

MINUTES
HAWAII STATE BAR ASSOCIATION
BOARD MEETING

(via Zoom)
Honolulu, HI 96813

Thursday, October 22, 2020

A. **CALL TO ORDER**

President P. Gregory Frey called the teleconference meeting to order at 12:03 p.m. with a quorum present. The following persons were present for all or part of the meeting:

Officers Present

P. Gregory Frey
Karin Holma
Levi Hookano
Russ Awakuni
Paul Naso

Others Present

Rhonda Griswold
Alika Piper

HSBA Staff Present

Patricia Mau-Shimizu
Iris Ito
Christina Bae
Adrienne Hayashi

Directors Present

Craig De Costa
Vladimir Devens
Jessica Domingo
Geraldine Hasegawa
Kristin Izumi-Nitao
Carol Kitaoka
Erin Kobayashi
Jeen Kwak
Corianne Lau
Jacob Lowenthal
Mark K. Murakami
Zale Okazaki
Ralph O'Neill

Directors Absent

Steven Chow - excused
William Harrison - excused
Addison Bonner - excused

- B. **APPROVAL OF MINUTES** - A motion was made, seconded, and carried without opposition to approve the minutes of the September 24, 2020 board meeting.

- C. **TREASURER'S REPORT** - Treasurer Paul Naso reported that as of September 30th, HSBA was under budget by about \$400k in revenue for the year, but it does not include Bar Convention registration income. An additional \$100k in revenue is projected by year end. On the expense side, HSBA is currently \$900k under budget. By year end, it is projected that HSBA will be \$400k under budget. Mr. Naso also noted that HSBA has received approval from First Hawaiian Bank to make a pre-payment on its loan, which will be made from the savings in 2020 and from reserves.
- D. **EXECUTIVE DIRECTOR'S REPORT** - Director of Programs Adrienne Hayashi reported that HSBA worked with local vendor Pacific Rim Concepts to produce the virtual Bar Convention. There was a total of 339 registrants for the CLE seminars and over 150 people logging in for the annual meeting which was open to all HSBA members and their staff and other guests. Ten paying sponsors and 2 non-profits participated in the exhibitors expo which generated \$15k in revenue. A net profit of approximately \$35k is anticipated from CLE registrants and exhibitors.
- E. **UNFINISHED BUSINESS** - None.
- F. **NEW BUSINESS**

1. **2021 Specialty Bar Dues**: FYI only.
2. **Proposed 2021 HSBA Operating Budget**: Treasurer Naso referred the Board members to pages 20-22 for a summary explanation of the proposed budget and pages 23-24 for the numbers. Mr. Naso talked about how challenging the year had been and how uncertainties in 2021 would make it difficult to project. However, the Finance Committee focused on the following 4 priorities: a) not increasing HSBA dues; b) continuing to support neighbor island members through its per capita subsidy; c) providing funds for unanticipated COVID-19 expenses; and d) funding Goal Group projects.

A board member remarked that HSBA dues has not increased since 2009 and inquired whether an increase had been considered by the Finance Committee given rising costs. Mr. Naso replied that an increase was discussed but determined that 2021 was not the right time to raise dues.

Action taken: After further discussion, a motion was made, seconded, and carried without opposition to adopt the recommendation of the joint HSBA Executive-Finance Committee to approve the proposed 2021 HSBA operating budget which includes:

- The same level of HSBA dues assessed for calendar year 2020;
- Continuation of the \$25/per capita Neighbor Island subsidy. Funds are subject to Keller restrictions;
- Reduction of out-of-state travel budget for HSBA officers and other leaders. Restriction on HSBA staff out-of-state travel;

- Funding of previously approved Goal Group projects and programs from special reserves;
 - Approval of the general and special reserves proposal which includes a \$90,000 COVID line item in the special reserves for expenses that cannot be forecasted at this time.
3. **Request from Civic Education Committee:** Board members discussed the Civic Education Committee's request of \$300 from its discretionary fund to co-sponsor a program with the Judiciary History Center. It was explained that the Executive-Finance Committee had determined that *Keller* did not apply here because mandatory dues would not be used on this program. It was also noted that the program was strictly educational.

Action taken: After discussion, a motion was made, seconded, and carried without opposition to adopt the recommendation of the joint HSBA Executive-Finance Committee to approve the HSBA Civic Education Committee's request to co-sponsor with the Judiciary History Center a panel discussion in December on law and public policy under the recent local and national administrations. Funds of \$300 will be used from the voluntary check-off contribution designated for civic education activities. Director and Civic Education Committee member Carol Kitaoka recused herself from voting.

4. **Dues and Fees Proration starting from 2020 November New Admits and Provisional Licensees:** A quarterly (instead of semi-annual) proration schedule is being proposed (see below) to make it more equitable for new admits and provisional licensees who become HSBA members for just a fraction of the year.

- anyone sworn in from January 1 to March 31 will be charged for a full year of dues and fees;
- anyone sworn in from April 1 to June 30 will be charged for 9 months of dues and fees;
- anyone sworn in from July 1 to September 30 will be charged for 6 months of dues and fees;
- anyone sworn in from October 1 to December 31 will be charged for 3 months of dues and fees.

Action taken: A motion was made, seconded, and carried without opposition to approve a quarterly proration schedule for new admits and provisional licensees beginning November 2020 for HSBA dues. The Disciplinary Board, Attorneys and Judges Assistance Program, and Lawyers Fund for Client Protection has been informed and asked if they wish to prorate their fees on a quarterly basis also.

5. **HSBA Officer Succession:** The Board discussed the options on how to proceed with filling the position of the 2021 HSBA President following Karin Holma's confirmation to the District Court bench. President Frey reported that given that former Maui Director and current Finance Committee member Shannon Sheldon ran unsuccessfully against Levi Hookano last year for Vice President,

he approached Ms. Sheldon to inquire of her interest in filling the 2021 President-elect position (assuming that Mr. Hookano would fill the 2021 President's position) at the request of the Executive Committee. Ms. Sheldon informed President Frey that she would be honored to serve as next year's President-elect if the Board so decides.

The Board deliberated whether a task force should first be created to review board policy and HSBA bylaws and propose a succession plan. Since a change in bylaws could not occur until the 2021 Annual Meeting, it was decided to move forward with filling the 2021 positions while the task force was created and started its work.

Action taken: After further discussion, a motion was made, seconded, and carried without opposition to create a task force to explore procedures for a succession plan should unanticipated HSBA officer or director vacancies occur beginning with year 2022.

Action taken: A motion was made, seconded, and carried without opposition to appoint 2020 Vice President Levi Hookano as the 2021 President, and to appoint Shannon Sheldon, the candidate who did not get elected in last year's VP race to 2021 President-elect (note: Rhonda Griswold will serve as 2021 VP, as duly elected). Mr. Hookano and Maui Director Jacob Lowenthal recused themselves from voting.

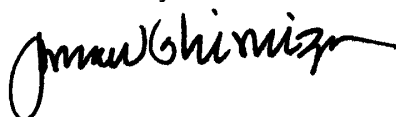
6. HSBA Representative on Commission on Professionalism

Action taken: After discussion, a motion was made, seconded, and carried without opposition to inform Justice Pollack that HSBA would like to retain its HSBA-appointed attorney position (currently being held by someone who became a judge earlier this year) on the Commission on Professionalism.

I. **ADJOURNMENT**

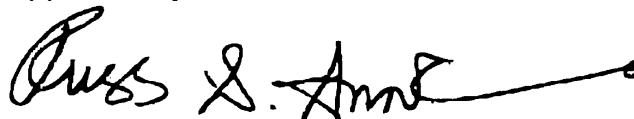
The meeting adjourned at 1:36 p.m.

Submitted by:



Patricia Mau-Shimizu
HSBA Executive Director

Approved by:



Russ S. Awakuni
HSBA Secretary