



**South
Carolina
Bar**

House of Delegates

May 24, 2018



May, 2018

Dear Member of the House:

The House of Delegates of the South Carolina Bar will convene at on Thursday, May 24, 2018, in the Tides Ballroom of the Sweetgrass Pavilion on the Wild Dunes Property on the Isle of Palms, South Carolina. Lunch will be ready at 12:30 p.m. and the business meeting will begin promptly at 1:00 p.m. When you arrive, please be certain to sign in so that the minutes will reflect your attendance.

The proposed agenda precedes the first tab of the attached book. You may remove for discussion any item from the Consent Agenda before the agenda is adopted at the start of the meeting. Please remember the restrictions on positions which may be supported by a mandatory bar association. There is a brief description of these restrictions behind the agenda.

You are encouraged to participate in thorough debate on agenda items. But, please respect your fellow House members by making your remarks succinct and pertinent to agenda items being debated.

Please arrive early to review any additional materials which may be distributed at the meeting. Available materials have been sent to you to allow you an opportunity to consult your constituency concerning the matters on the agenda. Please read the materials and obtain input from your peers.

During the Assembly, M. Dawes Cooke will be sworn in as President of our Bar by the Honorable Stephanie P. McDonald. You are cordially invited to a reception in honor of Dawes beginning at 4:30 p.m. at The Citadel Beach Club.

I look forward to seeing and spending some time with all of you on the Isle of Palms. If I can assist you in any way prior to the meeting, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "J. Hagood Tighe".

J. Hagood Tighe
Chair



South
Carolina
Bar

May, 2018

Dear House Member:

Thank you for your service to our Bar through your membership in the House of Delegates. The House sets the policies of the Bar and speaks for all our members. I look forward to discussing with you the matters on our agenda.

At the beginning of our meeting will be the presentation of several awards. Criteria for these awards, along with a listing of previous recipients, are located under Tabs 2 – 5 of these materials. Please congratulate those we honor with our awards.

Please review your materials and discuss them with the Bar members you represent for their perspectives. As always, your attention to and input regarding these matters is very much appreciated.

It has been a pleasure serving as your Bar President for the past year and I look forward to seeing you on the Isle of Palms!

Sincerely,

Elizabeth H. Warner
President

AGENDA
SOUTH CAROLINA BAR HOUSE OF DELEGATES
May 24, 2018 @ 12:30 p.m.

CALL TO ORDER
SET THE AGENDA

J. Hagood Tighe
Chair

- | | | |
|-----|--|--|
| 1. | Approval of Consent Agenda
a. Approval of Minutes of Meeting Held on January 18, 2018
b. Receipt of March Financial Statements | J. Hagood Tighe
Chair |
| 2. | Presentation of Pro Bono Lawyer of the Year Awards | Fred W. Suggs, Jr.
Pro Bono Board Chair |
| 3. | Presentation of Young Lawyer of the Year Award | Lindsay A. Joyner
YLD President |
| 4. | Presentation of Law Related Education Lawyers of the Year Award | Stephen M. Cox
Committee Member |
| 5. | Recognition of Mentor of the Year | Elizabeth H. Warner
President |
| 6. | Report on the Activities of the SC Bar Foundation | J. René Josey
President |
| 7. | Report of the President | Elizabeth H. Warner
President |
| 8. | Request to Support US Senate Bill 2282 in re Bankruptcy Venue | George B. Cauthen
5 th Circuit Delegate |
| 9. | Request from Professional Responsibility Committee to Amend Rules 1.0, 1.1 and 1.6 of the Rules of Professional Conduct | Amy L.B. Hill
Committee Member

Thomas A. Pendarvis
Committee Member |
| 10. | Request from Practice and Procedure Committee to Amend Rule 71, SCRCP | Jonathan W. Lounsberry
Committee Chair |
| 11. | Request from Dispute Resolution Section to Repeal §38-78-710 | Jill E. HaLevi
Section Chair |

- | | | |
|-----|---|--|
| 12. | Election of the Members of the Nominating Committee | Roy F. Laney
Secretary |
| 13. | Approval of Bar and CLE Division Budgets | Beverly A. Carroll
Treasurer |
| 14. | Recognition of Outgoing President | M. Dawes Cooke, Jr.
President-Elect |

Recess to Convene Assembly

Elizabeth H. Warner
President

*** Special Order at 2:30 p.m.
Installation of Board Members, Officers and President**

President	M. Dawes Cooke, Jr.
President-Elect	Beverly A. Carroll
Treasurer	Roy F. Laney
Secretary	Mary E. Sharp
Board, 2 nd Judicial Region	Marti M. Bluestein
Board, 4 th Judicial Region	John E. Robinson
Board, At Large	Michael D. Brown
Board, YLD Representative	Lindsay A. Joyner
Board, YLD Representative	Sheila M. Willis
ABA State Bar Delegate	Alice F. Paylor
ABA State Bar Delegate	John H. Muench
SLD President	Darra W. Cothran
YLD President	Ashleigh R. Wilson

Keller v. State Bar of California, 496 U.S. 1 (1990)

“Here the compelled association and integrated bar are justified by the State’s interest in regulating the legal profession and improving the quality of legal services. The State Bar may therefore constitutionally fund activities germane to those goals out of the mandatory dues of all members. It may not, however, in such manner fund activities of an ideological nature which fall outside of those areas of activity.” 496 U.S. at 13-14.

“Precisely where the line falls between those State Bar activities in which the officials and members of the Bar are acting essentially as professional advisors to those ultimately charged with the regulation of the legal profession, on the one hand, and those activities having political or ideological coloration which are not reasonably related to the advancement of such goals, on the other, will not always be easy to discern.” 496 U.S. at 15.

Minutes
House of Delegates
January 18, 2018

The House met on January 18, 2018, at The Sanctuary on Kiawah Island. Present were: Samuel K. Allen; Kenneth C. Anthony; J. Leeds Barroll, IV; Samuel Robert Bass, II; Shaheena R. Bennett; Mark S. Berglind; Susan B. Berkowitz; Maryann Elizabeth Blake; J. Steedley Bogan; James Edward Bradley; Melody Joy Edelman Breedon; Beverly A. Carroll; George B. Cauthen; Amie L. Clifford; M. Dawes Cooke, Jr.; Lee Deer Cope; Leslie A. Cotter, Jr.; Stephen M. Cox; Elise Freeman Crosby; Mary Elizabeth Crum; Martin S. Driggers; Rhett C. Dunaway; Walter George Dusky; Eric K. Englehardt; C. Allen Gibson, Jr.; Bernadette Shawan Gillians; Robert Fredrick Goings; Harry L. Goldberg; Elizabeth Van Doren Gray; Jack William Hammack; Daryl G. Hawkins; John Croom Clovin Hunter; Russell Thomas Infinger; Charles Epps Ipock; Daniel Edward Johnson; Lindsay Anne Joyner; Catherine H. Kennedy; Edwin Thompson Kinney; Wes A. Kissinger; Francis B.B. Knowlton; Christopher R. Koon; Lanneau Wm. Lambert, Jr.; LeRoy Free Laney; Jonathan William Lounsberry; Angus H. Macaulay; Walter Keith Martens; John Lucius McCants; J. Edwin McDonnell; John O. McDougall; Joseph S. Mendelsohn; David B. Miller; Julie Lauren Moore; Julie Jeffords Moose; Meredith Brooks Moss; Catherine Elizabeth Mubarak; Irish Ryan Neville; Cynthia Hall Ouzts; James C. Parham, Jr.; Elizabeth B. Partlow; Alice F. Paylor; Jason P. Peavy; Ross Buchanan Plyler; Benjamin R. Pogue, III; Tommy D. Preston, Jr.; William M. Reynolds; Pamela Jane Roberts; Pamela DeFanti Robinson; John Edward Rosen; John Edward Roxon; Martha Kent Runey; Nancy Doherty Sadler; Carmelo Barone Sammataro; Stephen T. Savitz; Brittany Dreher Senerius; Barbara Marie Seymour; Mary Elizabeth Sharp; Cheryl D. Shoun; Jane Opitz Shuler; Mary Amanda Harrelson Shuler; Lana H. Sims, Jr.; Lisa Lee Smith; Michael Benjamin Smith; Henry B. Smythe; Christian Giresi Spradley; Megan Finch Stevens; Randell Croft Stoney, III; Hal M. Strange; Fred W. Suggs, Jr.; Jason F. Taylor; David L. Tedder; William R. Thomas; John Hagood Tighe; Robert E. Tyson, Jr.; Robert Bruce Wallace; Regina Bechtler Ward; Bradish J. Waring; Elizabeth H. Warner; J. Calhoun Watson; Dean Robert M. Wilcox; Donald B. Wildman; Marguerite S. Willis; Mitchell Willoughby; Ashleigh Rayanna Wilson; William M. Wilson, III; Carrington Sally Baker Wingard; David Whitten Wolf and Clinton Joseph Yarborough.

Guests present were: Hon. J. Mark Hayes, II; Megan Seiner; Kirsten Small and Michael J. Virzi.

Representing the Bar staff were: Warren Holland; Leah G. Johnson; Charmy Medlin; Jason Stokes and Robert S. Wells.

The Chair called the meeting to order. A quorum was declared present. Mr. Waring moved to allow privileges of the floor to nonmembers. The motion was seconded, and it was approved. The Chair stated that agenda item #12 would be moved up as agenda item #4.5. A motion was made to adopt the agenda as amended. The motion was seconded, and it was approved.

Ms. Joyner moved to approve the Consent Agenda - approval of the minutes of the May 18, 2017, meeting; receipt of November Financial Statements; and a request from the Solo and

Small Firm Section to amend bylaws. The motion was seconded, and it was approved.

Judge Hayes recognized the 2017 Law Day Essay Contest winner, LaVang Bui of James F. Byrnes High School.

Ms. Seiner provided an update on the activities of the Bar Foundation and encouraged members of the House to contribute.

Under report of the President, Ms. Warner provided updates on Bar activities including the strategic plan, the Pro Bono Program and CLE Division programming and services. She stressed the importance of the Bar's Lawyers Helping Lawyers program and encouraged members to take advantage of the services provided. In closing, she thanked House members for their service and recognized Bar staff, noting the retirement of Executive Director, Bob Wells.

Next, Ms. Joyner presented a request from a request from the Lawyers Helping Lawyers Commission and Wellness Committee to amend Rule 408, SCACR, to require one hour of Substance Abuse/Mental Health instruction every two reporting years rather than every three reporting years. She moved approval of the request. The motion was seconded, and it was approved.

Ms. Small presented a request from the Professional Responsibility Committee to amend Rule 1.10, Rule 407, SCACR, to permit screening in law firms. A motion was made to approve the request. The motion was seconded. Following discussion, the motion was approved.

Next, Ms. Small presented requests from the Professional Responsibility Committee to amend Rules 1.0, 1.1 and 1.6 of the Rules of Professional Conduct. The amendments were designed to highlight the importance of technology in the practice of law and risk balance. A motion was made to adopt the proposed amendments. The motion was seconded. Discussion ensued. Mr. Barrow moved to strike the changes to Rule 1.1 and Rule 1.6 and leave all comments. The motion was seconded, and it was approved. Mr. Miller moved to add the following language to Comment 20:

"Unless special circumstances dictate otherwise, reasonable efforts to present third party access, inadvertent or unauthorized disclosure does not necessitate encrypted, password protected, or other such similar electronic communication protections."

The motion was seconded, and it was approved. Mr. Taylor moved to amend Rule 1.0 by replacing "and ~~e-mail~~ electronic communication" with "e-mail or other like electronic communication." The motion was seconded, and it was approved. Mr. Tedder moved that the proposed changes be referred back to the Committee so that the suggested amendments from

the House could be reviewed and incorporated into a revised proposal to be submitted at a future House of Delegates meeting. The motion was seconded, and it was approved.

Next, Mr. Virzi presented a request from the Professional Responsibility Committee to amend Rule 1.6, Rule 407, SCACR, to permit reference to citations to published opinions. Mr. Bogan moved approval of the request. The motion was seconded. Following discussion, the motion was approved.

Mr. Lounsberry presented a request from the Practice and Procedure Committee to amend Rule 33, SCRCR , to allow for parties to a Family Court action to serve interrogatories in addition to the standard interrogatories. He moved approval of the request. The motion was seconded, and it was approved.

Next, Mr. Lounsberry presented a request from the Practice and Procedure Committee to amend Rule 5(b)(1), SCRCR, to allow parties to consent to electronic service of documents. He moved approval of the request. The motion was seconded. Discussion ensued. Mr. Kahn moved to amend the proposal as follows:

"...completed upon transmission, and treated as mail if the consenting party promptly responds acknowledging receipt but is not effective if the serving party learns that it did not reach the person to be served." The motion was seconded, and was approved. The motion as amended failed.

Next, Ms. Carroll presented a proposal to increase member license fees by \$15 beginning with the 2019 collection cycle. The request was based on the Board of Governors' new five-year fiscal plan. Ms. Carroll moved approval of the request. The motion was seconded. Following discussion, the motion was approved.

Ellen Cheek and Zandra Johnson were nominated for reappointment and G.P. Diminich and Shawan Gillians were nominated for appointment to the Commission on CLE and Specialization. The nominees were to be presented to the Court.

Ms. Bailey presented a request from the Trial and Appellate Advocacy Section to support funding for courtroom improvements for the hearing impaired. A motion was made to approve the request. The motion was seconded, and it was approved.

Next, Mr. Kunes presented a request from the Probate, Estate Planning and Trust Section, Elder Law Committee and Children's Law Committee to adopt the Uniform Transfer to Minors Act, an updated version of the Uniform Gifts to Minors Act. A motion was made to approve the request. The motion was seconded, and it was approved.

Minutes, House of Delegates
January 18, 2018
Page four

Mr. Parham commented on the history of collegiality of the House of Delegates and encouraged members to take advantage of opportunities to serve as guardians of constitutional law by working to preserve justice and freedom.

There being no further business, the meeting was adjourned.



TO: House of Delegates

FM: Bev Carroll, Treasurer

DT: April, 2018

RE: Financial Reports

The financial reports through March follow. Page 1 is the balance sheet for general, section, grant and other funds. Page 9 has the balance sheet for the Lawyers' Fund for Client Protection. Page 10 is the CLE Division balance sheet.

As reflected on the page 1, since July 1 the general, section, grant and other funds have increased by \$2,084,720. Monies held in sections decreased \$7,466; see page 6. Monies held in grants and other funds increased \$966,188; see page 8. The figure includes a net \$922,501 which will be forwarded to Court Administration to supplement funding for the discipline system.

Through March the net effect on Bar operating funds was an increase of \$1,128,398, a figure found at the end of the third numerical column on page 2. (The increase in 2017 at the end of March was \$1,053,795.) That same page indicates the expected gain was \$1,034,600. (A net gain is needed as of this time every year in order to fund expenses throughout the calendar year.) Thus, the Bar operating funds are \$93,798 ahead of budget.

The deviations of \$5,000 or more in year-to-date revenues are:

Fees Towards Building: Budget for the License Fees line was too low relative to this line; there is a net improvement over budget across the two lines.

Marketing Fees: Higher than expected payments were received from two companies in the member benefit programs.

The deviations of \$5,000 or more in expenses are:

Salaries: Multiple positions were not filled for portions of the year, including a reduction in staff.

FICA & Employee Benefits: Savings from the unfilled positions.

Buildings: Extra expense largely due to replacement of water heater in Conference Center.

Professional Fees: Includes expenses for firm which assisted in the search process for the next executive director.

Staff Expense: Staff did not attend association software event.

Delegate Expense: Fewer delegates attended, and fewer days of attendance by some.

Membership Services Committees: Higher expenses at January Convention.

Young Lawyers: Lower expenses at the Convention, receipt of sponsorship monies to offset some expenses and fewer delegates to midyear meeting.

Law Related Education: Savings when competition was rescheduled due to weather and fewer teams ultimately competed.

South Carolina Lawyer: Expected increased production costs did not appear.

Credit Card Fees: Greater number of members paid license fees using credit cards.

CLE operating funds have increased \$236,868, a figure found at the end of the third numerical column on page 11. (The increase in 2017 at the end of March was \$538,429.) That same page indicates the expected gain was \$247,500. Thus, the CLE operating funds are \$10,632 behind budget.

The deviations of \$5,000 or more in year-to-date revenues are:

Seminars: Two major seminars were cancelled.

E-CLE Access: Budget anticipated members would be able to receive a greater number of hours for MCLE credit, but rule was not changed.

Publications: Strong sales on existing titles.

SCJ Royalty: Higher than expected sales on SC Jurisprudence.

Convention: Registrations fees were increased in light of the more expensive venue, and some external source revenue was not reflected in the revenue budget.

The deviations of \$5,000 or more in expenses are:

Salaries: Positions were unfilled during the fiscal year and staff was reduced.

Benefits: Savings from unfilled positions and lower premium costs.

Equipment Maintenance & Licenses: Software license fee renewals were less than expected.

Publication Direct: Lower cost of goods sold than expected.

Publication Royalties: Royalty publication sales lower than projected.

Convention: Higher costs than anticipated with expensive venue.

SOUTH CAROLINA BAR
BALANCE SHEET
For the Nine Months Ending Saturday, March 31, 2018

	YTD
CURRENT ASSETS	
CHECKING ACCOUNT	\$183,100.00
MONEY MARKET	3,049,557.53
DISCIPLINE ASSESSMENT	922,952.76
INVESTMENTS	924,403.52
ACCOUNT RECEIVABLES	(253.37)
PREPAID EXPENSES	96,576.93
CONTRA ACCOUNTS DUE	3,925.74
TOTAL CURRENT ASSETS	\$5,180,263.11
PLANT	
OFFICE EQUIPMENT	543,968.20
BUILDING & LAND	940,989.63
BUILDING # 2	6,115,290.69
DUE FROM CLE FIXED ASSETS	0.00
TOTAL PLANT FUND	\$7,600,248.52
TOTAL ASSETS	\$12,780,511.63
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	15,561.84
PREPAID RENT	1,000.00
PERSONNEL PAYABLES	247,232.37
DUE:BF & COUNTY BAR	933.00
DEFERRED REVENUE	53,119.52
DEFERRED CONTRIBUTION TO USC	0.00
NOTES PAYABLE-CURRENT	1,052,749.75
RETAINAGE FOR NEW BUILDING	0.00
LEASE PAYABLE - CURRENT	0.00
SC SALES TAX REVENUE	0.00
TOTAL CURRENT LIABILITIES	\$1,370,596.48
LONG TERM LIABILITIES	
NOTES PAYABLE-LONG TERM	0.00
LEASE PAYABLE - LONG TERM	0.00
TOTAL LONG TERM LIABILITIES	\$0.00
TOTAL LIABILITIES	\$1,370,596.48
BEGINNING OF YEAR GENERAL FUND BALANCE	8,352,118.95
BEGINNING OF YEAR LAWYER REFERRAL FUND	491,109.46
BEGINNING OF YEAR GRANT FUND BALANCE	222,412.55
BEGINNING OF YEAR SECTION FUND BALANCE	259,554.24
TOTAL BEGINNING OF YEAR FUND BALANCE	9,325,195.20
YTD REVENUE	5,727,854.12
YTD EXPENSES	3,643,134.17
NET CHANGE	2,084,719.95
FUND BALANCE	\$11,409,915.15
TOTAL LIABILITIES AND FUND BALANCE	\$12,780,511.63

SOUTH CAROLINA BAR
INCOME STATEMENT
For the Nine Months Ending Saturday, March 31, 2018

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>ANNUAL BUDGET</u>
REVENUE					
LICENSE FEES	(\$620.00)	\$0.00	\$3,277,512.50	\$3,278,900.00	\$3,278,900.00
FEES TOWARDS BUILDING	180.00	0.00	460,460.00	452,800.00	452,800.00
INTEREST	1,058.54	1,000.00	6,430.86	7,100.00	12,300.00
LRS PERCENTAGE FEE	30,514.93	30,000.00	197,839.60	199,000.00	300,000.00
LRS SUBSCRIPTION FEE	800.00	0.00	67,100.00	65,000.00	65,000.00
MARKETING FEES	619.26	700.00	40,076.11	30,400.00	35,300.00
SC LAWYER	14,448.00	15,000.00	74,275.50	75,000.00	90,000.00
STAFF SUPPORT	51,772.00	50,700.00	51,772.00	50,700.00	50,700.00
RENTS RECEIVED	3,669.00	3,600.00	33,146.00	33,000.00	44,000.00
ADR CERTIFICATION	2,650.00	1,800.00	88,700.00	87,300.00	98,000.00
DUES COLLECTION FEES	372.00	0.00	15,428.94	14,100.00	14,100.00
MISCELLANEOUS	200.00	0.00	1,215.50	100.00	1,200.00
LAW STUDENT AFFILIATES	0.00	0.00	1,120.00	1,500.00	1,500.00
SALES TAX	1.75	0.00	8.28	200.00	200.00
TOTAL REVENUES	<u>\$105,665.48</u>	<u>\$102,800.00</u>	<u>\$4,315,085.29</u>	<u>\$4,295,100.00</u>	<u>\$4,444,000.00</u>
EXPENSES					
SALARIES	139,030.33	142,700.00	1,263,852.15	1,283,900.00	1,738,800.00
FICA & EMPLOYEE BENEFITS	71,314.31	75,600.00	354,023.27	387,900.00	549,700.00
BUILDINGS	13,750.87	14,200.00	154,959.52	148,000.00	197,500.00
EQUIPMENT & SOFTWARE	0.00	0.00	26,026.93	25,800.00	28,500.00
EQUIP. MAINTENANCE & LICENSES	13,873.93	14,800.00	123,836.22	125,600.00	168,300.00
OFFICE SUPPLIES	479.92	1,200.00	17,665.63	19,300.00	40,600.00
POSTAGE	512.97	500.00	10,344.74	11,600.00	12,800.00
TELEPHONE	1,149.31	1,200.00	9,392.27	9,200.00	16,900.00
PROFESSIONAL FEES	0.00	0.00	16,278.16	6,700.00	9,500.00
BOND/INSURANCE	879.96	800.00	8,396.11	7,900.00	9,700.00
STAFF EXPENSE	4,501.92	4,600.00	15,293.06	22,700.00	37,500.00
DUES/SUBSCRIPTIONS/BOOKS	0.00	0.00	3,765.91	3,700.00	4,100.00
CASUAL LABOR/HIRING	200.00	0.00	3,313.00	2,400.00	2,400.00
DELEGATE EXPENSE	8,263.01	3,800.00	54,104.22	63,600.00	72,700.00
OFFICERS' EXPENSE	0.00	0.00	267.73	0.00	4,200.00
MEMBERSHIP SERV. COMMITTEES	5,070.24	5,400.00	76,148.32	63,800.00	99,300.00
PRACTICE MANAGEMENT ASST.	3,361.60	4,300.00	10,995.95	13,800.00	17,900.00
RISK MANAGEMENT	2,324.22	2,500.00	6,135.36	5,000.00	7,000.00
MENTORING	1,600.94	300.00	7,249.19	7,000.00	13,000.00
LAWYERS HELPING LAWYERS	2,760.34	3,000.00	29,304.28	33,700.00	48,400.00
MEMBERSHIP BENEFITS	7,201.51	7,300.00	67,840.40	63,300.00	104,100.00
YOUNG LAWYERS	37,198.43	32,900.00	140,688.88	146,800.00	194,300.00
SENIOR LAWYERS	15,804.38	12,500.00	40,519.28	39,600.00	43,200.00
GOVERNMENT RELATIONS	5,972.93	2,500.00	34,080.65	33,000.00	33,000.00
JUDICIAL EVALUATION	0.00	0.00	3,205.07	3,100.00	5,000.00
PUBLIC SERVICE COMMITTEE	1,285.97	1,000.00	5,039.53	7,600.00	24,500.00
PRO BONO	1,444.19	1,500.00	21,543.90	21,600.00	58,900.00
ASK-A-LAWYER	538.23	500.00	2,682.98	2,100.00	14,800.00
CLIENT ASSISTANCE PROGRAM	48.31	100.00	586.30	900.00	1,000.00
ADR CERTIFICATION	104.82	0.00	9,098.68	7,000.00	9,000.00
REFERRAL SERV. MARKETING	13,896.99	14,200.00	80,434.35	83,500.00	117,900.00
LAW RELATED EDUCATION	7,884.02	8,000.00	82,767.44	95,500.00	124,500.00
PUBLIC RELATIONS	2,855.01	1,800.00	15,761.77	13,700.00	29,700.00
SC LAWYER	33,209.51	37,200.00	168,192.34	188,000.00	226,100.00
LAWYERS DESK BOOK	0.00	0.00	3,919.33	4,000.00	4,000.00
CONTRIBUTIONS	0.00	0.00	3,000.00	3,000.00	8,000.00
CREDIT CARD FEES	2,358.97	0.00	66,983.67	55,800.00	55,800.00
MISCELLANEOUS	123.49	200.00	1,455.40	1,800.00	2,800.00
SHORT TERM PROJECTS	1,090.19	1,000.00	3,659.21	3,600.00	5,000.00
LAW STUDENT AFFILIATES	0.00	0.00	6,253.01	7,200.00	8,500.00
SALES TAX	0.00	0.00	23.17	200.00	200.00
NEW BUILDING DEBT	26,400.00	26,400.00	237,600.00	237,600.00	316,800.00
TOTAL EXPENSES	<u>\$426,490.82</u>	<u>\$422,000.00</u>	<u>\$3,186,687.38</u>	<u>\$3,260,500.00</u>	<u>\$4,465,900.00</u>
NET CHANGE	<u>(\$320,825.34)</u>	<u>(\$319,200.00)</u>	<u>\$1,128,397.91</u>	<u>\$1,034,600.00</u>	<u>(\$21,900.00)</u>

**SOUTH CAROLINA BAR
Government Relations
Statement of Revenue and Expenses
For the Nine Months Ending Saturday, March 31, 2018**

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>ANNUAL BUDGET</u>
REVENUE					
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXPENSES					
SALARIES	0.00	0.00	104.09	0.00	0.00
FICA & EMPLOYEE BENEFITS	0.00	0.00	25.78	0.00	0.00
EQUIPMENT & FURNITURE	0.00	0.00	0.00	0.00	0.00
EQUIPMENT & MAINTENANCE	0.00	0.00	0.00	0.00	0.00
OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00
POSTAGE	0.00	0.00	0.00	0.00	0.00
TELEPHONE	0.00	0.00	0.00	0.00	0.00
PROFESSIONAL FEES	0.00	0.00	0.00	0.00	0.00
STAFF EXPENSE	0.00	0.00	0.00	0.00	0.00
GOVERNMENT RELATIONS	5,972.93	0.00	34,080.65	30,500.00	33,000.00
TOTAL EXPENSES	<u>\$5,972.93</u>	<u>\$0.00</u>	<u>\$34,210.52</u>	<u>\$30,500.00</u>	<u>\$33,000.00</u>
NET BALANCE	<u>(\$5,972.93)</u>	<u>\$0.00</u>	<u>(\$34,210.52)</u>	<u>(\$30,500.00)</u>	<u>(\$33,000.00)</u>

**Lawyer Referral Service
Statement of Revenue and Expenses**

REVENUE					
LRS PARTICIPATION FEES	\$30,514.93	\$30,000.00	\$197,839.60	\$199,000.00	\$300,000.00
LRS SUBSCRIPTION FEES	800.00	0.00	67,100.00	65,000.00	65,000.00
TOTAL REVENUES	<u>\$31,314.93</u>	<u>\$30,000.00</u>	<u>\$264,939.60</u>	<u>\$264,000.00</u>	<u>\$365,000.00</u>
EXPENSES					
SALARIES	7,150.50	7,200.00	64,121.00	64,400.00	85,900.00
FICA & EMPLOYEE BENEFITS	3,984.24	4,000.00	22,224.16	22,800.00	30,300.00
BUILDING	700.00	700.00	6,500.00	6,500.00	8,700.00
EQUIPMENT & FURNITURE	0.00	0.00	2,422.59	0.00	1,500.00
EQUIPMENT & MAINTENANCE	800.00	800.00	5,646.76	10,600.00	12,800.00
OFFICE SUPPLIES	0.00	0.00	3.15	500.00	1,500.00
POSTAGE	179.26	0.00	557.73	200.00	1,000.00
TELEPHONE	58.64	200.00	593.13	200.00	1,200.00
PROFESSIONAL FEES	0.00	0.00	300.00	300.00	2,800.00
STAFF EXPENSE	0.00	0.00	0.00	0.00	0.00
BOND / INSURANCE	0.00	0.00	0.00	0.00	600.00
DUES /SUBSCRIPTIONS	0.00	0.00	0.00	0.00	0.00
CASUAL LABOR	0.00	0.00	0.00	0.00	0.00
ADVERTISING	13,754.83	14,000.00	77,895.61	81,300.00	114,700.00
GENERAL EXPENSES	142.16	200.00	2,538.74	2,200.00	3,200.00
TOTAL EXPENSES	<u>\$26,769.63</u>	<u>\$27,100.00</u>	<u>\$182,802.87</u>	<u>\$189,000.00</u>	<u>\$264,200.00</u>
NET BALANCE	<u>\$4,545.30</u>	<u>\$2,900.00</u>	<u>\$82,136.73</u>	<u>\$75,000.00</u>	<u>\$100,800.00</u>

SOUTH CAROLINA BAR
Statement of Revenue and Expense
Young Lawyers Division
For the Nine Months Ending Saturday, March 31, 2018

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>ANNUAL BUDGET</u>
REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXPENSES					
ANNUAL CONVENTION	0.00	0.00	34,134.88	39,500.00	39,500.00
SERVICE TO THE PUBLIC	8,206.01	6,500.00	24,471.07	27,800.00	43,700.00
SERVICE TO THE BAR	4,997.97	5,100.00	23,268.05	24,900.00	37,500.00
STRATEGIC PLANNING	20,510.26	19,000.00	20,636.67	19,000.00	19,000.00
DELEGATE EXPENSE	0.00	0.00	23,190.86	24,800.00	34,000.00
ADMINISTRATIVE	1,113.32	300.00	6,219.68	3,300.00	3,500.00
PUBLICATIONS/SCYL	2,082.26	2,000.00	7,908.85	7,500.00	14,600.00
PROJECT COMPLETION	288.61	0.00	858.82	0.00	2,500.00
TOTAL EXPENSES	<u>\$37,198.43</u>	<u>\$32,900.00</u>	<u>\$140,688.88</u>	<u>\$146,800.00</u>	<u>\$194,300.00</u>
NET BALANCE	<u>(\$37,198.43)</u>	<u>(\$32,900.00)</u>	<u>(\$140,688.88)</u>	<u>(\$146,800.00)</u>	<u>(\$194,300.00)</u>

SOUTH CAROLINA BAR
SECTIONS FUND BALANCES
For the Nine Months Ending Saturday, March 31, 2018

	YTD
CONSTRUCTION LAW SECTION	
BEGINNING FY FUND BALANCE	\$19,318.33
YTD REVENUE	4,744.72
YTD EXPENSES	2,807.22
FUND BALANCE	\$21,255.83
CONSUMER LAW SECTION	
BEGINNING FY FUND BALANCE	4,266.16
YTD REVENUE	1,728.00
YTD EXPENSES	2,986.64
FUND BALANCE	\$3,007.52
CORPORATE, BANKING & SECURITIES SECTION	
BEGINNING FY FUND BALANCE	23,825.32
YTD REVENUE	3,618.00
YTD EXPENSES	2,982.03
FUND BALANCE	\$24,461.29
CRIMINAL LAW SECTION	
BEGINNING FY FUND BALANCE	21,951.48
YTD REVENUE	3,318.00
YTD EXPENSES	5,984.39
FUND BALANCE	\$19,285.09
DISPUTE RESOLUTION SECTION	
BEGINNING FY FUND BALANCE	6,625.08
YTD REVENUE	2,952.00
YTD EXPENSES	3,912.23
FUND BALANCE	\$5,664.85
EMPLOYMENT AND LABOR LAW SECTION	
BEGINNING FY FUND BALANCE	3,798.92
YTD REVENUE	4,156.68
YTD EXPENSES	4,632.63
FUND BALANCE	\$3,322.97
ENVIRONMENTAL & NATURAL RESOURCES SECTION	
BEGINNING FY FUND BALANCE	10,049.01
YTD REVENUE	2,430.00
YTD EXPENSES	4,104.16
FUND BALANCE	\$8,374.85
FAMILY LAW SECTION	
BEGINNING FY FUND BALANCE	16,360.38
YTD REVENUE	9,562.56
YTD EXPENSES	11,450.04
FUND BALANCE	\$14,472.90
GOVERNMENT LAW SECTION	
BEGINNING FY FUND BALANCE	2,595.04
YTD REVENUE	2,736.00
YTD EXPENSES	1,748.17
FUND BALANCE	\$3,582.87
HEALTH CARE LAW SECTION	
BEGINNING FY FUND BALANCE	4,663.06
YTD REVENUE	2,928.00
YTD EXPENSES	1,125.18
FUND BALANCE	\$6,465.88

SOUTH CAROLINA BAR
SECTIONS FUND BALANCES
For the Nine Months Ending Saturday, March 31, 2018

	YTD
MILITARY LAW SECTION	
BEGINNING FY FUND BALANCE	
YTD REVENUE	2,458.06
YTD EXPENSES	1,080.00
FUND BALANCE	2,956.07
	\$581.99
PROBATE, ESTATE PLANNING AND TRUST	
BEGINNING FY FUND BALANCE	
YTD REVENUE	5,055.64
YTD EXPENSES	5,868.00
FUND BALANCE	3,585.10
	\$7,338.54
REAL ESTATE PRACTICE SECTION	
BEGINNING FY FUND BALANCE	
YTD REVENUE	36,154.54
YTD EXPENSES	8,451.00
FUND BALANCE	15,380.34
	\$29,225.20
SOLO AND SMALL FIRM PRACTITIONERS	
BEGINNING FY FUND BALANCE	
YTD REVENUE	16,001.62
YTD EXPENSES	9,876.00
FUND BALANCE	5,205.58
	\$20,672.04
TAX LAW SECTION	
BEGINNING FY FUND BALANCE	
YTD REVENUE	6,869.48
YTD EXPENSES	3,228.00
FUND BALANCE	2,973.78
	\$7,123.70
TORTS AND INSURANCE PRACTICE SECTION	
BEGINNING FY FUND BALANCE	
YTD REVENUE	49,613.88
YTD EXPENSES	5,934.00
FUND BALANCE	4,530.81
	\$51,017.07
TRIAL AND APPELLATE ADVOCACY SECTION	
BEGINNING FY FUND BALANCE	
YTD REVENUE	24,202.41
YTD EXPENSES	2,808.00
FUND BALANCE	5,828.57
	\$21,181.84
WORKERS' COMPENSATION SECTION	
BEGINNING FY FUND BALANCE	
YTD REVENUE	5,745.83
YTD EXPENSES	4,293.00
FUND BALANCE	4,985.20
	\$5,053.63
BEGINNING OF YEAR FUND BALANCE	259,554.24
YTD REVENUE	79,711.96
YTD EXPENSES	87,178.14
ENDING FUND BALANCE	\$252,088.06

GRANTS & OTHER
FUND BALANCES
For the Nine Months Ending Saturday, March 31, 2018

	YTD
ASK-A-LAWYER 17/18	
YTD REVENUE	\$31,088.00
YTD EXPENSES	31,242.34
FUND BALANCE	(\$154.34)
LRE GRANT FUND 17/18	
YTD REVENUE	173,250.00
YTD EXPENSES	171,790.29
FUND BALANCE	\$1,459.71
LRE SALES AND REGISTRATIONS	
BEGINNING OF YEAR FUND BALANCE	45,803.71
YTD REVENUE	19,600.00
YTD EXPENSES	2,400.00
FUND BALANCE	\$63,003.71
JMLP (LRE) GRANT	
BEGINNING OF YEAR FUND BALANCE	16,702.21
YTD REVENUE	17,762.93
YTD EXPENSES	36,567.89
FUND BALANCE	(\$2,102.75)
PRO BONO OTHER	
BEGINNING OF YEAR FUND	0.00
YTD REVENUE	2,750.00
YTD EXPENSES	0.00
FUND BALANCE	\$2,750.00
SC ACCESS TO JUSTICE COMMISSION (IOLTA) 17/18	
YTD REVENUE	1,303.11
YTD EXPENSES	1,524.59
FUND BALANCE	(\$221.48)
PB INDIGENT SERVICE FEE	
BEGINNING OF YEAR FUND	127,023.87
YTD REVENUE	119,891.73
YTD EXPENSES	103,318.00
FUND BALANCE	\$143,597.60
DISCIPLINARY FUND 17/18	
BEGINNING OF YEAR FUND	621.57
YTD REVENUE	922,511.19
YTD EXPENSES	10.00
FUND BALANCE	\$923,122.76
DISPUTED FEES	
BEGINNING OF YEAR FUND	19,641.11
YTD REVENUE	1,347.91
YTD EXPENSES	0.00
FUND BALANCE	\$20,989.02
LAWYER REFERRAL SERVICE	
BEGINNING OF YEAR FUND	491,109.46
YTD REVENUE	0.00
YTD EXPENSES	0.00
FUND BALANCE	\$491,109.46

GRANTS & OTHER
FUND BALANCES
For the Nine Months Ending Saturday, March 31, 2018

	YTD
LGOA GRANT - PRO BONO	
BEGINNING OF YEAR FUND BALANCE	10,331.66
YTD REVENUE	0.00
YTD EXPENSES	1,437.47
FUND BALANCE	\$8,894.19
PARALEGAL CERTIFICATION	
BEGINNING OF YEAR FUND BALANCE	2,288.42
YTD REVENUE	3,550.00
YTD EXPENSES	526.97
FUND BALANCE	\$5,311.45
BANK OF AMERICA GRANT	
YTD REVENUE	40,002.00
YTD EXPENSES	20,451.10
FUND BAANCE	\$19,550.90
BEGINNING OF YEAR FUND BALANCE	713,522.01
YTD REVENUE	1,333,056.87
YTD EXPENSES	366,868.65
ENDING FUND BALANCE	\$1,679,710.23

LAWYERS' FUND
STATEMENT OF REVENUE AND EXPENSES
WITH BALANCE SHEET
For the Nine Months Ending Saturday, March 31, 2018

	March	YTD
REVENUES		
ANNUAL ASSESSMENTS	\$0.00	\$378,485.00
CONTRIBUTIONS	2,105.00	118,361.99
INTEREST	996.23	7,428.64
TOTAL REVENUES	\$3,101.23	\$504,275.63
EXPENSES		
AWARDS	7,250.00	172,431.20
RULE 413/33	882.93	4,359.45
TOTAL EXPENSES	\$8,132.93	\$176,790.65
NET CHANGE	(\$5,031.70)	\$327,484.98

BALANCE SHEET

ASSETS	
LFCP CHECKING	12,479.59
LFCP MONEY MARKET	831,973.23
INVESTMENTS	1,068,781.17
TOTAL ASSETS	\$1,913,233.99
LIABILITIES	
FUND BALANCE	
BEGINNING OF YEAR FUND BALANCE	1,585,749.01
YTD REVENUE	504,275.63
YTD EXPENSES	176,790.65
NET CHANGE	327,484.98
FUND BALANCE	\$1,913,233.99
TOTAL LIABILITIES AND FUND BALANCE	\$1,913,233.99

SOUTH CAROLINA BAR CLE - DIVISION
BALANCE SHEET
For the Nine Months Ending Saturday, March 31, 2018

CURRENT ASSETS

SCBT CHECKING	\$582,864.30
MONEY MARKET/INVESTMENTS	512,772.80
PETTY CASH	150.00
ACCOUNT RECEIVABLES	22,470.81
PRE-PAID EXPENSE	24,601.88
GENERAL INVENTORY	95,013.40
TOTAL CURRENT ASSETS	\$1,237,873.19

CAPITAL ASSETS	161,127.80
TOTAL ASSETS	\$1,399,000.99

CURRENT LIABILITIES

ACCOUNTS PAYABLE	39,228.19
DUE:COMPANY 1	804.74
REFUNDS PAYABLE	0.00
CLE VACATION PAYABLE	90,110.76
FACILITIES PAYABLE	0.00
SEMINAR DEFERRED REVENUE	42,300.00
CASH HOLDING ACCOUNT	0.00
CONVENTION CASH HOLDING	9,000.00
SALES TAX RECEIVED	0.00
TOTAL CURRENT LIABILITIES	\$181,443.69

BEGINNING OF YEAR FUND BALANCE	980,689.47
YTD REVENUE	2,428,883.49
YTD EXPENSE	2,192,015.66
NET CHANGE	236,867.83

FUND BALANCE	\$1,217,557.30
TOTAL LIABILITIES AND FUND BALANCE	\$1,399,000.99

SOUTH CAROLINA BAR CLE - DIVISION
INCOME STATEMENT
For the Nine Months Ending Saturday, March 31, 2018

	<u>MONTHLY ACTUAL</u>	<u>MONTHLY BUDGET</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>ANNUAL BUDGET</u>
REVENUE					
SEMINAR INCOME	\$34,882.86	\$41,900.00	\$1,114,494.03	\$1,148,800.00	\$1,250,000.00
E-CLE ACCESS	17,658.78	45,300.00	380,705.63	447,200.00	500,000.00
PUBLICATION INCOME	27,053.74	20,000.00	256,804.13	243,200.00	340,000.00
SCJ ROYALTY INCOME	0.00	0.00	102,043.54	90,000.00	90,000.00
CONVENTION	(310.00)	0.00	554,854.98	383,600.00	383,600.00
SPECIAL SEMINARS	0.00	0.00	1,700.00	0.00	0.00
MEDIA SERVICES/AV/HOM	0.00	0.00	0.00	0.00	3,000.00
INTEREST INCOME	132.66	0.00	610.41	0.00	500.00
BUILDING RENTAL	(300.00)	800.00	3,800.00	6,600.00	9,000.00
SHIPPING REVENUE	1,495.56	2,200.00	13,870.77	19,800.00	26,400.00
TOTAL REVENUE	\$80,613.60	\$110,200.00	\$2,428,883.49	\$2,339,200.00	\$2,602,500.00
EXPENSE					
CLE SALARIES	69,483.87	74,000.00	639,812.41	675,900.00	901,500.00
BENEFITS	40,094.75	44,500.00	216,857.29	246,500.00	327,500.00
BUILDING ACCOUNT	5,300.00	5,400.00	47,700.00	47,800.00	64,000.00
EQUIPMENT & FURNITURE	0.00	0.00	7,635.76	8,200.00	8,200.00
EQUIPMENT MAINTENANCE	7,819.19	8,600.00	60,814.22	67,400.00	107,300.00
OFFICE SUPPLY EXPENSE	873.46	500.00	8,658.20	5,300.00	6,800.00
INTERNET DEVELOPMENT	0.00	0.00	0.00	0.00	0.00
POSTAGE EXPENSE	174.96	100.00	2,629.95	2,700.00	3,400.00
TELEPHONE EXPENSE	822.27	800.00	7,795.51	7,100.00	9,500.00
STAFF EXPENSE	389.94	600.00	7,533.41	7,400.00	9,100.00
STAFF EDUCATION	0.00	0.00	4,876.31	1,000.00	1,000.00
CLE COMMITTEE EXPENSE	188.47	0.00	521.74	0.00	500.00
BOND & INSURANCE	879.91	900.00	8,395.27	7,500.00	10,200.00
MEMBERSHIP/SUBSCRIPTIONS	0.00	0.00	0.00	0.00	0.00
PROFESSIONAL FEES	0.00	0.00	6,975.00	6,200.00	6,200.00
CASUAL LABOR	0.00	0.00	25.00	0.00	500.00
SEMINAR DIRECT	23,330.97	17,000.00	300,818.72	305,200.00	334,100.00
E-CLE ACCESS	8,861.53	8,600.00	77,456.96	76,700.00	102,500.00
PUBLICATION DIRECT	11,840.37	8,600.00	98,602.00	104,300.00	145,500.00
PUBLICATION ROYALTIES	0.00	0.00	33,213.63	44,500.00	89,000.00
CONVENTION	565.32	0.00	577,019.85	389,400.00	389,400.00
SPECIAL SEMINARS	0.00	0.00	0.00	0.00	0.00
MEDIA SERVICES DIRECT	453.47	700.00	3,179.21	6,300.00	8,700.00
BANKCARD CHARGES	9,481.46	10,000.00	46,175.84	48,300.00	58,300.00
MARKETING	1,878.19	1,900.00	35,319.38	34,000.00	105,000.00
TOTAL EXPENSE	\$182,438.13	\$182,200.00	\$2,192,015.66	\$2,091,700.00	\$2,688,200.00
NET CHANGE	<u>(\$101,824.53)</u>	<u>(\$72,000.00)</u>	<u>\$236,867.83</u>	<u>\$247,500.00</u>	<u>(\$85,700.00)</u>

SOUTH CAROLINA BAR PRO BONO LAWYER OF THE YEAR

The South Carolina Pro Bono Awards program seeks to identify and honor individual lawyers, small and large law firms, government attorney offices, corporate law departments and other organizations and institutions in the legal profession that have enhanced the human dignity of others by improving or delivering volunteer legal services to our state's low income community. Award recipients may have provided direct representation to individual clients, contributed to the development of innovative programs, impacted legislative efforts or otherwise aided in promoting access to the legal system for those unable to afford those services.

Past Pro Bono Awards

1987	W. Clarkson McDow Jr.	2005	The Benjamin Law Firm, LLC Jeffery P. Bloom
1988	Gary W. Poliakoff	2006	Jonathan S. Altman Stephanie E. Lewis D. Peters Wilborn Jr.
1989	Marcia R. Powell	2007	Ellis, Lawhorne & Sims, PA
1990	Jon Rene Josey	2008	Philip A. Middleton
1991	Harriet Daniels Hancock	2009	Kristen E. Horne Keri A. Olivetti
1992	Edward T. Kelaher	2010	Christopher Genovese Alex Paterra
1993	George B. Cauthen Nexsen Pruet Jacobs & Pollard	2011	Bradford T. Cunningham Louis T. "Tom" Runge Sowell Gray Stepp & Laffitte, LLC
1994	Herbert E. Buhl III Ellis Lawhorne Davidson & Sims, PA Harvey & Battey, PA	2012	Jason Scott Luck
1995	Freeman and Skinner Robinson, McFadden & Moore, PC Trefor Thomas	2013	Sharon Young Ward
1996	Bernard J. Warshauer Lowery, Thompson & King Suggs & Kelly, PA	2014	John E. Robinson
1997	James G. Long III Fairbanks & Lindsay, PA	2015	Tina Marie Cundari Laura Johnson Evans
1998	Julio E. "Rick" Mendoza Nelson Mullins Riley & Scarborough, LLP Wukela Law Firm	2016	J. Scott Bischoff II
1999	Anderson and Jordan Finkel and Altman, LLC Eric K. Graben		
2000	John R. Lester Kathleen Palinski		
2001	Daniel J. Fritze Nelson Mullins Riley & Scarborough, LLP Smalls Law Firm, PC		
2002	Anthony C. Hayes		
2003	Jan M. Baker Moss & Reed, PA		
2004	Stuart M. Andrews Jr. Robert K. Whitney		

YOUNG LAWYER OF THE YEAR AWARD

Each year, the Young Lawyers Division awards "The Young Lawyer of the Year" Award to recognize a young lawyer for his or her contribution(s) to the community and/or the legal profession. The nominee for the Award must be a member of the Young Lawyers Division, but he or she may neither be a current member of the Division's Executive Council or a Division Committee Chairperson nor have been a member or chairperson within the previous calendar year.

The Award will be based upon the nominees' demonstrated:

- (1) Services to the legal profession and/or
- (2) Services to his or her community.

Past award winners are listed below:

1984	Merl F. Code	2001	Stephen K. Benjamin
1985	Linda A. Grice		Marie-Louise Ramsdale
1986	William C. Hubbard	2002	Kimaka Nichols
1987	Kenneth E. Young	2003	Eric M. Johnsen
1988	Deborah K. Neese	2004	Tally Parham
	D. Michael Kelly	2005	J. Todd Rutherford
1989	Charles B. Simmons Jr.	2006	Jennifer W. Rubin
1990	Martha McElveen Horne	2007	Tina N. Herbert
1991	David E. Belton	2008	Genevieve N. Waller
	Jacqueline D. Belton	2009	Michelle Dhunjishah
1992	Charles Bradley Hutto	2010	William Reamer Johnson
1993	Issac McDuffie Stone III	2011	Amy Landers May
1994	Susan E. Ziel	2012	Jennifer Ashburn
1995	Susan E. Berkowitz	2013	I. Ryan Neville
1996	Kim S. Aydlette	2014	Allison P. Sullivan
1997	David G. Guyton	2015	Elizabeth "Beth" J. Palmer & Rebecca A. Roser
1998	(Not awarded)	2016	D. Nichole Davis
1999	James E. Smith Jr.	2017	Julie Moore
2000	Hervy B.O. Young		

LRE Lawyer of the Year

Award Criteria:

The award criteria for such a prestigious honor is for a member of the SC Bar who has

- fostered public understanding of the values of our legal and judicial system;
- stimulated a deeper sense of individual responsibility by helping students recognize their legal duties and rights;
- encouraged and supported effective LRE programs; and
- increased communication among students, educators, and those working in the legal system.

Past Recipients:

2000 Stephen Cox
2001 R. Markley Dennis Jr.
2002 Harold C. Staley Jr.
2003 The Hon. Jack A. Landis
2004 Donna M. McQueen
2005 John DeLoache
2006 Barbara Seymour
2007 Elizabeth "Babs" Warner
2008 Holly Huggins Wall
2009 Daniel Hunt
2010 Walter Dusky
2011 The Hon. John M. Rucker
2012 Gene P. Vaught, III
2013 Blair Ballard Massey
2014 George W. Branstiter, II
2015 Thomas McRoy "Roy" Shelley III
2016 Garrett B. Johnson
2017 Joseph P. Bias

The G. Dewey Oxner Jr. Mentor of the Year Award

In November 2013, the Supreme Court of South Carolina's Chief Justice's Commission on the Profession established the G. Dewey Oxner Jr. Mentor of the Year Award. This award is presented annually to an individual who has performed exemplary service and demonstrated professional excellence as a mentor to a new lawyer participating in the Supreme Court's Lawyer Mentoring Program, which is administered by the Bar. The program connects new lawyers, who have recently been admitted to the practice of law, with experienced lawyers for a year-long mentorship.

Past award winners are listed below:

2014:

The Honorable Casey L. Manning
Elizabeth Scott Moise
Richard B. Ness
John S. Nichols
Alice F. Paylor

2015:

Rebecca Poston Creel
Tony Dessausure
Jamie B. Hood
Candy M. Kern-Fuller
Joe W. Underwood

2017:

Kirby D. Shealy, III

There are no written materials for this item.

**REPORT OF THE PRESIDENT
MAY 24, 2018
ELIZABETH H. WARNER**

MEMBERSHIP SERVICES

Strategic Plan

Year three of the strategic plan is nearly complete, and the Board of Governors adopted a revised plan going forward. Efforts will be noted in remarks today.

Attorney Wellness

The Wellness Committee continues to study factors impacting the well-being of attorneys and educates members about resources that will improve their mental and physical wellness. Its work is widely recognized as the model for lawyer wellness programs around the country. The committee just completed an eight-week “Spring into Wellness” Challenge, designed to help members achieve physical, mental, social and financial goals.

The Lawyers Helping Lawyers program continues to assist lawyers affected by depression and/or substance abuse, providing referral services, peer support and monitoring services. The LHL staff maintains a periodic on-site presence at the USC School of Law and Charleston School of Law. Call LHL at (866) 545-9590 for free and confidential assistance, advice or referral. Members may also call CorpCare, which provides up to five free hours of anonymous intervention counseling, at (855) 321-4384 to be referred to a counselor 24 hours a day.

In January the Wellness Committee and the Lawyers Helping Lawyers Commission succeeded in obtaining House of Delegates approval of a proposal to require mandatory instruction in substance abuse and mental health issues every two years rather than every three years.

Diversity Committee

The Diversity Committee recognizes a quarterly Diversity Spotlight Series honoree who is at the forefront in efforts to increase diversity within the profession. The latest honoree was the late Chief Justice Ernest Finney Jr. The committee also produces a video series to emphasize the importance of diversity to the profession and sponsored the Diversity is a State of Mind CLE program in March, which included discussion on implicit bias and creating a culture of diversity and inclusion in law firms.

NextGen Group

A “NextGen” group is studying national and state innovations in the legal profession. Ideas currently being considered include coding classes for attorneys, innovation cohorts and an incubator program for professional development, project experimentation and entrepreneurship.

Future-in-Law

The Future-in-Law eBlast feature launched this past winter and showcases emerging trends and innovations in the practice of law and related provision of legal services. Twenty-eight jurisdictions now require lawyers to stay abreast of legal technology changes to satisfy ethical obligations, and this resource is designed to help keep Bar members up to speed.

Technology Committee

The Bar recently formed a Technology Committee to provide guidance to members on best practices and to identify current technology issues affecting the practice of law, such as cyber security. Lawyers and law office personnel with technology experience are invited to join.

Practice Management Assistance Program (PMAP)

PMAP provides technology advice by telephone, through the “Bar Bytes” column, through the Solo and Small Firm blog at www.scsmallfirm.com, and through technology tips published through eBlast and Twitter. PMAP is also the point of contact for Fastcase, the Bar’s free online legal research benefit for members. PMAP continues to add new content to its video series on law office management topics, available at www.scbar.org/pmap.

CloudLaw

The Bar is proceeding with the development of this online legal marketplace for members and the public. Through the site, consumers will be able to search and filter by geography, legal need and expertise. They can also contact attorneys directly and schedule an appointment.

Paralegal Certification

The Bar is charged with administering the Court-created Paralegal Certification Program. To date, 62 paralegals have been certified, and recently three state chapters were approved as accredited CPE sponsors. Creation of a dedicated website for this group is underway, which will house a searchable directory of certified paralegals.

Contract Directory

An online directory of contract lawyers and paralegals for use by Bar members has been created and added to the Bar website. Lawyers and paralegals who have indicated an interest in appearing in the directory are included.

Mentoring Program

The Bar administers the Mandatory Lawyer Mentoring Program, including recruitment of new mentors and ongoing support of mentees. The program has sponsored mentoring CLEs across the state and hosted the G. Dewey Oxner Jr. Mentor of the Year Award luncheon on May 3.

Legislation

The Bar continues to monitor and advocate for legislation pertaining to the interests of Bar members. Members benefit from these monitoring services through *The Legislative Update*, a summary of all significant legislation passed; Weekly Legislative Reports on the Bar website during legislative session; and an online legislative tracking system. The Bar encourages members to help inform state legislators of the issues and concerns of lawyers.

2018 Leadership Academy

The ninth installment of the Bar’s Leadership Academy launched in February. This highly selective program is designed to equip members to face challenges in the legal community and community at large, maximize networking and relationship building opportunities, nurture principled leadership and increased awareness regarding ethical, professional and community service issues, as well as to develop other skills necessary to give back to the profession and position themselves as valuable leaders in the community. Graduates will be recognized during a special celebration in June.

Meetings in the Counties

The Board of Governors has resumed the hosting of meetings with members at the county level to identify issues important to them. These meetings led to a number of Bar initiatives.

Member Benefits

The Bar continues to add discounts on a number of products and services to its collection of member benefits, such as wellness providers, travel services and office products. For a complete listing of Bar member benefits, visit www.scbar.org/benefits.

Image Video

Production is underway for an image video that will spotlight the benefit the legal profession brings to various local non-profits and their work in our communities. The video is slated to be completed and shared through social media channels in May.

Member and Public Communications

- eBlast is delivered to members' inboxes each week and features advance sheet summaries, CLE information, court news, summaries on pending legislation, online resources, practice management tips and other legal information.
- *SC Lawyer* is published in January, March, May, July, September and November. Members may opt to only receive the digital edition; visit www.scbar.org/sclawyer for more information. Past articles can be found at the link above and through Fastcase.
- The Bar interacts with members and the public on Facebook, Twitter and LinkedIn, including photos from events, public programs, CLE programs and other news. The Bar will soon launch a presence on Instagram as well.
- The Bar routinely communicates with the media and other groups about the wide variety of public programs made available by lawyer volunteers. This year the Bar has also engaged in outreach to libraries to share resources available with important legal information for the public.
- The Bar website is updated daily with new calendar events, CLE programming, news items, featured items and others. Online content includes the Lawyers Desk Book, available at www.scbar.org/deskbook, with both a searchable and PDF member directory.

PUBLIC SERVICES

Guardian *ad Litem* Task Force

This task force has been studying the state's guardian *ad litem* system in order to propose changes to the current statute. The Court sent the task force's proposal to the Docketing Task Force Family Court Subcommittee for review and recommendation to the Court. The subcommittee distributed a survey to family court judges regarding the efficacy of continuing to use lay guardians *ad litem* in contested custody cases.

Vulnerable Adult Task Force

The Vulnerable Adult Task Force was formed to study how South Carolina can better care for its citizens who are considered vulnerable. Subcommittees looked at legal, service, education and funding aspects and sought input outside the task force from those who have experience with the current vulnerable adult system. Members of the task force were appointed to a drafting committee, which has begun drafting proposed changes to the statute to reflect the recommendations of the subcommittees.

Pro Bono Program

Last year the Pro Bono Program was restructured, including appointment of the pro bono board and local committees to develop local projects. Currently, options are being explored for case and volunteer management technology. A Rural Area Subcommittee was appointed to respond to the unique pro bono needs in these areas of the state, and a Pro Bono Board Communications Representative was identified to support promotion of pro bono opportunities and recognition of pro bono volunteer successes. The pro bono page of the Bar website has been enhanced with news, notes, opportunities for pro bono involvement, and recognition of pro bono accomplishments.

SC VALOR

In January 2018 the SC Attorney General launched the SC VALOR program to supply pro bono legal services to veterans throughout South Carolina. The Bar and other groups are helping to coordinate volunteers and staff clinics that provide legal assistance and consultations on SCRA, landlord/tenant problems, wills and power of attorney. During the program's first event in Rock Hill, volunteers prepared wills for 56 vets and spouses.

National Health Care Decision Day

The Bar joined other organizations in April to celebrate Health Care Decisions Day. At the request of the Bar, Gov. Henry McMaster issued a proclamation declaring the week of April 15-21 Health Care Decisions Week in SC. Information for the public was shared via social media and distributed to media outlets.

Social Media Outreach

During National Consumer Protection Week March 4-10, the Consumer Law Section provided helpful tips and resources for the public via Twitter and Facebook. The Elder Law Committee is also supplying social media information in promotion of Elder Law Month during the month of May.

Free Legal Answers

SC.FreeLegalAnswers.org allows individuals who meet certain qualifications to post legal questions to volunteer attorneys. It is accessible 24 hours a day, seven days a week, allowing both the attorney and client to use the resource at their convenience. Questions are sorted based on topic, including benefits, consumer law issues, health care, family, work related issues and more. The identity of the attorney is not made known to the inquirer. Questions to the site are often answered during "Friday Blitzes," which provide an opportunity for law students to see real world questions and interact with local lawyers.

Free Legal Clinics

The Public Services Division, through volunteer Bar members, continues to host free legal clinics around the state to educate the public on such issues as bankruptcy, divorce, wills and other legal matters. More than 50 clinics were held during the spring. The Division also partnered with the Central Midlands Area Agency on Aging and USC School of Law Pro Bono Program to sponsor "My Will" clinics to offer qualified citizens assistance with creating a simple will.

Ask-A-Lawyer

The Bar continues to sponsor periodic, regional Ask-A-Lawyer programs, which consist of televised phone banks and web chats, in an effort to assist the public with legal questions. This program emphasizes the positive role lawyers play in their communities.

Lawyer Referral Service

The Lawyer Referral Service currently has 345 Bar members participating. The service is promoted through radio and online advertising and a Google AdWords campaign. 15,149 referrals have been made since July 1.

Law School for Non-Lawyers

Installments of the Law School for Non-Lawyers were held during the spring in Beaufort, Florence and Rock Hill. The courses covered an overview of the court system, living wills, family law, landlord/tenant issues, employment law, workers' compensation and a variety of other topics.

Fee Disputes/Lawyers' Fund

The Resolution of Fee Disputes Board has closed 106 cases since July 1. The Fee Disputes Board resolves fee, cost and disbursement disputes between clients and Bar members. The Lawyers' Fund for Client Protection, which reimburses clients for money or property mishandled by Bar members, received 14 new applications, resolved 27 pending applications and paid \$155,310.51 to former clients since July 1.

Ask-A-Lawyer, Law School for Non-Lawyers and free legal clinics are funded by an IOLTA grant from the S.C. Bar Foundation, Inc. and by Bar funds.

LAW RELATED EDUCATION

High School Mock Trial

Heathwood Hall Episcopal School took home first place in the 36th annual SC Bar State Mock Trial Competition March 9-10 at the Matthew J. Perry Jr. Federal Courthouse in Columbia. Nation Ford High School was named the first runner-up, and Wilson High School was awarded the Professionalism and Civility Award. Ruby Dozier of Manning High School won the courtroom artist portion of the competition, and she, along with students from Heathwood Hall, will represent South Carolina at the national competition this month. Forty-two teams participated in February's regional competitions that were held in Charleston, Columbia, Conway, Greenville and Lexington.

We the People

River Bluff High School won its third consecutive We the People: The Citizen and the Constitution state competition in January. The first runner-up was Carolina Forest High School. River Bluff's team competed at the national finals in Washington, D.C. April 27-30.

Skills USA

The LRE Division hosted the 2018 Criminal Justice Quiz Bowl competition, a component of the two-day 2018 Skills USA competition held in Greenville in April. The Center for Advanced Technical Studies in Chapin won its fifth state championship title.

LRE Awards

The LRE Committee's Awards Subcommittee has named the following award recipients:

Lawyers of the Year: Gary Craig Lemel and Nathan James Sheldon

Teachers of the Year: Liz Good (Buist Academy, Charleston) and Linsy Dooley (River Bluff High School, Lexington)

Eight high school students were awarded scholarships for their achievement in the Mock Trial program, and one student was awarded a scholarship for achievement in the We the People: The Citizen and the Constitution program.

James Madison Legacy Project Grant

In 2016 the Division received a three-year James Madison Legacy Project grant to work with *We the People* teachers in recruitment, mentorship and professional development. The grant will conclude in September. A 2018 Summer Institute will be held in June.

Teacher Newsletter

The LRE Division continues to distribute an electronic newsletter to educate teachers about law related programs and communicate relevant news and upcoming events. The newsletter is distributed three times each year. The Division also keeps students and teachers up to date through social media.

Trainings

The Division hosted webinar trainings for Mock Trial and Law for Teachers. Trainings were held at individual schools and statewide to prepare teachers for implementation of LRE programs.

The LRE programs noted above are funded by an IOLTA grant from the S.C. Bar Foundation, Inc. and by Bar funds. Competitions are made possible through the efforts of members of the legal community who volunteer to serve as attorney coaches, district coordinators, scoring judges and presiding judges.

CONTINUING LEGAL EDUCATION

Programming Options

The CLE Division continues to offer a number of programs in various formats and locations around the state to give members the best value, variety and flexibility in CLE programming. Available formats include live seminars, teleseminars (via phone), online seminars and live webcasts. Please visit www.scb.org/cle to learn more about your options.

Convention

The 2018 Convention was held at Kiawah Island Golf Resort, where more than 1300 attendees chose from 23 seminars, visited 35 on-site exhibitors, and enjoyed wellness activities and a variety of special events. Plans are underway for the 2019 Convention in Myrtle Beach. Mark your calendars for Jan. 17-20, and visit www.scb.org/convention for the latest developments as well as sponsorship opportunities.

Live Seminars

Since July 1, the CLE Division has hosted 80 live seminars with a total attendance of 4,982. The Division continues to develop a wide variety of challenging programs including basic and advanced level workshops, section member-only programs and mediation training. Recent programs have addressed such topics as tort law, tech solutions for law firms, issues for solo and small firms, criminal practice, trends and developments in consumer law, unauthorized practice of law, agreements for separation and divorce, evidence, mergers and acquisitions, and “Essentials” programs on a variety of topics.

In late February, and again in April, the Division hosted “CLE Madness: Video Replay by-the-hour CLE Solution” to offer Bar members a last-minute walk-in opportunity for CLE credit, on the topic of their choosing, for \$50 per hour. The two-day February and one-day April events offered, respectively, up to 14 and five hours of MCLE, including up to three hours of LEPR and one hour of Mental Health/Substance Abuse credits.

CLE Big Ticket

In August the CLE Division launched the CLE Big Ticket, which is a low-cost one-year subscription to virtually all of the Division's live and live webcast seminars. In its first eight months, 124 members purchased Big Ticket subscriptions.

Alternatively-Delivered Programming

The CLE Division offers convenient access to on-demand seminars, live webcasts and live teleseminars. The Division continues to expand the catalog of programs, providing new topics and keeping the material in each topic area fresh and relevant. Currently, 344 on-demand seminars are available 24/7. Members can watch live webcasts of seminars in real time, or pause, rewind and review archived webcasts and online programs for up to 30 days. The Division has released 61 new online seminars and 43 live webcasts and has offered 219 teleseminars since July 1, with more than 11,894 individual total sales during the period.

Publications

The robust publications department of the CLE Division continues to publish a number of new books, supplements and software programs across various practice areas. Titles published since July include:

Commercial Driver's License Tool Kit

Estate Planning in South Carolina, Second Edition, Volume I: Wills and Trusts

Legal Malpractice in South Carolina

SC Damages 2017 Supplement

SC Evidence Annotated, Twelfth Edition

SC Family Lawyer's Tool Kit 2017 Edition

SC Law of Torts, 2017 Cumulative Supplement Only

SC Rules Annotated 2017

The Master Agreement for Separation and Divorce, 2nd Edition

A complete list of CLE publications, as well as a list of recent releases, are available for browsing in the CLE Store.

Free Course Materials

Fifty-four sets of past seminar handout materials are available on the Bar's website for complimentary download to Bar membership. Uploading of additional materials will continue.

HotDocs

The CLE Division has partnered with HotDocs to develop cloud-based forms systems. Subscriptions to the form libraries will be available for purchase by Bar members in the future. Beta testing will begin soon.

Marketing

The Division continues to promote its programs to members through email, eBlast, signage, social media, Bar publications and a limited number of print mailings. Look for CLE offerings in any of these resources or visit www.scbarr.org/shop-cle. Members can opt in to targeted contact lists by logging in to their member profile on the Bar website.

YOUNG LAWYERS DIVISION

Home Safe Home

The Young Lawyers Division held the ABA YLD's Home Safe Home project at St. John's High School in Charleston, designed to increase awareness and activism for domestic violence issues. Students were engaged in a discussion of various types of relationships and divided into small groups to work through how they would respond to a scenario related to dating violence.

iCivics

This spring the iCivics Committee held its third annual Instagram Scholarship Competition, open to all South Carolina high school juniors and seniors. Participating students created an Instagram video that responded to one of five questions about the First Amendment. The winning student will receive a \$2,000 scholarship. In addition, volunteers traveled to schools statewide on iCivics Day to teach civics lessons to students.

Color of Justice

The Color of Justice Committee sponsors programs for middle and high school students designed to expose students from diverse backgrounds to careers in the legal field. Recently, the committee held a mock trial demonstration in Florence for 23 middle and high school students. Afterwards, students discussed the verdict and the evidence presented, followed by a Q&A session with young lawyers. The committee also held an Upstate program where students worked through a sample mock trial problem, witness statements, actual statutes and pieces of evidence with judge and attorney volunteers.

Cinderella Project

Since its launch in 2001, the Cinderella Project has become one of YLD's most popular projects. The annual event involves collection of gently worn formal gowns for socially and economically disadvantaged high school students. This year's project was held in Aiken, Anderson, Charleston, Columbia, Greenville, Greenwood and Orangeburg.

Families Forever

In 2008, YLD established the Families Forever project, which focuses on adoption awareness. Annual family fairs provide free adoption information, including seminars addressing domestic and international adoption, foster care and the adoption process. This year, fairs were held in Columbia, N. Charleston and Simpsonville.

Voices Against Violence

The Voices Against Violence Committee recently hosted a resource fair and provided pro bono legal services for individuals who use the services of Sistercare. The committee serves as the connection between the community and shelters that are in constant need of day-to-day items while protecting the privacy of the locations.

Wills Clinics

The Wills Clinics Committee continued its efforts to provide wills and health care documents to first responders and Habitat for Humanity homeowners. Most recently a workshop was held for York County firefighters, where volunteer young lawyers drafted wills, health care powers of attorney and living wills at no cost.

Protecting Our Youth

The Protecting Our Youth Committee hosted panel discussions at schools in eight circuits this year to

address the laws, rules and scenarios that are bringing students into contact with the criminal justice system and to advise them about common pitfalls to which teens are vulnerable. The committee hosted Protecting Our Youth Day at the Richland County Courthouse on April 27.

Community Law Week

The Division observed Community Law Week the first week in May with projects designed to provide the public with information about its legal rights and promote community involvement. Young lawyers throughout the state participated in Cocky's Reading Express to promote childhood literacy, in addition to other events planned in individual circuits.

Income Tax Assistance

Through the Volunteer Income Tax Assistance (VITA) program, young lawyers provided free tax preparation for households with low-to-moderate incomes in Charleston, Columbia and Greenville. Members of this committee receive training for preparing basic federal and state income tax returns.

Make-A-Wish

The Division continued its efforts to raise money to grant wishes to children with life-threatening medical conditions. Among other fundraisers this spring, young lawyers participated in the Trailblaze Challenge, led a team "Running Wild for Wishes" in the Cooper River Bridge Run and sponsored a golf tournament on Kiawah Island.

Special Olympics

YLD continued its support of Special Olympics South Carolina by providing sponsorships and volunteers to serve the needs of South Carolinians with intellectual disabilities. Members of this committee recruit and coordinate volunteers and encourage participation at Special Olympics events throughout the state. The Division expanded its annual Bowling Buddies event to Columbia, during which attorneys are paired with athletes for a night of bowling, burgers and fun.

Professional Development and New Admittee Events

The Professional Development Committee continues to host programs throughout the state to pair young lawyers with other young professional organizations for networking and learning opportunities. The Division welcomed new lawyers by hosting events in various judicial circuits.



Memorandum

To: Chair, SC Bar House of Delegates
cc: Michael Beal
From: George B. Cauthen *gbc*
Date: April 22, 2018
Re: Motion seeking support from SC Bar on national venue law on
bankruptcy cases ; "keep them down on the farm", file 3654

Mr. Chair:

I hereby Move for the South Carolina Bar to endorse Senate Bill 2282. A Commercial Law League White paper, A copy of the bill, and a copy of a December 14, 2017 resolution of the South Carolina Bankruptcy Law Association endorsing the bill are attached.

All should be attached to this memo for the agenda. I will be presenting this at the May 24, 2018 meeting of the House of Delegates.

Thanks

George



CLLA HILL DAY

February 26, 2018

BANKRUPTCY VENUE REFORM

1) PROPOSAL

On January 8, 2018 Senators John Cornyn (R-TX) and Elizabeth Warren (D-MA) introduced a bipartisan bankruptcy venue reform bill as S. 2282 entitled the Bankruptcy Venue Reform Act of 2018 to rebalance where commercial Chapter 11 bankruptcy cases are commenced. See **Exhibit A** for a copy. The proposed law eliminates the place of incorporation in favor of filing where the debtor's principal place of business or principal assets are located. It will also eliminate the affiliate-filing loophole. The result of this effort will make it more likely that local bankruptcy cases will be decided at home.

Retired Bankruptcy Judge Steven Rhodes (Bankr. E. D. Michigan) commented in the *Wall Street Journal* that the current venue law is "the single most significant source of injustice in chapter 11 bankruptcy cases." The National Association of Credit Managers recently asserted that venue shopping in bankruptcy cases "creates significant obstacles for trade creditors, ... and increases the cost of participation." S. 2282 will put an end to the rampant forum shopping permitted under the current statutory regime.

2) BACKGROUND

A 2015 GAO Report on *Corporate Bankruptcy – Stakeholders Have Mixed Views on Attorneys; Fee Guidelines and Venue Selection for Large Chapter 11 Cases* (GAO-15-839) confirmed that since 2009 nearly 2/3 of large companies (assets and liabilities of \$50 million or more) filed their chapter 11 cases in venues outside of the district where their principal place of business or principal assets are located. And approximately 90 percent of those companies filed in the District of Delaware or the Southern District of New York. (*Id.*, p.3). Our research tracked these same trends for the years from 2004 through 2016, where 735 chapter 11 bankruptcy cases were filed in the District of Delaware and another 125 chapter 11 bankruptcy cases were filed in the Southern District of New York, each involving a business debtor headquartered in a different state. These cases involved approximately \$1 trillion in assets, over \$2 trillion in debt, 6.3 million creditors and more than 2 million employees, all having their rights administered by courts having no meaningful connection with the subject debtors. This trend is not limited to large public companies. Almost a third of the Delaware cases involved smaller businesses with less than \$15 million in assets at the time of filing!

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3) WHY VENUE REFORM IS NECESSARY

When troubled companies flee their home states and seek bankruptcy protection in remote jurisdictions, trade creditors, employees, retirees and other parties are disenfranchised, public confidence in the bankruptcy system erodes and local interests are ignored. See **Exhibit B** for maps of VeraSun Energy Corporation, Lily Robotics and Marsh Supermarkets cases to illustrate the problem of filing a Chapter 11 bankruptcy case far away from where the debtor's business was conducted.

Other disinterested bankruptcy experts have noted:

- The 1997 National Bankruptcy Review Commission recognized that forum shopping and the concentration of cases in Delaware made it more difficult for small creditors and employees to actively participate in a bankruptcy case. The mass concentration of chapter 11 cases far from a debtor's home state deprives local constituents of their due process and tilts the playing field toward financially sophisticated parties who regularly appear in large bankruptcy cases. The situation has continued to deteriorate over time, leading to a growing level of indifference among creditor, employee and retiree constituents unable to participate actively in a process that directly affects their interests.
- When a disproportionately high number of large and middle market companies flee to Delaware or New York to seek refuge from their creditors, the process appears to be subject to manipulation by large moneyed interests. In the *Patriot Coal* case it was noted by the press that "[l]enders and lawyers who get the big cases like taking their troubles to courts in New York and Delaware, which are convenient to their homes and offices and attuned to their concerns". Forum shopping to achieve desired outcomes directly threatens the integrity of the bankruptcy system by eroding public confidence and calling into question the fairness of a bankruptcy system that can be so easily manipulated.
- The logical consequences of a remote business bankruptcy are often most profound in the region and community in which the debtor's principal place of business or principal assets are located. The location of the bankruptcy case can have a tremendous impact on the local economy since the reorganization of a distressed company will impact on local jobs and wages for years to come. Trade creditors, employees and retirees' ability to participate in the bankruptcy is limited when the venue of the case is located thousands of miles away in a remote courtroom.

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➤ The consequences of a business bankruptcy are often most profound in the region and community in which the debtor's principal place of business or principal assets are located. The location of the bankruptcy case can have a tremendous impact on the local economy. Based on estimates from *Bloomberg Businessweek* (February 12, 2012), the flood of companies fleeing their home jurisdictions over the past 13 years has drained nearly \$4 billion from local economies.

4) PARTIAL LIST OF SUPPORTING ORGANIZATIONS

- Texas Hotel & Lodging Association
- Iowa Bankers Association
- City of Berkeley
- National Association of Credit Managers
- National Association of Attorneys General (pending)
- Commercial Law League of America
- State Bar of California
- State Bar of Florida
- State Bar of Minnesota
- State Bar of South Carolina
- State Bar of Indiana (Bankruptcy Section)
- Boston Bar Association
- Tampa Bay Bar Association
- Bankruptcy & Commercial Law Section of the Dallas Bar Association
- State Bar of Texas Bankruptcy Section

For further information, please contact:

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115TH CONGRESS
2D SESSION
S. 2282

To amend title 28, United States Code, to modify venue requirements relating to bankruptcy proceedings.

IN THE SENATE OF THE UNITED STATES

JANUARY 6, 2018
Mr. COBATY (for himself and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To amend title 28, United States Code, to modify venue requirements relating to bankruptcy proceedings.

1 *Be it enacted by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Bankruptcy Venue Re-
5 form Act of 2018".

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds that—
8 (1) bankruptcy law provides a number of venue
9 options for filing bankruptcy under chapter 11 of
10 title 11, United States Code, including place of in-

1 corporation, principal place of business and assets,
2 or where an affiliate has filed a case under chapter
3 11;

4 (2) the wide range of permissible bankruptcy
5 venue options has led to an increase in companies
6 filing for bankruptcy outside of their home States,
7 or the district in which their principal place of busi-
8 ness or principal assets are located, a practice
9 known as forum shopping, and has resulted in a
10 concentration of bankruptcy cases in a few districts;

11 (3) bankruptcy forum shopping prevents small
12 businesses, employees, retirees, creditors, and other
13 important stakeholders from fully participating in
14 bankruptcy cases that will have tremendous impacts
15 on their lives, communities, and local economies, and
16 deprives district courts of the United States of the
17 opportunity to contribute to the development of
18 bankruptcy law in their jurisdictions; and

19 (4) reducing forum shopping and manipulation
20 in the bankruptcy system will strengthen the integ-
21 rity, build public confidence, and ensure fairness in
22 the bankruptcy system.

23 (b) PURPOSE.—The purpose of this Act is to prevent
24 the practice of forum shopping in cases filed under chapter
25 11 of title 11, United States Code.

1 **SEC. 3. VENUE OF CASES UNDER TITLE 11.**

2 Title 28, United States Code, is amended—

3 (1) by striking section 1408 and inserting the
4 following:

5 **“§1408. Venue of cases under title 11**

6 **“(a) DEFINITION.**—In this section, the term ‘prin-
7 cipal place of business’ means, with respect to a person
8 or entity that is subject to the reporting requirements of
9 section 13 or 15(d) of the Securities Exchange Act of
10 1934 (15 U.S.C. 78m, 78o(d)), the address of the prin-
11 cipal executive office of the person or entity as stated in
12 the last annual report filed under that Act prior to the
13 commencement of a case under title 11 by the person or
14 entity, unless another address is shown to be the principal
15 place of business by clear and convincing evidence.

16 **“(b) VENUE.**—Except as provided in section 1410,
17 a case under title 11 may be commenced only in the dis-
18 trict court for the district—

19 **“(1) in which the domicile, residence, or prin-
20 cipal assets in the United States of an individual
21 who is the subject of the case have been located for
22 the 180 days immediately preceding such commence-
23 ment, or for a longer portion of the 180-day period
24 than the domicile, residence, or principal assets in
25 the United States of the individual were located in
26 any other district;**

1 **“(2) in which the principal assets or principal
2 place of business in the United States of a person
3 or entity, other than an individual, that is the sub-
4 ject of the case have been located for the 180 days
5 immediately preceding the commencement, or for a
6 longer portion of the 180-day period than the prin-
7 cipal place of business or principal assets in the
8 United States of the person or entity were located
9 in any other district; or**

10 **“(3) in which there is already pending a case
11 under title 11 concerning an affiliate that directly or
12 indirectly owns, controls, is the general partner, or
13 holds 50 percent or more of the outstanding voting
14 securities, of the person or entity that is the subject
15 of the later filed case if the pending case was prop-
16 erly filed in that district under this section.**

17 **“(c) LIMITATIONS.**—

18 **“(1) IN GENERAL.**—For the purposes of para-
19 graphs (2) and (3) of subsection (b), no effect shall
20 be given to a change in the ownership or control of
21 a person or entity that is the subject of the case or
22 its affiliate, or to a transfer of the principal assets
23 or principal place of business of a person or entity
24 that is the subject of the case or its affiliate to an-
25 other district, that takes place—

1 "(A) within 1 year before the date on
2 which the case is commenced; or

3 "(B) for the purpose of establishing venue.

4 "(2) PRINCIPAL ASSETS.—For the purposes of
5 subsection (b)(2) and paragraph (1) of this sub-
6 section, principal assets do not include cash or cash
7 equivalents.

8 "(d) BURDEN.—The person or entity that com-
9 mences a case under title 11 shall bear the burden of es-
10 tablishing by clear and convincing evidence that venue is
11 proper under this section."; and

12 (2) by striking section 1412 and inserting the
13 following:

14 "§1412. Change of venue

15 "Notwithstanding that a case or proceeding under
16 title 11 is filed in the correct division or district, a district
17 court may nevertheless transfer a case or proceeding
18 under title 11 to a district court for another district or
19 division, in the interest of justice or for the convenience
20 of the parties. If a case or proceeding under title 11 is
21 filed in the wrong division or district, the district court
22 shall transfer, dismiss the case or proceeding, or, if it be
23 in the interest of justice, transfer the case or proceeding
24 under title 11 to any district or division in which it could
25 have been brought. The court shall enter an order on any

1 objection to or request to change venue of a case or pro-
2 ceeding under title 11 not later than 14 days after the
3 filing of such objection or request."

VeraSun Energy Corporation Case Facts

Case no. 09-12606-BLS

Filed: October 31, 2008

Where Filed: United States Bankruptcy Court for the District of Delaware

Headquarters: Sioux Falls, SD

Corn Producers: 7,800 corn contract holders, over 6,000 from Iowa

Plants: 17 production facilities in eight states



EXHIBIT B

Lily Robotics Case Facts

Case no. 17-10426-KJC

Filed: February 27, 2017

Where Filed: United States Bankruptcy Court for the District of Delaware

Headquarters and sole location: San Francisco, CA

Distance from Headquarters to Nearest Bankruptcy Court: Less than 5 miles

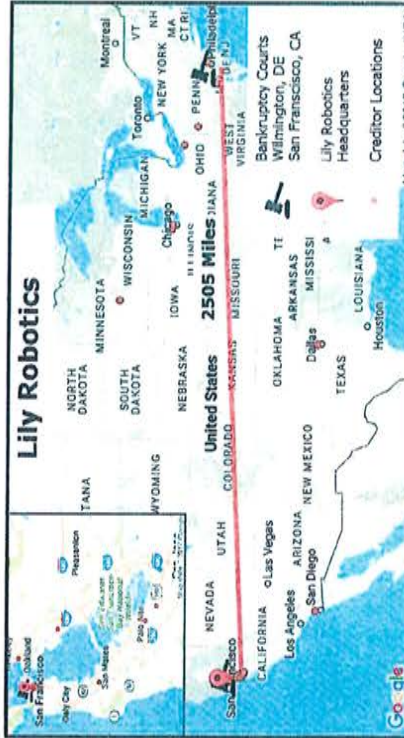
Subsidiaries/Affiliates: None

Assets: \$32,995,584.66 including \$25,660,972.52 cash and \$4,274,323.73 receivables

Location of Creditors: 15 of the 30 largest unsecured creditors listed when petition was filed are from California.

Location of Equity Holders: 55 of the 71 equity holders are in California.

Addressees on Matrix: 16 of the 30 entries on the Consolidated Creditor Matrix are from California.



Marsh Supermarkets Case Facts

Case no. 17-11066-BLS

Filed: May 11, 2017

Where Filed: United States Bankruptcy Court for the District of Delaware

Headquarters: Indianapolis, IN

Employees: 4,400

Assets: 60 stores in Indiana and Ohio

Trade Payables: \$30,000,000.00

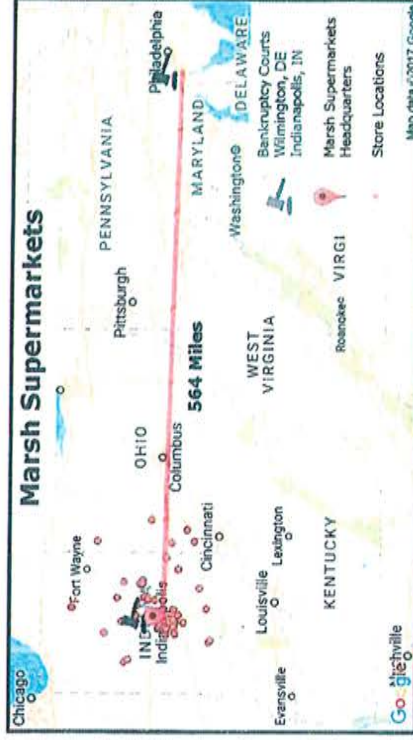
Underfunded Pension: \$21,750,000.00

Multiemployer Pension Plan Liability: \$55,000,000.00

Location of Largest

Unsecured Creditors:

State	Number	State	Number
CA	1	MI	1
Canada	1	MN	2
CT	1	NH	1
FL	1	NJ	1
GA	1	NY	1
IL	3	NC	4
IN	11	PA	1



SOUTH CAROLINA BANKRUPTCY LAW ASSOCIATION

1 Windsor Cove, Suite 305
Columbia, South Carolina 29223

On Thursday, December 14, 2017, the Board of Directors of the South Carolina Bankruptcy Law Association voted on and passed the following motion:

The South Carolina Bankruptcy Law Association supports any legislation, state or federal, that would require a company that files for bankruptcy relief to do so in the district where its primary place of business is located.

December 14, 2017



Christine Loftis
President

Memorandum

To: House of Delegates

From: Kirsten Small, Chairperson, Professional Responsibility Committee

Re: Proposed Amendments to SCRPC 1.0, 1.1, and 1.6

This proposal is a revised version of a proposal that was discussed during the House of Delegates' January 2018 meeting. The revised proposal, like the original, is made in an attempt to bring the South Carolina Rules of Professional Conduct up to date to reflect the role that technology plays in the legal industry. The advance of technology is a necessary fact in our world, and it is important for lawyers to consider how technology might impact both their practice and their interaction with clients. The proposal of the Professional Responsibility Committee is an attempt to consider the protection of the public and to help lawyers tailor their practice to accommodate the ever-changing world of technology.

In 2012, the American Bar Association's House of Delegates adopted proposed changes to Comment 8 to Model Rule 1.1, which pertains to lawyer competence. The change included the requirement that in order to maintain the requisite knowledge and skill to meet competency requirements, lawyer "should keep abreast of...the benefits and risks associated with relevant technology..." This change, while in the comments and not in the rule, acknowledged the fact that technology is a vital part of the legal industry. Certainly, there are attorneys and law firms that have managed to minimize the impact of technology and maintain past ways of conducting their practice of law. However, the ABA comment is a wake-up call to attorneys trying to make them aware that they cannot simply ignore technological advances. The comment specifically does not set forth what it means to keep abreast of the benefits and risks, but rather just puts an attorney on notice that he or she must make some effort to stay aware of the costs or benefits of technology.

Also in 2012, as a part of the overall revision to the Model Rules, the ABA adopted Rule 1.6(c) and a revised comment requiring lawyers to make "reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client." Further, the Model Rules included a comment [18] to Rule 1.6, noting that a lawyer has satisfied the requirement of 1.6(c) if the lawyer has made reasonable efforts to prevent the access or disclosure of the client's information. Comment 18 went on to describe elements that must be considered in order to determine whether reasonable efforts have been made.

On May 23, 2017, the ABA issued revised Formal Ethics Opinion 477 directly addressing a lawyer's duties to maintain confidentiality and the question of whether Model Rule 1.6 changed the requirements of lawyers to maintain confidentiality of their client's information. Opinion 477 noted that many lawyers primarily use electronic means to communicate and exchange documents with clients and other lawyers, including desktop computers, laptops, smartphones, tablets, cloud storage services. Opinion 477 concluded that a lawyer must, on a case-by-case basis, constantly analyze how they communicate electronically about client matter, applying the factors set forth in Comment [18] to determine what efforts are reasonable to prevent inadvertent or unauthorized disclosure of, or unauthorized access to, client information.

Considering the changes to the Model Rules noted above as well as ABA Revised Formal Opinion 477, the Professional Responsibility Committee created a technology subcommittee to review the South Carolina Rules of Professional Conduct and make a recommendation to the Committee as to whether or not our rules should be revised in order to reflect the importance and the prevalence of

technology in our industry. After several meetings, the subcommittee presented the Professional Responsibility Committee its report and proposal, which implicated Rules 1.0, 1.1, and 1.6. The subcommittee did not recommend wholesale adoption of the ABA Model Rules but rather recommended revisions that were unique to South Carolina and attempted to consider the best way to protect the public and maintain reasonable standards for South Carolina lawyers. The Committee accepted the proposal and presented it to the House of Delegates in January.

The proposal was the subject of robust discussion during the House of Delegates meeting. Several motions were made to amend the proposal, including a motion to revise Rule 1.0(r), to strike the proposed revisions to the text of Rules 1.1 and Rule 1.6 (leaving the revisions in the comments), and a motion to add an additional comment to Rule 1.6. Ultimately, a motion was made and approved to return the matter to the Professional Responsibility Committee for further consideration.

The Professional Responsibility Committee returned the matter to the subcommittee for further consideration in light of the discussion during the House of Delegates meeting, the audio of which was reviewed by the subcommittee. The attached proposal was recommended by the subcommittee and approved by the Professional Responsibility Committee, and it is now proposed to you for review and comment. As with the original proposal, the goal of the revision is not to work a substantive change in lawyers' ethical duties but rather to protect the public by explicitly recognizing, in a manner tailored to the needs of South Carolina lawyers, the need to be aware of the advantages and potential pitfalls that inevitably accompany the ever-increasing impact of technology in the practice of law.

Attachment

EXISTING RULE 1.0(r), RULE 1.1 and Comment [6], RULE 1.6 and Comments [19] and

[20]

RULE 1.0 TERMINOLOGY

(r) “Writing” or “written” denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or video recording and e-mail. A “signed” writing includes an electronic sound, symbol or process attached to or logically associated with a writing and executed or adopted by a person with the intent to sign the writing.

RULE 1.1: COMPETENCE

A lawyer shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.

Comments

Maintaining Competence

[6] To maintain the requisite knowledge and skill, a lawyer should keep abreast of changes in the law and its practice, engage in continuing study and education and comply with all continuing legal education requirements to which the lawyer is subject.

RULE 1.6: CONFIDENTIALITY OF INFORMATION

(a) A lawyer shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry out the representation or the disclosure is permitted by paragraph (b).

(b) A lawyer may reveal information relating to the representation of a client to the extent the lawyer reasonably believes necessary:

...

Comments

Acting Competently to Preserve Confidentiality

[19] A lawyer must act competently to safeguard information relating to the representation of a client against inadvertent or unauthorized disclosure by the lawyer or other persons who are participating in the representation of the client or who are subject to the lawyer's supervision. See Rules 1.1, 5.1 and 5.3.

[20] When transmitting a communication that includes information relating to the representation of a client, the lawyer must take reasonable precautions to prevent the information from coming into the hands of unintended recipients. This duty, however, does not require that the lawyer use special security measures if the method of communication affords a reasonable expectation of privacy. Special circumstances, however, may warrant special precautions. Factors to be considered in determining the reasonableness of the lawyer's expectation of confidentiality include the sensitivity of the information and the extent to which the privacy of the communication is protected by law or by a confidentiality agreement. A client may require the lawyer to implement special security measures not required by this Rule or may give informed consent to the use of a means of communication that would otherwise be prohibited by this Rule.

PROPOSED REVISIONS AND ADDITIONS

RULE 1.0 TERMINOLOGY

(r) “Writing” or “written” denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or videorecording and e-mail **or similar electronic communication**. A “signed” writing includes an electronic sound, symbol or process attached to or logically associated with a writing and executed or adopted by a person with the intent to sign the writing.

RULE 1.1: COMPETENCE

A lawyer shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation. **Competent representation also includes having a reasonable understanding of the benefits and risks associated with relevant technology.**

Comments

Maintaining Competence

[6] To maintain the requisite knowledge and skill, a lawyer should keep abreast of changes in the law and its practice, **including a reasonable understanding of the benefits and risks associated with the use of technology the lawyer uses to provide services to clients or to store or transmit information related to the representation of a client**, engage in continuing study and education, and comply with all continuing legal education requirements to which the lawyer is subject.

[7] **In connection with having a reasonable understanding of the benefits and risks associated with relevant technology, a lawyer has the discretion to associate or retain the services of a non-lawyer advisor of established technological competence in the field in question. However, this Rule should not be interpreted to require lawyers to retain the services of a technology professional or service.**

RULE 1.6: CONFIDENTIALITY OF INFORMATION

(a) A lawyer shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry out the representation or the disclosure is permitted by paragraph (b).

(b) A lawyer may reveal information relating to the representation of a client to the extent the lawyer reasonably believes necessary:

...

(c) A lawyer shall make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client.

Comments

Acting Competently to Preserve Confidentiality

[19] A lawyer must act competently to safeguard information relating to the representation of a client against **unauthorized access by third parties and against** inadvertent or unauthorized disclosure by the lawyer or other persons who are participating in the representation of the client or who are subject to the lawyer's supervision. See Rules 1.1, 5.1 and 5.3.

[20] When transmitting a communication that includes information relating to the representation of a client, the lawyer must take reasonable precautions to prevent the information from coming into the hands of unintended recipients. This duty, however, does not require that the lawyer use special security measures if the method of communication affords a reasonable expectation of privacy. **The unauthorized access to, or the inadvertent or unauthorized disclosure of, information relating to the representation of a client does not constitute a violation of paragraph (c) if the lawyer has made reasonable efforts to prevent the access or disclosure.** Special circumstances, however, may warrant special precautions. Factors to be considered in determining the reasonableness of the lawyer's expectation of confidentiality include the sensitivity of the information, ~~and~~ the extent to which the privacy of the communication is protected by law or by a confidentiality agreement. A client may require the lawyer to implement special security measures not required by this Rule or may give informed consent to the use of a means of communication that would otherwise be prohibited by this Rule.

Materials for this item will be sent separately.

Materials for this item will be sent separately.



TO: House of Delegates
FR: Roy Laney, Secretary
DT: April, 2018
RE: Election of Members of Nominating Committee

Eight Nominating Delegates are elected by judicial region to the Nominating Committee. The Immediate Past President serves as chairman of the Committee; that will be Babs Warner. The House needs to elect delegates from Judicial Regions II and III.

The Nominating Delegates who will continue on the Committee are set forth below by judicial region. Section 9.2 of the Bar constitution provides that the Nominating Delegates shall be elected members of the House of Delegates who reside in the same judicial region as the Delegates whom they succeed.

When the Board of Governors fills vacancies in the House, it considers how to make the House more representative of the Bar. A similar consideration is encouraged in electing members of the Committee.

A list of the circuit delegates follows; the names in caps at the beginning of each list are current members of the Committee who may not succeed themselves.

	<u>Delegate</u>			<u>Term ends</u>
Region I	Samuel Robert Bass, II	Stewart Law Offices	Spartanburg	2019
	J. Edwin McDonnell	SC Legal Services	Spartanburg	2019
Region II	John L. McCants	Rogers Lewis	Columbia	2020 2021
	Melody J. Breeden	Turner Padgett	Myrtle Beach	2020 2021
Region IV	Randall C. Stoney, III	Luziaraga Mims	Charleston	2019
	Nancy D. Sadler	Beaufort County	Beaufort	2020

JUDICIAL REGION II (Judicial Circuits 5, 6, 8, 11)

(Abbeville, Chester, Edgefield, Fairfield, Greenwood, Kershaw, Lancaster, Laurens, Lexington, McCormick, Newberry, Richland, Saluda)

LISA LEE SMITH

CHAPIN

A. Parker Barnes, III	Columbia	John L. McCants	Columbia
J. Leeds Barroll, IV	Columbia	Kathleen McColl McDaniel	Columbia
Susan B. Berkowitz	Columbia	Catherine E. Mubarak	Columbia
James Edward Bradley	West Columbia	Cynthia Hall Ouzts	Columbia
George P. Callison, Jr.	Greenwood	James G. Padgett, III	Greenwood
George B. Cauthen	Columbia	Jason P. Peavy	Columbia
Mark D. Chappell, Jr.	Columbia	Pamela J. Roberts	Columbia
Amie L. Clifford	Columbia	Carmelo B. Sammataro	Columbia
Leslie A. Cotter, Jr.	Columbia	Stephen T. Savitz	Columbia
Mary Elizabeth Crum	Columbia	Barbara M. Seymour	Columbia
Robert Fredrick Goings	Columbia	Jane O. Shuler	Columbia
Harry L. Goldberg	Columbia	Lana H. Sims, Jr.	Columbia
Thomas R. Gottshall	Columbia	Christian G. Spradley	Saluda
Daryl G. Hawkins	Columbia	William R. Thomas	Columbia
John Croom Hunter	Winnsboro	Robert E. Tyson, Jr.	Columbia
Daniel Edward Johnson	Columbia	Marguerite S. Willis	Columbia
Francis B.B. Knowlton	Columbia	Mitchell Willoughby	Columbia
James Grant Long, III	Columbia	Clinton J. Yarborough	Columbia

JUDICIAL REGION III (Judicial Circuits 3, 4, 12, 15)

(Chesterfield, Clarendon, Darlington, Dillon, Florence, Georgetown, Horry, Lee, Marion, Marlboro, Sumter, Williamsburg)

KENNETH S. GENERETTE

CONWAY

Melody J. Breeden	Myrtle Beach	Randall K. Mullins	N. Myrtle Beach
Martin S. Driggers, Jr.	Hartsville	William M. O'Bryan, Jr.	Kingstree
Charles Epps Ipock	Florence	Mary A.H. Shuler	Kingstree
Martha L. Hamel	Pawley's Island	Hal M. Strange	Georgetown
David B. Miller	Myrtle Beach	Regina B. Ward	Conway
Julie Jeffords Moose	Florence	Carrington S.B. Wingard	Florence



TO: House of Delegates
FR: Bev Carroll, Treasurer
DT: April 2018
RE: Proposed Budgets for FY18-19

Attached are the proposed budgets for the next fiscal year. They project an increase in Bar funds of \$221,800 and an increase in CLE Division funds of \$44,400. The Bar increase is consistent with the five year plan which projected a \$218,000 increase in FY18-19.

The budget contemplates receipt of IOLTA grants which will cover much but not all of the cost of the Ask A Lawyer and Law Related Education programs. The budget also contemplates use of the voluntary Indigent Service Fee and a grant from the Bar Foundation's Bank of America Settlement Fund to cover much of the cost of the Pro Bono Program.

A brief explanation of some of the line items follows.

Bar Revenues

License Fees: The Court adopted the Bar's proposal to increase the license fee amounts by \$15.

Bar Expenses

FICA & Benefits: The reduction reflects savings in medical insurance premiums and the absence of a pension contribution for the first year change in staff from the retirement of the executive director.

Buildings: The increase reflects the experience this year of higher costs and continues a sum to provide additional leased parking for the Conference Center.

Young Lawyers: The line includes support for a national conference being held in Charleston.

Public Service Committees: The line has an allowance for reprinting 20,000 copies of the *Senior Citizens Handbook*.

Lawyer Referral Service Expenses: Different software is to be used which will interface with the Bar's membership data base.

Law Related Education: The budget reflects the inability to continue to hold competitions in the federal courthouse due to the documentation required by REAL ID. There are nonrecurring expenses expected for new training videos, covering costs for lawyers to serve as judges at a national competition in Georgia and re-correlating curricula.

Credit Card Fees: More members are paying license fees online, which enables staff to keep up with mailed-in payments.

CLE Revenues

E-CLE: The reduction reflects the absence of an increase in the number of hours which a lawyer may receive by distance learning, an increase contemplated in the present budget.

Convention: The convention will be in Myrtle Beach.

CLE Expenses

Salaries: The budget reflects reduction of a full time and a part time positions.

Convention: The line reflects the much lower costs than those of the event at The Sanctuary.

SOUTH CAROLINA BAR FY 18-19 BUDGET PROPOSAL
APRIL 2018

	9 MOS. <u>ACTUAL</u>	2017-18 <u>BUDGET</u>	2018-19 <u>BUDGET</u>
<u>REVENUES</u>			
1. LICENSE FEES	3,277,513	3,278,900	3,595,700
2. FEES TOWARD BUILDING	460,460	452,800	461,200
3. INTEREST	6,431	12,300	21,000
4. LRS PERCENTAGE FEES	197,840	300,000	300,000
5. LRS SUBSCRIPTION FEES	67,100	65,000	67,400
6. MARKETING FEES	40,076	35,300	29,400
7. SC LAWYER	74,276	90,000	84,000
8. STAFF SUPPORT	51,772	50,700	51,700
9. RENTS RECEIVED	33,146	44,000	44,000
10. ADR CERTIFICATION	88,700	98,000	96,000
11. DUES COLLECTION FEES	15,429	14,100	15,100
12. MISCELLANEOUS	1,216	1,200	1,200
13. LAW STUDENT AFFILIATES	1,120	1,500	1,000
14. SALES TAX COLLECTED	8	200	100
TOTAL REVENUES	4,315,087	4,444,000	4,767,800
<u>EXPENSES</u>			
1. SALARIES	1,263,852	1,738,800	1,750,200
2. FICA & BENEFITS	354,023	549,700	512,300
3. BUILDINGS	154,960	197,500	210,100
4. EQUIPMENT & SOFTWARE	26,027	28,500	30,500
5. EQUIP. MAINTENANCE & LICENSES	123,836	168,300	168,900
6. OFFICE SUPPLIES	17,666	40,600	25,500
7. POSTAGE	10,345	12,800	11,000
8. TELEPHONE	9,392	16,900	16,400
9. PROFESSIONAL FEES	16,278	9,500	10,000
10. BOND/INSURANCE	8,396	9,700	11,200
11. STAFF EXPENSE	15,293	37,500	34,900
12. DUES/SUBSCRIPTIONS/BOOKS	3,766	4,100	4,400
13. CASUAL LABOR/HIRING	3,313	2,400	2,400
14. DELEGATE EXPENSE	54,104	72,700	75,200
15. OFFICERS' EXPENSE	268	4,200	4,200
16. MEMBERSHIP SERV. COMM.	76,148	99,300	108,100
17. PRACTICE MANAGEMENT ASSIST.	10,996	17,900	15,100
18. RISK MANAGEMENT	6,135	7,000	9,000
19. MENTORING	7,249	13,000	13,000
20. LAWYERS HELPING LAWYERS	29,304	48,400	53,200
21. MEMBERSHIP BENEFITS	67,840	104,100	104,000
22. YOUNG LAWYERS	140,689	194,300	217,000

SOUTH CAROLINA BAR FY 18-19 BUDGET PROPOSAL
APRIL 2018

	9 MOS. <u>ACTUAL</u>	2017-18 <u>BUDGET</u>	2018-19 <u>BUDGET</u>
23. SENIOR LAWYERS	40,519	43,200	46,000
24. GOVT. RELATIONS DIRECT	34,081	33,000	38,300
25. JUDICIAL EVALUATION	3,205	5,000	3,200
26. PUBLIC SERV. COMMITTEE	5,040	24,500	51,400
27. PRO BONO	21,544	58,900	62,600
28. ASK-A-LAWYER	2,683	14,800	8,300
29. CLIENT ASSISTANCE PROGRAM	586	1,000	1,000
30. ADR COMMISSION	9,099	9,000	8,000
31. LAWYER REF'L SERV. EXPENSES	80,434	117,900	127,100
32. LAW RELATED EDUCATION	82,767	124,500	165,600
33. PUBLIC RELATIONS	15,762	29,700	22,200
34. SC LAWYER	168,192	226,100	214,100
35. LAWYERS DESK BOOK ONLINE	3,919	4,000	4,000
36. CONTRIBUTIONS	3,000	8,000	6,500
37. CREDIT CARD FEES	66,984	55,800	68,400
38. MISCELLANEOUS	1,455	2,800	1,500
39. SHORT TERM PROJECTS	3,659	5,000	10,000
40. LAW STUDENT AFFILIATES	6,253	8,500	4,300
41. SALES TAX PAID	23	200	100
42. NEW BUILDING DEBT	237,600	316,800	316,800
TOTAL EXPENSES	3,186,685	4,465,900	4,546,000
NET GAIN (LOSS)	1,128,402	(21,900)	221,800

SC BAR - CLE DIVISION
FY 18-19 BUDGET

	9 Mos. <u>ACTUAL</u>	2017-18 <u>BUDGET</u>	2018-19 <u>BUDGET</u>
<u>REVENUE:</u>			
Seminars	\$ 1,116,194	\$1,250,000	\$1,250,000
E-CLE	380,706	500,000	450,000
Publications	256,804	340,000	340,000
SCJ Royalties	102,044	90,000	95,000
Convention	554,855	383,600	334,200
Interest	610	500	700
Building Rental	3,800	12,000	8,500
Shipping & Handling	13,871	26,400	24,400
TOTAL REVENUE:	<u>\$ 2,428,883</u>	<u>\$2,602,500</u>	<u>\$2,502,800</u>
<u>EXPENSES:</u>			
Salaries	\$ 639,812	\$ 901,500	\$ 867,600
FICA & Benefits	216,857	327,500	308,000
Building	47,700	64,000	63,600
Equip. & Furn.	7,636	8,200	13,000
Equip. Maintenance & Licensing	60,814	107,300	84,700
Office Supplies	8,658	6,800	6,800
Postage	2,630	3,400	1,000
Telephone	7,796	9,500	9,800
Staff Expense	7,533	9,100	9,100
Staff Education	4,876	1,000	9,700
Committee Expense	522	500	500
Bond/Insurance	8,395	10,200	10,600
Professional Fees	6,975	6,200	7,000
Casual Labor	25	500	500
Seminar Direct	300,819	334,100	324,700
E-CLE	77,457	102,500	103,600
Publication Direct	98,602	145,500	146,200
Publication Royalties	33,214	89,000	80,000
Convention	577,020	389,400	279,100
Media Service Direct	3,179	8,700	7,500
Credit Card Fees	46,176	58,300	55,000
Marketing	35,319	105,000	70,400
TOTAL EXPENSES:	<u>\$ 2,192,016</u>	<u>\$2,688,200</u>	<u>\$2,458,400</u>
NET GAIN (LOSS):	<u>\$ 236,868</u>	<u>\$ (85,700)</u>	<u>\$ 44,400</u>