



BOARD OF GOVERNORS Reporting Form

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BOARD MEETING DATE: December 9, 2016

SUBJECT: Public Service Center Proposal

BACKGROUND OF ISSUE:

The Bar's Mission. Under revisions to Rule 32 by the Arizona Supreme Court, effective 1 January 2017, the State Bar of Arizona (Bar) "exists to serve and protect the public with respect to the provision of legal services and access to justice." The Bar currently commits substantial resources to protecting the public via its regulatory and compliance operations. A significant part of the Bar's budget also serves to support the ongoing professional development of Arizona lawyers, which indirectly serves the public by underwriting its expectations that legal services are delivered by a profession that adheres to the highest ethical standards. New Rule 32 acknowledges and validates these important roles, but places primary emphasis on the Bar's obligation to: "organize and promote activities that fulfill the responsibilities of the legal profession and its individual members to the public; [and] promote access to justice for those who live, work, and do business in this state."

Access to Justice and the Bar. Although the Bar has supported access to justice in the past by contributing to the efforts of the Arizona Foundation for Legal Services and Education (Foundation) and its grantees, and via a variety of community outreach activities, the Bar has no staff or resources specifically committed to improving service to the public and access to justice. With regard to promoting pro bono service, the Bar has taken a limited role, and again, has no dedicated staff or resources to improve and increase pro bono service by its members. A recent survey of Bar members indicates that the average number of hours committed to such service is twenty-one—Ethical Rule 6.1 calls for a minimum of fifty hours per year. Similarly, a significant majority of the Bar's members opt out of contributing to the Foundation when given the opportunity as part of the annual dues process. In contrast to these statistics, a 2012 survey of lawyers conducted by the American Bar Association (ABA) found that nine in ten attorneys believe that such service is important, and that it makes a difference in improving access to justice. The survey also revealed that many lawyers wish to provide some kind of volunteer service but find it difficult to do so.

On the other side of the equation, it is well established that most members of the public do not have access to legal services. Cost is often a factor, but not the only obstacle to finding legal help. Findings from the Arizona Forward Summit, (conducted in 2015 under the auspices of Arizona Supreme Court, the ABA and the State Bar of Arizona) indicated that the public has difficulty in connecting with legal services for a host of reasons, including but not limited to: lack of lawyers in rural areas, complex forms and processes, and difficulty in understanding/identifying legal issues. The Summit report included

among its recommendations that mobile technology be employed to help the public connect with legal services, and that the Bar “revisit its pro bono rules and expectations for lawyers,” to increase participation especially among experienced attorneys.

Genesis of the Public Service Center. Given this background, the Board of Governors (Board) tasked staff to develop a concept to improve and increase pro bono service by its members. The Board also directed its Program Review Committee (PRC) to oversee and guide the staff's efforts, with a goal of presenting a program for consideration as part of the Board's review and approval of the 2017 budget. Through a series of meetings with the PRC, input from the Board, and staff research and analysis, the concept of a dedicated team focused on improving and increasing the Bar's service to the public took shape in the form of the proposed creation of a Public Service Center (Center). The Center would include staff and resources focused solely on service to the public by the Bar and its members. Staff explored the use of existing mobile technology to support connecting members offering legal services with those seeking such services. The spectrum of service contemplates everything from pro bono to paid services, and from traditional legal services (e.g. advice, representation, counsel) to other volunteer opportunities especially suited for lawyers (e.g. education, charitable board service). And the Center's work would include coordination and harmonization with existing legal aid and referral services.

ISSUES

Funding. Start up and ongoing costs associated with the Center add to the Bar's annual budget. See Enclosure 1, Public Service Center Cost Estimate.

Competition/Duplication. Maricopa and Pima County Bar Associations have raised concerns that the Center will compete with and potentially harm their lawyer referral services. The Foundation and legal aid organizations raised concerns that the Center will duplicate existing access to justice activities and initiatives.

DISCUSSION/ANALYSIS:

Given the Court's renewed focus on the Bar's role and responsibility with respect to public service, it is imperative that the Bar redirect and/or provide additional resources accordingly. The Public Service Center, as currently envisioned, would require a modest investment of resources, and has the potential to recover costs via an online legal services matching service. The online component of the Center presents a fresh approach to connecting those in need of legal services with Bar members, reducing many of the obstacles both sides face in making those connections. Mock-ups of the online service are at Enclosure 2. The PRC and staff have been working with a potential partner, Legal Services Link (LSL) in this regard. A draft terms of agreement and contract are at Enclosures 3 and 4, respectively. The Center would employ two new personnel. These positions would organize, implement and administer the Bar's public service efforts, with the full support and expertise of the entire staff organization (public affairs, ethics, CLE, lawyer regulation, committees, sections). A summary of the job descriptions is at Enclosure 5.

The estimated cost of the Public Service Center in the first year is about \$180,000. This represents a little more than 1% of the Bar's budget and does not factor in any cost recovery. With the opportunity to recover some costs from subscriptions associated with the online matching service, that cost may be reduced. Costs for the second year are estimated at \$224,000, with even greater cost recovery opportunities to reduce that number. See Enclosure 1 for estimated costs and revenue.

Metrics for success would include meeting cost recovery goals once a final contract is negotiated and signed, and increasing average pro bono from 21 to 25 hours by end of year 2018 and to 50 hours by 2027.

RECOMMENDED BOARD ACTION:

Include \$180,000 to implement Public Service Center in 2017 Bar budget.

WAS THE ISSUE VETTED TO COMMITTEES/SECTION/STAKEHOLDERS?

 X YES NO

IF SO, WHAT COMMITTEE/SECTION/STAKEHOLDERS

Bar President Lisa Loo sent bar-wide email to members on 22 November 2016 soliciting input from members. A copy of the email and compilation of those responses are at Enclosures 6 and 7 respectively. The majority of responses supported the concept, and many included offers to assist.

The PRC conducted an information presentation on 6 October 2016 and received input from the following organizations:

- Arizona Foundation for Legal Services and Education
- Community Legal Services
- Southern Arizona Legal Aid
- Maricopa County Bar Association
- Pima County Bar Association

Scope and Operations met with the Foundation's Executive Committee and Chair of the Arizona Access to Justice Commission, Judge Larry Winthrop on 18 November 2016 to receive input.

The PRC invited the following organizations to a meeting on 6 December 2016 to answer questions and receive additional input:

- Arizona Foundation for Legal Services and Education
- Maricopa County Bar Association
- Pima County Bar Association

Concerns fall into two categories: 1-Cost of program, and 2-Competition/duplication with existing programs conducted by other organizations. Costs are addressed above. With respect to competing with or duplicating existing services, to be successful the Center will necessarily coordinate its efforts with existing service organizations. To provide consumers with the most options for service, the Center will partner with those organizations to ensure visibility and accessibility to eligible consumers. The Center will also support recruitment of attorney volunteers for existing programs and services. In short, the Bar, with its instant access to 24,000 members and robust IT infrastructure, is in a unique position to greatly increase the visibility and penetration of existing programs to consumers and lawyers.

HOW WILL THIS PROPOSAL IMPACT THE STATE BAR'S BUDGET? STATE BAR STAFF?

See Enclosure 1. Addition of 2 full time equivalents (FTE); \$180,000 in 2017, and \$224,000 in 2018. Staffing and costs to be re-evaluated in 2018 before budget approval in 2019. At the direction of the Board, staff cut first draft budget by \$300,000 to redirect funding to support Center as a budget option.

6 Enclosures

1. Public Service Center Cost Estimate
2. Online Legal Services Link Mock-Ups
3. LSL Terms of Agreement
4. LSL Draft Contract
5. Job Description Summaries
6. President Loo's Email to Members
7. Compiled Member Responses to 22 Nov President's Email