

Delaware Law Weekly

January 31, 2007

Volume 10, Number 5 \$8.00

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Minner Budget Proposal Meets Judiciary Requests Part-Way

By Elizabeth Bennett

Of the DLW

The governor's budget recommendation for the judiciary for fiscal year 2008 beginning in July presents the proverbial question that so often seems to apply to the budget process: Is the glass half empty or half full?

Back in November the judiciary sent a request to the governor that included six months of funding for two more New Castle County Superior Court judges, plus 16 full-time support staff, for a total of \$815,400.

The recommendation, announced by Gov. Ruth Ann Minner on Jan. 25, calls for one new judge, plus five full-time support staff, for a total of \$243,600.

In the judiciary's request, the line item for the two new judges included money for one judicial case-manager supervisor and four judicial case managers to help relieve pressure on the prothonotary. It also

included funds for two judicial secretaries, two court reporters, two investigative services officers, two bailiffs, two law clerks and a paralegal.

The fiscal year (FY) 2008 proposal indicates funding for one new judge, two judicial case managers, one judicial secretary, one court reporter and one investigative services officer.

New Castle County Superior Court wasn't the only one whose full personnel requests didn't make the cut. Family Court requested 15 full-time electronic court reporters, but there is only funding for six in the recommendation.

The Court of Common Pleas got its requested electronic court reporter, but not its two judicial case managers.

The personnel funding comes in the context of an overall budget recommendation of roughly \$89 million for the judiciary, a 1.12 percent increase over FY 2007, according to materials from the Office of Management of Budget.

As a piece of the budget pie, the judiciary accounts for 2.7 cents of every dollar in the recommendation. The highest portion goes to public education, at 34.1 cents, followed by health and social services, at 27.3 cents.

The judiciary requested a budget of about \$91.4 million, which represented a 3.46 percent increase over FY 2007 excluding all door openers, the term for the funds the courts must have to maintain basic operations. The Administrative Office of the Courts provided these figures in November.

Chief Justice Myron T. Steele was out of town at a conference when the governor released her recommendation and had not seen the proposals in detail by press time.

In an e-mail, Steele said he would be meeting with the appropriate judges on Jan. 29 to get their input, and after conferring with court administrators, the

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Delaware's Legal Influence Could Spread Through the IBA

By Elizabeth Bennett

Of the DLW

With so many Fortune 500 companies incorporated in Delaware, it's safe to say American business people are aware of the significant role the state plays in corporate life, but the international business community may be a different story.

A few Delaware lawyers are working to change that through their involvement with the International Bar Association, an organization comprising 30,000 lawyers with representatives from every continent.

According to its Web site, the IBA aims to influence the development of international law as well as provide educational and networking activities for its members.

Grouped into two divisions — the legal practice division and the public and professional interest division — the IBA covers all practice areas and provides members

with access to experts, information and professional development opportunities through publications and conferences.

Ellisa Habbart, partner with the Delaware Counsel Group, a corporate transactions firm in Wilmington, is the latest representative of the First State to gain an IBA post. She became vice-chair of the private equity subcommittee of the

IBA's business organization committee effective the first of the year after about five years as a member.

"People from around the world, they know Delaware," Habbart said, adding that even so, they may not be sure why the state is an attractive place to set up a business entity. "Our job is to educate them."

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PERIODICALS

Samuel A. Nolen, a partner in the corporate department of Richards Layton & Finger of Wilmington, has been involved with the IBA for about eight years. Last year he served as the secretary of the business organization committee, and this year he is its North American conference coordinator.

Nolen said his principal reason for joining the IBA was that Delaware corporate and alternative entities law is very well-known within the United States, but not as well-known abroad.

"I thought that the IBA would be an excellent platform to help spread the word about Delaware business law. This was at a time of increasing globalization and internationalization of [merger and acquisition] activity," Nolen said.

Although Delaware has become better known outside the U.S., there may be lingering perceptions that it is some kind of tax haven, Nolen said.

"It's important, and the state has been making efforts, to explain what Delaware's real advantages are," Nolen said. He mentioned the ease in establishing a business entity, and the predictability of the courts.

Of the Delaware attorneys interviewed for this article, Selinda A. Melnik of Edwards Angell Palmer & Dodge has the longest running membership in the IBA, going back more than 20 years.

A partner in Edward Angell's finance practice group and creditors' rights, bankruptcy and insolvency group, among others, Melnik is resident in both the Wilmington and New York offices of her firm.

Melnik's involvement in the IBA runs deep. She is an elected member of the

council of the legal practice division, the largest portion of the IBA, a member of its committee on insurance law, and its women's interest group.

In addition, she represented the IBA as part of a group within the United Nations Commission on International Trade Law, which drafted the model law on cross-border insolvency that was incorporated into

Of the Delaware attorneys interviewed for this article, Selinda A. Melnik of Edwards Angell has the longest running membership in the IBA, going back more than 20 years.

Chapter 15 of the U.S. Bankruptcy Code

Coincidentally, Melnik's firm obtained the first order granting aid to a foreign business debtor under Chapter 15, entered by Judge Burton R. Lifland in the case *In re La Mutuelle du Mans IARD United Kingdom Branch MMA Account*. The order was filed in the U.S. Bankruptcy Court for the Southern District of New York in November 2005.

Naturally, as part of the state bar, Melnik brings expertise in Delaware law to the international table, but her long involvement with the IBA adds another dimension: She sees the necessity of harmonizing commercial laws internationally.

"Virtually every country's laws of all natures are different. Many are wholly incompatible," Melnik said. "As globalization of trade and commerce increased, and

more and more cross-border and multinational deals were struck, we clearly were headed for disaster unless there was some harmonization of laws in the most key areas of international commerce."

Most notable, she said, was the need to harmonize laws with respect to how things are resolved when a company fails or is unable to meet its debts, and how creditors can best protect themselves at the front-end of deals, including the acquisition of collateral for debt.

Additional reasons Melnik got involved in the IBA include to expand her own knowledge as an international insolvency and financial transactions practitioner, and to increase her contacts and referrals worldwide.

Every year the IBA holds numerous conferences. One of the biggest is its annual meeting, scheduled for October of this year in Singapore (last year's was in Prague).

Habbart of the Delaware Counsel Group reports that not only Delaware lawyers have an interest in the IBA. Chief Justice Myron T. Steele of the Delaware Supreme Court has been invited to participate in the Singapore conference, and though it's too early for any definite plans, Steele has attended IBA meetings in the past.

According to Habbart, the secretary of state is also considering ways to increase the Delaware's visibility within the IBA.

Individually, Habbart said IBA membership is a great way to expand one's horizons.

"On the personal level it's just fabulous," she said. "You have the opportunity to interact with people from all over the world." •

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