

**Assembly**

**June 16, 2012**

**Agenda Item 2D  
Minutes**

**MINUTES  
MEETING OF THE ASSEMBLY  
OF THE ILLINOIS STATE BAR ASSOCIATION**



**ILLINOIS STATE  
BAR ASSOCIATION  
ISBA Mid Year Meeting  
Sheraton Chicago Hotel and Towers  
Chicago, IL**

**December 10, 2011**

1. Call to Order – John G. Locallo

President Locallo welcomed the Assembly and invited Honorable Thomas Kilbride, Chief Justice of the Illinois Supreme Court to make remarks.

Chief Justice Kilbride thanked the Assembly for the opportunity to address it and noted the following Court activities and initiatives:

\* Adoption of an important new Supreme Court Rule to allow the ARDC to prosecute unauthorized practice of law cases. This proposal was initiated by the ISBA.

\* Continuing Technology initiatives to advance the court system. This includes placing jury instructions online; working to achieve E-Filing in the state of Illinois; launching an E-Record system in the Second and Fourth District Appellate Courts where the court file and the common-law record is scanned, accepted electronically, and then transmitted to the appellate court; and updating the Courts website;

\* Finally, the Chief Justice noted the good and strong working relationship with the ISBA during President Locallo's year as well as in the past. He hoped that the relationship continues to be positive and productive where the Court reviews ideas from practitioners and judges across the state to keep the judicial system moving forward in an efficient and innovative way.

2. Report of Secretary – Russell K. Scott, Secretary

A. Report on the Notice of the Meeting

Secretary Scott reported that proper notice of the meeting and agenda had been timely mailed in accordance with the Assembly rules. A quorum for this meeting was present.

B. Approval of the Minutes

On motion made, seconded, and carried, the minutes of the June 18, 2011, Assembly meeting were approved.

3. Report of the Agenda and Program Committee – Letitia Spunar Sheats, Chair

Chair Sheats summarized the purpose, membership and procedures of the Assembly Agenda and Program Committee. She reorganized and thanked the members of the Committee for their service: Geri L. Arrindell, Colleen McLaughlin, Robert T. Park, Arlette Porter.

4. President's Report – John G. Locallo

A. Introduction of ISBA Past Presidents –

Past Presidents in attendance were recognized and thanked for their service: Honorable Carol K. Bellows, John C. Mullen, John W. DeMoss, Richard L. Thies, Thomas Lahey, Herbert H. Franks, J. Timothy Eaton, Loren Golden, Robert K. Downs, Irene Barr, Joseph G. Bisceglia, Jack C. Carey, John G. O'Brien, and Mark D. Hassakis.

B. Remarks of President Locallo

\* President Locallo welcomed Illinois Supreme Court Justices Lloyd Karmeier and Mary Jane Theis;

\* President Locallo noted the adoption of the new ARDC UPL prosecution rule was a very significant development which originated from the ISBA through the UPL Task Force, but had also been a significant goal of the Board of Governors and the Assembly. It is an important public protection issue for which the bar, and now the court, has a strong interest. He applauded the Court for its action.

5. Report of the ISBA Mutual Insurance Company – John W. DeMoss

President DeMoss reported that the Mutual was strong and well. He noted that those insured with ISBA Mutual in 2011 will receive a dividend equal to approximately 10% of the premium that was paid in this past year. He further noted that this is the seventh year in a row that the Mutual has paid a dividend.

President DeMoss reported that the Mutual continues to be recognized by A.M Best with an annual rating of "A" with a stable outlook which is the highest rating any similar company has achieved anywhere in the U.S.

President DeMoss further reported that new business has increased and the Mutual should end the year with approximately \$17 million in overall premiums. The Mutual is expected to end the year with \$30 million in surplus.

Finally, President DeMoss commented on the strong relationship between the Mutual and the ISBA. He noted the Mutual has become the lead provider of Fastcase and that the Mutual provides a premium rebate for policy holders attending the Solo and Small Firm Conference.

6. Report of the Assembly Finance Committee – Timothy E. Moran, Chair

A. 2010-2011 Fiscal Year Audit and Financial Statements

President Locallo called upon Chair Timothy Moran to address the Assembly. Chair Moran reported that the Budget and Audit Committee has met and reviewed the Audit Report for the period ending June 30, 2011. Vice Chair Moran thanked the members of the Committee: Carey Gill, Honorable Leonard Murray, Tara Ori, Frank Perrecone, and Arlette Porter.

Chair Moran reported that the Audit Report concludes that it presents fairly and accurately the financial position of the ISBA and that the statements therein conform to generally accepted accounting principles. The auditors expressed a clean or unqualified opinion as to the ISBA's financial status.

No change in the dues rates structures is anticipated at this time for the forthcoming year. The ISBA remains a financially healthy organization with an approximate current net worth \$5.5 million.

Motion made and seconded to approve and accept the Auditors Report.

A number of Assembly members addressed the Report and Financial Statements. Inquiries were raised and answered concerning: the costs of electric voting; officer and Board expenditures; CRO lease amortization; and Fastcase

After discussion, the Motion carried.

7. Report of the Illinois Bar Foundation – George F. Mahoney, President

President Mahoney provided an overview of IBF, and thanked staff and Board volunteers. He noted that last year the IBF contributed \$300,000 to Legal Organizations and \$100,000 to lawyers in need of assistance.

President Mahoney noted that the October 2011 Gala was the most successful Gala in the history of the Foundation. It raised just short of \$500,000.

President Mahoney further noted that a Benchmark Committee has been established to review what the IBF is doing and how it is doing it, to measure IBF success to success of other foundations of like kind around the country. Jim Lestikow heads that Committee.

A Development Committee has also been established. Beginning in 2012, the IBF is initiating a campaign to increase contributions by \$1.5 Million.

President Mahoney then introduced Chris Ory, Chair, Lawyer Care Committee who addressed the Assembly concerning the \$300,000 in grants awarded to approximately 30 organizations. Chair Ory then introduced Nicole Simmons, wife of deceased attorney Michael Simmons, who addressed the Assembly about the assistance her family received from the IBF during her husband's illness. The assistance allowed her family to remain in the family residence during this very difficult time. She expressed her family's sincere thanks and appreciation.

Sandra Blake, IBF Silver Fellow, also addressed the Assembly concerning IBF assistance to domestic and sexual violence prevention organization LifeSpan.

8. Election of "Under 35" Representative to the ABA House of Delegates

President Locallo noted that no one filed for the available positions. He noted that according to ISBA procedure, the seats will be filled at the next Board of Governors meeting in January 2012.

9. Legislation - Mark Hassakis, Chair

Chair Hassakis made some brief opening remarks and then introduced Jim Covington, ISBA Director of Legislative Affairs, to update the Assembly on legislative activities.

A. ISBA Sponsored Legislation

Director Covington noted several successful legislative efforts during the past year including: a number of Juvenile Justice issues spearheaded by Past-President Hassakis; adoption of civil union legislation; abolition at the death penalty; establishment of a transfer on deed instrument, tirelessly advocated by ISBA member Charles Brown, Vice Chair, Trusts and Estates Section Council; and defeat of certain Department of Healthcare and Family Services administrative rules, with the support of the Elder Law Section Council, Heather McPhearson, Chair.

Director Covington further noted that matters to be considered in the upcoming legislative session include: legislative redistricting; possible rewrite of the Marriage and Dissolution Act; and a Constitutional amendment to give crime victims standing in court proceedings.

Finally, Director Covington also identified and described a number of proposals to be included in the ISBA's Legislative package:

- Creation of a new statute to allow first-offender probation for certain felonies. (Initiated by the Criminal Justice Section Council)

- Establishing notice and imposition of time limits before a litigant can claim dissipation of marital or non-marital assets in the Illinois Marriage and Dissolution of Marriage Act. (Initiated by the Family Law Section Council)
- Clarification of the child support section of the Illinois Marriage and Dissolution of Marriage Act by incorporating case law and current practices. (Initiated by the Family Law Section Council.)
- Increasing the credit for time served for bailable offenses from \$5 to \$15. (Initiated by the Criminal Law Section Council.)
- Defining “confidential communication” under the Mental Health and Disabilities Confidentiality Act as including a therapist or patient communication with a pharmacist during the course of providing mental health services. (Initiated by the Mental Health Committee.)
- Creating two exemptions from prosecution for eavesdropping. If a business entity records or listens under the telemarketing or solicitation exemption, the consumer may record as well. Allows a citizen to record a law enforcement officer performing public duties in a public place. (Initiated by the Intellectual Property Section Council.)
- Creating a “domestic asset protection trust” that allows a settler to establish an Illinois trust for his or her own benefit which, if not fraudulent, will be protected from most creditors. (Initiated by the Trusts and Estates Section Council)
- Changing the eligibility for scavenger-tax sales from two to three years for Cook county only. (Initiated by the State and Local Tax Section Council)

Assembly member Friedman addressed the Assembly concerning the eavesdropping proposal. Member Friedman urged the Assembly to amend the proposal as submitted to exclude the proposals reference to “in public.”

Motion to amend the eavesdropping proposal to take out the words “in public,” moved and seconded.

After discussion and debate, the question having been called, the Motion carried by a vote of 74-65.

Motion made, seconded, and carried to adopt the legislative package as amended and in concept.

## B. LAWPAC

Director Covington reported President Locallo's recent appointments of John Rotowski, Tim Moran, and Keith Emmons to LAWPAC.

Motion to ratify these appointments duly made, seconded, and carried.

10. Report of Standing Committee on Strategic Marketing – James Dunneback, Chair

Chair Dunneback addressed the Assembly. He noted the purposes of the Standing Committee and updated the Assembly on recent trends in the ISBA's marketing campaign. He noted the goals of:

1. Improving the image the legal profession
2. Positioning ISBA members as providers of choice for individuals and businesses seeking legal services.
3. Providing a core membership benefit that assists in recruiting members by: updating the Illinoislawyerfinder.com website; and making the Lawyer Referral Service a site of choice for the public to get information that they need about the legal system, and making sure that the quality of the information on that page is top notch.

THERE BEING NO FURTHER BUSINESS before the Assembly, the meeting was adjourned. Respectfully Submitted:

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Russell K. Scott, Secretary