

:: REPORT OF THE EXECUTIVE DIRECTOR/CHIEF OPERATING OFFICER ::

The membership of the Virginia State Bar continued steady growth in the fiscal year ended June 30, 2007. Total membership in good standing totaled to 40,744, an increase of 1,074 members, or 2.71 percent over the previous year. A new Supreme Court of Virginia rule relating to special limited admission of corporate counsel who are bar members in good standing in another United States jurisdiction, but not admitted in Virginia, was implemented in 2005; and by June 30, 2007, 1,128 individuals had been issued certificates or registered under the rule.

	2006-2007	2005-2006
Active	26,238	25,659
Corporate Counsel Admittees	699	660
Corporate Counsel Registrants	429	396
Associate	10,699	10,342
Judicial	1,043	1,032
Retired/Disabled	<u>1,636</u>	<u>1,581</u>
	40,744	39,670

Officers, bar activities during fiscal 2007, and new executive committee and council members

Howard W. Martin Jr. of Norfolk became president of the Virginia State Bar at its annual meeting on June 15, 2007. He was sworn in by Chief Justice Leroy R. Hassell Sr. of the Supreme Court of Virginia. Manuel A. Capsalis, president-elect, was unopposed in the 2007 election for that office to serve during 2007-2008. Karen A. Gould of Richmond completed her year as president.

On the basis of an actuarial study that determined the bar needed to significantly increase the corpus of its Clients' Protection Fund in order to continue to be able to respond to future claims, the bar secured legislative and Supreme Court of Virginia approval for a \$25-per-year special assessment to be paid by all active members of the bar, with the entire proceeds of the assessment to be placed in the Clients' Protection Fund. Effective July 1, 2007, the special assessment will be collected along with annual member dues, and it is anticipated that \$600,000 to \$700,000 will be generated from the assessment and added to the corpus of the fund annually for the next several years. By that point the corpus of the fund should go from its present \$3.3 million dollars to approximately \$9 million dollars, and it is anticipated that the income from the fund will then be sufficient to honor all valid claims.

The Multi-Jurisdictional Practice Task Force continues to work on proposed amendments to Rules of Professional Conduct 5.5 and 8.5, as well as a new Supreme Court rule governing the activities of foreign legal consultants. Almost half of the states in the country now have temporary practice and foreign legal consultant accommodations for lawyers from other countries who want to work in a limited way or for a short period of time in their states. Virginia needs to join the ranks of these states if its lawyers are to continue to be provided with reasonable opportunities to practice in foreign locales.

The subject of requiring malpractice insurance of all active members engaged in the private practice of law continued to be discussed during the year. At the June 2007 council meeting in Virginia Beach, a proposal to simply strengthen the existing malpractice insurance certification now contained on the dues statement was defeated. The proposed rule change would have required lawyers who report that they do have malpractice insurance to provide evidence of that fact. Instead, the council agreed to discuss and decide at its October 2007 meeting whether the bar ought to take the step of requiring insurance of all active members in private practice. If the decision is made to do that, then the Special Committee on Lawyer Malpractice Insurance would be tasked with the responsibility for developing a specific proposal for later consideration by the council.

In June 2007, the bar's Section on Education of Lawyers in Virginia partnered with the American Bar Association's Section of Legal Education and Admissions to the Bar to produce the fourth Virginia Conclave on Legal Education in Charlottesville. The occasion was the spring meeting of the ABA Section's Council. In addition to the thirty members of the council from all parts of the United States, about seventy Virginia lawyers, judges, and academics participated in the half-day conclave, at which globalization of the legal profession and opportunities for minorities in the profession were subjects of conversation. The conclave ended with a dinner and remarks by College of William and Mary Law School Dean W. Taylor Reveley III about the lawyer as public citizen and how law schools might begin the process of inculcating the values of public and professional service in students during the legal education experience.

Bar member use of the Fastcase online legal research system continued to increase during the year, and the bar also conducted two Solo and Small-Firm Practitioner Forums, designed to provide law practice management information to practitioners in the Roanoke and Fredericksburg areas. The bar worked with the Supreme Court on a third highly successful Indigent Defense Training Seminar, once again held in Richmond and broadcast by television to lawyers from Southwest Virginia who gathered in Abingdon.

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Manuel A. Capsalis will serve ex-officio on the executive committee next year as president-elect. Jan L. Brodie, Michael C. Guanzon, and Theophani K. Stamos were elected by the council as new members of the 2007-2008 Executive Committee, replacing Mr. Capsalis, Jon D. Huddleston, and Alda L. White. Irving M. Blank, Edward L. Chambers Jr., and Judith N. Rosenblatt were re-elected to one-year terms.

The following new members were elected to the VSB Council for three-year terms beginning July 1, 2007:

Kevin E. Martingayle	2nd Judicial Circuit
George M. Willson	3rd Judicial Circuit
William H. Riddick	5th Judicial Circuit
Brian L. Buniva	13th Judicial Circuit
Ronald R. Tweel	16th Judicial Circuit
Mark D. Cummings	17th Judicial Circuit
Gregory T. Hunter	17th Judicial Circuit
Sharon D. Nelson	19th Judicial Circuit
Edward L. Weiner	19th Judicial Circuit
Peter C. Burnett	20th Judicial Circuit
Mark B. Holland	22nd Judicial Circuit
Christopher W. Stevens	23rd Judicial Circuit
Aubrey J. Rosser Jr.	24th Judicial Circuit
Michael J. Barbour	27th Judicial Circuit
C. Eugene Compton	29th Judicial Circuit

The following incumbents were re-elected to the council for three-year terms beginning July 1, 2007:

John Y. Richardson Jr.	4th Judicial Circuit
Steven B. Novey	6th Judicial Circuit
Theophani K. Stamos	17th Judicial Circuit
Leslie W. Hoffman	19th Judicial Circuit
John D. Whittington	31st Judicial Circuit

Margaret A. Nelson of Lynchburg was appointed to a three-year term as a council member at large, replacing Alda L. White. J. Nicholas Klein III of Keller and Judith N. Rosenblatt of Virginia Beach were both reappointed to three-year terms as council members at large. John Y. Richardson Jr. of Norfolk became president of the Conference of Local Bar Associations, Daniel L. Gray of Fairfax became president of the Young Lawyers Conference, and George W. Shanks of Luray became president of the Senior Lawyers Conference. They will all serve as ex-officio members of the council and the executive committee during 2007-2008.

Bar operations and staff

All of the bar's senior staff and department heads continued to serve effectively during the past year, with new VSB Counsel George W. Chabalewski completing his first year of service at the end of the year.

The bar's long-term goal of rewriting and integrating all of its computer software programs was completed in June 2007, though work continues on refinements in the last major module — professional regulation and the office of the clerk of the disciplinary system. The project was directed by William H. Dickinson, the bar's Information Technology Department director, using outside consultants, and he and his staff will largely be able to maintain and update the system in the future, as well as implement more Web-based applications and a more paperless office at the bar.

The bar completed its acquisition and furnishing of new space on the sixteenth floor of the Eighth and Main Building, which is now occupied by all of the VSB's Richmond professional regulation staff. In addition, a significant amount of space on the fifteenth floor has been refurbished and modified to meet the needs of the rest of the Richmond staff. The new and reconfigured space should meet the bar's needs for the foreseeable future, and there are several spaces for expansion when additional staff need to be added. With the completion of the new space and the renovations, the bar was able to fill two support staff positions previously left open because of the lack of space. They will provide additional assistance in the professional regulation, membership, fiscal, and human resources areas.

