

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF AMENDMENTS
TO SUPREME COURT RULE 216:
CLIENT INTEREST BEARING TRUST
ACCOUNTS; CREATION OF
FOUNDATION.

ADKT 0479

FILED

JUN 19 2014

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
CHIEF DEPUTY CLERK

ORDER AMENDING SUPREME COURT RULE 216

WHEREAS, on April 15, 2014, the Board of Governors of the State Bar of Nevada filed a petition in this court seeking the amendment of Supreme Court Rule 216 regarding client interest bearing trust accounts and the foundation responsible for the administration of such accounts; and

WHEREAS, this court has determined that the proposed rule amendments are warranted; accordingly

IT IS HEREBY ORDERED that Supreme Court Rule 216 shall be amended and shall read as set forth in Exhibit A.

IT IS FURTHER ORDERED that this amendment to the Supreme Court Rules shall be effective 30 days from the date of this order. The clerk of this court shall cause a notice of entry of this order to be published in the official publication of the State Bar of Nevada. Publication of this order shall be accomplished by the clerk disseminating copies of this order to all subscribers of the advance sheets of the Nevada Reports and all persons and agencies listed in NRS 2.345, and to the executive director of the State Bar of Nevada. The certificate of the clerk of this court as to the accomplishment of the above-described publication of notice of entry and dissemination of this order shall be conclusive evidence of the adoption and publication of the foregoing rules.

Dated this 19th day of June, 2014.

Gibbons, C.J.
Gibbons

Pickering, J.
Pickering

Hardesty, J.
Hardesty

Parraguirre, J.
Parraguirre

Douglas, J.
Douglas

Cherry, J.
Cherry

Saitta, J.
Saitta

cc: Alan Lefebvre, President, State Bar of Nevada
Constance Akridge, President, Nevada Bar Foundation
Kimberly Farmer, Executive Director, State Bar of Nevada
Clark County Bar Association
Washoe County Bar Association
Administrative Office of the Courts

EXHIBIT A

Rule 216. Creation of foundation.

1. The board of governors, with the approval of the supreme court, shall designate a tax-exempt bar foundation for the purposes of providing legally related services to the poor, to the victims of domestic violence, and to children protected by or in need of protection of the juvenile court; promoting or providing law-related educational programs for members of the public; and providing similar programs which qualify for tax-exempt status by the United States Internal Revenue Service under I.R.C. section 501(c)(3) or any additions thereto or amendments thereof. To carry out these purposes, the bar foundation may utilize the income accrued from interest-bearing client's trust accounts (IOLTA funds) as authorized by Rules 216 through 221, and as the supreme court may otherwise order.

(a) ~~[A major portion of]~~ Substantially all IOLTA funds, after adequate reserves (as approved by the Supreme Court) and reasonable expenses, shall be disbursed for the purposes of providing legally related services to the poor, to victims of domestic violence, and to children protected by or in need of protection of the juvenile court. ~~[The remainder of the IOLTA funds shall be spent as the bar foundation deems appropriate, keeping in mind the purposes set forth in this rule.]~~

(b) Among factors to be considered in disbursing the funds should be the geographic origin of the funds.

2. The governing body of the designated bar foundation shall be composed of ~~[a minimum of]~~ 11 members; 7 of whom shall be members in good standing of the state bar. The court shall appoint 6 members and the state bar shall appoint 5 members. ~~[and no more than 17 members. At~~

~~maximum capacity, 12 of the members shall be members in good standing of the state bar, and 5 shall be lay persons who have knowledge of and are acquainted with the needs of the poor, victims of domestic violence, and children protected by or in need of protection of the juvenile court. The Board shall include at least 4 lay persons at all times.~~

~~(a) None of the members of the bar foundations' governing body shall also be a member of the board of governors of the state bar or be related to any member of the board of governors within the third degree of consanguinity.~~

~~(b)]The members of the bar foundations' governing body shall not be members of the governing body or employees of grantee organizations.~~

3. The terms of office of the members of the governing body of the bar foundation shall be staggered. Each member shall be appointed for a term of 2 years, commencing July 31. No member may serve on the governing body for more than a lifetime total of ~~[10]~~ 8 years. The time served in filling a partial term created by a vacancy shall not be included in computing the ~~[10]~~8-year lifetime limit.

4. ~~[All appointments shall be for a term of 2 years, commencing June 30th, to be made by the supreme court in even-numbered years and by the board of governors of the state bar in odd-numbered years.~~

5.] Vacancies on the governing body of the bar foundation shall be filled by the original appointing entity by appointment.

~~[6. The principal office of the bar foundation shall be situated in Clark County.]~~

5. The bar foundation shall provide, at least annually, to the board of governors and to the court, a report of its activities.