioners on policies and actions regarding communications and member services
- Review the structure and composition of the committees and workgroups it oversees, and make recommendations to the Board of Commissioners for the upcoming bar year
- Review and evaluate metrics for measuring the effectiveness of SBM’s efforts to meet its professional standards strategic goals
- Consider and recommend external **collaborations** to advance the communications and member services objectives of the Strategic Plan

Awards Committee

Standing Committee

Jurisdiction: Support the nomination process for and recommend recipients of awards made in the name of the State Bar of Michigan, by:

- Assisting in the management of the timetable for soliciting, reviewing, and recommending award nominations
- Providing input on effective solicitation of awards to ensure a high quality pool of diverse nominees
- Providing recommendations on the establishment of new awards or discontinuation of existing awards
- Offering guidance on how best to honor awardees and create an inspiring and accessible online archive of award recipients

Michigan Bar Journal Committee

Standing Committee

Jurisdiction: Provide recommendations to the Board of Commissioners on any changes concerning the Michigan Bar Journal consistent with the State Bar’s strategic plan and provide regular editorial assistance to the editor of the Michigan Bar Journal by:

- Developing annual plans for the content of each Michigan Bar Journal issue
- Soliciting and reviewing submissions to the Michigan Bar Journal
- Make recommendations to the Board of Commissioners on any substantial changes to the publication of the Michigan Bar Journal, including format, number of issues, and budget
- Recommending **collaborations** to advance the communication and member service objectives of the Strategic Plan

- Reviewing and evaluating **metrics** for evaluating the effectiveness of the Michigan Bar Journal in advancing the State Bar of Michigan’s strategic goals

Public Outreach & Education Committee

Standing Committee

Jurisdiction: Support the public education services of the State Bar of Michigan

- Assisting in developing educational events and programs advancing lay understanding of law and the legal profession, with particular emphasis on community programs, including Law Day and Constitution Day
- Providing review and recommendations concerning the State Bar of Michigan’s online resources available to the public
- Exploring and assessing opportunities for **collaboration** in public outreach consistent with SBM strategic goals with local bar associations, nonlegal professional associations, and other external entities
- Conferring and coordinating regularly with the Unauthorized Practice of Law committee to discuss how each committee’s work might interact with and support the other’s work
- Recommending Michigan Legal Milestones that commemorate significant cases, events, places and people in the State’s legal history, and upon approval of the Board of Commissioners, helping implement the milestone and its celebration
- Reviewing reports on effectiveness of public outreach programming based on evaluation metrics and utilizing these reports as a basis for recommending improvements in content, or modification or discontinuation of programs.

Special Characteristics: *This committee may have more than 15 members and may include non-State Bar members.*

Social Media & Website Workgroup [New]

Workgroup

Jurisdiction: Develop guidelines to improve State Bar outreach and information sharing through social media, website utilization, and other electronic media.



PUBLIC POLICY

Commissioner Committee	Standing Committees	Workgroups, Special Committees	Task Forces, Commissions
Public Policy	Access to Justice Policy American Indian Law Civil Proced. & Courts Crim. Juris. & Practice U.S. Courts	Civil Discovery Court Rule Review	None

PUBLIC POLICY COMMITTEE

Commissioner Committee

Jurisdiction: Public policy development and advocacy

- Review and make recommendations to the Board of Commissioners on policies and actions regarding proposed court rules and legislation and public policy issues within the State Bar’s *Keller* constraints
- Review the structure and composition of the committees and workgroups it oversees, and make recommendations to the Board of Commissioners for the upcoming bar year
- Review and evaluate metrics for measuring the effectiveness of the State Bar’s public policy program
- Consider and recommend external **collaborations** to advance the public policy objectives of the Strategic Plan

Access to Justice Policy Committee

Standing Committee

Jurisdiction: Support the State Bar of Michigan’s public policy program by:

- Reviewing and making recommendations on proposed court rules and legislation concerning access to justice, particularly access policy issues that impact underserved populations
- Making recommendations for administrative, court rule, and statutory changes concerning access to justice, particularly access policy issues that impact underserved populations
- Conferring and coordinating regularly with the Justice Initiatives, Affordable Legal Services, and Online Legal Resource and Referral committees

American Indian Law Committee

Standing Committee

Jurisdiction: Support the State Bar of Michigan’s efforts to support effective and appropriate interaction between sovereign tribal courts and state and federal courts, and on the practice of law in those courts by:

- Reviewing and making recommendations on relevant proposed court rules and legislation
- Proposing court rule, legislative, or policy changes to advance more effective and appropriate interaction between sovereign tribal courts and state and federal courts

Civil Discovery Court Rule Review Committee

Special Committee

Jurisdiction: Support the adoption of the committee-developed and SBM-approved proposed revisions to the Michigan Court Rules concerning civil discovery, including analysis and recommendations on any further proposed revisions.

Civil Procedure & Courts Committee

Standing Committee

Jurisdiction: Support the public policy program of the State Bar of Michigan by:

- Reviewing and making recommendations on proposed court rules and legislation related to civil practice in the courts
- Making recommendations for administrative, court rule, and statutory changes concerning improvements in the administration, organization, and operation of Michigan state courts.
- Collaborating with other State Bar committees to provide feedback on proposed administrative, court rule, and statutory changes related to civil practice in the courts.

Special Characteristics: *This committee may have more than 15 members.*

Criminal Jurisprudence & Practice Committee

Standing Committee

Jurisdiction: Support the public policy program of the State Bar of Michigan by:

- Reviewing and making recommendations on proposed court rules and legislation related to criminal jurisprudence and practice
- Making recommendations for administrative, court rule, and statutory changes concerning improvements in criminal jurisprudence and practice
- Collaborating with other State Bar committees to provide feedback on proposed administrative, court rule, and statutory changes related to criminal jurisprudence and practice in the courts

Special Characteristics: *This committee may have more than 15 members.*

U.S. Courts Committee

Standing Committee

Jurisdiction: Provide advice and recommendations concerning the State Bar of Michigan's interaction with federal courts in Michigan and on practice of law in those courts by:

- Reviewing and making recommendations on proposed federal court rule amendments
- Proposing court rule, legislative, or policy changes to improve practice in federal courts in Michigan

Special Characteristics: *This committee may have more than 15 members.*



INNOVATION AND IMPLEMENTATION

Commissioner Committee	Standing Committees	Workgroups	Task Forces, Commissions
Strategic Planning	Affordable Legal Services Diversity and Inclusion Justice Initiatives Online Legal Resource and Referral Center Past Presidents	None	State Bar Operation, Structure and Governance

Strategic Planning Committee

Commissioner Committee

Jurisdiction: Develop strategic plan accountability tools and advance the strategic plan by:

- Reviewing all existing committees to identify overlap or omissions, and make recommendations concerning their effectiveness in carrying the strategic plan forward
- Recommending the creation or termination of committees, task forces, commissions, and workgroups
- Identifying possible new collaborations to advance SBM strategic objectives of the State
- Reviewing and evaluate metrics for measuring the effectiveness of committee and staff efforts to advance the Strategic Plan

Affordable Legal Services Committee

Standing Committee

Jurisdiction: Support the State Bar of Michigan’s access to justice and member services goals by:

- Reviewing, developing, and recommend innovative practices to provide low-cost legal services and evaluate efforts to expand access to affordable legal services for persons of modest means, including low bono services; non-profit law firms and sliding scale civil legal services; online dispute resolution and alternative dispute resolution services; lean process analysis, both at law practice and court administrative levels; alternative fee agreements; and fixed fee packages.
- Identifying possible **collaborations** to support the committee’s jurisdiction
- Identifying the need for any workgroups to support the jurisdiction of the committee
- Conferring and coordinating regularly at least annually with the Justice Initiatives, Unauthorized Practice of Law, Access to Justice Policy, and Online Legal Resources and Referral Center committees
- Identifying possible collaborations to support the committee’s jurisdiction
- Reviewing and evaluating **metrics** measuring the effectiveness of the State Bar’s public outreach and education efforts

Special Characteristics: *This committee may have more than 15 members.*

Diversity and Inclusion Advisory Committee

Standing Committee

Jurisdiction: Support the diversity goals of the SBM Strategic Plan by:

- Identifying strategies to promote a diverse and inclusive voice in all State Bar of Michigan work and communications
- Recommending practices, tools and strategies to advance diversity and inclusion at the SBM staff level, section and committee levels, and throughout the justice system
- Encouraging examination of the status of diversity and inclusion efforts of Michigan law firms, courts, and law schools
- Suggesting methods for celebrating successful diversity and inclusion efforts
- Identifying the need for any workgroups to support the jurisdiction of the committee
- Identifying possible **collaborations** to support the committee's jurisdiction

Special characteristics: *This committee may develop and carry out collaborative programs consistent with this jurisdiction, and within allocated budgetary resources, with approval of the Executive Committee.*

Justice Initiatives Committee

Standing Committee

Jurisdiction: Support the State Bar's access to justice efforts by:

- Developing and recommending proposals for proactive programs to benefit underserved populations, including the poor, racial and ethnic minorities, gender identity, juveniles, domestic violence survivors
- Supporting resources for civil legal aid programs
- Providing recommendations and support for the State Bar's pro bono legal services program
- Recommending John W. Cumiskey Award recipient
- Identifying the need for any workgroups to support the jurisdiction of the committee
- Conferring and coordinating regularly with the Access to Justice Policy, Affordable Legal Services, and Online Legal Resource and Referral committees on common strategic goals
- Identifying possible **collaborations** to support the committee's jurisdiction

Special characteristics: *This committee may have more than 15 members and may include non-State Bar members.*

Online Legal Resource and Referral Center

Standing Committee

Jurisdiction: Provide guidance and recommendations concerning the development and operation of the SBM Online Legal Resource and Referral Center, and the integration of the State Bar's pilot lawyer referral (LRS) program into the Center, through:

- Identifying strategies for the recruitment of qualified LRS panel members
- Evaluating pilot progress
- Proposing standards and rules for participation
- Suggesting potential **collaborations**
- Advising on marketing to the public
- Reviewing and advising on integration with SBM enhanced profile directory and tools
- Assessing **metrics** to help measure the effectiveness of the Online Legal Resource and Referral Center in advancing Strategic Plan goals

- Providing input on how ethics rules relate to the pilot and its development
- Conferring and coordinating regularly with the Justice Initiatives and Affordable Legal Services committees
- Suggesting metrics to measure the effectiveness of the Online Legal Resource and Referral Center and lawyer referral program efforts
- Identifying the need for any workgroups to support the jurisdiction of the committee.

Past Presidents' Advisory Council

Standing Committee

Jurisdiction: Provide counsel and recommendations on all matters concerning the State Bar, at the request of the Board of Commissioners.

State Bar Operation, Structure, and Governance

Task Force

Jurisdiction: Examine whether, in light of changes in the delivery of legal services and jurisprudence concerning the mandatory bar, changes in the structure, governance, and scope of operation of the State Bar of Michigan are advisable, and to make recommendations concerning specific changes.



**State Bar of Michigan
Bar Leadership Forum
Event Summary**

Name of Event/Date: 2019 Bar Leadership Forum, June 14-15

Subcommittee Chair: Hon. James N. Erhart

Location of Event: Grand Hotel, Mackinac Island, MI

Registration Fee: \$165.00 before May 14; \$195.00 after May 14

Hotel Registration Fee: \$514.95 single (tax & fees included); \$116.15 guest

	2015	2016	2017	2018	2019
Total Attendees	112	123	116	124	116
Registered Attendees (includes scholarships)	65	72	71	76	70
Board of Commissioners Registration	27	28	29	30	29
Exhibitors	8	6	7	6	4
Guests	88	90	69	88	87
Prohibition & the Roaring 20's Lecture	N/A	N/A	N/A	N/A	4
Art, Antiques & Interior Design Tour	N/A	N/A	N/A	N/A	5

Exhibitor Cost: \$195 per exhibit table

Overview:

The 2019 Bar Leadership forum kicked off with a joint keynote session with Upper Michigan Legal Institute attendees on *Influence: The Art & Science of Changing Minds* with speaker Steve Hughes. Afterwards Steve continued the BLF program with a two-part session on *Using Stories to Engage and Persuade*. Most BLF attendees found these sessions to be valuable and several people noted his sessions as the highlight of the conference. A few attendees commented that it was tedious being in the same room with the same speaker all afternoon.

Due to the weather the Grand Reception was held inside in the Theatre room, which gave attendees room to mingle with less congestion than in the parlor area. Leaders continue to find a lot of value in networking opportunities, wanting more time to brainstorm ideas about common issues. Also appreciated was the concrete information provided by staff on Saturday. Overall the conference received high ratings - most attendees rated it above average to excellent.

**State Bar of Michigan
Upper Michigan Legal Institute
Event Summary**

Name of Event/Date: 2019 Upper Michigan Legal Institute, June 14-15
 Subcommittee Chair: Victoria A. Radke
 Location of Event: Grand Hotel, Mackinac Island, MI
 Registration Fee: \$139 before May 14, \$179 after May 14
 Hotel Registration Fee: \$514.95 single (tax & fees included); \$116.15 guest

	2015	2016	2017	2018	2019
Registered Attendees (includes speakers)	88	88	89	88	96
Exhibitors	8	6	7	6	4
Guests	49	53	74	66	85
Prohibition & the Roaring 20's Lecture	N/A	N/A	N/A	N/A	7
Art, Antiques & Interior Design Tour	N/A	N/A	N/A	N/A	6

Exhibitor Cost: \$195 per exhibit table

Evaluation Summary

The 2019 Upper Michigan Legal Institute started with an all-new joint keynote session shared with Bar Leadership Forum attendees on *Influence: The Art & Science of Changing Minds* with speaker Steve Hughes. The reaction was mostly positive - some attendees found it extremely useful while others struggled to see the practical application in a legal setting. John Cameron and Jim Harrington continue to receive rave reviews, and Hon. Farah's return *Evidence "Double Jeopardy"* session earned the remark "Even valuable for those of us who do not litigate often." Sarah Ostahowski and Terrence Quinn's two-part breakout on *Winning with Workshops and Professional Partnerships* was sparsely attended but received excellent ratings. The Criminal Law session was also listed as a favorite, though some felt like they needed more time to digest so much valuable information.

Attendance was up this year by about 10% due to increased marketing efforts to a wider demographic, and 100% of attendees noted that they would recommend UMLI to colleagues. Overall, members continue to highly value the breadth of topics in this program, substantive law updates and practical information. They love the fast-moving sessions, excellent presenters, venue, and opportunities to network with colleagues and bar leaders.



MEMORANDUM

To: The Communications and Member Services Commissioner Committee
cc: Janet Welch, SBM Executive Director
Cliff Flood, SBM General Counsel
From: Darin Day, SBM Director of Outreach
Date: July 12, 2019
Re: Request to Establish New State Bar Section: Immigration Law

A. Issue Presented

Whether the Communications and Member Services Committee (CAMS) should recommend approval of a request to form a new immigration law section when (a) the request clearly meets seven of the eight criteria for creating a new State Bar Section, but (b) satisfaction of the eighth criterion has been challenged by the council of the International Law Section due to concerns that the “contemplated jurisdiction” of the proposed immigration law section is “in substantial conflict” with the jurisdiction of the International Law Section.

B. Background

The organizing group requesting a new immigration law section consists of 125 active members of the SBM. Upon review of this memo and its attachments, both CAMS and the BOC should find their request clearly satisfies seven of the eight criteria for establishing a new State Bar Section.

The eight criteria for establishing a new State Bar Section:

1. At least 50 active members of the SBM demonstrate a commitment to joining the proposed new section and paying membership dues thereto
2. The organizing group must provide a statement of need for the new section
3. The BOC must approve the proposed section dues structure and dues amounts
4. The organizing group must provide a budget for the proposed section's first two years of operation
5. The organizing group must provide the "names of the proposed committees of the Section"
6. The proposed bylaws of the requested new section must not be "inconsistent" with the Supreme Court Rules Concerning the State Bar or SBM Bylaws
7. The proposed section bylaws "shall contain a definition of its jurisdiction"
8. "The contemplated jurisdiction of the Section ... shall be within the objects of the State Bar of Michigan and not in substantial conflict with the jurisdiction of any Section, Standing Committee or Special Committee the continuance of which is contemplated after the Section is established..."

See **Exhibit A**, Criteria to Establish a New State Bar Section, attached.

SBM staff has reviewed the documents submitted by the immigration law section organizing group, and they appear to clearly satisfy criteria #1 through #7, above. These documents are attached as **Exhibit B**.

With respect to criteria #8, however, the council of the International Law Section ("ILS") has raised concerns that the "contemplated jurisdiction" of the proposed new section would be "in substantial conflict with" the current jurisdiction of the ILS. In a memo dated July 1, 2019, circulated to the BOC on that date, the ILS expressed such concerns and reported a unanimous vote of its officers and council "not to support the creation of the proposed Section." The July 1 memo from ILS is attached as **Exhibit C**.

Abril Siewert-Valdes is the leader of the organizing group for the proposed immigration law section. The ILS Council invited Ms. Siewert-Valdes to its March 2019 meeting, where she presented arguments in favor of creating a new immigration law section separate and independent from the ILS.

Materials in support of Ms. Siewert-Valdes's arguments are attached as **Exhibit D**. These include her March 2019 presentation to the ILS Council, subsequent emails, and a memo submitted to the BOC, dated July 10, in response to the ILS's July 1 memo opposing the formation of a new immigration law section.

C. Some numbers CAMS may wish to consider:

1. **495 SBM members** are currently enrolled in the International Law Section ("ILS")
2. **125 SBM members** constitute the immigration law section organizing group
3. **339 SBM members** self-report as immigration lawyers in the SBM online directory
4. **41.6%** of the organizing group self-report as immigration lawyers (52 of 125).
5. **4.4%** of current ILS members self-report as immigration lawyers (22 of 495).
6. **15.3%** of all SBM members who self-report as immigration lawyers are part of the immigration law section organizing group (52 of 339).
7. **6.5%** of all SBM members who self-report as immigration lawyers are current members of the ILS (22 of 339).
8. **59%** of the ILS members who self-report as immigration lawyers are part of the immigration law section organizing group (13 of 22).

EXHIBIT A

Criteria to Establish a New State Bar Section

Under the Supreme Court Rules Concerning the State Bar of Michigan, Rule 12, Section 1, a new section “may be established ... by the Board of Commissioners in a manner provided by the bylaws.”

Rule 12, Section 2 requires each section to maintain bylaws “not inconsistent with these Rules or the bylaws of the State Bar of Michigan” and further that “[s]ection bylaws or amendments thereof shall become effective when approved by the Board of Commissioners.”

Rule 5, Section 1(a)(5) requires the Board of Commissioners to “...determine the amount and regulate the collection and disbursement of section dues...”

The bylaws of the State Bar of Michigan require the following to establish a new section:

Article VII—Sections

Section 1—Establishment and Discontinuance. New Sections may be established ... by the Board of Commissioners ... A petition seeking to establish a Section shall show substantial compliance with the following requirements:

- (a) That the proponents of the proposed Section have filed with the Secretary a statement setting forth:
 - (i) The contemplated jurisdiction of the Section which shall be within the objects of the State Bar of Michigan and not in substantial conflict with the jurisdiction of any Section, Standing Committee or Special Committee the continuance of which is contemplated after the Section is established;
 - (ii) The proposed Bylaws of the Section, which shall contain a definition of its jurisdiction;
 - (iii) The names of the proposed committees of the Section;
 - (iv) The proposed budget for the Section for the first two years of its operation;
 - (v) A list of active members of the State Bar of Michigan totaling at least fifty in number, who have signed statements that they will apply for membership in the Section;
 - (vi) A statement of the need for the proposed Section.

EXHIBIT B

**The original submission by the organizing group requesting
formation of a new immigration law section**

Immigration Law Section of the State Bar of Michigan ("ILS") Statement of Need

There are the over three hundred self-identified immigration attorneys in the state of Michigan and, according to the 2015 U.S. Census report, an estimated seven percent of Michigan residents are immigrants. While the State Bar of Michigan (SBM) has long supported initiatives to enhance due process, equal protection, and access to justice for Michigan residents, SBM needs a dedicated and separate immigration law and immigrant rights section to support the growth of those the immigration field and the needs of those practicing.

Currently, immigration law sits under the International Law Section--one of SBM's largest sections, boasting 631 members in 2017.¹ With such a large number of attorneys and a wide range of international issues to cover, over the past several years, the section seldom focuses on substantial immigration related issues. There is little to no overlap in the areas of international law and immigration law. As with many areas of international law, immigration lawyers require a unique knowledge and expertise and need a platform to tackle the common trends of procedural, legal, and policy challenges of the field of immigration law across the state's jurisdiction.

An immigration law section would be dedicated to improving the administration of justice in the field of immigration law by bringing together SBM members and furthering their common interest and by promoting continuing legal education in the area of immigration law. The section would allow members to serve as liaisons with the rest of the bar and the public on immigration law-related issues, more effectively addressing the overlap between immigration law and other practices such employment, juvenile, family, criminal, business & estate planning and probate, etc.

¹ Section Demographics, State Bar of Michigan (2017), available at: <https://higherlogicdownload.s3.amazonaws.com/MICHBAR/57f40b9d-7b32-4e37-847a-77c58abf2fed/UploadedImages/pdfs/demo.pdf>.

Poll "Immigration Law Section"

	Yes, I would be interested in joining an Immigration Law Section
Kimberly Buddin	OK
Caridad Pastor Cardinale	OK
Rebecca Robichaud	OK
Ellie Mosko	OK
Rebecca Lair Ybanez	OK
Michael Carlin	OK
Katrina Pradelski	OK
Farah Al-khersan	OK
Kristin Sage	OK
Stuart Friedman	OK
Krista Hurst	OK
Meghan Moore	OK
Brad Thomson	OK
Ana Devereaux	OK
Migladys Bermudez	OK
Jennifer Gallardo	OK
Marva De Armas	OK
Bridgette Sparkman Borg	OK
Jonathan Contreras	OK
Catherine Villanueva	OK
Farah hobballah	OK
Christopher Acklin	OK
James Leo Betzold	OK
Samantha Lindberg	OK
Alex Gillett	OK
Samantha Wilson	OK
Wilton Hom	OK
Leila Freijy	OK
Michael Griswold	OK
Philip Collins	OK
Alexandra LaCombe	OK
David Thronson	OK
Solomon Idumesaro, Esq.	OK
Muna Jondy	OK
Kathryn Staples	OK
Jillian Khrushchev	OK
Jill Soubel Walsh	OK
Melissa Indish	OK
Suzanne Schuelke	OK
Christopher Acklin	OK
Lu Wang	OK
Karla Velikan	OK
Scott Boyer	OK
Mary O'Leary-Larsen	OK
Rachel Glogowski	OK
Liane Kufchock	OK
John Clement	OK

Svetlana Lebedinski	OK
Michele Redburn	OK
Benjamin Daniel Inquilla	OK
Christine Photenhauer	OK
Veronica T. Thronson	OK
Lisa Tehlirian	OK
Randy Samona	OK
Kathleen Hegarty	OK
Melanie Goldberg	OK
Joanna Kloet	OK
YUMANA DUBAISI	OK
Patricia J. Sullivan	OK
Amany Kasham	OK
Sam R. Saif	OK
Rona M. Lum	OK
Chelsea Allise Zuzindlak	OK
Albert Valk	OK
Trevor Hass	OK
Francyne Stacey	OK
Andrea Ferrara	OK
Aimee Guthat	OK
Chris Schlegel	OK
Krista Carpenter	OK
Marcel Miclea	OK
Christopher Dutot	OK
Mohamad I Bazzi	OK
James Edokpolo	OK
Kathy Purnell	OK
Liz Balck	OK
Shameen Woods	OK
Reginald Pacis	OK
Norm R Perry	OK
elsharnoby	OK
Megan Moreno	OK
Michael Morton	OK
Patricia Hartig	OK
Martha Jennings	OK
Amarnath Gowda	OK
Anthony Ray	OK
Rachael McCarthy	OK
Tina Shuker	OK
Eman Jajonie-Daman	OK
Mani Khavajian	OK
Oana Marina	OK
donna beauregard	OK
Susan Reed	OK
Christian Montesinos	OK
Jose A Sandoval	OK
Abril Valdes	OK
Carlos Alvarado-Jorquera	OK
David Allen	OK
K. Daria Szwajkun	OK

Solomon Idumesaro	OK
Enrico Caruso	OK
Jillian Khrushchev	OK
Andrew Moore	OK
Stuart Friedman	OK
Tracey Cooley Kevelighan	OK
Meghan Moore	OK
Mohamad Issa Bazzi	OK
Christine Photenhauer	OK
Norm R Perry	OK
sufen hilf	OK
Danny Garmo	OK
Jonathan Golden	OK
Elizabeth Rosario	OK
Aisha Farooqi	OK
Kevin Summers	OK
Muna Jondy	OK
Michael I. Sherman	OK
Rami Fakhoury	OK
John Koryto	OK
Jon Weinberg	OK
Anthony Mosko	OK
Bushra Malik	OK
Samia Yager	OK
Syed Ali Jafry	OK
elsharnoby	OK
Kate McCarroll	OK
Christopher Ammori	OK
Marie Nelson	OK
Philip Collins	OK
Sarah McElwaney	OK
Alex Vernon	OK
Meghan Covino	OK
Viviana Lande	OK
Sarah Bileti	OK
Jill Soubel Walsh	OK
Renee Dagher	OK
Reginald Pacis	OK
Julianne Cassin Sharp	OK
Lesley Glennon	OK
Monica Andrade	OK
Alexandra LaCombe	OK
Liane Kufchock	OK
Rachael McCarthy	OK
Marcelo Betti	OK
Sabrina Balgamwalla	OK
Sarah Yore-Van Oosterhout	OK
Count	146

Comments

ILS Council

Executive Board:

Chair: Abril Valdes Siewert (Term ends: 2022)

Chair-Elect: Candie Tou Clement (Term ends: 2021)

Recording Secretary: Matthew Garrett (Term ends: 2022)

Corresponding Secretary: Kimberly Buddin (Term ends: 2021)

Treasurer: Alyssa Yeip-Lewerenz (Term ends: 2022)

Board of Directors

1. Sabrina Balgamwalla (Term ends: 2021)
2. Russell Abrutyn (Term ends: 2022)
3. Sarah Yore-Van Oosterhout (Term ends: 2021)
4. Jillian Khrushchev (Term ends: 2022)
5. Ahndia Mansoori (Term ends: 2021)
6. Michael Carlin (Term ends: 2022)
7. Migladys Bermudez (Term ends: 2021)
8. Ruby Robinson (Term ends: 2022)
9. Marva De Armas (Term ends: 2021)
10. Syed Ali Jafry (Term ends: 2022)
11. Alex Vernon (Term ends: 2021)
12. Tania Morris Diaz (Term ends: 2022)
13. Rebecca Ontiveros-Chavez (Term ends: 2021)
14. Christopher Dutot (Term ends: 2022)

**Immigration Law Section of the State Bar of Michigan ("ILS")
Proposed Budget**

Revenue

Dues	\$5000.00
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Expenses

Council Meetings	\$700.00
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Telephone expense	\$150.00
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Postage	\$50.00
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Seminar (Venue, Speaker, food ect.)	\$500.00
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Electronic Communication	\$300.00
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Council Expenses	\$250.00
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Annual Meeting Expenses	\$750.00
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Miscellaneous	\$200.00
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Immigration Law Section Request

July 2019

Proposed Section Dues

\$35.00 x 125 SBM members on list = \$4,375

Proposed Section Committee Names

Budget Committee
Programs Committee
Membership Committee
Publications Committee
Public Policy Committee

BYLAWS OF THE IMMIGRATION LAW SECTION OF THE STATE BAR OF MICHIGAN

Article I

SECTION NAME AND PURPOSE

SECTION 1.1. This section is known as the Immigration Law Section of the State Bar of Michigan ("ILS").

SECTION 1.2. The purpose of the ILS is to foster awareness and appreciation of the area of immigration and nationality law; to study immigration and nationality law; to promote recognition of immigration and nationality law as a specialized area of practice; to promote throughout the State of Michigan the legal education of members of the Bar and the public on immigration and nationality law and policy; to sponsor, prepare, or assist the publication of legal writing in this field; and to otherwise further the interests of the State Bar of Michigan (SBM) and the legal profession as a whole in all ways related to immigration and nationality law.

SECTION 1.3. The ILS proposes to accomplish the above by promoting research projects, sponsoring meetings, programming, trainings, institutes, and conferences of educational value; by supporting publication of legal writings, and, in accordance with all policies and procedures of the State Bar of Michigan, by adopting positions on issues of public concern in the field of immigration law.

Article II

SECTION MEMBERSHIP

SECTION 2.1. Any member of the SBM including active, inactive, emeritus, and law student, upon request to the SBM and upon payment of dues for the current year, will be enrolled as a member of the ILS.

SECTION 2.2. DUES. Annual ILS membership dues shall be Thirty-Five Dollars (\$35.00) at the creation of the ILS. This dues amount may be modified annually by a 2/3 majority vote of the ILS Council and the approval of the Board of Commissioners. A request for a dues change must be submitted to the SBM no later than June 30 to become effective in the following bar year.

SECTION 2.3. TERMINATION OF MEMBERSHIP. Any member of the ILS whose annual dues are more than six months past due will have their ILS membership revoked. Membership is also terminated upon disbarment or resignation and must cease during the period of any suspension from the practice of law.

SECTION 2.4. LAW STUDENTS. Section dues shall be waived for Law Student members, and such members shall not be eligible to vote nor serve on the ILS Council, but shall have all other rights and privileges of ILS membership.

SECTION 2.5. Any member of the ILS in good standing will not be required to pay ILS dues beginning with the fiscal year after attaining the age of seventy (70) years. Such members will continue to have all rights and privileges held by paid members.

SECTION 2.6. SECTION MEMBERS WHO ARE NOT SBM MEMBERS. Non-SBM members may be eligible to join the Section, at the discretion of the ILS Council. ILS Section members who are not also members of the SBM shall not be eligible to vote nor serve on the ILS Council, but shall have all other rights and privileges of ILS membership.

Article III
SECTION OFFICERS

SECTION 3.1. The Officers of the ILS shall be elected by the ILS Council from among the members of the ILS Council. Such election must be held during the annual meeting of the Section. The offices shall be Chair, Chair-Elect, Recording Secretary, Corresponding Secretary, and Treasurer. The Officers shall formulate the policies of the ILS, advise and aid the Chair in any matters which may arise, and perform other acts as provided in the Bylaws. Officers shall serve two (2) year terms, except the Council elected to serve at the creation of the ILS. The Council elected to serve at the creation of the ILS shall serve one (1) year terms.

SECTION 3.2. CHAIR. The Chair shall preside at all meetings of the Section and of the Council. With support of a majority vote of a quorum of the Council, the Chair shall have the power to:

- a) appoint members of the Council to fill vacancies; and
- b) remove members of the Council; and
- c) create and dissolve committees; and
- d) appoint and remove committee members, including committee chairs; and
- e) appoint and remove Section Representatives; and
- f) perform such other duties as may be directed by the Council.

SECTION 3.3. Officers shall be elected by the Council from the membership of the Council. At the creation of the ILS, a majority of a quorum of the entire Section shall elect the first Council no later than December 31. Quorum shall be twenty (20) members of the Section. At the creation of the ILS, each Officer shall serve a one (1) year term. After the expiration of the initial term, Officers shall serve two (2) year terms.

SECTION 3.4. CHAIR-ELECT. At the end of a term of office, the Chair-Elect, if still a member of the ILS in good standing, will automatically succeed to the office of Chair without being nominated or elected, and will have all the rights and privileges of Chair during that term of office. Upon the death, resignation, or during the disability of the Chair, or upon the Chair's refusal to serve, the Chair-Elect shall perform the duties of the Chair for the remainder of the Chair's term except in the case of the Chair's disability and then only during such time as the disability continues. The Chair-Elect shall preside at all meetings in the absence of the Chair. In

the event the Chair-Elect is required to fill a vacancy in the office of Chair, the Chair-Elect shall become Chair for the period of both the vacancy and the term s/he normally would have served as Chair. The Chair-Elect will aid and assist the Chair in the performance of the Chair's responsibilities and in such a manner and to such an extent as the Chair may request. The Chair-Elect is responsible for assisting with the rules of order regarding proper conduct and procedure of meetings.

SECTION 3.5. RECORDING SECRETARY. The Recording Secretary is be the custodian of all books, papers, documents and other property of the ILS, except financial instruments and financial records. The Recording Secretary will keep a true record of the proceedings and attendance of all meetings of the ILS. With the Chair, the Recording Secretary must prepare a summary or digest of the ILS's annual meeting proceedings. The Recording Secretary shall preside at meetings of the Council in the absence of both the Chair and Chair-Elect. At the conclusion of the term in office, the Recording Secretary shall provide a true copy of the year's minutes and all other significant documents for the year, and present it to the Chair for formal submission to the SBM; an annual section report is due to the SBM no later than May 31 each year.

SECTION 3.6. CORRESPONDING SECRETARY. The Corresponding Secretary shall: (1) assume the responsibilities of the Recording Secretary in the absence of the Recording Secretary; (2) prepare correspondence on behalf of the ILS as directed by the Chair; and (3) coordinate the location of meetings. The Corresponding Secretary shall give notice to all ILS members of the place, date, and time of each meeting at least ten (10) days prior to the meeting. This includes all meetings of the Council and of the general membership including the annual meeting, all regular meetings, and any special meetings. In the case of a meeting held by teleconference or other remote capabilities, notice from the Corresponding Secretary shall also include instructions about how to participate in the meeting. The Corresponding Secretary must provide the Council with a meeting agenda a minimum of five (5) days prior to any meeting.

SECTION 3.7. TREASURER. In accordance with all SBM policies and procedures, the Treasurer shall have charge of the funds of the ILS and shall collect and disburse all monies, and maintain a true and accurate financial account, and comply with all reporting requirements. The Treasurer shall present a proposed Treasurer's report to the Council at least five (5) days prior to the next scheduled meeting of the Council for purposes of review. The Treasurer shall make any proposed changes, subject to approval by the Council. At the expiration of the term of office, the Treasurer shall submit to the Council a full statement of all monies received and disbursed during the preceding fiscal year on the form prescribed by the ILS. At the expiration of the term of office, the Treasurer shall provide all financial records of the ILS to the successor Treasurer or Chair.

SECTION 3.8. DUTIES. The Council shall have the general supervision and control of the affairs of the ILS subject to the Supreme Court Rules Concerning the State Bar of Michigan, the Bylaws of the State Bar of Michigan, and the Bylaws of the ILS. The Council shall specifically

authorize all commitments or contracts which entail the payment of money, including the expenditure of all monies appropriated by the Council for the use or benefit of ILS, provided, however, the Council may authorize the Treasurer to expend sums not exceeding \$300.00 for the ongoing operation of the ILS without prior approval in a single fiscal year. All sums so expended will be reported by the Treasurer at the next Council meeting.

SECTION 3.9. VACANCIES. In the event of a vacancy of either the office of Chair or Chair-Elect, a member of the Council will be elected to serve until the close of the next annual meeting of the section, where the vacancies shall be filled for the remainder of their respective terms by a special election conducted concurrently with the regular elections. Except in the occurrence of a vacancy under this provision, no Officer may serve in more than one elected position.

ARTICLE IV
SECTION COUNCIL

SECTION 4.1. The ILS Council shall consist of thirteen (13) members elected as provided in 4.2. Five (5) Council members shall be elected Officers as set forth in Article III.

SECTION 4.2. COUNCIL ELECTIONS. At the annual meeting of the ILS, Council members shall be elected by the general section membership to replace those members whose terms are expiring. Council members so elected shall serve for a term three (3) years beginning at the close of the annual meeting at which they were elected. However, at the creation of the ILS, four (4) Council members shall serve a three (3) year term, four (4) Council members shall serve a two (2) term, and five (5) Council members shall serve a one (1) year term. After the expiration of those initial terms, each Council member shall serve a term of three (3) years.

SECTION 4.3. SECTION REPRESENTATIVES. From time to time, the Council may appoint representatives to communicate with, attend certain meetings, and/or exchange programming ideas/information with other sections of the SBM. Below is a list of examples of other such SBM sections:

Family Law Section	International Law Section
Criminal Law Section	Solo/Small Firm Section

At the request of the Council, a Section Representative must present a complete report of Section Representative activities to the Council.

SECTION 4.4. NOMINATIONS. Prior to each annual meeting of the ILS, the Chair shall appoint a nominating committee consisting of the Chair and (2) other members of the Council. The committee shall make and report nominations to fill those Council positions for which terms expire at the close of the next annual meeting, and to fill vacancies then existing for unexpired Council terms. The Committee should make its report to the ILS at the annual meeting. Other nominations for the Council may be made from the floor at the annual meeting.

SECTION 4.5. VACANCIES. If a seat on the Council becomes vacant, the vacancy shall be filled for the remainder of that seat's term by a majority vote of a quorum of the Council.

SECTION 4.6. RESIGNATION. Any member of the Council may resign by providing fourteen (14) days notice to the Council.

SECTION 4.7. COUNCIL ELECTIONS. All elections must be by ballot unless otherwise ordered by resolution duly adopted by the general membership of the ILS.

SECTION 4.8. COUNCIL VOTING. A majority of the voting members of the Council shall constitute a quorum for the transaction of business. In the event there is no quorum, those present may adjourn the meeting and allow members to vote by electronic means as directed by the Chair.

SECTION 4.9. In the event an issue arises, which is time sensitive and a formal meeting cannot be held, the Chair (or upon the request of any Council Member) will submit the proposition for voting to each of the members of the Council and allow them to vote by any means determined by the Chair. Votes must be sent to the Chair and Corresponding Secretary for recording. A majority vote of a quorum of the Council will constitute the binding action of the Council.

SECTION 4.10. Each Council member shall submit one article for publication in the Immigration Law Journal during each elected term. Failure to submit an article shall make the member ineligible to run for reelection to the Council.

ARTICLE V MEETINGS

SECTION 5.1. ANNUAL MEETINGS. An annual meeting of the ILS will be held at such time and place established by the Council, but no later than November 1 each year.

SECTION 5.2. SPECIAL MEETINGS. A special meeting of the ILS may be called at any time and for any purpose by the Chair or by the written request of a majority of the Council. Five (5) days written notice of a special meeting shall be provided to the members by the Corresponding Secretary. The notice must state the specific purpose for the meeting and no other business shall be transacted.

SECTION 5.3. REGULAR MEETINGS. Regular Meetings of the Council and of the Section shall be held at times and places as the Council directs.

SECTION 5.4. QUORUM OF THE COUNCIL. A majority of the Council constitutes a quorum for the transaction of business before the Council. However, if less than a quorum is present at a Council meeting, a majority of the Council members present may adjourn the meeting without further notice. In the event that a quorum is not present at any Council meeting, the Council

members present may proceed with the business of the meeting as if a quorum were present, and their acts shall become effective when and if enough absent members ratify them in writing.

Section 5.5. QUORUM OF THE SECTION. For business requiring a majority vote of a quorum of the entire Section, twenty (20) Section members eligible to vote shall constitute a quorum. In the event that a quorum is not present at any Section meeting, the Section members present may proceed with the business of the meeting as if a quorum were present, and their acts shall become effective when and if enough absent members ratify them in writing.

SECTION 5.6. NOTICE OF MEETINGS. The Corresponding Secretary must give notice to all ILS members of the place, date, and time of each meeting at least ten (10) days prior to the meeting. This includes all meetings of the Council and of the general membership including the annual meeting, all regular meetings, and any special meetings. In the case of a meeting held by teleconference or other remote capabilities, notice from the Corresponding Secretary shall also include instructions about how to participate in the meeting. The Corresponding Secretary must provide the Council with a meeting agenda a minimum of five (5) days prior to any meeting.

SECTION 5.7. VOTING. Each member of the Council is entitled to one (1) vote on each item of business before the Council, even if a Council Member holds more than one seat on the Council. Whenever any action is to be taken by vote of the Council, it shall, except as otherwise required by statute, be authorized by a majority of a quorum of the Council.

SECTION 5.8. ATTENDANCE. Every member of the Council must attend all meetings of the Section. Any member of the Council who is absent at three meetings in a fiscal year will be deemed to have resigned and the vacancy thereby created will be filled by the Council until the next annual election of Council.

SECTION 5.9. ORDER OF MEETINGS. All meetings shall be governed by Robert's Rules of Order, Revised.

SECTION 5.10. OPEN MEETINGS. All meetings of the Council shall be open to the members of the ILS, unless otherwise directed by the Council.

SECTION 5.11. REMOTE PARTICIPATION. Any or all members of the Council may participate in a meeting of the Council by means of a telephone conference or similar medium. Such participation shall constitute "presence" for the purposes of quorum and voting.

SECTION 5.12. ACTION WITHOUT MEETING. The Council and/or the general membership of the Section may take action without a meeting by using an email poll. The email poll must include the presentation of a motion, a second of such motion, a period of discussion of at least twenty-four (24) hours, followed by a call for open voting of at least twenty-four (24) hours. The period of discussion and/or period of open voting may be shortened for good cause. The results

of any such vote must be presented by email at the close of voting and be presented at the next meeting of the Council and read into the minutes of such meeting.

ARTICLE VI
SECTION COMMITTEES

SECTION 6.1. COMMITTEES. The Council may create or dissolve committees of the Section by majority vote of a quorum of the Council. Examples include:

- (a) Budget Committee
- (b) Programs Committee
- (c) Membership Committee
- (d) Publications Committee
- (e) Public Policy Committee

SECTION 6.2. Public Policy Positions. A Committee may not issue a public report or take a public position on an issue either in its own name or on behalf of the ILS. All proposals for public reports or positions shall be submitted to the ILS Council for consideration and issuance. The ILS Council shall act in accordance with all SBM policies and procedures including and not limited to those concerning public reports, policy positions, and advocacy.

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.1. FISCAL YEAR. The fiscal year of the ILS will run concurrently with the SBM fiscal year, which begins on October 1 and ends on September 30.

SECTION 7.2. All invoices incurred by the ILS, before being forwarded to the SBM for payment, shall be approved by the Chair or the Treasurer.

SECTION 7.3. Any reimbursement or compensation paid by the ILS to any member of the ILS shall conform with all SBM policies and procedures.

ARTICLE VIII
BYLAWS AMENDMENTS

SECTION 8.1. These Bylaws may be amended by a two-thirds (2/3) vote of Section members, provided there is a quorum. Twenty (20) section members eligible to vote shall constitute a quorum. Any such proposed amendment must first have been submitted to the Council for its recommendation, and no amendment so adopted shall become effective until approved by the Board of Commissioners.

SECTION 8.2. Any proposed amendment shall be submitted in writing to the Council in the form of a Petition signed by at least eight (8) members of the ILS eligible to vote at least sixty (60) days before it is to be voted upon. The Council shall consider the proposed amendment and shall prepare a recommendation. Notice of all proposed bylaws amendments shall be provided in writing to the entire Section membership at least thirty (30) days before they are to be voted on. Each year, the Chair shall include all recommendations, proposed amendments, and adopted amendments in the annual report.

Version 1, Last Revised: 06-03-2019

EXHIBIT C

**Memo to the BOC
from the council of the International Law Section
opposing formation of a new immigration law section
dated July 1, 2019**

MEMORANDUM

TO: Board of Commissioners, State Bar of Michigan

FROM: Officers and Council, International Law Section, State Bar of Michigan

DATE: July 1, 2019

RE: Proposed Immigration Law Section

The Officers of the International Law Section (“ILS”) received the enclosed request from Ms. Abril Siewert-Valdes of the American Civil Liberties Union of Michigan soliciting support for the creation of an “Immigration Law Section” of the State Bar of Michigan. ILS has a substantial number of members who practice immigration law (hence Ms. Siewert-Valdes’s request).

In response to Ms. Siewert-Valdes’s request, the ILS Officers invited her to the ILS March 2019 Council meeting to present her proposal (enclosed). After reading her proposal and listening to her presentation, the essence of which she has repeated in subsequent emails, the Officers and Council of the ILS voted unanimously not to support the creation of the proposed Section. Our comments on her proposal are detailed below.

1. Ms. Siewert-Valdes’s proposal states that the “Purpose of the Immigration Law Section” would include, “addressing the overlap between immigration law and other practices.”

ILS Comment: ILS has held joint programming with numerous other Sections, including Business Law, Tax Law, and Intellectual Property Law. These programs have addressed the overlap of immigration law and other practices.

2. The “Need to Focus on Immigration Law” portion of the proposal argues that a dedicated Section is needed, “to support the growth of those in the immigration field and the needs of those practicing.” In support of this proposition, Ms. Siewert-Valdes cites both the size of the immigrant population in Michigan and the number of Michigan immigration attorneys.

ILS Comment: ILS does not dispute the attorney numbers or census data stated. As detailed below, however, ILS currently invests substantial resources in immigration programming.

3. Ms. Siewert-Valdes states, as a “Reason for Separation from International Law Section,” that, “Over the past several years, the [ILS] seldom is able to focus on substantial immigration related issues.”

ILS Comment: the ILS has offered numerous programs focusing entirely or in substantial part on immigration-related issues. The reason for this programming is that immigration topics are an integral part of the practices of many of our Section members, whether they practice as full-time immigration lawyers or in related fields, such as international trade

or compliance. Indeed, immigration law practitioners involved in ILS leadership include immediate past Chair Debra Auerbach Clephane, current Treasurer Reinhardt Lemke, and Council member Bettina Schlossberg. Recent examples of the Section's immigration-related programming include the following:

- *A panel discussion of the "nuts and bolts" of cross-border construction projects, including the immigration issues confronted by individuals working on both sides of the Canada-U.S. border.*
- *The 2017 annual meeting program of the ILS was devoted entirely to immigration law: "The Face of Immigration Under a New Administration: Policy and Practice." This program was the subject of an extensive article in the Detroit Legal News: "State Bar's International Law Section took a deep dive into immigration policy, history." A copy of that article is enclosed.*
- *A panel discussion entitled "Trump This! International Trade and Immigration Under the New Administration"*
- *A panel discussion on "Global Talent in Today's Environment."*
- *A panel discussion on "Policy, Practicality, and Reality: The 3 Facets of Immigration: Immigration Reform; NAFTA Operations; and Employer Compliance."*
- *Presentations on "H1-B Anti-Fraud Initiatives" and "H1-B Public Access File Investigations and Employment Eligibility Verification: Form I-9."*
- *As its part of its Pro Bono Initiative, the Section co-sponsored, with the Michigan Chapter of the American Immigration Lawyers Association, Citizenship Day in Metro Detroit.*

To our knowledge, the Council has never rejected a proposal for an immigration-related program. Indeed, some of the most active members of the ILS are full-time immigration lawyers who have volunteered their time and talent to identify topics and speakers on immigration subjects, and we continue to solicit ideas for program topics, articles for publication, and even ILS subcommittees focused on any area related to international law, including immigration.

In view of the above, we respectfully submit that the creation of a standalone Section dedicated to immigration law would be duplicative of the work of the ILS and is therefore unnecessary.

Thank you for your attention, and please do not hesitate to contact Section Chair Troy Harris (troy.harris@harrisarbitration.com) if you should have any questions or require further information.

Encls.

cc: Abril Siewert-Valdes
Darin Day

EXHIBIT D

**Additional materials submitted by Ms. Abril Siewert-Valdes
in support of the formation of a new immigration law section**

Troy L. Harris, FCI Arb

From: Abril Valdes <avaldes@aclumich.org>
Sent: Monday, March 18, 2019 2:36 PM
To: Troy L. Harris FCI Arb (troy.harris@harrisarbitration.com); James Rayis
Cc: Kimberly Buddin
Subject: Immigration Law Section
Attachments: International Law Section Presentation.pdf; International Members.PNG; Immigration-International Members.PNG

Hello Mr. Harris and Mr. Rayis,

Thank you so much for giving me the opportunity to speak at your council meeting. Per your request, I am attaching the materials I presented your council. I look forward to hearing whether your section will agree, disagree, or remain neutral on our request to become a separate section.

Should you have any questions, please don't hesitate to contact me.

Warm regards,

Abril Siewert-Valdes
Immigrant Rights Attorney
American Civil Liberties Union of Michigan
2966 Woodward Avenue, Detroit, MI 48201
313.578.6835 ■ avaldes@aclumich.org



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I. Purpose of the Immigration Law Section

Dedicated to improving the administration of justice in the field of immigration law by bringing together SBM members and furthering their common interest and by promoting continuing legal education in the area of immigration law. The section would allow members to serve as liaisons with the rest of the bar and the public on immigration law-related issues, more effectively addressing the overlap between immigration law and other practices such employment, juvenile, family, criminal, business & estate planning and probate, etc.

II. The Need to Focus on Immigration law

- There are the over three hundred self-identified immigration attorneys in the state of Michigan and, according to the 2015 U.S. Census report, an estimated seven percent of Michigan residents are immigrants.
- SBM needs a dedicated and separate immigration law and immigrant rights section to support the growth of those the immigration field and the needs of those practicing.

III. Reason for Separation from International Law Section

- Currently, immigration law sits under the International Law Section--with 448 members (see attached)
- With such a large number of attorneys and a wide range of international issues to cover, over the past several years, the section seldom is able to focus on substantial immigration related issues.
- As with many areas of international law, immigration lawyers require a unique knowledge and expertise and need a platform to tackle the common trends of procedural, legal, and policy challenges of the field of immigration law across the state's jurisdiction.

IV. Little to No Impact to International Law

- Membership: While there may be some loss of membership to ILS, we do not anticipate a substantial drop in active membership. As illustrated, there are currently 22 members of the international law section who self identify as also practicing immigration law (see attached).
- Those individuals with an interest and practice area around international law as it relates to immigration can still be a member of both. Those without an international law focus are most likely not very active with ILS currently

V. Vote

- If the Immigration Law Section is considered by SBM will the International Law Section support to its creation?

Darin Day

From: Abril Valdes <avaldes@aclumich.org>
Sent: Tuesday, June 25, 2019 3:04 PM
To: Darin Day
Subject: FW: Proposed Creation of the Immigration Law Section

FYI

Abril Valdes Siewert
Pronouns: she, her, hers

Immigrant Rights Attorney

American Civil Liberties Union of Michigan
2966 Woodward Avenue, Detroit, MI 48201
313.578.6835 | avaldes@aclumich.org



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From: Abril Valdes
Sent: Tuesday, June 25, 2019 3:02 PM
To: Troy L. Harris FCI Arb (troy.harris@harrisarbitration.com) <troy.harris@harrisarbitration.com>; James Rayis <jrayis@gmhlaw.com>
Cc: Kimberly Buddin <kbuddin@aclumich.org>
Subject: Proposed Creation of the Immigration Law Section

Dear Mr. Harris and Mr. Rayis,

We were informed by the State Bar of Michigan of potential concerns around the creation of the Immigration Law Section. We hoped to address these concerns after my initial presentation to your council and would like to continue the discussion. We welcome an open dialogue and would like to take this time to lay out the benefits of a new section to the SBM and how it will not conflict with the goals and role of the International Law Section.

As I mentioned during the presentation, there will be little to no impact on your membership. When polled, nearly 150 attorneys responded in the affirmative to joining the proposed Immigration Law Section. The sub-practice areas of these attorneys vary from private practice, public interest, non-profit, government employees, and non-MI licensed immigration attorneys. The proposed composition of the Immigration Law Section would also permit non-attorneys, such as Board of Immigration Appeals (BIA) accredited representatives, who represent individuals in immigration court to be extended membership, which is critical a partnership given the everchanging immigration laws and regulations.

To our knowledge, the last promoted event regarding immigration was at your quarterly meeting in March 2017, *Trump This!: International Trade and Immigration Under the New Administration*. Our goal with the Immigration Law Section would include all other sub-practice groups (family-based immigration, asylum, refugees, DACA, VAWA, naturalization, etc.) not only those tailored to employment or business related immigration issues.

It's also important to note that those attorneys with an interest in international law as it relates to immigration law can continue to be a members of both sections. The Immigration Law Section's bylaws propose a reciprocity section membership with other sections where practice areas overlap (i.e. International law, Criminal law, Family law, and Solo/Small Firm).

The Immigration Law Section would bring together a large number of SBM members to improve the administration of justice and promote continued legal education in the field of immigration law. We hope that this illustrates the need for a new section and are eager to work together to address any remaining concerns. We look forward to having your support.

Warm regards,

Abril Valdes Siewert
Pronouns: she, her, hers

Immigrant Rights Attorney

American Civil Liberties Union of Michigan
2966 Woodward Avenue, Detroit, MI 48201
313.578.6835 | avaldes@aclumich.org



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July 10, 2019

Dear State Bar of Michigan Commissioners:

We would like to take this time to respond to the International Law section's memorandum submitted on July 1, 2019 ("memorandum"). Although we have met all the requirements to have a new section, some confusion and lack of understanding of immigration law has been met with push-back from the International Law section. We respectfully request that you approve the creation of an Immigration Law section for the following reasons.

I. International Law Is Not Immigration Law

Some members of the legal community mistakenly think that international law encompasses immigration law. However, international law deals with paper not people. Immigration law deals with individuals seeking admission into the United States, whether from a family, employer, or humanitarian relief. Family immigration attorneys serve individual immigrants and their families – and even then, there are sub-specialties such as the following:

- Asylum
- Refugee
- Deferred Action for Childhood Arrivals (DACA)
- Violence Against Women Act (VAWA)
- Special Immigrant Juvenile (SIJS)
- Family based visas
- Student Visas
- Adjustment of Status ("Green card")
- Removal (Deportation) Defense
- Convention Against Torture (CAT)
- Board of Immigration Appeals
- Padilla v Kentucky (Crimmigration)
- Consular Processing
- Seasonal Worker Visas
- Human Trafficking
- Naturalization (Citizenship)

None of these areas have been the subject of programming by the International Law section in the last ten (10) years and minimal resources have been devoted to their exploration. While Mr. Harris states that "most active members of the ILS are full-time immigration lawyers," this is unsubstantiated. According to the SBM membership database, less than six percent (6%) of International Law section attorneys also self-identify as practicing immigration law. Although Mr. Harris indicates that "the Council has never rejected a proposal for an immigration-related program," the recent programming is minimal and primarily limited to business related immigration topics.

Further, the composition of the International Law section does not represent the diverse immigration legal community. The proposed board of the Immigration Law section would include a 50/50 female to male ratio as well as numerous attorneys from different ethnic and cultural backgrounds.

The International Law section's memorandum only further illustrates the need for an Immigration Law section. Mr. Harris minimizes a complex and specialty area of law by suggesting that the work be relegated to a mere "subcommittee" under International Law. This fails to recognize the breadth of areas practiced by immigration law attorneys. While there may be a slight overlap with respect to seeking visas for work purposes, this is not a sufficient reason not to establish an Immigration Law section. The International Law overlaps with many other areas that have independent sections, including: Administrative Law, Alternative Dispute, Antitrust, Arts, Business Law, Consumer Law, Environmental Law, Government Law, Information and Technology Law, Intellectual Property, Employment Law. Despite this overlap, nobody would suggest that separate sections are not justified.

Furthermore, there is precedent for specialized areas of law to establish independent sections within the State Bar of Michigan, even where they may be potential overlap of issues. Currently, the Children's Law section and Family Law section exist independently from one another as do the Prison Law, Corrections, and Criminal Law sections. These sections were established at different times, presumably to meet the particular needs of and to create opportunities within those fields.

II. International Law section has only used their resources for employment/business related immigration issues

Although the International Law section has conducted *some* programming on immigration issues in the past, it has been minimal and often tailored to employment/business related immigration issues. Business immigration lawyers serve business clients and when they apply for an H1B visa, it's on behalf of the employer- not the immigrant. This is not the case for many other facets of immigration law.

According to the International Law section's annual reports for FY's 2009-2010 through 2017-2018, the section reported forty-six (46) events, seminars, and meetings; however, only six (6) of which overlapped with some aspect of immigration law. The following is a complete summary of the reported programming the International Law section has provided in the past ten (10) years, the focus of which is heavily on employment-based immigration:

- "Creating Global Success: (1) Complying with GDPR & Evolving Data Privacy Requirement; (2) Doing Business with Foreign Nationals; (3) Global Talent in Today's Environment" (May 9, 2018).
- "The Face of Immigration Under a New Administration: Policy and Practice." (Sept. 28, 2017)
- "Trump This! International Trade and Immigration Under the New Administration" (Mar. 8, 2017)

- Nuts and Bolts of Investment Treaty Arbitration: What Every Deal Maker Should Know About Protecting Cross-Border Investments (May 21, 2014)
- “Policy, Practicality, and Reality: The 3 Facets of Immigration: Immigration Reform; NAFTA Operations; and Employer Compliance.” (Mar. 19, 2014)
- Presentations on “H1-B Anti-Fraud Initiatives” and “H1-B Public Access File Investigations and Employment Eligibility Verification: Form I-9.” (Jan. 27, 2010)

(Emphasis added.)

Despite the heightened focus on immigration issues and the demand to address current community needs in the ever-changing environment, the International Law section’s last reported “immigration” related event was in early 2018. Unfortunately, this leaves many other areas of the immigration law practice untouched and unexplored, which has alienated attorneys in those practice groups, including myself. The memorandum makes it clear that there is a lack of understanding of the need for this diverse practice to be represented by our state bar.

III. An Immigration Law Section Will Fill a Gap in the Needs of Immigration Attorneys

As with many areas of international law, immigration lawyers require a unique knowledge and expertise and need a platform to tackle the common trends of procedural, legal, and policy challenges of the field of immigration law across the state's jurisdiction. Recruitment and programming to the Immigration Law section has already begun.

There are approximately 150 attorneys interested in joining and ready to contribute to a newsletter and committees. The Immigration Law section will focus on more than just employment immigration, it will permit the Department of Justice (DOJ) accredited representatives to join. Federal regulations at 8 C.F.R. § 1292.1(a)(4) allow non-attorney “Accredited Representatives” to represent individuals before the Department of Homeland Security (DHS) and the Executive Office for Immigration Review (EOIR), which includes the immigration courts and the Board of Immigration Appeals (BIA). The immigration law section will aim to expand the resources and education of these individuals to increase the availability of competent immigration legal representation for low-income and indigent persons, thereby promoting the effective and efficient administration of justice.

Establishing an Immigration Law section also provides for the opportunity for members to weigh in on key policy related issues. As immigration has become a frequent issue of debate in the state and local policy arena, it is critical for the SBM to have immigration experts who are able to weigh in on pressing questions concerning permissible immigration policy issues. Unfortunately, according to the International Law section’s 2017-2018 annual report, they “do not take up legislative issues” and has not reported any legislative issue involvement in the past 10 years. The Immigration Law section would allow members to serve as liaisons with the rest of the bar and the public on immigration law-related issues, more effectively addressing the overlap between immigration law

and other practices such employment, juvenile, family, criminal, business and estate planning and probate, etc.

The Immigration Law section will collaborate with local organizations to sponsor English as a Second Language (ESL) Trainings, Know Your Rights Trainings, Federal regulation comments, and policy advocacy. We are aware of the growing ethics complaints against immigration practitioners and would be a resource for the SBM in addressing complicated immigration legal matters. There is also a growing concern of the unauthorized practice of law by non-attorneys ("notarios"), the Immigration Law section would be a place where local attorneys can work together to combat those practices.

IV. Conclusion and Request

Ultimately, an Immigration Law section would improve the administration of justice in the field of immigration law by bringing together SBM members and furthering their common interest and by promoting continuing legal education in the area of immigration law.

SBM needs a dedicated and separate Immigration Law section to support the growth of those the immigration fields and the needs of those practicing.

Respectfully,

/s/

Abril Valdes Siewert

Candie Tou Clement

Matthew Garrett

Kimberly Buddin

Sabrina Balgamwalla

Russell Abrutyn

Sarah Yore-Van Oosterhout

Jillian Khrushche

Ahndia Mansoori

Michael Carlin

Migladys Bermudez

Ruby Robinson

Marva De Armas

Syed Ali Jafry

Alex Vernon

Tania Morris Diaz

Rebecca Ontiveros-Chavez

Christopher Dutot



MEMORANDUM

To: The Communications and Member Services Commissioner Committee

cc: Janet Welch, SBM Executive Director
Cliff Flood, SBM General Counsel

From: Darin Day, SBM Director of Outreach

Date: July 12, 2019

Re: Request to Establish New State Bar Section: Senior Lawyers
Request for Financial Support of the new Senior Lawyers Section

A group of 194 active members of the SBM have requested to form a new Senior Lawyers Section of the State Bar. Upon review of this memo and its attachments, both the Communications and Member Services Committee and the BOC should find their request clearly satisfies all eight criteria for establishing a new State Bar Section. Accordingly, the staff recommends APPROVAL.

The eight criteria for establishing a new State Bar Section:

1. At least 50 active members of the SBM demonstrate a commitment to joining the proposed new section and paying membership dues thereto
2. The organizing group must provide a statement of need for the new section
3. The BOC must approve the proposed section dues structure and dues amounts
4. The organizing group must provide a budget for the proposed section's first two years of operation

5. The organizing group must provide the “names of the proposed committees of the Section”
6. The proposed bylaws of the requested new section must not be “inconsistent” with the Supreme Court Rules Concerning the State Bar or SBM Bylaws
7. The proposed section bylaws “shall contain a definition of its jurisdiction”
8. “The contemplated jurisdiction of the Section ... shall be within the objects of the State Bar of Michigan and not in substantial conflict with the jurisdiction of any Section, Standing Committee or Special Committee the continuance of which is contemplated after the Section is established...”

See **Exhibit A**, Criteria to Establish a New State Bar Section, attached.

SBM staff has reviewed the documents submitted by the senior lawyers section organizing group, and they appear to clearly satisfy all eight criteria. These documents are attached as **Exhibit B**.

Requests for Financial Support

In addition, the materials submitted by the organizing group ask for financial support from the SBM, in two forms.

- (1) A request that the SBM transfer to the new Senior Lawyers Section any funds remaining in the Master Lawyers Section account at the end of the current bar year.
- (2) A request that the SBM provide a \$2,000 annual subsidy to the new Senior Lawyers Section in each of the next two bar years.

EXHIBIT A

Criteria to Establish a New State Bar Section

Under the Supreme Court Rules Concerning the State Bar of Michigan, Rule 12, Section 1, a new section “may be established ... by the Board of Commissioners in a manner provided by the bylaws.”

Rule 12, Section 2 requires each section to maintain bylaws “not inconsistent with these Rules or the bylaws of the State Bar of Michigan” and further that “[s]ection bylaws or amendments thereof shall become effective when approved by the Board of Commissioners.”

Rule 5, Section 1(a)(5) requires the Board of Commissioners to “...determine the amount and regulate the collection and disbursement of section dues...”

The bylaws of the State Bar of Michigan require the following to establish a new section:

Article VII—Sections

Section 1—Establishment and Discontinuance. New Sections may be established ... by the Board of Commissioners ... A petition seeking to establish a Section shall show substantial compliance with the following requirements:

- (a) That the proponents of the proposed Section have filed with the Secretary a statement setting forth:
 - (i) The contemplated jurisdiction of the Section which shall be within the objects of the State Bar of Michigan and not in substantial conflict with the jurisdiction of any Section, Standing Committee or Special Committee the continuance of which is contemplated after the Section is established;
 - (ii) The proposed Bylaws of the Section, which shall contain a definition of its jurisdiction;
 - (iii) The names of the proposed committees of the Section;
 - (iv) The proposed budget for the Section for the first two years of its operation;
 - (v) A list of active members of the State Bar of Michigan totaling at least fifty in number, who have signed statements that they will apply for membership in the Section;
 - (vi) A statement of the need for the proposed Section.

EXHIBIT B

**Materials submitted by the organizing group requesting
a new senior lawyers section
July 2019**

REQUEST TO: The Board of Commissioners of the State Bar of Michigan

FROM: The Master Lawyers Section, by its Council; Kathleen Williams Newell, Chair, Charles A. Fleck, Chair Elect, Vincent A. Romano, Secretary/Treasurer, and members Curt Benson, Michael Hayes Dettmer, Edward Sosnick, David Kallman, Norman Otto Stockmeyer, Paula L. Cole, Julie L. Granthen, Roberta Gubbins

RE: Establishment of a voluntary dues paying section of the State Bar of Michigan addressing the needs and ambitions of Michigan's senior lawyer demographic

DATE: July 4, 2019 (Independence Day!!)

The following information is respectfully submitted pursuant to the provisions of Article VII, Section 1 of the Bylaws of the State Bar of Michigan, more commonly known as *Section Establishment Submission Procedures*:

1. CONTEMPLATED JURISDICTION

The contemplated jurisdiction of the new Senior Lawyers Section will be to serve the needs and goals of SBM members who have been lawyers for decades and/or have attained the age of members who have been lawyers for decades.

2. PROPOSED BYLAWS

The proposed Bylaws of the Senior Lawyers Section are attached to this Request.

3. NAMES OF PROPOSED COMMITTEES

1. **Nominating Committee.** The Nominating Committee shall recommend nominees to the Section for the offices of Chair-Elect, Secretary, Treasurer, and councilpersons on an annual basis. These nominations shall be submitted in writing to the Chair no later than 60 days prior to the annual meeting of the Section. Nominations shall be published to Section members no later than 30 days prior to the annual meeting of the Section. Other nominations may be made from the floor. The Nominating Committee shall consider the diversity of Council membership, including race, gender, and geographic diversity.

2. **Service to Senior Lawyers Committee.** The Service to Senior Lawyers Committee shall be responsible for developing and/or promoting materials and programs of interest to members of the Section, including but not limited to the following topics: professional education and development, planning for and adjusting to changes in a lawyer's professional status; identifying successors to law practices; and providing for the care and preservation of client records.
3. **Community Contribution Committee.** The Community Contribution Committee shall identify and promote appropriate opportunities for members of the Section to contribute to their communities, collaborating with other State Bar sections and affinity bar associations where a mutual interest exists.

The Senior Lawyers Section Council shall have authority to create and discontinue committees as becomes relevant and necessary.

4. PROPOSED BUDGET FOR THE FIRST TWO YEARS OF OPERATION

The main point to be made here is: we will spend responsibly within our dues mandated financial limitations, whatever the actual dollar amount becomes. The leadership of this proposal have long term proven track records of responsible fiscal conduct involving section operations. That background underlies this component of this proposal.

As item 5 shows, we have signed statements from over 200 Michigan attorneys, in good standing, stating very firm commitments to join the proposed new section and committing to pay annual dues in the amount of \$25 per year if its formation is approved.

As a result, we anticipate approximately \$5,000 to be available in our first year. We also expect to provide a level of service to our membership that will result in an increase of membership in our second year. However, for planning purposes, we project merely holding a membership of 200 attorneys.

Based on anticipated income of \$5,000, we expect to spend the amounts shown in the following categories in our first year. Should there be a positive or negative variance in our income projections, we will adjust our spending accordingly.

<u>Categories:</u>	<u>First year:</u>	<u>Second year:</u>
Meetings -	\$ 450.00	While we expect to spend similar amounts in the same or similar categories, our first year's experience will dictate our actual spending in year two.
Seminar -	1,400.00	
Travel -	1,500.00	
Telephone -	300.00	
Marketing -	1,000.00	
Postage -	<u>125.00</u>	
TOTAL -	\$ 4,775.00	

5. WE HAVE GATHERED THE NAMES OF NEARLY 200 SBM MEMBERS IN GOOD STANDING WHO INTEND TO JOIN THE NEW SENIOR LAWYERS SECTION AND PAY ANNUAL DUES THERETO IN THE AMOUNT OF \$25.

6. STATEMENT OF NEED

There are approximately 19,000+ members of the State Bar of Michigan who meet the demographic description of the current Master Lawyers Section. The clearest statement of need is that the combined experience of these lawyers is monumental and should not be lost to our profession.

In addition, the proposed section intends to promote its members interests and be of significant service to Michigan's entire lawyer population by being the entity that delivers the following:

1. plan and carry out programs, publications, and activities of interest to its members;
2. coordinate programs with local, affiliate, and national bar associations;
3. protect the public by providing resources to retiring lawyers involving the ethical and practical issues related to transitioning from the practice of law, including succession planning and the education and training of Interim Administrators;
4. serve as a resource for attorneys as they plan their retirement particularly with respect to succession planning and with the education and training of Interim Administrators;
5. act as mentors and for the younger leadership of the SBM, and;
6. expand public service and volunteer opportunities for its members to contribute to their community and its public interest.

Additionally, the Section intends to continue these goals:

1. maintain a discussion group within SBM Connect, and monitor those discussions for ideas about how the section might provide additional services or support to the master lawyers demographic;
2. continue to provide important information and resources specific to the master lawyers demographic via the SBM website;
3. continue to present occasional seminars concerning topics specific to the master lawyers demographic, and;

4. conduct occasional surveys to determine the needs of the master lawyers demographic and identify.

ADDITIONAL REQUESTS:

1. It is requested that any funds remaining in the treasury of the current Master Lawyers Section at the conclusion of the 2019 Bar year be allowed to “carry forward” to the treasury of the proposed section.
2. The applicants further request that an operating subsidy in the amount of \$2,000 per year for each of the next two Bar years be granted.

Respectfully submitted,

The Master Lawyers Section, by its Council

Kathleen Williams Newell, Chair
Charles A. Fleck, Chair-Elect
Vincent A. Romano, Secretary/Treasurer
Curt Benson
Michael Hayes Dettmer
Edward Sosnick
David Kallman
Norman Otto Stockmeyer
Paula L. Cole
Julie L. Granthen
Roberta Gubbins

**BYLAWS OF THE
SENIOR LAWYERS SECTION
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July 2019

**ARTICLE I
NAME, PURPOSE, AND GOALS**

SECTION 1. Name. This Section shall be known as the Senior Lawyers Section (“Section”) of the State Bar of Michigan.

SECTION 2. Purpose. The purpose of this Section shall be to promote the particular interests of the members of the Section, to plan and carry out programs and activities of interest to members of the Section, to coordinate programs for members of the Section with national and local bar associations, to protect the public by providing resources on the ethical and practical issues related to transitioning from the practice of law, to be a resource for retirement planning, and to expand opportunities for contributions by members of the Section to the community.

SECTION 3. Goals. The goals of the Section shall be to provide service to members of this Section, to aid in protecting the public, and to contribute to the community.

**ARTICLE II
MEMBERSHIP**

SECTION 1. Membership. Active, inactive, and emeritus members of the State Bar of Michigan who have been licensed to practice law and have been in good standing for at least 20 years, or are at least age 50, and pay dues in the amount set forth by the Council, are members of the section. Upon payment of dues, membership is immediately effective, for the duration of a bar year (through September 30). Thereafter, dues shall be payable in advance at the beginning of the fiscal year of the State Bar of Michigan.

SECTION 2. Voting. Except as set forth in these bylaws, all members of the Section shall be eligible to vote.

SECTION 3. Terminating Membership. A member may terminate membership upon written request, without prejudice to future membership.

SECTION 4. Limitations. No Member of the Section shall speak on behalf of or otherwise represent himself or herself to have the authority to speak on behalf of the Section without complying in all respects with the Bylaws of the State Bar of Michigan, and in particular Article IX thereof.

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**ARTICLE III
COUNCIL AND OFFICERS**

SECTION 1. Officers. The Officers of the Section shall be Chair, Chair-Elect, Vice Chair, Secretary, and Treasurer. Also, the Immediate Past Chair of the Section shall serve as a voting member of the Council.

SECTION 2. Council. There shall be a Council of the Section consisting of the officers of the Section and nine (9) at-large members to be elected as provided in this Article. At-large members must be members of the Section.

SECTION 3. Selection of Officers. The Vice Chair, Secretary, and Treasurer shall be nominated and elected at each annual meeting of the Section to hold office for a term beginning at the close of the annual meeting at which they have been elected and ending at the close of the next succeeding annual meeting of the Section, or until their successors have been elected and qualified. The Chair-Elect shall automatically succeed to the office of Chair. The Vice Chair shall automatically succeed to the office of Chair-Elect.

SECTION 4. Terms of Office. The officers and nine (9) at-large members of the Council shall serve as follows: the officers for a one (1) year term; three (3) at-large members for three (3) years; three (3) at-large members for two (2) years; and three (3) at-large members for (1) year. Any vacancies shall be filled in accordance with these Bylaws. All subsequent terms shall be for a period of three (3) years. ("Year" is defined as a term beginning at the close of the annual meeting at which the Council members have been elected and ending at the close of the succeeding annual meeting of the Section.)

SECTION 5. Term Limitations.

(A) No Council member shall be eligible for re-election to the Council (other than as an officer) if she/he has served without interruption for (2) consecutive elected terms preceding the term for which the election is held.

(B) No person who has served as an officer without interruption for two (2) consecutive elected terms shall be eligible for re-election to that office.

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**ARTICLE IV
ELECTIONS**

SECTION 1. Nominations. At the last scheduled meeting of the Council prior to the annual meeting, or at such other time as shall be convenient but not later than six (6) months prior to the annual meeting, the Chair shall appoint a Nominating Committee consisting of three (3) members of the Section, at least two (2) of whom are appointed from the Council. The duties of the Nominating Committee are set forth in art VII, § 2.

SECTION 2. Elections. All elections shall be by voice vote unless otherwise ordered by resolution duly adopted by the Section at the annual meeting at which the election is held.

**ARTICLE V
DUTIES OF OFFICERS**

SECTION 1. Chair. The Chair shall preside at all meetings of the Section and of the Council. The Chair shall present at each Annual Meeting of the Section a report of the work of the Section for the current year. The Chair shall, in consultation with and with the assistance of the Executive Director of the State Bar of Michigan, perform such other duties and acts that pertain to the office.

SECTION 2. Vice Chair. In the absence of the Chair, the Vice Chair shall perform the duties of the Chair.

SECTION 3. Chair-Elect. The Chair-Elect shall automatically succeed to the office of the Chair the year following his/her election to Chair-Elect.

SECTION 4. Secretary. With the assistance of State Bar of Michigan staff, the Secretary shall cause to be kept all books, papers, documents, and other property of the Section, except money, and shall keep a true record of the proceedings of all meetings of the Section and of the Council. With the assistance of the Chair, the Secretary shall prepare a summary or digest of the proceedings of the Section for presentation at the annual meeting of the Section, and to be filed with the State Bar of Michigan no later than May 31 each year. In conjunction with the Chair, the Secretary, as authorized by the Council, shall attend generally to the business of the Section. With assistance of State Bar of Michigan staff, the Secretary shall track and maintain a record of the terms of the councilpersons and shall provide a report to Council no later than two months prior to the annual meeting of the Section.

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SECTION 5. Treasurer. The Treasurer of the Section shall, with the assistance of State Bar of Michigan staff:

- (A) Cause to be kept a record of all monies received and disbursed.
- (B) Review and approve all monthly financial reports supplied by the State Bar of Michigan.
- (C) Submit regular financial reports to the Council.
- (D) Annually provide for the presentation of a financial report to the Section and to the Board of Commissioners, no later than May 31 each year.

**ARTICLE VI
DUTIES AND POWERS OF THE COUNCIL**

SECTION 1. GENERAL. The Council shall have general supervision and control of the affairs of the Section subject to the Supreme Court Rules Concerning the State Bar of Michigan and the Bylaws of the State Bar of Michigan and the Bylaws of the Section. The Council shall authorize all commitments or contracts which entail the payment of money and shall authorize the expenditure of all monies appropriated by the Council for the use or benefit of the Section.

SECTION 2. Committee Appointment. The Chair shall appoint committees and their Chairs from members of the Section, to perform such duties and exercise such powers as the Council may direct. The Council shall remove any committee chair or committee member for cause and fill vacancies created by such removal or resignation.

SECTION 3. Vacancies. The Council shall, between annual meetings of the Section, fill vacancies in its own membership or in the offices of the Secretary or Treasurer. In the event of a vacancy in both the office of Chair and Chair-Elect, the Council shall fill the office of Chair and Chair-Elect. Officers and members of the Council so selected shall serve the balance of the term.

SECTION 4. Quorum. A quorum of the Council shall consist of a majority of the Council. A quorum being present, the Council may act on the affirmative vote of a majority of those present at any meeting.

SECTION 5. Council Meetings. The Council shall designate the time and place of its regular meetings, but shall schedule no fewer than four (4) meetings per fiscal year. Special meetings may be called upon notice by the Chair or upon written request to the Secretary of any three (3) members of the Council. Council members shall receive three (3) days' notice of a special meeting. Notice of regular and special meetings shall be in writing by in-person delivery, first-class mail, electronic mail, facsimile, or any other means reasonably likely to provide written notice. The notice shall include the topic for which the meeting is being called.

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SECTION 6. Council Meetings: Electronic Conferencing and Voting. Other than during the annual meeting of the section, members may participate in council meetings by electronic conferencing under the following conditions: All persons participating in the meeting are advised of any remote communication equipment and the names of persons using such equipment, all participants are able to communicate with each other, and the names of all participants in the meeting are divulged to all participants. Participation in a meeting in this manner constitutes presence in person at the meeting. Any unreasonable or unusual expense for electronic conferencing shall be borne by the member(s) not physically present at the meeting, unless otherwise authorized by the Council. The Council may establish additional rules for electronic conferencing. Council members may vote in-person, electronically, or by any other manner determined by the Council to be a secure and reliable method for conducting business. Participation by electronic conferencing during the annual meeting of the section shall not be permitted except upon approval by the Council for special or hardship circumstances.

SECTION 7. Absences. Any member of the Council who is absent, without having been excused by the Chair, from three (3) consecutive regular meetings of the Council shall be deemed to have resigned and the vacancy created shall be filled by the Council.

**ARTICLE VII
COMMITTEES**

SECTION 1. Standing Committees. The Standing Committees of the Section shall be Nominating, Service to Senior Lawyers, and Community Contribution. The Council shall have the authority to create and discontinue special committees.

SECTION 2. Nominating Committee. The Nominating Committee shall recommend nominees to the Section for the offices of Chair-Elect, Secretary, Treasurer, and councilpersons on an annual basis. These nominations shall be submitted in writing to the Chair no later than 60 days prior to the annual meeting of the Section. Nominations shall be published to Section members no later than 30 days prior to the annual meeting of the Section. Other nominations may be made from the floor. The Nominating Committee shall consider the diversity of Council membership, including race, gender, and geographic diversity.

SECTION 3. Service to Senior Lawyers Committee. The Service to Senior Lawyers Committee shall be responsible for developing and/or promoting materials and programs of interest to members of the Section, including but not limited to the following topics: professional education and development, planning for and adjusting to changes in a lawyer's professional status; identifying successors to law practices; and providing for the care and preservation of client records.

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SECTION 4. Community Contribution Committee. The Community Contribution Committee shall identify and promote appropriate opportunities for members of the Section to contribute to their communities, collaborating with other State Bar sections and affinity bar associations where a mutual interest exists.

SECTION 7. Committee Members. The committee chairs chosen by the Council of the Section may recommend to the Council the names of additional persons to be appointed to their respective committees for the purpose of assisting in the work of the committees.

SECTION 8. Committee Meetings. Committee meetings shall be called as necessary by the Council or by committee chairs.

SECTION 9. Committee Meetings: Electronic Conferencing and Voting. Other than during the annual meeting of the section, members may participate in committee meetings by electronic conferencing under the following conditions: All persons participating in the meeting are advised of any remote communication equipment and the names of persons using such equipment, all participants are able to communicate with each other, and the names of all participants in the meeting are divulged to all participants. Participation in a meeting in this manner constitutes presence in person at the meeting. Any unreasonable or unusual expense for electronic conferencing shall be borne by the member(s) not physically present at the meeting, unless otherwise authorized by the Council. The Council may establish additional rules for electronic conferencing. Committee members may vote in-person, electronically, or by any other manner determined by the Council to be a secure and reliable method for conducting business. Participation by electronic conferencing during the annual meeting of the section shall not be permitted except upon approval by the Council for special or hardship circumstances.

SECTION 9. Committee Reports. Each committee chair shall submit a written report of Committee activities to the Council prior to each scheduled council meeting or at a date designated by the Chair.

**ARTICLE VIII
SECTION MEETINGS**

SECTION 1. Annual Meeting. The time and place and programs of the Annual Meeting of the Members shall be determined by the Council at least sixty (60) days prior to the meeting and notice of such meeting shall be given to the Members not less than forty-five (45) days in advance of the scheduled date for the Annual Meeting. The Council shall give notice of the Annual Meeting to the Members by United States mail, electronic mail or as a part of a publication of general circulation to the Section Members. Participation by electronic conferencing during the annual meeting of the Section shall not be permitted except upon approval by the Council for special or hardship circumstances.

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SECTION 2. Special Meetings. Special meetings of the Section may be called by the Chair upon approval of the Council, at such time and place as the Council may determine. Members of the Section shall receive three (3) days' notice of the special meetings communicated in writing by in-person delivery, first-class mail, electronic mail, facsimile, or any other means reasonably likely to provide adequate written notice. The notice shall include the topic for which the meeting is being called.

SECTION 3. Quorum. Ten (10) members of the Section who are eligible to vote and are present at any Section meeting shall constitute a quorum for the transaction of business. Business of the membership of the Section shall be by affirmative vote of a majority of the members present.

SECTION 4. Section Meetings: Electronic Conferencing and Voting. Other than during the annual meeting of the section, members may participate in section meetings by electronic conferencing under the following conditions: All persons participating in the meeting are advised of any remote communication equipment and the names of persons using such equipment, all participants are able to communicate with each other, and the names of all participants in the meeting are divulged to all participants. Participation in a meeting in this manner constitutes presence in person at the meeting. Any unreasonable or unusual expense for electronic conferencing shall be borne by the member(s) not physically present at the meeting, unless otherwise authorized by the Council. The Council may establish additional rules for electronic conferencing. Section members may vote in-person, electronically, or by any other manner determined by the Council to be a secure and reliable method for conducting business. Participation by electronic conferencing during the annual meeting of the section shall not be permitted except upon approval by the Council for special or hardship circumstances.

**ARTICLE IX
MISCELLANEOUS PROVISIONS**

SECTION 1. Fiscal Year. The fiscal year of the Section shall be the same as that of the State Bar of Michigan.

SECTION 2. Disbursements. Any bills incurred by the Section to be forwarded to the State Bar of Michigan Fiscal Officer for payment shall first be approved by the Chairperson, Chairperson-Elect, Treasurer, or otherwise as the Council shall direct, and checks for all disbursements shall be signed by an officer of the State Bar of Michigan, or someone designated by the Board of Commissioners of the State Bar of Michigan.

SECTION 3. Compensation. No officer, Council member, committee chair, committee member, or member of the Section shall receive compensation for services rendered in connection with the performance of his/her duties except as may be specifically authorized by law, court rule or by the State Bar of Michigan. Such persons may, however, be reimbursed for the necessary expenses incurred

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in connection with the performance of their duties. Unless authorized by law or court rule, no officer, Council member, committee chairperson, committee member, or member of the Section with decision-making authority concerning contracts or financial transactions shall directly or indirectly derive any personal profit or gain distinguishable from benefits provided to the public, members of the Section, or members of the State Bar of Michigan, by reason of his/her position with the Section. The Section or Council may give a person covered by this provision, and the person may accept, a gift at the termination of the person's tenure in office, as long as the gift is paid for by non-appropriated funds.

SECTION 4. Effective Date. These Bylaws shall become effective upon approval by the Board of Commissioners of the State Bar of Michigan.

SECTION 5. Non-Lawyer Participation. Persons other than members of the State Bar of Michigan and of this Section may be invited or selected by the Council to participate in the activities of the Section and to provide their expertise in assisting the Section to meet its goals. Such persons shall have no vote and are not required to pay dues to the Section. The Council shall maintain a roster of such persons for use by the Section.

**ARTICLE X
AMENDMENTS**

SECTION 1. Vote. These Bylaws may be amended at any meeting of the Section at which a quorum is present, by a two-thirds (2/3) vote of the members of the Section present and voting, provided such proposed amendment has first been submitted to the Council for its recommendation. No amendment so adopted shall become effective until approved by the Board of Commissioners.

SECTION 2. Form of Amendment. Any proposed amendment shall be submitted in writing to the Council by at least three (3) members of the Section. The Council shall consider the proposed amendment, prepare recommendations and provide to members of the Section a complete and accurate text of the proposed amendment at least thirty (30) days prior to the meeting of the Section at which it is to be considered. Such notice of any proposed amendment must be communicated to the entire Section membership in writing by in-person delivery, first-class mail, electronic mail, facsimile, or by other means reasonably likely to provide adequate written notice.

Adopted: July ____, 2020



To: Communications & Member Services Committee, Board of Commissioners
From: Allan Motzny, Public Outreach & Education Committee
Date: July 17, 2019
Re: Recommendations for the 42nd & 43rd Michigan Legal Milestones

The State Bar of Michigan Public Outreach & Education Committee recommends that the **42nd Michigan Legal Milestone**, to be dedicated in 2020, to commemorate the career of Frank Joseph Kelley, the 50th attorney general of the state of Michigan, who served from 1961 until 1999. He holds the distinction of being both the youngest (36 years old) and the oldest (74 years old) attorney general in the state's history. At the time of his retirement he was the longest serving attorney general in United States history, earning the nickname of the "Eternal General."

Frank Kelley was the first state attorney general to create a Consumer Protection and Environmental Protection Division. He also helped lead the passage of Michigan's Open Meetings Act and Freedom of Information Act, and he was a participant in the Tobacco Master Settlement Agreement. As recognition for his many years in public service, the walkway between the Michigan State Capitol and the Hall of Justice was named the Frank J. Kelley Walkway. In addition, Michigan State University College of Law has established the Frank J. Kelley Institute of Ethics, and the State Bar of Michigan created the Frank J. Kelley Distinguished Public Service Award.

The committee proposes to work to install the milestone plaque and celebrate the dedication in collaboration with a local or affinity bar association in Lansing in the spring of 2020.

The committee is also recommending that the **43rd Michigan Legal Milestone**, to be dedicated in 2021, to commemorate the passage of Senate Bill 31 of 1857, which provides for payment to court-appointed attorneys and thus, greater access to equal justice.

This was a monumental step in the battle for equal justice. The nation's Bill of Rights guarantees low-income criminal defendants the right to counsel, but the lawyers who represent them have not always had a constitutional right to be paid for their work. Although lawyers have an ethical obligation to devote professional time and civic influence on behalf of the poor and contribute generously to that end, a system that relies entirely on free services by lawyers does not work. Michigan has Gilbert Moyers of Allegan County to thank for recognizing this.

The Michigan Constitution of 1835, echoing the Bill of Rights, said that "in all criminal prosecutions, the accused shall have the right to ... the assistance of counsel for his defense," but did not also provide the right of the lawyer to be paid.

In 1856, Allegan County Prosecutor Gilbert Moyers was elected to the Michigan Senate. On January 14, 1857, he introduced SB 31, which specified that court-appointed attorneys would receive \$25 for murder cases, \$10 for other felonies, and \$5 for misdemeanor cases, generous amounts in 1857 dollars. Further, if counsel were “compelled to follow a case into another county or into the Supreme Court,” the same attorney could “recover an enlarged compensation,” based upon permissible prices specified in the statute. SB 31 became Public Act 109 of 1857, and was approved on Valentine’s Day, only a month after being introduced. Although Moyers’ original language regarding compensation has been revised over the years, the concept of compensating appointed counsel remains in Michigan law today.

The committee proposes to work to install the milestone plaque and celebrate the dedication in collaboration with a local or affinity bar association in Allegan County in the 2020-2021 fiscal year.