

MINUTES
HAWAII STATE BAR ASSOCIATION
BOARD MEETING

(via Zoom)
Honolulu, HI 96813

Thursday, September 24, 2020

A. **CALL TO ORDER**

President P. Gregory Frey called the teleconference meeting to order at 12:34 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

HSBA Staff Present

Patricia Mau-Shimizu
Iris Ito
Christina Bae
Adrienne Hayashi

Directors Present

Steven Chow
Craig De Costa
Jessica Domingo
Vladimir Devens
William Harrison
Geraldine Hasegawa
Kristin Izumi-Nitao
Carol Kitaoka
Erin Kobayashi
Jeen Kwak
Corianne Lau
Jacob Lowenthal
Mark K. Murakami
Zale Okazaki
Ralph O'Neill
Addison Bonner, YLD President

B. **APPROVAL OF MINUTES** - A motion was made, seconded, and carried without opposition to approve the minutes of the August 27, 2020 board meeting.

D. **TREASURER'S REPORT** - Treasurer Paul Naso reported that there have been no significant changes since last month: revenues are down as expected during this COVID-19 situation with no live CLE, but income is expected from the upcoming Bar Convention and Hawaii Professionalism Course. By year end, it is projected that

HSBA will fall short by \$250k in revenue compared to budget. Expenses, not surprisingly, are also below budget. HSBA is anticipated to be \$1M under budget in expenses by the end of the year.

E. **EXECUTIVE DIRECTOR'S REPORT** - Ms. Mau-Shimizu reported on the following items:

- **Virtual Bar Convention** - On schedule; registrations coming in slowly. We are getting more sponsors. Some HSBA Sections and Neighbor Island Bar Associations are subsidizing a portion of their members' registration fee.
- **Bar Exam** - No COVID cases have been reported from the 100+ examinees that took the recent bar exam at the Hawaii Convention Center. Provisional law licenses have been granted to 35 people.

F. **YLD PRESIDENT'S REPORT** - YLD President Addison Bonner reported that the YLD has 2 remaining projects for the year with school students that will be implemented in an electronic remote format.

G. **UNFINISHED BUSINESS** - None.

H. **NEW BUSINESS**

1. **Proposed 2021 Disciplinary Board (DB) Budget:** Treasurer Naso thanked President Frey on how he deftly and graciously handled the budget meetings with the Supreme Court entities. Regarding the DB's budget, he stated that it was a productive meeting with the DB representatives. He made the following observations: a sound 2021 budget with no increase in attorney fees; travel budget was decreased; reserves are being tapped to balance the budget.

In answer to a question regarding its reserves, Treasurer Naso replied that the DB has sufficient reserves to cover their budgeted expenses so as not have to assess fees during the year.

In response to a question regarding unexpected and exorbitant cost of trusteeships, it was noted that the DB could request the Supreme Court to make a special assessment to cover those costs. It was also stated that the DB could also recover costs from the estate of the attorney.

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the joint HSBA Executive-Finance Committee to send a letter to the Hawaii Supreme Court indicating the HSBA's support of the proposed 2021 budget of the Disciplinary Board. Director Vlad Devens recused himself from voting.

2. **Proposed 2021 Lawyers Fund for Client Protection (LFCP) Budget:** Treasurer Naso said that the joint Executive-Finance Committee also met with representatives from the LFCP. He noted that their financials are stable and they have not requested any increase in attorney assessments.

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the joint HSBA Executive-Finance Committee to send a letter to the Hawaii Supreme Court indicating the HSBA's support of the proposed 2021 budget of the Lawyers' Fund for Client Protection.

3. **Proposed 2021 Attorneys and Judges Assistance Program (AAP) Budget:** Treasurer Naso reported that the heads of the AAP were present at the joint Executive-Finance Committee and that there were no significant changes to their budget from this year. He remarked that the information the AAP shared have him a better understanding of the importance and breadth of their program. A board member commented that he appreciated the detailed written information that the AAP provided this year.

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the joint HSBA Executive-Finance Committee to send a letter to the Hawaii Supreme Court indicating the HSBA's support of the proposed 2021 budget of the Attorneys and Judges Assistance Program.

4. **2021 HSBA Section Budgets:** Treasurer Naso stated that in light of the current economic situation, number of Sections have reduced or eliminated dues for 2021. At the request of the joint Executive-Finance Committee, two Sections with large bank balances or high dues amount were asked to consider reducing their dues, and subsequently agreed to do so.

Action taken: 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 budgets and dues amounts, including the revised amounts of the Child Law Section and Probate & Estate Planning Section. Director Erin Kobayashi recused herself from voting.

5. **Proposed Civic Education Rule:** The proposed new rule will bring together key stakeholders to promote and advance civic education for citizens of Hawaii. Ms. Mau-Shimizu stated that the rule invites various entities to appoint a representative to serve on the Commission. It has the support of the Governor, the Senate President, and the Speaker of the House, among others. It will not cost any money, but if funding is required, it is anticipated that the members of those entities/organizations would be able to generate the support needed to pay for the PACE Commission's projects and activities.

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the HSBA Executive Committee to submit comments to the Hawaii Supreme Court supporting new proposed Rule 23 that would establish the Commission to Advance Civic Education (PACE).

6. **Reappointment of Hawaii State Board of CLE (aka MCLE Board)**

Action taken: A motion was made, seconded, and carried without opposition to adopt the recommendation of the HSBA Nominating Committee reappoint the following individuals to the Hawaii State Board of CLE (aka MCLE Board) to a 3-year term beginning October 2, 2020: Susan Arnett, David Fitzpatrick, and Marie

Gavigan. Noting that the 3 reappointments are all government attorneys, a board member wanted to relay to the HSBA Nominating Committee that there are no neighbor island private practitioners on the MCLE Board.

- *7. **Board Vacancy due to Judicial Appointment:** A board member raised the issue of having this discussion should similar situations occur in the future. President Frey stated that he will put together an ad hoc committee to study and make recommendations which will likely include a bylaw amendment to address this issue.

I. **ADJOURNMENT**

The meeting adjourned at 1:30 p.m.

Submitted by:



Patricia Mau-Shimizu
HSBA Executive Director

Approved by:



Russ S. Awakuni
HSBA Secretary

* Item added to agenda.