

**Oregon State Bar
Special Meeting of the Board of Governors
September 28, 2012
Minutes**

The meeting was called to order by President Mitzi Naucler at 10:02 a.m. on September 28, 2012, and adjourned at 11:05 a.m. Members present from the Board of Governors were Jenifer Billman, Barbara Dilaconi, Hunter Emerick, Michelle Garcia, Michael Haglund, Matthew Kehoe, Ethan Knight, Theresa Kohlhoff, Tom Kranovich, Steve Larson, Audrey Matsumonji, Patrick Ehlers, Travis Prestwich, Richard Spier and David Wade. Staff present were Helen Hirschbiel, Rod Wegener, and Camille Greene.

1. Budget & Finance Committee

Mr. Haglund presented the committee's 2013 budget recommendations to the board on the active and inactive member fee and the Client Security Fund assessment.

Motion: The board voted unanimously to approve the committee motion to increase the Inactive Member Fee by \$15.

Motion: The board voted unanimously to approve the committee motion to increase the Client Security Fund Assessment by \$30 until a sufficient reserve is rebuilt by additional annual assessments.

Motion: The board voted unanimously that the 2013 budget be balanced with no active member fee increase to approve the committee motion to adopt the 2013 budget as presented.

2. Approval of 2012 House of Delegates Agenda

Ms. Naucler asked the board to determine whether it wishes to take a position on the various delegate resolutions on the 2012 draft HOD agenda.

HOD Agenda Item #12:

Motion: Ms. Dilaconi moved, Mr. Kranovich seconded, and the board voted unanimously to oppose HOD agenda item #12 re: Online Computer Knowledge Base based on financial and scope issues.

HOD Agenda Item #13:

Motion: Mr. Wade moved, Mr. Emerick seconded, and the board voted unanimously to oppose HOD agenda item #13 re: Metropolitan Court District because it is outside of the scope of our authority.

HOD Agenda Item #14:

Motion: Mr. Wade moved, Mr. Kranovich seconded, and the board voted unanimously to oppose HOD agenda item #14 re: Lawyer Referral Service Policy and Procedure.

HOD Agenda Item #15:

Motion: Mr. Wade moved, Mr. Kranovich seconded, and the board voted unanimously to take no position on HOD agenda item #15 re: Amendment of Oregon Rule of Professional Conduct 1.1.

HOD Agenda Item #17:

Motion: Ms. Dilaconi moved, Mr. Kehoe seconded, and the board voted unanimously to support HOD agenda item #17 re: Support for Adequate Funding for Legal Services to Low-Income Oregonians.

HOD Agenda Item #18:

Motion: Mr. Wade moved, Mr. Kranovich seconded, and the board voted unanimously to take no position on HOD agenda item #18 re: Fairness in PIP Arbitration Proceedings.

HOD Agenda Item #19:

Motion: Mr. Wade moved, Mr. Prestwich seconded, and the board voted unanimously to take no position on HOD agenda item #19 re: Amend Oregon Rule of Civil Procedure 54E.

HOD Agenda Item #20:

Motion: Mr. Kehoe moved, Mr. Knight seconded, and the board voted unanimously to oppose HOD agenda item #20 re: Legal Rate of Interest Upon Non-Contract Obligations.

HOD Agenda Item #21:

Motion: Mr. Wade moved, Ms. Dilaconi seconded, and the board voted unanimously to oppose HOD agenda item #21 re: Establish Centralized legal Notice System as being premature.

HOD Agenda Item #22:

Motion: Mr. Emerick moved, Mr. Kehoe seconded, and the board voted unanimously to oppose HOD agenda item #22 re: Amendment of Oregon Rule of Professional Conduct 3.4.

HOD Agenda Item #23:

Motion: Ms. Kohlhoff moved, Mr. Wade seconded, and the board voted unanimously to oppose HOD agenda item #23 re: Amendment of Oregon Rule of Professional Conduct 7.3.

Ms. Naucler presented the draft 2012 HOD Agenda for approval.

Motion: Ms. Dilaconi moved, Mr. Wade seconded, and the board voted unanimously to approve the 2012 HOD Preliminary Agenda.

3. Closed Session – see attached CLOSED minutes

Executive Session (pursuant to ORS 192.660(1)(f) and (h)) - General Counsel Report

4. Good of the Order (Non-action comments, information and notice of need for possible future board action)

None.

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Executive Session Minutes**

Discussion of items on this agenda is in executive session pursuant to ORS 192.660(2)(f) and (h) to consider exempt records and to consult with counsel. This portion of the meeting is open only to board members, staff, other persons the board may wish to include, and to the media except as provided in ORS 192.660(5) and subject to instruction as to what can be disclosed. Final actions are taken in open session and reflected in the minutes, which are a public record. The minutes will not contain any information that is not required to be included or which would defeat the purpose of the executive session.

Washington State Department of Revenue Decision

Ms. Hirschbiel recommended the board decide whether to appeal the Washington Department of Revenue decision regarding the Oregon State Bar's tax liability to Washington. The board could accept decision or further negotiate waiver of past sales tax liability by filing a petition for reconsideration.

Motion: Ms. Dilaconi moved, Mr. Larson seconded, to take no further action and await the DOR's assessment of our tax liability. After discussion, the motion was withdrawn.

Motion: Mr. Wade moved, Mr. Hunter seconded, and the board voted unanimously to file a petition for reconsideration with the DOR and attempt to negotiate a settlement that reduces our past tax liability.