## 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

OCT 052012

## ORDER SCHEDULING PUBLIC HEARING AND REQUESTING PUBLIC COMMENT

On September 5, 2012, the Board of Governors of the State Bar of Nevada filed a petition requesting that this court consider amendments to Supreme Court Rule 216. The proposed rule amendments are attached as Exhibit A.

The Nevada Supreme Court will conduct a public hearing on the proposed amendments on Monday, November 5, 2012, at 3:00 p.m. in the Nevada Supreme Court Courtroom, 201 South Carson Street, Carson City, Nevada. The hearing will be videoconferenced to the Nevada Supreme Court Courtroom, 200 Lewis Avenue, 17th Floor (Regional Justice Center), Las Vegas, Nevada.

Further, this court invites written comment from the bench, bar and public regarding the proposed amendments. An original and 8 copies of written comments are to be submitted to: Tracie K. Lindeman, Clerk of the Supreme Court, 201 South Carson Street, Carson City, Nevada 89701 by 5:00 p.m., November 1, 2012. Comments must be

(O) 1947A

submitted in hard-copy format. Be advised that comments submitted electronically will not be docketed. Persons interested in participating in the hearing must notify the Clerk no later than November 1, 2012.

Hearing date: November 5, 2012, at 3:00 p.m.

Supreme Court Courtroom 201 South Carson Street Carson City, Nevada

Comment deadline: November 1, 2012, at 5:00 p.m.

Supreme Court Clerk's Office 201 South Carson Street Carson City, Nevada 89701

DATED this 5th day of October 2012.

Cherry

cc: Francis C. Flaherty, President, State Bar of Nevada
Kimberly Farmer, Executive Director, State Bar of Nevada
Dara Goldsmith, Chair, Nevada Law Foundation
Clark County Bar Association
Washoe County Bar Association
Administrative Office of the Courts

(O) 1947A

## ADKT 479 - Amendments to SCR 216

## 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 all IOLTA funds 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 [twenty-one] a minimum of eleven and no more than seventeen members. At maximum capacity, [Fourteen] twelve of the members shall be members in good standing of the state bar, and [seven] five 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 four 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 two years. No member may serve on the governing body for more than a lifetime total of ten years. The time served in filling a partial term created by a vacancy shall not be included in computing the ten year lifetime limit.
- 4. [In even-numbered years, the supreme court shall appoint for two-year terms, commencing June 30th, seven attorneys and four lay persons as members of the governing body of the bar foundation.] All appointments shall be for a term of two 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. In odd-numbered years, the board of governors of the state bar shall appoint for two-year terms, commencing June 30th, seven attorneys and three lay persons as members of the governing body of the bar foundation.

- <u>5.</u>[6.] Vacancies on the governing body of the bar foundation shall be filled by the [supreme court] original appointing entity by appointment.
- <u>6.</u>[7.] The principal office of the bar foundation shall be situated in Clark County.