

MINUTES
HAWAII STATE BAR ASSOCIATION
BOARD MEETING

1100 Alakea Street, Suite 1000
Honolulu, HI 96813

Thursday, September 26, 2019

A. **CALL TO ORDER**

President Derek Kobayashi called the meeting to order at 12:05 p.m. with a quorum present.

The following persons were present for all or part of the meeting:

Officers Present

Derek Kobayashi
P. Gregory Frey
Russ Awakuni (phone)
Paul Naso

HSBA Staff

Patricia Mau-Shimizu
Iris Ito
Christina Bae
Katra Cuskaden

Directors Present

Steven Chow
Rebecca Copeland
Vladimir Devens
William Harrison (phone)
Geraldine Hasegawa
Kristin Izumi-Nitao
Lisa Munger
Mark K. Murakami

Directors Absent

Karin Holma - excused
Carol Kitaoka - excused
Erin Kobayashi - excused
Corianne Lau - excused
Laurel Loo - excused
Jacob Lowenthal - excused
Zale Okazaki - excused
John Tonaki - excused
Summer Kaiawe - excused

- B. **APPROVAL OF MINUTES** - A motion was made, seconded, and carried without opposition to approve the minutes of the August 22, 2019 board meeting.

C. **TREASURER'S REPORT** - Treasurer Paul Naso reported that the HSBA received the \$35k grant from the HSBF (proceeds from the Annual Dinner). He also noted that for the July 31st and August 31st financials, HSBA was ahead of budget in income and under budget in expenses.

D. **EXECUTIVE DIRECTOR'S REPORT** - Executive Director Patricia Mau-Shimizu reported on the following items:

- Bar Convention - Registration numbers are low; please encourage bar members to attend.
- Judicial Appointments Process - Three judicial appointments are coming up; Senate confirmation hearing will likely be held on November 5th. A special board meeting is tentatively scheduled for Friday, November 1st to interview the appointees.

E. **YLD PRESIDENT'S REPORT** - None.

F. **UNFINISHED BUSINESS**

1. **Mortgage Refinancing Update** - Mr. Naso reported that six lenders submitted proposals in response to HSBA's RFP process on mortgage rate refinancing. He stated that Craig Wagnild is assisting in this process. Ms. Mau-Shimizu noted that the interest rates being proposed by the lenders are 3.0-3.5%. This item will be in the October board agenda for review and discussion.
2. **Disciplinary Board Succession Trusteeship Concerns and Proposed Rule Changes** - After last month's meeting when the Board voted to support the concept of a rule amendment that would require members to designate a successor trustee, feedback was solicited from neighbor island members and solos on this issue.

Responses from members included the realization that something needs to be done to address the issue of dealing with client files when members unexpectedly pass or are no longer able to practice law. This issue is currently handled by ODC through trusteeships but the increasing amount of these trusteeships is a cause for concern. Board members noted that the Disciplinary Board may need to consider other factors before presenting a proposed rule amendment to the Supreme Court.

Director Gerry Hasegawa expressed a need for members to be educated on having a succession plan for their practice and how to establish one. Director Vlad Devens suggested, that one option may be for members to pay a fee if they do not have designate a successor trustee, as another jurisdiction has done. He also reiterated Ms. Hasegawa's idea of educating members about successor trustees.

G. **NEW BUSINESS**

3. **2020 Disciplinary Board Budget** - The revised DB budget that had been forwarded to board members the day prior to this meeting was called to the Board's attention. It was a more accurate reflection of estimated actual expenditures for 2019.

Action taken: After discussion, a motion was made, seconded, and carried without opposition to adopt the recommendation of the joint Executive-Finance Committee to recommend to the Hawaii Supreme Court approval of the proposed 2020 Disciplinary Board budget.

4. **2020 Lawyers' Fund for Client Protection (LFCP) Budget**

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the joint Executive-Finance Committee to recommend to the Hawaii Supreme Court approval of the proposed 2020 LFCP budget.

5. **2020 Attorneys and Judges Assistance Program (AAP) Budget**

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the joint Executive-Finance Committee to recommend to the Hawaii Supreme Court approval of the proposed 2020 AAP budget.

6. **Neighbor Island Budget Summary including N.I. CLE Funding**

Ms. Mau-Shimizu explained that HSBA gives neighbor island bars \$25 per attorney in their jurisdiction in recognition of the fact that there is no HSBA staff to assist them with administrative matters. HSBA has also budgeted CLE funding for N.I. bars for similar reasons. Over the years, neighbor island bars have accumulated (and not used) a relatively large sum (over \$10k) of HSBA-provided funds, with the exception of Hawaii County Bar Association (less than \$6k). -

Action taken: After discussion, a motion was made, seconded, and carried without opposition to adopt the recommendation of the joint Executive-Finance Committee to approve the funding of \$1500 for Neighbor Island CLE for Hawaii County Bar Association in light of their relative low balance and active use of HSBA-provided funds.

7. **2020 HSBA Section Budgets**

Action taken: After discussion, a motion was made, seconded, and carried without opposition to approve the proposed 2020 budgets and dues amount of HSBA Sections. In light of overly healthy account balances of some HSBA Sections, these Sections will be asked to be mindful of using funds collected through voluntary dues for the benefit of their current members.

8. **Appointment/Reappointment to Hawaii State Board of CLE** - The recommendations from the HSBA Nominating Committee was distributed at the meeting.

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the Nominating Committee to newly appoint Stephanie Chair and to reappoint Carol Egan and Jane Kwan to a 3-year term on the Hawaii State Bar Continuing Legal Education Board beginning October 2, 2019.

H. INFORMATION

- Courts in the Community - Director Rebecca Copeland reported that an October 2nd orientation, 4:30-6:30 pm, will be held for the November 14th Courts in the Community at Waipahu High School. More attorney volunteers are needed for this project.

I. ADJOURNMENT

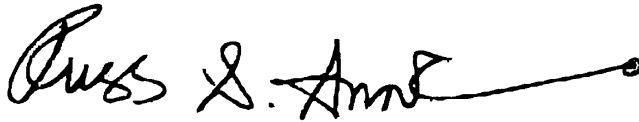
The meeting adjourned at 12:54 p.m.

Submitted by:



Patricia Mau-Shimizu
HSBA Executive Director

Approved by:



Russ S. Awakuni
HSBA Secretary