



Law Society
of Scotland



International
Conference of
Legal Regulators

Workshop A2: HELP!! – Bringing Regulatory Reform of Legal Services Delivery to the New World

***Moderator: Jayne Reardon, Illinois Supreme Court
Commission on Professionalism***

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HELP!

Bringing Regulatory Reform to the New World



Bridget Gramme, John R. Lund, Art Lachman

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Ethical Rules Impacting Legal Tech and the Delivery of Legal Services in the US

- Rules against UPL
- Rules restricting advertising
- Rule against giving anything of value for recommendations
- Rules against sharing fees with non-lawyers
- Rules ag. partnerships with non-lawyers or practicing in P.C. if non-lawyer owns interest or is officer/dir.



Issues with these Rules

- Inhibit innovation / use of technology / access to services
- Unreasonably restrict ability to generate leads
- Arbitrarily prohibit giving “anything of value”
- Restrict lawyers going into business with allied professionals
- Restrict access to capital



A group of business professionals in a meeting, with a teal overlay and white text. The image shows several people in business attire sitting around a table, looking at documents and a smartphone. The text is centered and reads:

What are current efforts to modify the rules?

APRL Future of Lawyering Committee

Comprehensive Reform of Ethics Rules & Regulation in the U.S.:

- Referral Arrangements & Sharing Fees with Nonlawyers
- Multijurisdictional Practice of Law (Cross-Border)
- Unauthorized Practice of Law (Nonlawyer Practice)
- Partnering with Nonlawyers & Nonlawyer Investment in Law Firms
- Regulation of Entities Delivering Legal Services



Utah

Supreme Court Has Fully Endorsed and Directed Implementation of:

- ***Relaxation or elimination of rules*** regarding referral fees, fee sharing, advertising and solicitation.
- ***Rule changes to permit*** non-lawyer investment in and ownership of firms and entities providing legal services
- A *detailed proposal* to create an independent regulator of legal services using a regulatory sandbox for innovative consumer-focused solutions.



Access Through Innovation of Legal Services (ATILS)

Dual Goals:

- Increase Access to Legal Services
- Public Protection



Proposed Recommendations

(July 2019)

- Relaxed Rules and Regulations, UPL Exceptions for Entities and Individuals
- Allowing Fee Sharing with Nonlawyers
- Allowing Nonlawyer Ownership of a Law Practice



Arizona Recommendations

- ***Eliminate altogether*** separate restrictions in ABA Model Rule 5.4 on multidisciplinary practice and nonlawyer investment in law firms
- ***Eliminate*** restrictions on compensating or giving value in exchange for recommending a lawyer's services
- ***Streamline*** advertising rules to prohibit misleading advertising only
- ***Consider*** entity regulation, including law firm discipline



Illinois

Draft proposal for client-lawyer matching services

- Register with and be subject to regulation by the ARDC
- Include ***for-profit client-lawyer matching services*** as well as existing referral services
- ***Allow fee-splitting*** with registered matching services





**Share your
insights!**

QUESTION 1

Respond to this argument:

“We cannot change the rules because they protect the public.”

How do we obtain input on the need or desire for protection from would-be or current customers?

QUESTION 2

Respond to this argument:

“Regulatory reform should be rejected because no significant improvement on access to justice has been experienced in those countries where regulations have been eased.”

QUESTION 3

Which comes first, the chicken or the egg?

Should we start with the rules (governing lawyer ethics and unauthorized practice) or regulation of entities delivering legal services?

QUESTION 4

What else do you have to share?

Lessons learned that you wish you had known before re-regulation occurred?



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THANK YOU!