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et al.

H.B. No. 599

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the State Bar of Texas  
and to the practice of law in the state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 81.003, Government Code, is amended to  
read as follows:

Sec. 81.003. SUNSET PROVISION. The state bar is subject to  
Chapter 325 (Texas Sunset Act). Unless continued in existence as  
provided by that chapter, this chapter expires September 1, 2015  
~~[2003]~~.

SECTION 2. Section 81.019(c), Government Code, is amended  
to read as follows:

(c) The election rules must permit any member's name to be  
printed on the ballot as a candidate for president-elect if a  
written petition requesting that action and signed by at least five  
percent of the membership of the state bar is filed with the  
executive director at least 30 days before the election ballots are  
to be distributed ~~[mailed]~~ to the membership.

SECTION 3. Sections 81.020(c) and (f), Government Code, are  
amended to read as follows:

(c) Elected members serve three-year terms. Nonattorney  
members serve staggered terms of the same length as terms of elected  
board members. The supreme court shall annually appoint two  
nonattorney members, with at least one of the two from a list of at

1 least five names submitted by the governor. Appointments to the  
2 board [~~In making the appointments the supreme court and the~~  
3 ~~governor must attempt to ensure full and fair representation of the~~  
4 ~~general public, including women, minorities, and retired persons~~  
5 ~~who are at least 55 years of age. Each appointment]~~ shall be made  
6 without regard to the race, color, disability [~~creed~~], sex,  
7 religion, age, or national origin of the appointees. A person who  
8 has served more than half of a full term is not eligible for  
9 reappointment to the board.

10 (f) The board of directors shall develop and implement  
11 policies that clearly separate [~~define~~] the [~~respective~~]  
12 responsibilities of the board and the management responsibilities  
13 of the executive director and the staff of the state bar.

14 SECTION 4. Subchapter B, Chapter 81, Government Code, is  
15 amended by adding Sections 81.0201 and 81.0215 to read as follows:

16 Sec. 81.0201. TRAINING PROGRAM FOR BOARD MEMBERS. (a) A  
17 person who is elected or appointed to and qualifies for office as a  
18 member of the board of directors may not vote, deliberate, or be  
19 counted as a member in attendance at a meeting of the board until  
20 the person completes a training program that complies with this  
21 section.

22 (b) The training program must provide the person with  
23 information regarding:

24 (1) the legislation that created the state bar and the  
25 board;

26 (2) the programs operated by the state bar;

27 (3) the role and functions of the state bar;

1           (4) the rules of the state bar, with an emphasis on the  
2 rules that relate to disciplinary and investigatory authority;

3           (5) the current budget for the state bar;

4           (6) the results of the most recent formal audit of the  
5 state bar;

6           (7) the requirements of:

7                   (A) the open meetings law, Chapter 551;

8                   (B) the public information law, Chapter 552; and

9                   (C) other laws relating to public officials,  
10 including conflict-of-interest laws; and

11           (8) any applicable ethics policies adopted by the  
12 state bar or the Texas Ethics Commission.

13           Sec. 81.0215. STRATEGIC PLAN. (a) The state bar shall  
14 develop a comprehensive, long-range strategic plan for its  
15 operations. Each even-numbered year, the state bar shall issue a  
16 plan covering five fiscal years beginning with the next  
17 odd-numbered fiscal year.

18           (b) The strategic plan must include measurable goals and a  
19 system of performance measures that:

20                   (1) relates directly to the identified goals; and

21                   (2) focuses on the results and outcomes of state bar  
22 operations and services.

23           (c) Each year, the state bar shall report the performance  
24 measures included in the strategic plan under this section to the  
25 supreme court and the editor of the Texas Bar Journal for  
26 publication.

27           SECTION 5. Section 81.022, Government Code, is amended by

1 adding Subsections (a-1) and (e) to read as follows:

2 (a-1) In developing and approving the annual budget, the  
3 state bar and supreme court shall:

4 (1) consider the goals and performance measures  
5 identified in the strategic plan developed under Section 81.0215;  
6 and

7 (2) identify additional goals and performance  
8 measures as necessary.

9 (e) After implementing a budget approved by the supreme  
10 court, the state bar shall report to the court regarding the state  
11 bar's performance on the goals and performance measures identified  
12 in the strategic plan developed under Section 81.0215. The state  
13 bar shall:

14 (1) revise the goals and performance measures as  
15 necessary; and

16 (2) notify the supreme court of the revisions.

17 SECTION 6. Sections 81.024(c) and (d), Government Code, are  
18 amended to read as follows:

19 (c) When the supreme court has prepared and proposed rules  
20 or amendments to rules under this section, the court shall  
21 distribute ~~mail~~ a copy of each proposed rule or amendment in  
22 ballot form to each registered member of the state bar for a vote.

23 (d) At the end of the 30-day period following the date the  
24 ballots are distributed ~~mailed~~, the court shall count the  
25 returned ballots. ~~[An election is valid only if at least 51 percent~~  
26 ~~of the registered members of the state bar vote in the election.]~~

27 SECTION 7. Subchapter B, Chapter 81, Government Code, is

1 amended by adding Sections 81.0241 and 81.0242 to read as follows:

2 Sec. 81.0241. ELECTRONIC TRANSMISSION OF ELECTION  
3 MATERIALS. (a) The state bar may, with the approval of the supreme  
4 court, distribute by electronic transmission ballots and related  
5 materials and receive by electronic transmission completed ballots  
6 in an election under this chapter.

7 (b) Before approving the distribution or receipt of ballots  
8 and related materials by electronic transmission under this  
9 section, the supreme court must be satisfied that the state bar has  
10 implemented procedures that ensure each member of the state bar  
11 will have secure access to election ballots and information.

12 Sec. 81.0242. PARTICIPATION IN ELECTIONS. The state bar,  
13 in the manner provided by the supreme court, shall:

14 (1) promote and monitor participation of members of  
15 the state bar in elections under this chapter; and

16 (2) report statistics regarding that participation to  
17 the supreme court and the editor of the Texas Bar Journal for  
18 publication.

19 SECTION 8. Section 81.026(a), Government Code, is amended  
20 to read as follows:

21 (a) The board may create committees, subject to the  
22 executive committee's approval under Subchapter I, and sections as  
23 it considers advisable and necessary to carry out the purposes of  
24 this chapter.

25 SECTION 9. Section 81.027(a), Government Code, is amended  
26 to read as follows:

27 (a) The board of directors may remove a director from the

1 board at any regular meeting by resolution declaring the director's  
2 position vacant. It is a ground for removal from the board that a  
3 director [if]:

4 (1) does not have at the time of taking office the  
5 applicable qualifications for office, if any;

6 (2) does not maintain during service on the board the  
7 applicable qualifications for office, if any;

8 (3) is ineligible for membership under Section 81.028  
9 or 81.031;

10 (4) cannot, because of illness or disability,  
11 discharge the director's duties for a substantial part of the  
12 director's term; or

13 (5) is absent from more than half of the regularly  
14 scheduled board meetings that the director is eligible to attend  
15 during a calendar year without an excuse approved by a majority vote  
16 of the board [~~the director, in the board's determination, has~~  
17 ~~become incapacitated and cannot perform his duties as a director;~~

18 [~~(2) the director has been absent, without cause~~  
19 ~~considered adequate by the board, from any two consecutive regular~~  
20 ~~meetings of the board or from a total of four meetings;~~

21 [~~(3) the director violates a prohibition established~~  
22 ~~by Section 81.028; or~~

23 [~~(4) the director has violated the terms or provisions~~  
24 ~~of Section 81.031].~~

25 SECTION 10. Section 81.028, Government Code, is amended to  
26 read as follows:

27 Sec. 81.028. RELATIONSHIP WITH TRADE ASSOCIATION [~~EMPLOYEE~~

1 ~~OR CONSULTANT~~]. (a) In this section, "Texas trade association"  
2 means a cooperative and voluntarily joined statewide association of  
3 business or professional competitors in this state designed to  
4 assist its members and its industry or profession in dealing with  
5 mutual business or professional problems and in promoting their  
6 common interest.

7 (b) A person may not be a member of the board of directors  
8 and may not be a state bar employee employed in a "bona fide  
9 executive, administrative, or professional capacity," as that  
10 phrase is used for purposes of establishing an exemption to the  
11 overtime provisions of the federal Fair Labor Standards Act of 1938  
12 (29 U.S.C. Section 201 et seq.), and its subsequent amendments, if:

13 (1) the person is an officer, employee, or paid  
14 consultant of a Texas trade association in the field of board  
15 interest; or

16 (2) the person's spouse is an officer, manager, [A  
17 ~~member of the board of directors or an employee of the board may not~~  
18 ~~be an employee]~~ or paid consultant of a Texas trade association in  
19 the field of board interest.

20 SECTION 11. Sections 81.029(j) and (k), Government Code,  
21 are amended to read as follows:

22 (j) The executive director or the executive director's  
23 designee shall prepare and maintain a written policy statement that  
24 implements [~~to assure implementation of~~] a program of equal  
25 employment opportunity to ensure that [~~under which~~] all personnel  
26 decisions [~~transactions~~] are made without regard to race, color,  
27 disability [~~handicap~~], sex, religion, age, or national origin. The

1 policy statement must include:

2 (1) personnel policies, including policies relating  
3 to recruitment, evaluation, selection, ~~[appointment]~~ training,  
4 and promotion of personnel, that show the intent of the state bar to  
5 avoid the unlawful employment practices described by Chapter 21,  
6 Labor Code; and

7 (2) an ~~[a comprehensive]~~ analysis of the extent to  
8 which the composition of the state bar's personnel is in accordance  
9 with state and federal law and a description of reasonable methods  
10 to achieve compliance with state and federal law ~~[state bar work~~  
11 ~~force that meets federal and state guidelines;~~

12 ~~[(3) procedures by which a determination can be made~~  
13 ~~of significant underuse in the state bar work force of all persons~~  
14 ~~for whom federal or state guidelines encourage a more equitable~~  
15 ~~balance; and~~

16 ~~[(4) reasonable methods to appropriately address~~  
17 ~~those areas of significant underuse].~~

18 (k) The [A] policy statement ~~[prepared under Subsection~~  
19 ~~(j)]~~ must:

20 (1) ~~[cover an annual period]~~ be updated ~~[at least]~~  
21 annually;

22 (2) be reviewed by the state Commission on Human  
23 Rights for compliance with Subsection (j)(1);~~[ ]~~ and

24 (3) be filed with the supreme court and the governor's  
25 office.

26 SECTION 12. Subchapter B, Chapter 81, Government Code, is  
27 amended by adding Sections 81.035, 81.036, 81.037, and 81.038 to



1 read as follows:

2 Sec. 81.035. INFORMATION REGARDING REQUIREMENTS FOR OFFICE  
3 OR EMPLOYMENT. The executive director or the executive director's  
4 designee shall provide to members of the board of directors and to  
5 agency employees, as often as necessary, information regarding the  
6 requirements for office or employment under this chapter, including  
7 information regarding a person's responsibilities under applicable  
8 laws relating to standards of conduct for state officers or  
9 employees.

10 Sec. 81.036. INFORMATION ON CERTAIN COMPLAINTS. (a) The  
11 state bar shall maintain a file on each written complaint, other  
12 than a grievance against an attorney, filed with the state bar. The  
13 file must include:

14 (1) the name of the person who filed the complaint;  
15 (2) the date the complaint is received by the state  
16 bar;

17 (3) the subject matter of the complaint;

18 (4) the name of each person contacted in relation to  
19 the complaint;

20 (5) a summary of the results of the review or  
21 investigation of the complaint; and

22 (6) an explanation of the reason the file was closed,  
23 if the state bar closed the file without taking action other than to  
24 investigate the complaint.

25 (b) The state bar shall provide to the person filing the  
26 complaint and to each person who is a subject of the complaint a  
27 copy of the state bar's policies and procedures relating to

1 complaint investigation and resolution.

2 (c) The state bar, at least quarterly until final  
3 disposition of the complaint, shall notify the person filing the  
4 complaint and each person who is a subject of the complaint of the  
5 status of the investigation unless the notice would jeopardize an  
6 undercover investigation.

7 Sec. 81.037. STATE EMPLOYEE INCENTIVE PROGRAM. The  
8 executive director or the executive director's designee shall  
9 provide to state bar employees information and training on the  
10 benefits and methods of participation in the state employee  
11 incentive program under Subchapter B, Chapter 2108.

12 Sec. 81.038. USE OF TECHNOLOGY. The board of directors  
13 shall develop and implement a policy requiring the executive  
14 director and state bar employees to research and propose  
15 appropriate technological solutions to improve the state bar's  
16 ability to perform its functions. The technological solutions  
17 must:

18 (1) ensure that the public is able to easily find  
19 information about the state bar on the Internet;

20 (2) ensure that persons who want to use the state bar's  
21 services are able to:

22 (A) interact with the state bar through the  
23 Internet; and

24 (B) access any service that can be provided  
25 effectively through the Internet; and

26 (3) be cost-effective and developed through the state  
27 bar's planning processes.

1 SECTION 13. The heading to Section 81.054, Government Code,  
2 is amended to read as follows:

3 Sec. 81.054. MEMBERSHIP FEES AND ADDITIONAL FEES.

4 SECTION 14. Section 81.054, Government Code, is amended by  
5 amending Subsections (a), (c), and (d) and adding Subsections  
6 (f)-(k) to read as follows:

7 (a) The supreme court shall set membership fees and other  
8 fees for members of the state bar. Except as provided by Subsection  
9 (j), the [The] fees, other than those set for associate members,  
10 must be set in accordance with this section and Section 81.024.

11 (c) Fees shall be paid to the clerk of the supreme court.  
12 The clerk shall retain the fees, other than fees collected under  
13 Subsection (j), until distributed to the state bar for expenditure  
14 under the direction of the supreme court to administer this  
15 chapter. The clerk shall retain the fees collected under  
16 Subsection (j) until distribution is approved by an order of the  
17 supreme court. In ordering that distribution, the supreme court  
18 shall order that the fees collected under Subsection (j) be  
19 remitted to the comptroller at least as frequently as quarterly.  
20 The comptroller shall credit 50 percent of the remitted fees to the  
21 credit of the judicial fund for programs approved by the supreme  
22 court that provide basic civil legal services to the indigent and  
23 shall credit the remaining 50 percent of the remitted fees to an  
24 account established by the comptroller in the general revenue fund  
25 to be used for providing legal representation and other defense  
26 services to indigent defendants at trial, on appeal, and in  
27 postconviction proceedings.

1           (d) Fees collected under Subsection (j) may be used only to  
2 provide basic civil legal services to the indigent and legal  
3 representation and other defense services to indigent defendants as  
4 provided by Subsection (c). Other fees collected under this  
5 chapter may be used only for administering the public purposes  
6 provided by this chapter.

7           (f) A person who is otherwise eligible to renew the person's  
8 membership may renew the membership by paying the required  
9 membership fees to the state bar on or before the due date.

10           (g) A person whose membership has been expired for 90 days  
11 or less may renew the membership by paying to the state bar  
12 membership fees equal to 1-1/2 times the normally required  
13 membership fees.

14           (h) A person whose membership has been expired for more than  
15 90 days but less than one year may renew the membership by paying to  
16 the state bar membership fees equal to two times the normally  
17 required membership fees.

18           (i) Not later than the 30th day before the date a person's  
19 membership is scheduled to expire, the state bar shall send written  
20 notice of the impending expiration to the person at the person's  
21 last known address according to the records of the state bar.

22           (j) The supreme court shall set an additional legal services  
23 fee in an amount that is not less than \$65 to be paid annually by  
24 each active member of the state bar. The supreme court shall review  
25 the amount of the fee at least biennially and may, subject to the  
26 requirements of this subsection, modify the amount. The supreme  
27 court may not increase the amount of the fee to an amount that

1 exceeds 120 percent of the lowest fee imposed under this subsection  
2 during the preceding year. Section 81.024 does not apply to a fee  
3 set under this subsection.

4 (k) In this section, "indigent" has the meaning assigned by  
5 Section 51.941.

6 SECTION 15. The heading to Section 81.072, Government Code,  
7 is amended to read as follows:

8 Sec. 81.072. GENERAL DISCIPLINARY AND DISABILITY  
9 PROCEDURES.

10 SECTION 16. Section 81.072, Government Code, is amended by  
11 amending Subsections (a), (b), (e), (f), (h), and (o) and adding  
12 Subsection (e-1) to read as follows:

13 (a) In furtherance of the supreme court's powers to  
14 supervise the conduct of attorneys, the court shall establish  
15 disciplinary and disability procedures in addition to the  
16 procedures provided by this subchapter.

17 (b) The supreme court shall establish minimum standards and  
18 procedures for the attorney disciplinary and disability system.  
19 The standards and procedures for processing grievances  
20 [~~complaints~~] against attorneys must provide for:

21 (1) classification of all grievances and  
22 investigation of all [~~inquiries and~~] complaints;

23 (2) a full explanation to each complainant on  
24 dismissal of an inquiry or a complaint;

25 (3) periodic preparation of abstracts of inquiries and  
26 complaints filed that, even if true, do or do not constitute  
27 misconduct;

1 (4) an information file for each grievance [~~complaint~~]  
2 filed;

3 (5) a grievance [~~complaint~~] tracking system to monitor  
4 processing of grievances [~~complaints~~] by category, method of  
5 resolution, and length of time required for resolution;

6 (6) notice by the state bar to the parties of a written  
7 grievance [~~complaint~~] filed with the state bar that the state bar  
8 has the authority to resolve of the status of the grievance  
9 [~~complaint~~], at least quarterly and until final disposition, unless  
10 the notice would jeopardize an undercover investigation;

11 (7) an option for a trial in a district court on a  
12 complaint and an administrative system for attorney disciplinary  
13 and disability findings in lieu of [~~decisions as an option to~~]  
14 trials in district court, including an appeal procedure to the  
15 Board of Disciplinary Appeals and the supreme court under the  
16 substantial evidence rule;

17 (8) an administrative system for reciprocal and  
18 compulsory discipline;

19 (9) interim suspension of an attorney posing a threat  
20 of immediate irreparable harm to a client;

21 (10) authorizing all parties to an attorney  
22 disciplinary hearing, including the complainant, to be present at  
23 all hearings at which testimony is taken and requiring notice of  
24 those hearings to be given to the complainant not later than the  
25 seventh day before the date of the hearing;

26 (11) the commission adopting rules that govern the use  
27 of private reprimands by grievance committees and that prohibit a

1 committee:

2 (A) giving an attorney more than one private  
3 reprimand within a five-year period for a violation of the same  
4 disciplinary rule; or

5 (B) giving a private reprimand for a violation  
6 that involves a failure to return an unearned fee, a theft, or a  
7 misapplication of fiduciary property; and

8 (12) distribution of a voluntary survey to all  
9 complainants urging views on grievance system experiences.

10 (e) The state bar shall establish a voluntary mediation and  
11 dispute resolution procedure to:

12 (1) attempt to resolve each allegation [~~that may be~~  
13 ~~used as a model for resolving allegations~~] of attorney misconduct  
14 that is:

15 (A) classified as an inquiry under Section  
16 81.073(a)(2)(A) because it does [~~do~~] not constitute an offense  
17 cognizable under the Texas Disciplinary Rules of Professional  
18 Conduct; or

19 (B) classified as a complaint and subsequently  
20 dismissed; and

21 (2) facilitate coordination with other programs  
22 administered by the state bar to address and attempt to resolve  
23 inquiries and complaints referred to the voluntary mediation and  
24 dispute resolution procedure.

25 (e-1) All types of information, proceedings, hearing  
26 transcripts, and statements presented during the voluntary  
27 mediation and dispute resolution procedure established under

1 Subsection (e) are confidential to the same extent the information,  
2 proceedings, transcripts, or statements would be confidential if  
3 presented to a panel of a district grievance committee.

4 (f) Responses to the survey provided for in Subsection  
5 (b)(12) may not identify either the complainant or attorney and  
6 shall be open to the public. The topics must include:

7 (1) treatment by the grievance system staff and  
8 volunteers;

9 (2) the fairness of grievance procedures;

10 (3) the length of time for grievance [~~complaint~~]  
11 processing;

12 (4) disposition of the grievance [~~complaint~~]; and

13 (5) suggestions for improvement of the grievance  
14 system.

15 (h) The state bar or a court may not require an attorney  
16 against whom a disciplinary action has been brought to disclose  
17 information protected by the attorney-client privilege if the  
18 client did not initiate the grievance [~~complaint~~] that is the  
19 subject of the action.

20 (o) Whenever a grievance is either dismissed as an inquiry  
21 or dismissed as a complaint [~~after an investigatory hearing~~] in  
22 accordance with the Texas Rules of Disciplinary Procedure and that  
23 dismissal has become final, the respondent attorney may thereafter  
24 deny that a grievance was pursued and [~~In any disciplinary action~~  
25 ~~which is tried to verdict before an evidentiary panel or a district~~  
26 ~~court and there is a take-nothing judgment entered which becomes~~  
27 ~~final, the respondent attorney] may file a motion with the tribunal~~



1 seeking expunction of all records [~~the tribunal's file~~] on the  
2 matter, [~~In the event an expunction is granted, the evidentiary~~  
3 ~~panel or district court shall order that all records be destroyed~~]  
4 other than statistical or identifying information maintained by the  
5 chief disciplinary counsel pertaining to the [~~any~~] grievance [~~which~~  
6 ~~formed the basis of the disciplinary action and the respondent~~  
7 ~~attorney may thereafter deny any grievance which formed the basis~~  
8 ~~of the disciplinary action was filed~~].

9 SECTION 17. Subchapter E, Chapter 81, Government Code, is  
10 amended by adding Sections 81.073, 81.074, 81.075, 81.0751,  
11 81.0752, and 81.0753 to read as follows:

12 Sec. 81.073. CLASSIFICATION OF GRIEVANCES. (a) The chief  
13 disciplinary counsel's office shall classify each grievance on  
14 receipt as:

15 (1) a complaint, if the grievance alleges conduct  
16 that, if true, constitutes professional misconduct or disability  
17 cognizable under the Texas Disciplinary Rules of Professional  
18 Conduct; or

19 (2) an inquiry, if:

20 (A) the grievance alleges conduct that, even if  
21 true, does not constitute professional misconduct or disability  
22 cognizable under the Texas Disciplinary Rules of Professional  
23 Conduct; or

24 (B) the respondent attorney is deceased, has  
25 relinquished the attorney's license to practice law in this state  
26 to avoid disciplinary action, or is not licensed to practice law in  
27 this state.

1        (b) A complainant may appeal the classification of a  
2 grievance as an inquiry to the Board of Disciplinary Appeals, or the  
3 complainant may amend and resubmit the grievance. An attorney  
4 against whom a grievance is filed may not appeal the classification  
5 of the grievance.

6        Sec. 81.074. DISPOSITION OF INQUIRIES. The chief  
7 disciplinary counsel shall:

8            (1) dismiss a grievance classified as an inquiry; and  
9            (2) refer each inquiry classified under Section  
10 81.073(a)(2)(A) and dismissed under this section to the voluntary  
11 mediation and dispute resolution procedure established under  
12 Section 81.072(e).

13        Sec. 81.075. DISPOSITION OF COMPLAINTS. (a) The chief  
14 disciplinary counsel shall review and investigate each grievance  
15 classified as a complaint to determine whether there is just cause,  
16 as defined by the Texas Rules of Disciplinary Procedure.

17        (b) After the chief disciplinary counsel reviews and  
18 investigates a complaint:

19            (1) if the counsel finds there is no just cause, the  
20 counsel shall place the complaint on a dismissal docket; or

21            (2) if the counsel finds just cause:  
22                    (A) the respondent attorney may request a trial  
23 in a district court on the complaint in accordance with procedures  
24 adopted by the supreme court; or

25                    (B) the counsel shall place the complaint on a  
26 hearing docket if the respondent attorney does not request a trial  
27 in a district court.

1       (c) A panel of a district grievance committee shall consider  
2 each complaint placed on the dismissal docket at a closed hearing  
3 without the complainant or the respondent attorney present. The  
4 panel may:

5           (1) approve the dismissal of the complaint and refer  
6 the complaint to the voluntary mediation and dispute resolution  
7 procedure established under Section 81.072(e); or

8           (2) deny the dismissal of the complaint and place the  
9 complaint on a hearing docket.

10       (d) A panel of a district grievance committee shall conduct  
11 a hearing on each complaint placed on the hearing docket. The  
12 commission and the respondent attorney are parties to the hearing,  
13 and the chief disciplinary counsel presents the complainant's case  
14 at the hearing. Each party may seek and the panel may issue a  
15 subpoena to compel attendance and production of records before the  
16 panel. Each party may conduct limited discovery in general  
17 accordance with the Texas Rules of Civil Procedure as prescribed by  
18 rules of the supreme court.

19       (e) After conducting a hearing under Subsection (d), the  
20 panel of the district grievance committee may:

21           (1) dismiss the complaint and refer it to the  
22 voluntary mediation and dispute resolution procedure established  
23 under Section 81.072(e);

24           (2) find that the respondent attorney suffers from a  
25 disability and forward that finding to the Board of Disciplinary  
26 Appeals for referral to a district disability committee; or

27           (3) find that professional misconduct occurred and

1 impose sanctions.

2 Sec. 81.0751. APPEALS. (a) The commission or a respondent  
3 attorney may appeal:

4 (1) a finding of a panel of a district grievance  
5 committee under Section 81.075(e) only to the Board of Disciplinary  
6 Appeals;

7 (2) a finding of the Board of Disciplinary Appeals to  
8 the supreme court; and

9 (3) a judgment of a district court as in civil cases  
10 generally.

11 (b) In an appeal of a finding of a panel of a district  
12 grievance committee made to the Board of Disciplinary Appeals, the  
13 board may:

14 (1) affirm in whole or part the panel's finding;

15 (2) modify the panel's finding and affirm the finding  
16 as modified;

17 (3) reverse in whole or part the panel's finding and  
18 enter a finding the board determines the panel should have entered;  
19 or

20 (4) reverse the panel's finding and remand the  
21 complaint for a rehearing to be conducted by:

22 (A) the panel that entered the finding; or

23 (B) a statewide grievance committee panel  
24 composed of members selected from the state bar districts other  
25 than the district from which the appeal was taken.

26 Sec. 81.0752. CONFIDENTIALITY. (a) All types of  
27 information, proceedings, hearing transcripts, and statements

1 presented to a panel of a district grievance committee are  
2 confidential and may not be disclosed to any person other than the  
3 chief disciplinary counsel unless:

4 (1) disclosure is ordered by a court; or

5 (2) the panel finds that professional misconduct  
6 occurred and a sanction other than a private reprimand is imposed  
7 against the respondent attorney.

8 (b) If the requirements of Subsection (a)(2) are met, the  
9 panel of the district grievance committee shall, on request, make  
10 the information, proceedings, hearing transcripts, or statements  
11 available to the public.

12 Sec. 81.0753. RULES REGARDING GRIEVANCES. The supreme  
13 court shall promulgate rules regarding the classification and  
14 disposition of grievances, including rules specifying time limits  
15 for each stage of the grievance resolution process.

16 SECTION 18. Section 81.079, Government Code, is amended to  
17 read as follows:

18 Sec. 81.079. PUBLIC NOTIFICATION AND INFORMATION. (a) To  
19 provide information to the public relating to the attorney  
20 grievance process, the state bar shall:

21 (1) develop a brochure written in Spanish and English  
22 describing the bar's grievance process;

23 (2) establish a toll-free "800" telephone number for  
24 public access to the chief disciplinary counsel's office in Austin  
25 and list the number in telephone directories statewide;

26 (3) describe the bar's grievance process in the bar's  
27 telephone directory listings statewide; and

1           (4) make grievance [~~complaint~~] forms written in  
2 Spanish and English available in each county courthouse.

3           (b) Each attorney practicing law in this state shall provide  
4 notice to each of the attorney's clients of the existence of a  
5 grievance process by:

6           (1) making grievance [~~complaint~~] brochures prepared  
7 by the state bar available at the attorney's place of business;

8           (2) posting a sign prominently displayed in the  
9 attorney's place of business describing the process;

10          (3) including the information on a written contract  
11 for services with the client; or

12          (4) providing the information in a bill for services  
13 to the client.

14          SECTION 19. Section 81.113, Government Code, is amended by  
15 adding Subsection (c) to read as follows:

16          (c) The state bar shall recognize, prepare, or administer  
17 continuing education programs for members of the state bar. A  
18 member of the state bar must participate in the programs to the  
19 extent required by the supreme court to maintain the person's state  
20 bar membership.

21          SECTION 20. Chapter 81, Government Code, is amended by  
22 adding Subchapter I to read as follows:

23                           SUBCHAPTER I. EXECUTIVE COMMITTEE

24          Sec. 81.121. EXECUTIVE COMMITTEE. (a) The executive  
25 committee consists of:

26                   (1) the president, the president-elect, and the  
27 immediate past president of the state bar;

1           (2) the chair of the board of directors;

2           (3) the president of the Texas Young Lawyers  
3 Association; and

4           (4) additional members appointed by the president of  
5 the state bar.

6           (b) The general counsel and executive director serve as ex  
7 officio members of the committee.

8           (c) The president of the state bar serves as chair of the  
9 committee. The chair of the board of directors serves as vice chair  
10 of the committee and presides over committee meetings in the  
11 committee chair's absence.

12           Sec. 81.122. DUTIES OF EXECUTIVE COMMITTEE. The executive  
13 committee shall:

14           (1) on the recommendation of the president of the  
15 state bar, approve the creation of additional standing and special  
16 committees of the state bar in accordance with Section 81.123;

17           (2) conduct a comprehensive review of standing and  
18 special committees of the state bar at least biennially and more  
19 frequently as the executive committee determines necessary to  
20 assess whether there is:

21                   (A) a continued need for each committee; and

22                   (B) unnecessary overlap of the committees'  
23 activities; and

24           (3) perform other duties as delegated by the board of  
25 directors.

26           Sec. 81.123. APPROVAL OF COMMITTEES. Before the executive  
27 committee may approve the creation of an additional standing or

1 special committee of the state bar, the committee must:

2 (1) study and determine the fiscal impact creating the  
3 committee would have on the state bar budget; and

4 (2) poll the chair of each existing committee and  
5 conduct a review to determine whether the matter to be addressed by  
6 the proposed committee could be addressed by an existing committee.

7 SECTION 21. Sections 81.020(e) and 81.029(1), Government  
8 Code, are repealed.

9 SECTION 22. Subchapter B, Chapter 82, Government Code, is  
10 amended by adding Section 82.0242 to read as follows:

11 Sec. 82.0242. LAW STUDY REQUIREMENT; CERTAIN STUDENTS. (a)  
12 Notwithstanding any other provision of law, the law study  
13 requirement for taking the examination for a license to practice  
14 law is satisfied and a person is eligible to take the bar  
15 examination if the person has pursued the study of law in an  
16 approved law school or schools by satisfying all requirements for  
17 graduation with a J.D. degree or its equivalent, except for not more  
18 than 12 semester hours or its equivalent in quarter hours.

19 (b) Any person qualifying to take the bar examination under  
20 Subsection (a) shall not be licensed to practice law until  
21 graduation or satisfaction of all requirements for graduation.

22 (c) If any person under Subsection (a) has not graduated  
23 with a J.D. degree or satisfied all requirements for graduation  
24 within two years from the date that all parts of the bar examination  
25 are satisfactorily completed, the person's examination scores  
26 shall be void.

27 (d) This section expires September 1, 2004.



1 SECTION 23. Section 82.036, Government Code, is amended to  
2 read as follows:

3 Sec. 82.036. FOREIGN ATTORNEYS. (a) The supreme court  
4 shall make such rules and regulations as to admitting attorneys  
5 from other jurisdictions to practice law in this state as it shall  
6 deem proper and just. All such attorneys shall be required to  
7 furnish satisfactory proof as to good moral character.

8 (b) The rules adopted under this section must allow an  
9 attorney licensed to practice law in another state to take the bar  
10 examination and, on passing the examination, be admitted to  
11 practice law in this state, provided that the state in which the  
12 attorney is licensed has reciprocal provisions for attorneys  
13 licensed in this state, and the attorney completed the law study  
14 requirements for admission at an approved or unapproved law school,  
15 if the attorney:

16 (1) is otherwise eligible to take the examination and  
17 be admitted to practice law; and

18 (2) is in good standing with the licensing authority  
19 of the other state and there is no disciplinary investigation or  
20 action pending against the attorney.

21 SECTION 24. Chapter 171, Local Government Code, is amended  
22 by adding Section 171.010 to read as follows:

23 Sec. 171.010. PRACTICE OF LAW. (a) For purposes of this  
24 chapter, a county judge or county commissioner engaged in the  
25 private practice of law has a substantial interest in a business  
26 entity if the official has entered a court appearance or signed  
27 court pleadings in a matter relating to that business entity.

1       (b) A county judge or county commissioner that has a  
2 substantial interest in a business entity as described by  
3 Subsection (a) must comply with this chapter.

4       (c) A judge of a constitutional county court may not enter a  
5 court appearance or sign court pleadings as an attorney in any  
6 matter before:

7             (1) the court over which the judge presides; or

8             (2) any court in this state over which the judge's  
9 court exercises appellate jurisdiction.

10       (d) Upon compliance with this chapter, a county judge or  
11 commissioner may practice law in the courts located in the county  
12 where the county judge or commissioner serves.

13       SECTION 25. Not later than January 1, 2004, the executive  
14 director of the State Bar of Texas or the executive director's  
15 designee shall prepare the written policy statement required by  
16 Section 81.029, Government Code, as amended by this Act.

17       SECTION 26. Not later than January 1, 2004, the supreme  
18 court shall adopt the rules and procedures required by Section  
19 81.072, Government Code, as amended by this Act, and Section  
20 81.0753, Government Code, as added by this Act.

21       SECTION 27. (a) The changes in law made by this Act in the  
22 prohibitions or qualifications applying to members of the board of  
23 directors of the State Bar of Texas do not affect the entitlement of  
24 a member serving on the board immediately before September 1, 2003,  
25 to continue to serve and function as a member of the board for the  
26 remainder of the member's term. Those changes in law apply only to  
27 a member elected or appointed on or after September 1, 2003.

1           (b) Section 81.036, Government Code, as added by this Act,  
2 applies only to a complaint filed with the State Bar of Texas on or  
3 after the effective date of this Act, regardless of whether the  
4 conduct or act that is the subject of the complaint occurred or was  
5 committed before, on, or after the effective date of this Act.

6           (c) Section 81.054, Government Code, as amended by this Act,  
7 applies to membership fees for renewal of a membership in the State  
8 Bar of Texas that become due on or after the effective date of this  
9 Act. Membership fees for renewal of a membership that became due  
10 before the effective date of this Act are governed by the law in  
11 effect on the date the membership fees became due, and the former  
12 law is continued in effect for that purpose.

13           (d) Section 81.072, Government Code, as amended by this Act,  
14 and Sections 81.073, 81.074, 81.075, 81.0751, 81.0752, and 81.0753,  
15 Government Code, as added by this Act, apply to a grievance filed on  
16 or after January 1, 2004, regardless of whether the conduct or act  
17 that is the subject of the grievance occurred before, on, or after  
18 that date. A grievance filed before January 1, 2004, is governed by  
19 the law in effect immediately before the effective date of this Act,  
20 and the former law is continued in effect for that purpose.

21           SECTION 28. As soon as practicable after the effective date  
22 of this Act, the supreme court shall adopt rules to implement  
23 Section 82.036, Government Code, as amended by this Act.

24           SECTION 29. Section 82.036, Government Code, as amended by  
25 this Act, applies only to a person who files an application to take  
26 the bar examination or an application for admission to the State Bar  
27 of Texas on or after September 1, 2003.

1 SECTION 30. This Act takes effect September 1, 2003.