

By: Chisum, Gallego, Solomons, Dunnam, Wise,
et al.

H.B. No. 599

Substitute the following for H.B. No. 599:

By: Raymond

C.S.H.B. No. 599

A BILL TO BE ENTITLED

AN ACT

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relating to the continuation and functions of the State Bar of
Texas.

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 coordinate the distribution with the distribution of money in
19 the judicial fund for programs approved by the supreme court that
20 provide basic civil legal services to the indigent.

21 (d) Fees collected under Subsection (j) may be used only to
22 provide basic civil legal services to the indigent. Other fees
23 collected under this chapter may be used only for administering the
24 public purposes provided by this chapter.

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

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

5 (h) A person whose membership has been expired for more than
6 90 days but less than one year may renew the membership by paying to
7 the state bar membership fees equal to two times the normally
8 required membership fees.

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

13 (j) The supreme court shall set an additional civil legal
14 services fee in an amount that is not less than \$65 to be paid
15 annually by each active member of the state bar. The supreme court
16 shall review the amount of the fee at least biennially and may,
17 subject to the requirements of this subsection, modify the amount.
18 The supreme court may not increase the amount of the fee to an
19 amount that exceeds 120 percent of the lowest fee imposed under this
20 subsection during the preceding year. Section 81.024 does not
21 apply to a fee set under this subsection.

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

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

26 Sec. 81.072. GENERAL DISCIPLINARY AND DISABILITY
27 PROCEDURES.

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

4 (a) In furtherance of the supreme court's powers to
5 supervise the conduct of attorneys, the court shall establish
6 disciplinary and disability procedures in addition to the
7 procedures provided by this subchapter.

8 (b) The supreme court shall establish minimum standards and
9 procedures for the attorney disciplinary and disability system.
10 The standards and procedures for processing grievances
11 [~~complaints~~] against attorneys must provide for:

12 (1) classification of all grievances and
13 investigation of all [~~inquiries and~~] complaints;

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

16 (3) periodic preparation of abstracts of inquiries and
17 complaints filed that, even if true, do or do not constitute
18 misconduct;

19 (4) an information file for each grievance [~~complaint~~]
20 filed;

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

24 (6) notice by the state bar to the parties of a written
25 grievance [~~complaint~~] filed with the state bar that the state bar
26 has the authority to resolve of the status of the grievance
27 [~~complaint~~], at least quarterly and until final disposition, unless

1 the notice would jeopardize an undercover investigation;

2 (7) an option for a trial in a district court on a
3 complaint and an administrative system for attorney disciplinary
4 and disability findings in lieu of [~~decisions as an option to~~]
5 trials in district court, including an appeal procedure to the
6 Board of Disciplinary Appeals and the supreme court under the
7 substantial evidence rule;

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

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

12 (10) authorizing all parties to an attorney
13 disciplinary hearing, including the complainant, to be present at
14 all hearings at which testimony is taken and requiring notice of
15 those hearings to be given to the complainant not later than the
16 seventh day before the date of the hearing;

17 (11) the commission adopting rules that govern the use
18 of private reprimands by grievance committees and that prohibit a
19 committee:

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

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

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

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

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

6 (A) classified as an inquiry under Section
7 81.073(a)(2)(A) because it does [~~do~~] not constitute an offense
8 cognizable under the Texas Disciplinary Rules of Professional
9 Conduct; or

10 (B) classified as a complaint and subsequently
11 dismissed; and

12 (2) facilitate coordination with other programs
13 administered by the state bar to address and attempt to resolve
14 inquiries and complaints referred to the voluntary mediation and
15 dispute resolution procedure.

16 (e-1) All types of information, proceedings, hearing
17 transcripts, and statements presented during the voluntary
18 mediation and dispute resolution procedure established under
19 Subsection (e) are confidential to the same extent the information,
20 proceedings, transcripts, or statements would be confidential if
21 presented to a panel of a district grievance committee.

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

25 (1) treatment by the grievance system staff and
26 volunteers;

27 (2) the fairness of grievance procedures;

1 (3) the length of time for grievance [~~complaint~~]
2 processing;

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

4 (5) suggestions for improvement of the grievance
5 system.

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

11 (o) Whenever a grievance is either dismissed as an inquiry
12 or dismissed as a complaint [~~after an investigatory hearing~~] in
13 accordance with the Texas Rules of Disciplinary Procedure and that
14 dismissal has become final, the respondent attorney may thereafter
15 deny that a grievance was pursued and [~~. In any disciplinary action~~
16 ~~which is tried to verdict before an evidentiary panel or a district~~
17 ~~court and there is a take-nothing judgment entered which becomes~~
18 ~~final, the respondent attorney~~] may file a motion with the tribunal
19 seeking expunction of all records [~~the tribunal's file~~] on the
20 matter, [~~. In the event an expunction is granted, the evidentiary~~
21 ~~panel or district court shall order that all records be destroyed~~]
22 other than statistical or identifying information maintained by the
23 chief disciplinary counsel pertaining to the [~~any~~] grievance [~~which~~
24 ~~formed the basis of the disciplinary action and the respondent~~
25 ~~attorney may thereafter deny any grievance which formed the basis~~
26 ~~of the disciplinary action was filed~~].

27 SECTION 17. Subchapter E, Chapter 81, Government Code, is

1 amended by adding Sections 81.073, 81.074, 81.075, 81.0751,
2 81.0752, and 81.0753 to read as follows:

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

6 (1) a complaint, if the grievance alleges conduct
7 that, if true, constitutes professional misconduct or disability
8 cognizable under the Texas Disciplinary Rules of Professional
9 Conduct; or

10 (2) an inquiry, if:

11 (A) the grievance alleges conduct that, even if
12 true, does not constitute professional misconduct or disability
13 cognizable under the Texas Disciplinary Rules of Professional
14 Conduct; or

15 (B) the respondent attorney is deceased, has
16 relinquished the attorney's license to practice law in this state
17 to avoid disciplinary action, or is not licensed to practice law in
18 this state.

19 (b) A complainant may appeal the classification of a
20 grievance as an inquiry to the Board of Disciplinary Appeals, or the
21 complainant may amend and resubmit the grievance. An attorney
22 against whom a grievance is filed may not appeal the classification
23 of the grievance.

24 Sec. 81.074. DISPOSITION OF INQUIRIES. The chief
25 disciplinary counsel shall:

26 (1) dismiss a grievance classified as an inquiry; and

27 (2) refer each inquiry classified under Section

1 81.073(a)(2)(A) and dismissed under this section to the voluntary
2 mediation and dispute resolution procedure established under
3 Section 81.072(e).

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

8 (b) After the chief disciplinary counsel reviews and
9 investigates a complaint:

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

12 (2) if the counsel finds just cause:

13 (A) the respondent attorney may request a trial
14 in a district court on the complaint in accordance with procedures
15 adopted by the supreme court; or

16 (B) the counsel shall place the complaint on a
17 hearing docket if the respondent attorney does not request a trial
18 in a district court.

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

23 (1) approve the dismissal of the complaint and refer
24 the complaint to the voluntary mediation and dispute resolution
25 procedure established under Section 81.072(e); or

26 (2) deny the dismissal of the complaint and place the
27 complaint on a hearing docket.

1 (d) A panel of a district grievance committee shall conduct
2 a hearing on each complaint placed on the hearing docket. The
3 commission and the respondent attorney are parties to the hearing,
4 and the chief disciplinary counsel presents the complainant's case
5 at the hearing. Each party may seek and the panel may issue a
6 subpoena to compel attendance and production of records before the
7 panel. Each party may conduct limited discovery in general
8 accordance with the Texas Rules of Civil Procedure as prescribed by
9 rules of the supreme court.

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

12 (1) dismiss the complaint and refer it to the
13 voluntary mediation and dispute resolution procedure established
14 under Section 81.072(e);

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

18 (3) find that professional misconduct occurred and
19 impose sanctions.

20 Sec. 81.0751. APPEALS. (a) The commission or a respondent
21 attorney may appeal:

22 (1) a finding of a panel of a district grievance
23 committee under Section 81.075(e) only to the Board of Disciplinary
24 Appeals;

25 (2) a finding of the Board of Disciplinary Appeals to
26 the supreme court; and

27 (3) a judgment of a district court as in civil cases

1 generally.

2 (b) In an appeal of a finding of a panel of a district
3 grievance committee made to the Board of Disciplinary Appeals, the
4 board may:

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

6 (2) modify the panel's finding and affirm the finding
7 as modified;

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

10 or

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

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

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

17 Sec. 81.0752. CONFIDENTIALITY. (a) All types of
18 information, proceedings, hearing transcripts, and statements
19 presented to a panel of a district grievance committee are
20 confidential and may not be disclosed to any person other than the
21 chief disciplinary counsel unless:

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

23 (2) the panel finds that professional misconduct
24 occurred and a sanction other than a private reprimand is imposed
25 against the respondent attorney.

26 (b) If the requirements of Subsection (a)(2) are met, the
27 panel of the district grievance committee shall, on request, make

1 the information, proceedings, hearing transcripts, or statements
2 available to the public.

3 Sec. 81.0753. RULES REGARDING GRIEVANCES. The supreme
4 court shall promulgate rules regarding the classification and
5 disposition of grievances, including rules specifying time limits
6 for each stage of the grievance resolution process.

7 SECTION 18. Section 81.079, Government Code, is amended to
8 read as follows:

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

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

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

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

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

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

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

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

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

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

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

7 (c) The state bar shall recognize, prepare, or administer
8 continuing education programs for members of the state bar. A
9 member of the state bar must participate in the programs to the
10 extent required by the supreme court to maintain the person's state
11 bar membership.

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

14 SUBCHAPTER I. EXECUTIVE COMMITTEE

15 Sec. 81.121. EXECUTIVE COMMITTEE. (a) The executive
16 committee consists of:

17 (1) the president, the president-elect, and the
18 immediate past president of the state bar;

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

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

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

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

26 (c) The president of the state bar serves as chair of the
27 committee. The chair of the board of directors serves as vice chair

1 of the committee and presides over committee meetings in the
2 committee chair's absence.

3 Sec. 81.122. DUTIES OF EXECUTIVE COMMITTEE. The executive
4 committee shall:

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

8 (2) conduct a comprehensive review of standing and
9 special committees of the state bar at least biennially and more
10 frequently as the executive committee determines necessary to
11 assess whether there is:

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

13 (B) unnecessary overlap of the committees'
14 activities; and

15 (3) perform other duties as delegated by the board of
16 directors.

17 Sec. 81.123. APPROVAL OF COMMITTEES. Before the executive
18 committee may approve the creation of an additional standing or
19 special committee of the state bar, the committee must:

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

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

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

27 SECTION 22. Not later than January 1, 2004, the executive

1 director of the State Bar of Texas or the executive director's
2 designee shall prepare the written policy statement required by
3 Section 81.029, Government Code, as amended by this Act.

4 SECTION 23. Not later than January 1, 2004, the supreme
5 court shall adopt the rules and procedures required by Section
6 81.072, Government Code, as amended by this Act, and Section
7 81.0753, Government Code, as added by this Act.

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

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

20 (c) Section 81.054, Government Code, as amended by this Act,
21 applies to membership fees for renewal of a membership in the State
22 Bar of Texas that become due on or after the effective date of this
23 Act. Membership fees for renewal of a membership that became due
24 before the effective date of this Act are governed by the law in
25 effect on the date the membership fees became due, and the former
26 law is continued in effect for that purpose.

27 (d) Section 81.072, Government Code, as amended by this Act,

1 and Sections 81.073, 81.074, 81.075, 81.0751, 81.0752, and 81.0753,
2 Government Code, as added by this Act, apply to a grievance filed on
3 or after January 1, 2004, regardless of whether the conduct or act
4 that is the subject of the grievance occurred before, on, or after
5 that date. A grievance filed before January 1, 2004, is governed by
6 the law in effect immediately before the effective date of this Act,
7 and the former law is continued in effect for that purpose.

8 SECTION 25. This Act takes effect September 1, 2003.