

**LOUISIANA STATE BAR ASSOCIATION  
BOARD OF GOVERNORS  
January 21, 2006**

**\* M I N U T E S \***

President Frank X. Neuner, Jr. called to order the meeting of the Board of Governors of the Louisiana State Bar Association at 10:15 a.m., Saturday, January 21, 2006 at the Cook Conference Center in Baton Rouge. Business was conducted in accordance with the agenda below.

**Agenda Item 1.      Roll Call**

Present were:

President, Frank X. Neuner, Jr.  
President-Elect, Marta-Ann Schnabel  
Secretary, E. Wade Shows  
Treasurer, Kim M. Boyle  
Immediate Past President, Michael W. McKay  
Chair, Young Lawyers Section, Dona K. Renegar  
First Board District Representative, Patricia A. Krebs  
First Board District Representative, Ronald J. Sholes  
Second Board District Representative, Joseph A. Conino  
Third Board District Representative, Steven G. Durio  
Fourth Board District Representative James R. Nieset  
Fifth Board District Representative, Celia R. Cangelosi  
Seventh Board District Representative, Richard L. Fewell, Jr.  
Eighth Board District Representative, Edwin L. Blewer, Jr.  
At-Large Member, Pamela W. Carter  
At-Large Member, Paula Hartley Clayton  
From the Faculty of LSU Paul M. Hebert Law Center, John M. Church  
From the Louisiana State Law Institute, Joseph W. Mengis  
House of Delegates Committee on Liaison Chair, James E. Boren  
House of Delegates Committee on Liaison Member, Andrew Reed

Also present were:

President-Elect Designee, S. Guy deLaup  
Executive Director, Loretta Larsen  
Access to Justice Director, Monte T. Mollere  
Practice Assistance Counsel, Cheri Cotogno Grodsky  
Member Services Director, Germaine A. Tarver  
Executive Assistant, Ramona K. Meyers  
John T. Lambert, Jr.

**Board of Governors Minutes**  
**January 21, 2006**  
**Page 2**

Absent were:

Sixth Board District Representative, William M. Ford

At-Large Member, Shannan L. Hicks

From the Faculty of Tulane University Law School, Raymond T. Diamond

House of Delegates Committee on Liaison Member, Timothy A. Maragos

**Agenda Item 2. Investment Report**

Ms. Boyle briefly reported on the LSBA investments and investment performance by Waters, Parkerson & Company representatives. A written comprehensive report prepared by Waters Parkerson was provided to the members of the Board.

**Agenda Item 3. Appointment of LSBA Representative to Louisiana Attorney Disciplinary Board**

President Neuner informed the Board that upon his recommendation the Supreme Court appointed Glenn B. Adams of New Orleans as the LSBA Representative to the Louisiana Attorney Disciplinary Board.

**Agenda Item 4. Reports from Programmatic Review Subcommittees**

President Neuner informed the Board that due to time constraints the Board would not consider action on the reports submitted by the Programmatic Review Subcommittees and would take no actions during the remainder of his term as president. Rather, the spring Board of Governors meeting would be held in conjunction with the 2006/2007 Board Orientation and programmatic review would be discussed at that time. She asked the subcommittees to continue to review their programs with a focus on fiscal impact and the impact on department staff.

**Agenda Item 5. Sale of Law Practice**

President Neuner informed the Board that the Rules of Professional Conduct Committee reviewed a request from LSBA member Elizabeth A. Alston regarding the adoption of ABA Rule 1.17 concerning the sale of a law practice. The committee met and unanimously voted not to recommend adoption of this Rule to the Supreme Court. The committee is requesting its Publications Subcommittee to develop an advisory opinion that will assist small firm practitioners in accomplishing the sale of a law practice in accordance with all ethical obligations and in a manner that protects the interests of clients. The committee has indicated that it will seek comment and input from the Sole Practitioners and Small Firms Section.

**Agenda Item 6.        Disaster Recovery Plan**

Mr. Nieset informed the Board that the committee is gathering information from other states/organizations that have developed disaster plans. He invited all Board members to work with him on this project. President Neuner suggested Mr. Nieset utilize resources of the Technology Committee and noted that Gilsbar contracted with a firm to develop there recovery plan. It was further suggested that Mr. Nieset contact Karen Lash with Equal Justice Works for information on model plans.

**Agenda Item 7.        Legal Malpractice Insurance Committee Survey**

In accordance with a resolution approved by the House of Delegates in January 2005, the Board considered the inclusion of a legal malpractice insurance survey with the 2006/2007 attorney registration statement. During discussion it was recommended that a preamble to the survey include a statement indicating that legal malpractice insurance is not required. A motion was moved and seconded that the LSBA develop such a survey for consideration by the Supreme Court. The motion was adopted with Ms. Boyle abstaining.

**Agenda Item 8.        Consent Calendar**

The following items were included on the Consent Calendar and moved for approval without discussion and/or debate and unanimously approved:

- a.    Minutes of November 5 Meeting  
The minutes of the Board of Governors meeting held on November 5, 2006 in Lafayette.
- b.    Report of the Committee on Alcohol and Drug Abuse and Lawyers Assistance Program  
Written report submitted by LAP Director William R. Leary.
- c.    Insurance Committees
  1.    Group Insurance Committee
    - g**    an overall increase of \$14% for the Medical Plan, effective February 1, 2006;
    - g**    move all insureds in the fixed MSA plan to the maximum MSA plan. This will reduce the increase of those participants by 11% and 6% respectively;
    - g**    move all insureds in the \$500 PPO Plan into the \$500 PPO Simple Plan which contains no co-pays and higher out-of-pocket expenses after the deductible. This will reduce their rates by 20%, before the overall increase.

2. Legal Malpractice Insurance Committee

- 9** effective July 1, 2006, CNA will implement a change in rating methodology to accomplish a redistribution of the risk factors between higher and lower risk areas of practice; shrink the claims-made step rate factors from eight to six years; adjust the charge for claims expense outside of the limits for lower limits; move six areas of practice into lower risk rating classifications; and, adjust the non-specialist debit for three of the rating classifications. There will be no net overall premium increase or decrease as there will be as much in reductions of premium as increases in premium. Further, no firm will receive more than a 15% increase in their premium due to these methodology changes in any one year and no firm will receive higher than a 15% decrease because of the adjustments in any one year.

- d. Elections  
Removed from Consent Calendar.
- e. Special Legislative Session  
Written report submitted by LSBA Lobbyist Larry Murray on the Special Session which began on November 6 and ended on November 18.
- f. Legal Malpractice Insurance Trust  
Memorandum from Joseph W. Mengis regarding the use of trust funds to provide premium relief to insureds during the hurricane recovery period.
- g. Gallinghouse & Associates, Inc.  
Retention of Gallinghouse & Associates, Inc. to assist with public information efforts.

**Agenda Item 9. Consideration of Any Item(s) Removed from Consent Calendar**

- d. Elections.  
In reviewing the report of those who qualified for open positions and those certified elected, it was noted that a significant number of House of Delegates members failed to qualify and concern was expressed regarding conducting elections online only. A motion was made to send letters to eligible members of the House of Delegates who failed to qualify to determine if they wish to continue to serve.

**Agenda Item 10. Action of the House of Delegates**

Mr. McKay moved to accept the actions of the House of Delegates with the exception of Resolution 5 regarding delegate attendance at House meetings. The motion was seconded and failed.

A motion was then made to accept all actions of the House of Delegates, said motion seconded and adopted.

**Agenda Item 11. At-Large Member of Board of Governors**

The Board unanimously ratified in advance Ms. Schnabel's selection of an At-Large Representative to serve as a member of the Board of Governors for the 2006-2009 term.

**Agenda Item 12. ABA Members Retirement Endorsement Renewal**

The Board unanimously approved a motion to renew the LSBA endorsement of the ABA Retirement Plans.

**Agenda Item 13. Section Dues Billing and Administrative Cost Sharing**

Ms. Larsen informed the Board that during the Section Council meeting held January 20 a motion was adopted allowing sections to waive dues to members in the hurricane affected areas who may be experiencing financial difficulties. It was her recommendation, which was moved, seconded and adopted, that the LSBA collect administrative fees only on those members who remit payment for section dues.

**Agenda Item 14. MCLE Audit**

President Neuner briefly reported on the MCLE audit conducted during the first week of January 2006.

**Agenda Item 15. LSBA Publications**

Mr. Shows moved that the LSBA resume printing and mailing of publications with the February issue of the *Journal* and the March issue of *Bar Briefs*. The motion was seconded and approved unanimously. Mr. Shows indicated that the publications would continue to be available online.

**Agenda Item 16. 2006 Regular Legislative Session**

Mr. Neuner reported the 2006 regular legislative session would begin at noon, Monday, March 27 and adjourn on Monday, June 19. He noted that with the adoption of Resolution 4 during the House of Delegates meeting, there will be no legislative meeting of the House of Delegates. Therefore, the Board of Governors will have a more active role in the legislative process. Ms. Boyle

asked that positions on issues pertaining to the consolidation of the criminal and civil courts in New Orleans not be considered by the Legislation Committee nor the Board of Governors.

**Agenda Item 17. Report of the President**

- a. 2006 Annual Meeting Sandestin, Florida  
President Neuner reported on preliminary plans for the 2006 Annual Meeting to be held June 7-9 at the Sandestin Golf and Beach Resort, Sandestin, Florida.
- a. Supreme Court Commission to Review the Status and the Future of the LSBA  
President Neuner reported that he would follow up with the Supreme Court on the appointment and progress of the commission.
- c. Status of Indigent Defense in Louisiana  
President Neuner informed the Board that the Ohio State Bar is contemplating a \$200,000 grant to assist in the reconstruction of the legal system in the hurricane affected areas. With the possibility of available funds from the grant, the Right to Counsel Committee was asked to review proposals to address the immediate problems in Louisiana's indigent defense system and to prioritize the proposals and/or develop others. The Board considered recommendations submitted by the Right to Counsel Committee and took the following actions:
  - g** Priority #1 - conducting a study of the public defender's systems in the seven parishes most affected by hurricanes Katrina and Rita as proposed by the National Legal Aid & Defender Association. The recommendation was adopted unanimously, with the caveat that outside funding be secured.
  - g** Priority #2 - the compensation of public defenders for client representation services in impacted areas with the allocation of resources at the discretion of the LSBA and LIDAB. Attorneys funded in this manner shall be required to adhere to the standards, specifically including caseloads, adopted by LIDAB. The recommendation was adopted with one abstaining vote and one vote with reservations.
  - g** Priority #3 - urge and request the Louisiana Recovery Authority and the Louisiana Legislature to ensure that funds made available to the State of Louisiana to address the impacts of Hurricanes Katrina and Rita on the criminal justice system include reasonable allocation of those funds for indigent defense. The recommendation was adopted unanimously.
- d. Fastcase Usage  
President Neuner referred the Board to a written report contained in the Board materials and requested staff contact other state bar associations to determine their membership usage of similar legal research products.

- e. Status of Disaster Relief Fund Donations and Grants  
President Neuner referred the Board to a written report contained in the Board materials.
- f. Technology Committee Report  
President Neuner stated that he would request a written report from the committee and circulate it to the Board via email.
- g. Rules of Professional Conduct Committee Report  
President Neuner informed the Board that the Ethics Advisory Committee will begin looking at lawyer advertising issues.
- h. Southeast Louisiana Criminal Justice Recovery Task Force  
President Neuner presented a brief report on the inaugural meeting of the task force and LSBA involvement in the process.
- i. Public Adjusters  
Mr. Durio moved that the LSBA engage counsel to be vetted through the Executive Committee to move forward with civil action against public adjusters to: 1) obtain an injunction against Carr and Associates and 2) to seek legislation that would define the scope of work of public adjusters and provide for licensing and bonding of public adjusters. Mr. Durio provided a budget estimate of \$50,000 over a two year period and recommended that the LSBA seek financial assistance for the suite from the Louisiana Trial Lawyers Association, the Louisiana Association of Defense Counsel and the Office of Disciplinary Counsel. The motion was seconded and unanimously approved.

**Agenda Item 18.      Report of the President-Elect**

- a. Disaster Legal Assistance Hotline  
Ms. Schnabel presented a brief report in addition to the printed materials contained in the Board handbook.
- b. LBF/LSBA Memorandum of Understanding  
Ms. Schnabel reviewed the proposed Memorandum of Understanding between the LBF and LSBA setting forth the terms and conditions by which the Access to Justice Program would supervise the Equal Justice Works Disaster Relief Pro Bono Legal Corps Attorneys. The Board granted President Neuner the authority to sign the memorandum on behalf of the LSBA.

**Agenda Item 19.      Report of the Secretary**

Mr. Shows had no report at this time.

**Agenda Item 20. Report of the Treasurer**

a. Amendments to FY 2005/2006 Budget

The Board unanimously approved the following FY 2005/2006 budget amendments recommended by the Budget Committee:

- g** decrease CLE Seminar income from \$425,000 to \$375,000;
- g** decrease Sale of Membership Labels income from \$35,000 to \$25,000;
- g** decrease Bar Journal income from \$160,000 to \$135,000;
- g** decrease Bar Briefs income from \$31,500 to \$24,500;
- g** decrease Web Site income from \$14,000 to \$7,000;
- g** increase Practice Assistance Program - Program income from \$26,000 to \$29,000;
- g** decrease Interest income from \$97,000 to \$92,000;
- g** increase MCLE Fees income from \$25,000 to \$33,500;
- g** decrease Access to Justice Program income from \$102,000 to \$92,000;
- g** decrease Law School Professionalism Orientation Sponsorships from \$15,000 to \$7,500;
- g** increase Professional Responsibility Law Book income from \$1,000 to \$2,000;
- g** decrease Bar Briefs expenses from \$33,000 to \$31,500;
- g** decrease MCLE Program expenses from \$60,000 to \$57,500;
- g** decrease Technology Resource Center expenses from \$1,500 to -0-;
- g** increase Law School Professionalism Programs expenses from \$11,000 to \$11,500;
- g** decrease Bar Admissions Ceremonies expenses from \$5,000 to \$2,500;
- g** decrease Administrative Staff - Expenses expenses from \$5,000 to \$2,500;
- g** decrease Computer Supplies & Service expenses from \$50,000 to \$30,000;
- g** decrease Office Supplies expenses from \$27,000 to \$25,000;
- g** decrease Hurricane Katrina expenses from \$100,000 to \$75,000; and
- g** decrease Professionalism Center expenses from \$20,000 to -0-;

b. January 19 Budget Committee Meeting

Ms. Boyle briefly reported on the January 19 meeting of the Budget Committee.

c. Treasurer's Report

Ms. Boyle referred the Board to a written Treasurer's Report prepared for the January 21 meeting of the House of Delegates.

**Agenda Item 21. Report of the Young Lawyers Section Chair**

Ms. Renegar informed the Board that the Young Lawyers Section Council would meet later in the afternoon and provided an update on the Professional Development Seminar held January 20, the high school essay project due at the end of January, and the March state Mock Trial Program.

**Agenda Item 22. Report of the Executive Director**

Ms. Larsen provided a status report on the search for a communications director.

**Agenda Item 23. Other Matters**

- a. Proposed Katrina/Rita LSBA Research  
President Neuner introduced Mr. Lambert for a report on research that examined economic and management factors affecting the adoption of technology by law firms. During the course of the research Mr. Lambert identified risk management issues to the solo and small firms attorneys and recommended a follow-up risk management survey. Mr. Lambert requested financial assistance to reimburse his out-of-pocket and travel expenses in conjunction with the follow-up survey. After some discussion the Board voted to work with Mr. Lambert on the proposed survey, provided that it could secure from Gilsbar financial assistance of up to \$1,500.

**Agenda Item 23. Adjournment.**

There being no further business to discuss, the meeting was adjourned at 1:55 p.m.

Respectfully submitted:

---

E. Wade Shows  
Secretary

---

Date