



The State Bar of California

ACTION SUMMARY

Task Force on Access Through Innovation of Legal Services
Subcommittee on Alternative Business Structures/Multi-Disciplinary Practice
January 18, 2019
11:00 a.m. – 2:00 p.m.

The State Bar of California
845 South Figueroa Street
Board Room 2nd Floor
Los Angeles, CA 90017-2515

Phone: 855-520-7605
Pass Code: 2535410212#

Members Present: Andrew Arruda (Chair), Mark Tuft (Vice-Chair), Jean Clauson, Bridget Gramme, and Joanna Mendoza.

Not Present: Valerie Dean

Others Present: Justice Lee Edmon, Greg Fortescue, Donna Hershkowitz, Randy Difuntorum, Doan Nguyen, and Teresa Schmidt (public)

ACTION SUMMARY

A. Chair's Report

1. **Roll Call**

The Chair called the meeting to order and asked staff to take a roll call of the task force members.

2. **Call for Public Comment**

The Chair inquired but there was no one present who wished to provide public comment.

3. **Chair's Report**

The Chair welcomed the members and thanked everyone for submitting their assignments.

4. Staff Report

Staff reminded members to email all questions, assignments, and other communications to Doan Nguyen at doan.nguyen@calbar.ca.gov and copy the generic ATILS email at atils@calbar.ca.gov.

5. Approval of Action Summary from the December 5, 2018 Meeting

Jean Clauson moved, and Mark Tuft seconded. The motion was approved by unanimous roll call vote (5-0-0).

B. Action / Report and Recommendation

1. Alternative Business Structures and Multi-Disciplinary Practice

The subcommittee met and held a general discussion on the definition of ABS/MDP, regulation of lawyers under the judicial branch, and entity regulation and other possible reforms.

Approval of the following recommendations to the Task Force at large:

- a. Lawyers in traditional practice and firms stay under the current regulatory framework with a mind towards expanding access to justice through innovation.
- b. We recommend that ABS would be the right approach moving forward as MDP seems to highlight partnerships between two regulated professionals whereas ABS would likely include those who are unregulated, as well as those, are regulated, including MDP.
- c. The State Bar would regulate ABS entities but its scope would cover the delivery of legal services as well as law-related services.
- d. ABS model being proposed would include for-profit entities and would not be limited to not for profits.
- e. All entities providing legal services would involve at least one lawyer in the organization authorized to practice in California to ensure a form of quality control and adherence to regulation.

Joanna Mendoza moved, and Bridget Gramme seconded. The motion was approved by unanimous roll call vote (5-0-0).

Discussion of assigned questions for next meeting:

- a. How are we protecting consumers in this process? (Bridget Gramme)
- b. What is the definition of law-related services? (Andrew Arruda)
- c. Which areas is access to justice most needed? (Jean Clauson)
- d. What have other jurisdictions learned about the implementation of their ABS programs and how can we improve upon it? (Bridget Gramme)

- e. What would the source of funding be for the implementation of ABS systems? (Jean Clauson)
- f. How do you preserve the attorney-client relationship and the other core values of the attorney-client relationship in this new potential reality? How do the core values in this new proposed reality? (Mark Tuft)
- g. What could potential success criteria look like when it comes to these new entities (Jean Clauson)

Discussion of potential future questions:

- a. What would the structure of these ABS entities look like? (perhaps looking at empirical data)
- b. What is the definition of “involve” in the sense of ABS and the participation of a lawyer?
- c. What would a hotline look like for ABS questions?

ADJOURN

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The notice and agenda is available at: <http://board.calbar.ca.gov/Committees.aspx>.