



The State Bar of California

Task Force on
of Legal Services – Subcommittee on
Alternative Business Structures /
Multi-Disciplinary Practices

ATILS Agenda Item C.3.d.
ABS-MDP Agenda Item B.4.
05-13-19 Meeting

To: Subcommittee on Alternative Business Structures/Multi-Disciplinary Practices
From: Bridget Gramme
Date: May 13, 2019
Re: B.4. Recommendation: Non-lawyers will be authorized to offer limited legal services as an exemption to UPL with appropriate regulation.

Recommendation: Non-lawyers will be authorized to offer limited legal services as an exemption to UPL with appropriate regulation.

(Motion to submit recommendation for consideration by the full Task Force was approved by the subcommittee on May 13, 2019 (4-0-0).)

If the task force ultimately recommends entity regulation, what will these entities be allowed to do and not allowed to do?

The subcommittee discussed general principles which would encompass the scope of the entity regulation. The group reached consensus as to the following points:

- Regulated entities must maintain confidentiality and avoid conflicts just as individual attorneys are bound to do
- Entities must agree to keep info/data confidential
- Entities would not must be prohibited from selling data acquired from clients/ potential clients
- Entities must be required to place needs of clients above shareholders
- Non-lawyer employees of regulated entities may not represent clients in court

The group also discussed the following additional principles although they did not reach consensus (number in parentheses indicates number of supporting votes in addition to committee member who suggested the idea):¹

- Entities would be permitted to provide any legal service except litigation/advocacy which must be performed by individual attorneys (1)
- Entities would be permitted to identify and assist consumers in completing applicable legal forms (2)
- Entities would be allowed to offer hybrid legal/non-legal services to clients (1)
- Entities would be permitted to partner with entities delivering non-legal services, where individuals are likely to go when they have a problem (i.e., hospitals, marketing firms, tech) (2)
- Entities would be allowed to employ non-lawyers to perform certain tasks that do not require a lawyer to perform (1)
- Entities owned by lawyers would be allowed to share fees with non-lawyers within scope of regulatory structure (2)

¹ **Note:** we recognize that some of these principles are overlapping in nature, but in the interest of fully capturing the discussion, they are all included here.

- Entities would be required to be transparent with pricing for services they deliver (3)
- Entities would be encouraged to create tech solutions to be used in courts (1)
- If a regulated entity is not operating/ delivering legal services in a practice area/ client demographic that the regulatory entity determines to be priority areas to address the justice gap, these entities would be required to pay an enhanced fee that would be directly earmarked for access to justice projects. (1)
- Entities would be permitted to navigate court cases in specific areas (1)

1) If the task force ultimately recommends entity regulations, what is the optimal regulatory structure?²

² original assignment