

Utah State Bar Commission
Friday, August 28, 2020
Utah Law & Justice Center &
<https://us02web.zoom.us/j/83674147659>

Agenda

- 1. 9:00 a.m. President's Report: Heather Farnsworth**
 - 05 Mins.* 1.1 Welcome and Introductions
 - 05 Mins.* 1.2 Recognize Retiring Commissioners Cara Tangaro & Steve Burt
 - 05 Mins.* 1.3 Swearing-in New Commissioner Shawn Newell: **Chief Justice Durrant**
 - 05 Mins.* 1.4 Follow-up on 2021 Summer Convention in Sun Valley
 - 05 Mins.* 1.5 Follow up on Fall Forum **(Tab 1, Page 3)**
 - 20 Mins.* 1.6 Retreat Planning and Discussion of Commission Priorities

- 2. 10:00 a.m. Action Items**
 - 20 Mins.* 2.1 Review Bar Survey, Appoint Committee and Approve Charge
 - 10 Mins.* 2.2 Appoint Committee Chairs
 - 10 Mins.* 2.3 Approve Committee Charges **(Tab 2, Page 6)**
 - 10 Mins.* 2.4 Appoint Commission Liaisons **(Tab 3, Page 27)**
 - 10 Mins.* 2.5 Approve Fee Arbitration Committee Rule Changes **(Tab 4, Page 30)**
 - 05 Mins.* 2.6 Appoint Awards Committee Chairs
 - 05 Mins.* 2.7 Approve \$500 for Leadership Academy Activity

- 3. 11:10 am Discussion Items**
 - 20 Mins.* 3.1 Regulatory Reform Report: **(Tab 5, Page 40)**
 - 10 Mins.* 3.2 Judicial Nomination Process: **Marty Moore**
 - 10 Mins.* 3.3 Formalize Term Limits for Committee Chairs **(Tab 6, Page 102)**

- 4. 11:50 a.m. Information Items**
 - 20 Mins.* 4.1 ABA Delegates Report on House of Delegates Meeting
 - 10 Mins.* 4.2 Report on Access to Justice Grant for COVID-19 Legal Assistance
 - 05 Mins.* 4.3 Solicit Participation on Budget and Finance Committee
 - 05 Mins.* 4.4 Process to Select 2020-22 ABA Delegate **(Tab 7, Page 104)**

- 12:30 p.m. Executive Session**

- 12:45 p.m. Adjourn**

(Over)

Consent Agenda (Tab 8, Page 108)

(Approved without discussion by policy if no objection is raised)

1. Approve Minutes of July 16, 2020 Commission Meeting

Attachment (Tab 9, Page 113)

2. July 2020 Financial Statements

Calendar

September 30	Bar Examination		Law & Justice Center
October (?)	Admission Ceremony		TBD
October 1	Bar Examination		Law & Justice Center
October 2	Executive Committee	Noon	Telephone/Video Conference
October 6-7	2020 Northwestern States Bar Meeting		Bozeman, MT
October 9	Commission Meeting	9:00 a.m.	TBD
November 6	Executive Committee	Noon	Telephone/Video Conference
November 13	Commission Meeting	1:00 p.m.	TBD
November 20	Fall Forum		Virtual
December 11	Executive Committee	Noon	Telephone/Video Conference
December 18	Commission Meeting	9:00 a.m.	TBD

TAB 1

Save the Dates!

4

UTAH STATE BAR.

2020

Fall Forum Virtual CLE Series

**Over Ten Friday Morning Sessions between
October 1 – December 17**

Video updates from Heather Farnsworth, Bar President,
together with a virtual exhibit hall
where attendees can interact with one another and our vendors.

See the CLE Calendar on page __ for more information.

The Full Agenda and Registration will be available September 8.



BAR POLICY: Before attending a seminar/lunch your registration must be paid.

SEMINAR LOCATION: Utah Law & Justice Center, unless otherwise indicated. All content is subject to change.

September 16–17, 2020 | 1:00 pm – 5:00 pm

OPC Ethics School.

September 25, 2020 | 8:00 am – 9:00 am

Annual Family Law Seminar. Little America Hotel

November 13, 2020 | 1:00 pm – 4:00 pm

Litigation Section CLE & Off-Road Shenanigans. Fairfield Inn & Suites

Friday Mornings, October 1 – December 17

2020 FALL FORUM VIRTUAL CLE SERIES

Hello, friends! It has been so long since we've gathered.

We are deeply interested in our collective well-being and safety, so we have switched gears to planning online events. With those precautions in mind, we are planning to host a virtual Fall Forum for 2020.

We want to provide opportunities to learn, to update each other, and to socialize when we can. Along those lines, we are planning up to **ten hours of CLE programming**, video updates from Heather Farnsworth, Bar President, as well as a virtual exhibit hall where members can interact with one another and our vendors.

Please consider joining us over ten Friday morning sessions between October 1 and December 17. We will have pricing options allowing attendees to register for individual sessions or a group of four, called the Mini Forum, or to register for the Full Forum of ten sessions.

Please watch for a full agenda and registration to be published by September 8 for all who are interested in joining. Again, please plan that we will gather for ten individual sessions, facilitating optimal attendance at any or all learning sessions, as schedules allow.

We continue to wish you well and hope that you, too, look forward to gathering this Fall!

PLEASE NOTE:

Live, in person CLE events are subject to cancellation or postponement, due to COVID-19 restrictions.

**For the latest information on CLE events, please visit: www.utahbar.org/cle/
or watch your email for news and updates from the Bar.**

Thank you for your patience as we find our way through this difficult time.

TO ACCESS ONLINE CLE EVENTS:

Go to utahbar.org and select the "Practice Portal." Once you are logged into the Practice Portal, scroll down to the "CLE Management" card. On the top of the card select the "Online Events" tab. From there select "Register for Online Courses." This will bring you to the Bar's catalog of CLE courses. From there select the course you wish to view and follow the prompts.

TAB 2

CHARGE TO STANDING COMMITTEE

TO: Hon. Christine M. Durham, Co-chair, Access to Justice Coordinating Committee
Amy Sorenson, Co-chair, Access to Justice Coordinating Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To provide leadership the Bar's Access to Justice Programs and ensure greater communication among the various providers of legal services to the under-served populations in the state regarding the broad spectrum of judicial, court-related, administrative, educational, market-based, and consumer-oriented issues and to discuss the means of improving the services.

SPECIFIC OBJECTIVES:

1. To coordinate the Bar's Access to Justice programs, which currently includes the Modest Means and Pro Bono Programs as well as the AAA Task Force and the Licensed Lawyer directory site;
2. To regularly gather the various legal services providers in the state to share information, discuss improvements, review the extent to which this work is being accomplished and evaluate any gaps which may still exist; and,
3. To maintain comprehensive reports of the services.
4. To engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Steven T. Waterman, Co-chair, Bar Admissions Committee
Daniel A. Jensen, Co-chair, Bar Admissions Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To oversee the Bar admissions process for licensure by the Supreme Court and assure that: (1) each applicant has achieved a sufficient amount of scholarly education and graduated from an ABA approved law school; (2) each applicant possesses the requisite moral character and fitness to protect the public interest and engender the trust of clients, adversaries, courts and others; and (3) each applicant has the ability to identify legal issues, to engage in a reasoned analysis of those issues and to arrive at a logical solution by application of fundamental legal principles by examination which demonstrates the applicant's thorough understanding of these legal principles.

The Committee shall consist of its chairs, the chairs of all admission-related committees, the Deputy General Counsel in Charge of Admissions and any at-large members appointed by the Utah State Bar Commission. The Deans of the J. Reuben Clark Law School and S. J. Quinney College of Law shall be *ex-officio* members of the committee.

SPECIFIC OBJECTIVES:

To coordinate the participation and performance of all admission-related Committees regarding admissions process including; (1) initial contact with Bar; (2) the Bar application; (3) the Rules of Admission; (4) the investigative process; (5) the Character and Fitness review process; and, (6) the Bar Exam, preparation, administration, grading and grievances.

1. To hear Bar Exam Applicants' grievances.
2. To research and recommend improvements in the process.
3. The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Heather Farnsworth, Co-chair, Bar Awards Committee
Michelle Quist, Co-chair, Bar Awards Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To propose the policies and processes through which the Bar recognizes the meritorious performance and contributions of lawyers and members of the public.

SPECIFIC OBJECTIVES:

1. To establish the process and means to be adopted by the Commission for the solicitation of nominations of lawyers and members of the public for the various Bar awards, including the notification of interested groups; policies on the number and types of nominations which will be considered by the Commission; and the timing of the selection process.
2. To draft the criteria for the Commission to consider in selecting recipients for each award;
3. To draft a formal nomination outline to be use by those nominating candidates for each award;
4. To receive nominations for the awards and present those meeting the award criteria to the Commission according to the approved deadlines, including a listing of past award winners.
5. To engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Tanya Lewis, Co-chair, Bar Examiner Committee
Mark Astling, Co-chair, Bar Examiner Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To assure that each applicant has the ability to identify legal issues, to engage in a reasoned analysis of those issues and to arrive at a logical solution by application of fundamental legal principles by examination which demonstrates the applicant's thorough understanding of these legal principles by writing and grading the essay questions.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

To draft and grade Bar examination questions and answers in accordance with the Bar Examiners Handbook so that the Bar may appropriately assess an applicant's knowledge and competence to practice law in the state of Utah. Committee members will review examination materials prior to questions being placed on the examination. Reviewers will analyze questions and answers to insure that they are fair, clear and accurate.

Questions and model answers shall be completed and submitted for all testing areas by October 1st for the February examination and by May 1st for the July examination.

Changes requested by the Bar Examiner Review Committee shall be incorporated and submitted by February 15th for the February exam and by July 15th for the July exam.

The February exam shall be graded in March and the July exam graded in September.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Christine Arthur, Chair, Budget and Finance Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

Provide expert counsel, review and advice to the Bar's Financial Department and the Bar Commission to assure that the Bar is complying with all regulatory accounting requirements, principles and practices so that the financial records of the Bar are clear, transparent, complete, accurate and understandable.

SPECIFIC OBJECTIVES:

1. Review annual budget;
2. Review annual audit;
3. Review quarterly financial statements;
3. Recommend auditors;
4. Work with staff as necessary to keep technology and practices up to date;
5. Review investment policy and portfolio; and
6. Review Bar By-Laws and Financial Policies & Procedures annually to assure compliance with accepted accounting principles and practices and business best practices.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

CHARGE TO STANDING COMMITTEE

TO: Andrew M. Morse, Co-chair, Character and Fitness Committee
Amy Oliver, Co-chair, Character and Fitness Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To assure that each applicant has graduated from an ABA approved law school and possesses the requisite moral character and fitness to protect the public interest and engender the trust of clients, adversaries, courts and others.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

To meet monthly to review application files, oversee investigations, conduct hearings and either approve or deny applications for admission to the Utah State Bar.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system and to report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Alisha Giles, Chair, *Utah Bar Journal* Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To publish six editions of the *Utah Bar Journal* annually.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES: To provide comprehensive coverage of the legal profession and the activities of the Utah State Bar, including articles of legal importance, state bar news and information, notices from the Judiciary and Bar Section information, summaries of recent cases, legislative reports, classified advertisements, messages from the Bar President and Commissioners, and appropriate announcements of general interest. This should be performed within the adopted budget and by soliciting sufficient and appropriate advertising.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Stephen Farr, Chair, Fund for Client Protection Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To consider claims made against the Fund for Client Protection and recommend appropriate payouts for consideration and approval by the Board of Bar Commissioners.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES: To meet on an as-needed basis to review claims, and to provide written recommendations for approval by the Board of Bar Commissioners.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: John A. Snow, Co-chair, Ethics Advisory Opinion Committee
Sara Bouley, Co-chair, Ethics Advisory Opinion Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To prepare ethics advisory opinions in response to requests by members of the Bar concerning prospective conduct that is currently not in litigation and when the issue is a significant one for lawyers and the "Utah Rules of Professional Conduct" do not provide guidance.

The committee shall consist of its chair(s) and any at-large members appointed according to the rules of the committee.

SPECIFIC OBJECTIVES:

1. To meet as necessary to respond to requests and provide proposed advisory opinions to the Board of Bar Commissioners for their review; and
2. To maintain a compilation of all Bar-approved ethics advisory opinions and prepare an index of all opinions which will be published and available at the Bar office for all lawyers.
3. The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Sheleigh Harding, Chair, Fee Dispute Resolution Committee

FROM: Herm Olsen, President

DATE: September 2018

PURPOSE OF COMMITTEE: To implement Utah State Bar Fee Dispute Resolution program according to existing rules.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES: To assign arbitration panels to hold arbitration hearings with appropriate notice and to provide final decisions to the parties. To finalize revisions to the arbitration rules.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Jaqualin Friend Peterson, Co-chair, Governmental Relations Committee
Sara Bouley, Co-chair, Governmental Relations Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To monitor pending or proposed legislation which falls within the Bar's legislative policy and make recommendations to the Board of Bar Commissioners to support, oppose, take to no position, or to recommend other appropriate action.

The Committee shall consist of its chair(s) and representatives from the Sections of the Bar.

SPECIFIC OBJECTIVES: To meet as necessary during the year to monitor legislative activity, coordinate activities with the Bar's legislative representative and make recommendations to the Board of Bar Commissioners during regularly scheduled telephonic and other meetings during the session, and before/after the sessions, as appropriate. To develop partnerships between the Bar and the various branches of government.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Maribeth LeHoux, Chair, Unauthorized Practice of Law Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To review and investigate all complaints made regarding unauthorized practice of law (UPL) allegations. Addressing UPL complaints by means such as dismissal, drafting informal letters of caution, or pursuing more formal Cease & Desist Agreements. Recommending where appropriate and approved, the filing a civil complaint for UPL violations. As deemed appropriate, engage in special projects such as publishing a “notario” pamphlet, drafting Spanish language UPL complaints forms, etc. Reviewing the current UPL process, including guidelines and procedures and advising the Board of Bar Commissioners on recommended changes in the process, such as criminalization, prosecution by the Office of Bar Counsel, or prosecution by others, etc. As directed, work with the Utah Supreme Court’s Rules Advisory Committee.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES: To meet as necessary to review and discuss, complaints and current UPL issues and make recommendations to the Board of Bar Commissioners as appropriate for formal action.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee’s diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Joan M. Andrews, Chair, Bar Exam Test Accommodation Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To assure that the Bar examination fairly tests an applicant's competency, by utilizing appropriate, accurate, and clearly-worded questions, and that appropriate test accommodations are awarded as required under the Americans with Disabilities Act. And to assure that the latest technological advances in testing processes and security measures are incorporated into the Bar examination, and that testing is conducted at a safe and suitable exam site.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

To oversee the administration of the Bar examination, including test preparation, grading, test accommodation requests, site selection, computer use, emergency-preparedness, and test security issues. The Special Accommodation Committee, a subcommittee of the Bar Exam Administration Committee, focuses on reviewing requests for test accommodations on the February and July Bar exams, investigating the applicants and their requests, and making a recommendation on whether to grant, modify, or deny an applicant's test accommodation request.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Chad Hutchings, Chair, Disaster Legal Resources Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To respond and particularly to provide resources to support the delivery of legal services to those who cannot pay for them in the event of a disaster and to help the lawyers affected.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

The committee chair(s) shall identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Jonathan O. Hafen, Chair, CLE Advisory Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To provide quality continuing legal education programs to all attorneys and paralegals of Utah.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

1. To study and report to the Bar Commission on the concept of expanding CLE self-study options to permit interactive videoconferencing as "live" CLE credit in order to accommodate rural and outlying areas as long as not more than 6 credit hours can be completed through participation at traditional "live" events.
2. To explore, in conjunction with the Bar, the implementation of the requirement that each section: (1) provide at least one CLE course per year to section members; (2) provide at least one CLE presentation every three years at a regular Bar convention; (3) consider offering at least one hour of free CLE for section members at section presentations; and (4) encourage certain sections to join together for CLE presentations.
3. To make recommendations on raising the prices of Bar-offered CLE courses and of convention courses to keep pace with the cost of conventions, and to become a modest source of revenue for the Bar.
4. To work, in conjunction with the Bar, with the S.J. Quinney and J. Reuben Clark law schools to make appropriate programs they have developed available on the Bar's website.
5. To work, in conjunction with the Bar, to invite the Bar president each year to provide a lecture on professionalism, civility and problem solving to stress the importance of meaningful problem solving and professionalism.
6. To encourage well-developed, current and informational handouts and materials by CLE presenters.
7. To develop suggested criteria for designating CLE presentations, such as: "Beginning," "Intermediate," and "Advanced" training levels, and in improving the explanations of CLE presentations in advertising so that Bar members might have a more complete idea of the substance and depth of the presentations.
8. To assist the Bar in enhancing the Bar's website to permit the solicitation of ideas and requests for CLE from Bar members and to work to enhance the breadth and mix of topics.
9. To explore the introduction of diversity training as part of Professionalism/Civility CLE programs during the next two years, but not as a mandatory component, and to report back to the Commission on the feasibility of requiring one hour of diversity training every two years as part of the Professionalism/Civility CLE component.
10. The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Rob Jeffs, Chair, Member Resource Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE: To recommend to the Board of Bar Commissioners appropriate group benefit programs or other services for Bar members and monitor the Bar's continuous liability insurance program with carriers under a fully standard policy form and to insure a well-rated and credible insurer.

The committee shall consist of its chair(s) and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES: To review and recommend to the Board of Bar Commissioners for approval traditional association benefit programs such as health, life, disability, dental and professional liability insurance as well as other programs such as discount purchasing programs, which have potential benefit to the Bar members and which could be provided with little or no cost to the Bar or with potential revenue to the Bar which is generally disclosed to the Bar membership.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Julie Emery, Chair, Licensed Paralegal Practitioner Admissions Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To oversee the admissions process for licensure as a paralegal practitioner by the Supreme Court and assure that:

- (1) each applicant has achieved a sufficient amount of scholarly education and substantive legal experience to satisfy the LPP education and experience requirements;
- (2) each applicant possesses the requisite moral character and fitness to protect the public interest and engender the trust of clients, adversaries, courts and others; and
- (3) each applicant has the ability to identify legal issues related to their area of practice, to engage in a reasoned analysis of those issues and to arrive at a logical solution by application of fundamental legal principles by examination which demonstrates the applicant's thorough understanding of these legal principles.

The Committee shall consist of its chair and any at-large members appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

To coordinate the LPP admissions process including:

- (1) the Rules of Admission for LPP's;
- (2) approving all applications and forms related to the LPP Examination and LPP Admissions process;
- (3) reviewing LPP examination application files;
- (4) overseeing the investigative process;
- (5) overseeing the LPP Character and Fitness review process, including conducting hearings and approving or denying applications for admission as an LPP; and
- (6) overseeing the LPP Exam administration and grading, specifically:
 - a. assigning subject matter experts to grade the written portions of the LPP examination so that the Bar may appropriately assess an applicant's knowledge and competence to practice as an LPP.
- (7) assuring that appropriate test accommodations are awarded as required under the Americans with Disabilities Act and that testing is conducted at a safe and suitable exam site.
 - a. this includes:
 - i. reviewing requests for test accommodations on the March and August LPP exams, investigating the applicants and their requests, and making a recommendation on whether to grant, modify, or deny an applicant's test accommodation request;
 - ii. emergency-preparedness; and
 - iii. test security issues.
- (8) to hear Bar Exam Applicants' grievances.
- (9) to research and recommend improvements in the process.

The committee chair shall also identify and train eventual successive chairperson(s).

Additionally, The Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Rebecca Long Okura, Chair, New Lawyer Training Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

The Utah State Bar Committee on New Lawyer Training shall consist of its chair(s) and any other bar members appointed by the Utah State Bar Commission. The Committee represents the bar membership by bringing together attorneys from large and small firms, government agencies, and members of court.

SPECIFIC OBJECTIVES:

The members are responsible for recruiting and approving mentors and reviewing, evaluating, and creating policies for the NLTP. The committee also assists in the development of valuable resources for mentors and new lawyers and builds relationships with firms, agencies, and other organizations for building an effective mentoring program. The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Preston Regeher, Co-chair, Innovation in Law Practice Committee
Greg Hoole, Co-chair, Innovation in Law Practice Committee

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To lead the Bar and Utah practitioners in using innovation and technology to serve clients more effectively and more efficiently. While all members of the Bar are important to the work of this Committee, the committee will place emphasis on the needs of solo and small firm practitioners, new lawyers and underserved client populations.

The Committee shall consist of its chairs, appointees from Solo, Small Firm and Rural Practice Section, the Young Lawyers Division, the Paralegal Division, the New Lawyers Training Program Committee, the IT Director of the Bar, and any at-large members, including non-lawyers such as IT professionals and firm administrators, appointed by the Utah State Bar Commission.

SPECIFIC OBJECTIVES:

The committee will provide a forum for exchange and exploration of innovative approaches to providing and pricing legal services, not only through new technologies but also through fresh approaches to marketing and business structures.

The committee will provide continuing legal education on these subjects at regular intervals throughout the year but also at the major Bar conventions and meetings, presently to include the Bar's Summer and Spring Conventions and the Fall Forum.

The committee will seek out partnerships with law technology vendors and providers, both to enhance the content of the education and defray the costs and to stay abreast of market-driven innovation in the practice of law.

The committee also will coordinate its efforts and activities with other Bar sections and committees to the extent there are overlapping interests.

The committee will provide a regular and ongoing assessment of the Bar organization 's uses of innovation and technology in meeting its mission.

The committee chair(s) shall also identify and train eventual successive chairperson(s).

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

CHARGE TO STANDING COMMITTEE

TO: Jen Tomchak, Bar Leadership Academy

FROM: Herm Olsen, President

DATE: September 2019

PURPOSE OF COMMITTEE:

To promote increased involvement and diversity in the Utah State Bar by recruiting, targeting, and training outstanding leaders to participate in Bar leadership, committees, and the community in general. The Academy will seek diversity in gender, race, and region within the state, recognizing that the Bar will better function to serve its members and communities when participation in Bar functions is more diverse in gender, race, and state region and by bringing in attorneys from underrepresented arenas to broaden and strengthen the Utah Bar and to increase involvement and interest from areas traditionally not actively involved in Bar service.

SPECIFIC OBJECTIVES:

Over each year, participants will meet monthly with Bar leaders and members of the legal community to learn more about the Bar and practice and cultivate leadership skills. At the end of each year, members will commit to serve the Bar as a volunteer in an active capacity for at least one on committee, project, program, meeting, service or activity, or in other areas where they will be needed. Further objectives are included in the Utah Bar Leadership Academy governance information.

Additionally, the Committee shall engage all persons fully, including persons of different ages, disabilities, economic status, ethnicities, genders, geographic regions, national origins, sexual orientations, practice settings and areas, and races and religions. Inclusion is critical to the success of the Bar, the legal profession, and the judicial system. Report annually to the Bar Commission on the Committee's diversity and inclusion successes.

TAB 3

2020-2021 Bar Commission Committee, Program & Liaison Assignments
--

Heather Farnsworth

Assignments:

1. Executive Committee
2. Budget & Finance Committee
3. Summer Convention Committee
4. Fall Forum Committee
5. Regulatory Reform Committee

Heather Thuet, President-elect

Assignments:

1. Executive Committee
2. Budget & Finance Committee
3. Spring Convention Committee
4. Litigation Section
5. Regulatory Reform Committee

Herm Olsen, Past Bar President

Assignments:

1. Senior Lawyers Section

Katie Woods

Assignments:

1. Executive Committee
2. Eastern Utah Bar Association
3. Garfield County Bar Association
4. Sixth District Bar Association
5. Southern Utah Bar Association
6. Uintah Basin Bar Association

Traci Gunderson

Assignments:

1. UACDL
2. Criminal Law Section
3. Utah Prosecution Council
4. Collection Law Section
5. Corporate Counsel Section
6. Solo, Small Firm & Rural Practice Section

Shawn Newell

Assignments:

1. Disaster Legal Resources Committee
2. Construction Law Section
3. Community Association Law Section

Rick Hoffman

Assignments:

1. Budget & Finance Committee
2. Non-profit/Charitable Law Section
3. Tax Law Section

Michelle Quist

Assignments:

1. Executive Committee
2. Bar Awards Committee
3. SLCO Bar
4. Licensed Paralegal Practitioner Committee
5. New Lawyer Training
6. Estate Planning Law Section

John Bradley

Assignments:

1. Governmental Relations Committee
2. Davis County Bar Association
3. Weber County Bar Association
4. Tooele County Bar Association
5. Communications Law Section
6. Regulatory Reform Committee

Andrew Morse

Assignments:

1. Supreme Court Wellbeing Committee
2. Unauthorized Practice of Law Committee
3. Hellenic Bar Association
4. Franchise Law Section
5. Elder Law Section
6. Family Law Section

Mark Morris

Assignments:

1. Executive Committee
2. CLE Advisory Committee
3. Antitrust and Unfair Competition Section
4. Real Property Law Section
5. Labor & Employment Section
6. Regulatory Reform Committee

Tom Seiler

Assignments:

1. Admissions Committee
 - a. Test Accommodations Committee
 - b. Character & Fitness Committee
 - c. Bar Examiner Committee
2. Ethics Advisory Committee
3. Utah Association for Justice
4. Central Utah Bar Association
5. Wasatch County Bar Association

Chrystal Mancuso-Smith:

Assignments:

1. Pro Bono Commission
2. Government & Administrative Law Section
3. Intellectual Property Section
4. Environmental Law Section
5. Health Law Section
6. Leadership Academy

Mark Pugsley

Assignments:

1. Innovation in Law Practice Committee
2. *Bar Journal* Committee
3. Securities Law Section
4. Education Law Section
5. Bankruptcy Law Section
6. Cybersecurity & Data Privacy Law Section
7. Regulatory Reform Committee

Rob Rice

Assignments:

1. Judicial Council

Camilla Moreno

Assignments:

1. Member Resources Committee
2. Federal Bar Association
3. Juvenile Law Section

Nate Alder

Assignments:

1. Dispute Resolution Section
2. Appellate Practice Section
3. Constitution Law Section

Margaret Plane

Assignments:

1. Park City Bar Association
2. Military Law Section
3. Indian Law Section

Erik Christiansen

Assignments:

1. Fund for Client Protection Committee
2. Banking & Finance Section
3. International Law Section
4. Regulatory Reform Committee

Marty Moore


Assignments

1. Executive Committee
2. Box Elder Bar Association
3. Cache County Bar Association
4. Fee Dispute Resolution Committee
5. Business Law Section
6. Limited Scope Section
7. Regulatory Reform Committee

TAB 4

Utah State Bar®

M E M O R A N D U M

TO: Board of Bar Commissioners
FROM: Elizabeth A. Wright 
RE: Proposed Changes to Fee Arbitration Rules
DATE: June 30, 2020

The Utah State Bar Fee Arbitration Committee (“Committee”) seeks the Board’s approval to change the fee arbitration rule 14-1105 to allow domestic relations commissioners, retired and senior judges to serve on the arbitration panels. Currently, only state or federal judges are allowed to serve. It is often difficult for the Bar to find judges who are available to hear fee arbitration cases. Allowing commissioners, retired and senior judges to serve on panels will increase the pool of available judges and thereby increase the speed with which cases are heard and resolved.

The Committee also proposes increasing the jurisdictional amount to \$10,000 for one lawyer to arbitrate the dispute. The current amount for one lawyer is less than \$3,000. Disputes involving more than \$3,000 must be heard by a three-person panel that includes a state or federal judge. Increasing the jurisdictional amount required for a three-person panel will enable one lawyer to hear cases involving less than \$10,000 and thereby speed up the time in which the disputes can be heard and resolved. The Committee proposes allowing petitioners who are disputing fees between \$7,500 and \$10,000 to opt for the three-person panel with a judge. The proposed changes are attached in redline form.

Additionally, I would like the Commission to approve the proposed changes to the definitions contained in Fee Arbitration Rule 14-1101 and use of the word “lawyer” instead of “attorney” in Rules 14-1102, 14-1107, 14-1108, and 14-1114 to comply with the Court’s request that lawyer and LPP rules be consolidated. Currently, nearly identical sets of rules for lawyers and LPPs are contained in the Supreme Court Rules of Practice, including identical fee arbitration rules. Lawyer rules are in Chapter 14 and LPP rules are in chapter 15. In the interest of ease of use and avoidance of confusion, the Court has asked the Bar and relevant rules committees to combine the lawyer and LPP rules into one set of rules. For instance, the lawyer and LPP rules of Discipline and Disability and Standards for Imposing Sanctions have been combined. The Rules of Professional Conduct Committee and the Court’s LPP Committee have been charged with combining the Rules of Professional Conduct.

The Court has asked that in combining the rules the word “lawyer” should be defined as including LPPs unless the rule states otherwise or the use of the word “lawyer” only applies to a situation or legal matter that is beyond the allowed scope of LPP practice as defined in Rule 14-802.¹ Other changes follow the Court’s request to use “will” instead of “shall.”

¹ A Licensed Paralegal Practitioners may engage in the limited practice of law in the area or areas of (1) temporary separation, divorce, parentage, cohabitant abuse, civil stalking, custody and support, and name change; (2) forcible entry and detainer; or (3) debt collection matters in which the dollar amount in issue does not exceed the statutory limit for small claims cases.

Rule 14-1105. Selection of the arbitration panel; additional claims.

(a) Designation of panel composition. When the Committee has ~~on file~~ the agreement to arbitrate ~~duly~~ signed by all parties, and the petition and the answer, the chair or his designee shall will designate from the Committee three persons to serve as a panel for the arbitration. Each panel shall will consist of one lawyer licensed to practice law in Utah, one current or retired state or federal judge, domestic relations commissioner, or senior judge and one non-lawyer. The chair or his designee, by written notice served personally or by mail to all parties to the arbitration, shall will inform the parties of the names of the designated panel members. The chair shall will designate the lawyer or the judge in each panel as the chair of the panel. The chair or his designee may request the panel chair to designate the non-lawyer member of the panel.

(b) Less than ~~\$3,000~~ 10,000 in controversy. Notwithstanding the provisions contained in paragraph (a), the chair or his designee shall will designate from the Committee an arbitration panel consisting of one lawyer in those arbitration proceedings in which the amount in controversy is less than ~~\$3,000~~ 10,000. However, when the amount in controversy is less than \$10,000 but more than \$7,500 the chair or his or her designee will advise the petitioner that he or she may choose and receive a three member panel as set forth in paragraph (a).

(c) Assigning file. When the composition of the panel has been determined, the chair shall will assign the file to the member(s) of the arbitration panel.

(d) New claims. If new claims not set forth in the petition are raised by a respondent's answer or by other documents in the arbitration, the ~~consent of the petitioner's consent to the panel's consideration of such new claims shall is~~ not be required for the panel to consider the new claims.

(e) Conflict of interest. As soon as practical, an arbitrator shall notify the Committee of any conflict of interest with a party to the arbitration as defined by the Utah Rules of Professional Conduct. Upon notification of the conflict, the Committee shall will appoint a replacement from the list of approved arbitrators.

Article 11. Resolution of Fee Disputes

Rule 14-1101. Definitions.

As used in this article:

- (a). "Bar" means the Utah State Bar;
- (b) "chair" means the chair of the Utah State Bar Fee Dispute Resolution Committee;
- (c) "client" means a person or entity who, directly or through an authorized representative, consults, retains or secures legal services or advice from a lawyer in the lawyer's professional capacity;
- (d) "Committee" means the Utah State Bar Fee Dispute Resolution Committee;
- (e) "decision" means the determination made by the panel in a fee arbitration proceeding;
- (f) "executive director" means the executive director of the Bar or his or her designee;
- (g) "he" and the masculine pronouns includes "she" and feminine pronouns;
- (h) "lawyer" or "attorney" means a person admitted to the practice of law in Utah, which may include a lawyer's assignee; "Lawyer" includes a lawyer and a Licensed Paralegal Practitioner unless the Rule specifically refers to one type of licensee or does not apply because of the limited scope of the Licensed Paralegal Practitioner's practice as defined in Supreme Court Rule of Professional Practice 14-802.
- (j) "licensed paralegal practitioner" denotes a person authorized by the Utah Supreme Court to provide legal representation under Rule 15-701 of the Supreme Court Rules of Professional Practice.
- ~~(i)~~ "panel" means the arbitrator(s) assigned to hear a fee dispute and to issue a decision;
- ~~(j)~~ "petition" means a written request for fee arbitration in a form approved by the Committee;
- ~~(k)~~ "petitioner" means the party requesting fee arbitration and can be either a client or an attorney; and
- ~~(l)~~ ~~(m)~~ "respondent" means the party with whom the petitioner has a fee dispute and can be either an attorney a lawyer or a client.

Rule 14-1102. Purpose and composition of the committee.

(a) The purpose of the Committee is to resolve fee disputes between ~~attorneys~~ lawyers and their clients by means of arbitration, mediation, or other alternative dispute resolution mechanisms.

(b) The Committee ~~shall~~ will consist ~~of such number of members as may be determined annually by~~ appointed annually by the president of the Bar. The president of the Bar ~~shall~~ will designate one of the members of the Committee as the chair. At the discretion of the president, a vice chair and/or secretary may be appointed from the members of the Committee.

(c) Participation in the fee arbitration process is non-mandatory. ~~However, if~~ if all the necessary parties elect in writing to arbitrate, ~~however,~~ the decision is binding.

(d). After all parties have agreed in writing to be bound by an arbitration decision, a party may not withdraw from that agreement unless all parties agree to the withdrawal in writing.

Rule 14-1107. Award; form; service of award; judicial confirmation of award.

(a) Time frame. Whenever practical the panel or sole arbitrator ~~shall will~~ hold a hearing within 60 days after receipt of the agreement to arbitrate, signed by both parties, and the signed petition and answer, and ~~shall will~~ render its award within 20 days after the close of the hearing or the close of the final hearing if more than one hearing has been held. The award of the panel ~~shall will~~ be made by the majority of the panel or by the sole arbitrator.

(b) Delivery to Bar office. The award ~~shall will~~ be in writing, and ~~shall be~~ signed by the members of the panel concurring or by the sole arbitrator. The award ~~shall will~~ include a determination of all questions submitted to the panel or sole arbitrator which are necessary to resolve the dispute. ~~The original of the award shall be forwarded by the~~ The panel chair or sole arbitrator must forward the original award to the Bar office.

(c) Form. ~~While the award is not required to be in any particular form, it should, in general, The award must contain~~ consist of a preliminary statement reciting the jurisdictional facts, ~~such as~~ that a hearing was held upon notice pursuant to a written agreement to arbitrate, the parties were given an opportunity to testify and cross-examine, and ~~shall~~ include a brief statement of the dispute, findings and the award.

(d) Service on parties. The ~~Bar will mail or email panel or sole arbitrator shall render a written decision which shall be forwarded by the panel chairman or sole arbitrator to the Bar office, which shall then forward the decision award~~ to the petitioner and the respondent.

(e) Client award – judicial confirmation. If the award favors the client, and the attorney lawyer fails to comply with the award within 20 days after the date on which a copy of the award is mailed to the attorneylawyer, the client may seek a confirmation of the award in accordance with the Utah Uniform Arbitration Act but without further assistance by the Bar.

(f) Attorney-Lawyer award – judicial confirmation. If the award favors the attorneylawyer, and the client fails to comply with the award within 20 days after the date upon which a copy of the award is mailed to the client by the Bar office, the attorney-lawyer may exercise his or her rights under the Utah Uniform Arbitration Act, which provides for the judicial confirmation of arbitration awards but without further assistance by the Bar.

(g) Modification of award by arbitrators.

(g)(1) Upon motion of any party to the arbitrators or upon order of the court pursuant to a motion, the arbitrators may modify the award if:

(g)(1)(A) there was an evident miscalculation of figures or description of a person or property referred to in the award;

(g)(1)(B) the award is imperfect as to form; or

(g)(1)(C) necessary to clarify any part of the award.

(g)(2) A motion to the arbitrators for modification of an award ~~shall~~must be made within 20 days after service of the award upon the moving party. Written notice that a motion has been made ~~shall~~must be promptly served personally or by certified mail upon all other parties to the proceeding. The notice of motion for modification ~~shall~~must contain a statement that objections to the motion be served upon the moving party within ten days after receipt of the notice.

Rule 14-1108. Relief granted by award; accord and satisfaction application to court; confidentiality; enforceability of award; claims of malpractice.

(a) If the award determines that the attorney-lawyer is not entitled to any portion of the disputed fee, service of a copy of such award on the attorney-lawyer:

(a)(1) terminates all claims and interests of the attorney-lawyer against the client with respect to the subject matter of the arbitration;

(a)(2) terminates all right of the attorney-lawyer to retain possession of any documents, records or other properties of the client pertaining to the subject matter of the arbitration then held under claim of the attorney's-lawyer's lien or for other reasons; and

(a)(3) terminates all right of the attorney-lawyer to oppose the substitution of one or more other attorneys-lawyers designated by the client in any pending litigation pertaining to the subject matter of the arbitration.

(b) If the award determines that the attorney-lawyer is entitled to some portion of his or her fee, the award shall-will state the amount to which he or she is entitled and payment of this amount shall:

(b)(1) constitute a complete accord and satisfaction of all claims of the attorney-lawyer against the client with respect to the subject matter of the arbitration;

(b)(2) terminate all right of the attorney-lawyer to retain possession of any documents, records or other properties of the client pertaining to the subject matter of the arbitration then held under claim of attorney's-lawyer's lien or for other reasons; and

(b)(3) terminate all right of the attorney-lawyer to oppose the substitution of one or more other attorneys-lawyers designated by the client in place of the attorney-lawyer in any pending litigation pertaining to the subject matter of the arbitration.

(c) Confidentiality. All documents, records, files, proceedings and hearings pertaining to the arbitration of a fee dispute under these rules shall not be open to the public or to a person not involved in the dispute.

(d) If both parties have signed a binding agreement to arbitrate any award rendered in such case may be enforced by any court of competent jurisdiction in the manner provided in the Utah Uniform Arbitration Act without further assistance by the Bar.

(e) Claims of malpractice. A decision rendered by the panel regarding a disputed fee generated by the attorney-lawyer/client relationship shall-will not bar any claim the client may have against the attorney-lawyer for malpractice by the attorney-lawyer in the course of the attorney-lawyer/client relationship.

Rule 14-1114. Matters entitled to mediation.

(a) Any fee dispute may be mediated. Any fee dispute arising out of an ~~attorney~~lawyer/client relationship, regardless of the amount of the fee in dispute, may be mediated by the Committee upon the agreement of the parties to the fee dispute.

(b) Claims of malpractice. An agreement by the parties negotiated during a fee dispute mediation regarding a disputed fee generated by the ~~attorney~~lawyer/client relationship shall not bar any claim the client may have against the ~~attorney~~lawyer for malpractice by the ~~attorney~~lawyer in the course of the ~~attorney~~lawyer/client relationship.

TAB 5

Utah Supreme Court Standing Order No. 15

This Standing Order establishes a pilot legal regulatory sandbox and an Office of Legal Services Innovation to assist the Utah Supreme Court with overseeing and regulating the practice of law by nontraditional legal service providers or by traditional providers offering nontraditional legal services. Unless otherwise provided, this Order shall expire on the second anniversary of its effective date.

The Standing Order is effective as of August 14, 2020.

Background

The access-to-justice crisis across the globe, the United States, and Utah has reached the breaking point.¹ As to how affordable and accessible civil justice is to people, the 2020 World Justice Project Rules of Law Index ranks the United States 109th of 128 countries.² As to that same factor, out of the thirty-seven high-income countries, the United States ranks dead last.³

To put it into perspective, a recent study by the Legal Services Corporation found that 86 percent “of the civil legal problems reported by low-income Americans in [2016–17] received inadequate or no legal help.”⁴ Similarly, a recently published study out of California “[m]odeled on the Legal Services” study, concluded that 60 percent of that state’s low-income citizens and 55 percent of its citizens “regardless of income experience at least

¹ Access to justice means the ability of citizens to meaningfully access solutions to their justice problems, which includes access to legal information, advice, and resources, as well as access to the courts. See Rebecca L. Sandefur, *Access to What?*, DAEDALUS, Winter 2019, 49.

² WORLD JUSTICE PROJECT, WORLD JUSTICE PROJECT RULE OF LAW INDEX 2020 14, https://worldjusticeproject.org/sites/default/files/documents/WJP-ROLI-2020-Online_0.pdf.

³ *Id.*

⁴ LEGAL SERVICES CORPORATION, THE JUSTICE GAP: MEASURING THE UNMET CIVIL LEGAL NEEDS OF LOW-INCOME AMERICANS (2017).

one civil legal problem in their household each year.” The study also found that 85 percent of these legal problems “received no or inadequate legal help.”⁵ Closer to home, an in-depth April 2020 analysis of the legal needs of Utahns living at 200 percent or less of the federal poverty guidelines found that their unmet legal needs stood at 82 percent.⁶

For years, the Utah Supreme Court has made combating the access-to-justice crisis confronting Utahns of all socioeconomic levels a top priority. To date, the Supreme Court, along with the Judicial Council and the Utah Bar Association, have worked ceaselessly to improve access to justice through many initiatives: the Utah Courts Self-Help Center, the Licensed Paralegal Practitioner Program, form reform, and the Online Dispute Resolution Program, to name but a few. What has become clear during this time is that real change in Utahns’ access to legal services requires recognition that we will never volunteer ourselves across the access-to-justice divide and that what is needed is market-based, far-reaching reform focused on opening up the legal market to new providers, business models, and service options.

In its boldest step toward bridging the access-to-justice gap, the Supreme Court has undertaken an effort to reevaluate and amend several of the regulations it has historically relied upon in governing the practice of law. This Standing Order and accompanying rule changes implement that effort. The Supreme Court believes that the regulatory reform set out in this Standing Order will shrink the access-to-justice gap by fostering innovation

⁵ STATE BAR OF CALIFORNIA TASK FORCE ON ACCESS THROUGH INNOVATION OF LEGAL SERVICES, FINAL REPORT AND RECOMMENDATION 11-12 (2020) (emphasis added).

⁶ UTAH FOUNDATION, THE JUSTICE GAP: ADDRESSING THE UNMET LEGAL NEEDS OF LOWER-INCOME UTAHNS 23 (2020).

and harnessing market forces, all while protecting consumers of legal services from harm.⁷

1. General Provisions

In accordance with its plenary and exclusive authority and responsibility under article VIII, section 4 of the Utah Constitution to govern the practice of law, the Utah Supreme Court establishes the *Office of Legal Services Innovation* (Innovation Office). The Innovation Office will operate under the direct auspices of the Supreme Court and its purpose will be to assist the Supreme Court in overseeing and regulating nontraditional legal services providers and the delivery of nontraditional legal services.⁸ To this end, and subject to Supreme Court oversight, the Innovation Office will establish and administer a pilot legal regulatory sandbox (Sandbox)⁹ through which individuals and entities may be approved to offer nontraditional legal services to the public through nontraditional providers or traditional providers using novel approaches and means, including options not permitted by the Rules of Professional Conduct and other applicable rules. The Supreme Court establishes the Innovation Office and the Sandbox

⁷ The Supreme Court's decision to pursue changes regarding its governance of the practice of law is in keeping with (1) the Resolution of the Conference of Chief Justices and (2) the Resolution of the American Bar Association's House of Delegates "to consider regulatory innovations that have the potential to improve the accessibility, affordability, and quality of civil legal services, while also ensuring necessary and appropriate protections that best serve clients and the public"

⁸ In Utah, the practice of law is defined by Utah Supreme Court Rule of Professional Practice 14-802. This Standing Order incorporates that definition. For an understanding of "nontraditional legal services providers" and "nontraditional legal services," please refer to Section 3.3 (Regulatory Scope).

⁹ A regulatory sandbox is a policy tool through which a government or regulatory body permits limited relaxation of applicable rules to facilitate the development and testing of innovative business models, products, or services by sandbox participants.

for a pilot phase of two years from the effective date of this Standing Order. At the end of that period, the Supreme Court will carefully evaluate the program as a whole, including the Sandbox, to determine if it should continue. Indeed, unless expressly authorized by the Supreme Court, the program will expire at the conclusion of the two-year study period.

2. Innovation Office

In carrying out the responsibilities designated to it by the Utah Supreme Court, the Innovation Office, at all times, will be subject to the Supreme Court's direction and control. Furthermore, the Innovation Office will have no authority to regulate any individuals, entities, or activities that are beyond the Supreme Court's constitutional scope and mandate to govern the practice of law.¹⁰ With these overarching restrictions firmly in mind, the Innovation Office will have responsibility with respect to the regulation of non-traditional legal services provided by traditional legal providers and non-traditional and traditional legal services provided by non-traditional legal providers, including those services offered within the Sandbox and those that have been approved for the general legal market ("exit or exited the Sandbox"). The Innovation Office will be responsible for (1) evaluating potential entrants to the Sandbox and recommending to the Supreme Court which entrants should be admitted; (2) developing, overseeing, and regulating the Sandbox, including establishing protocols and monitoring nontraditional legal providers and services therein, as well as terminating an

¹⁰ By way of illustration, the Supreme Court has authorized real estate agents to advise their customers with respect to, and to complete, state-approved forms directly related to the sale of real estate. *See* Rule of the Utah Supreme Court Rules of Professional Practice 14-802(c)(12)(A). Outside of this grant, and the ability to modify it, the Supreme Court has no authority with respect to regulating real estate agents. That authority rests with the legislative and executive branches. By way of further illustration, some attorneys hold both J.D.s and M.D.s. The Supreme Court only governs the ability of these individuals to practice law. It has never interfered with their ability to practice medicine.

entrant's participation in the Sandbox where deemed appropriate and in keeping with the regulatory principles set forth below; and (3) recommending to the Supreme Court which entrants be permitted to exit the Sandbox and enter the general legal market.¹¹

The Innovation Office will be funded initially by a grant from the State Justice Institute and in-kind contributions from the National Center for State Courts and the Institute for the Advancement of the American Legal System. The Innovation Office will have the authority to seek additional grant funding and may also be supported through licensing fees as noted in Section 4.9.

The Innovation Office will meet regularly and at least monthly, on a day and at a time and place of its convenience. It will also report monthly to the Supreme Court during one of the Court's regularly scheduled meetings.

2.1 Office Composition

The Utah Supreme Court will appoint the members of the Innovation Office.¹² The Innovation Office will consist of a Chair, Vice-Chair, and nine additional members, all serving on a volunteer basis. Five of the members shall serve as the Executive Committee of the Innovation Office. The Executive Committee shall be composed of the Chair, Vice-Chair, Executive Director, and two additional members appointed by the Court. The Executive Committee will be responsible for setting the Agenda for each meeting of the Innovation Office and for making initial recommendations to the Innovation Office regarding applicants.

In the event of a vacancy, or on its own motion, the Supreme Court will appoint, depending on the vacancy, a new Chair, Vice-Chair, or member. The Court will strive to appoint nonlawyers

¹¹ Innovation Office resources may limit the number of Sandbox entrants.

¹² The Supreme Court Task Force on Regulatory Reform shall continue to operate pending the appointment of the members of the Innovation Office. Upon appointment of the members of the Innovation Office, Utah Supreme Court Standing Order 14 shall be vacated in accordance with the terms of that Standing Order.

(public members) as at least five of the members and will prioritize a membership body diverse across gender, race, ethnicity, sexual orientation, socioeconomic background, and professional expertise.

Innovation Office actions will be taken by majority vote by a quorum of the members.

2.2 Conflicts of Interests

The Utah Supreme Court acknowledges that instances may arise in which Innovation Office members may face conflicts of interest between their business or personal affairs and their member duties. A conflict of interest arises when members—or a member of their immediate family—have a financial interest in a Sandbox applicant or participant or in an entity that has successfully exited the Sandbox. For example, a member’s firm may apply to offer services as part of the Sandbox. Recognizing that transparency and public confidence are paramount concerns, the Supreme Court requires that in cases of conflict, the implicated member(s) disclose the conflict to the Innovation Office in writing and recuse from any involvement regarding that particular Sandbox applicant or participant. The Innovation Office will maintain a record of all conflicts and recusals and make all records related to conflicts and recusals publicly available.

2.3 Office Authority

Subject to the limitations set forth in the Standing Order and the ultimate authority and control of the Utah Supreme Court, the Innovation Office will have the authority to oversee the nontraditional provision of legal services (*see* Section 3.3.2 on Regulatory Scope) using an objectives-based and risk-based approach to regulation.

Objectives-based regulation specifically and clearly articulates regulatory objectives to guide development and implementation. Both the Innovation Office and the Sandbox participants will be guided in their actions by specific objectives.

Risk-based regulation uses data-driven assessments of market activities to target regulatory resources to those entities and

activities presenting the highest risk to the regulatory objectives and consumer well-being. Using risk-based regulation enables the Innovation Office to better prioritize its resources and manage risks in the Utah legal services market.

The Supreme Court grants the Innovation Office the authority to develop and propose processes and procedures around licensing, monitoring, and enforcement to carry out its mission in light of the Regulatory Objective and Regulatory Principles outlined in Section 3.¹³

The Innovation Office must submit proposed processes, procedures, and fee schedules to the Supreme Court for approval as they are developed and before they take effect.

3. Regulatory Objective, Principles, and Scope

3.1 Regulatory Objective

The overarching goal of this reform is to improve access to justice. With this goal firmly in mind, the Innovation Office will be guided by a single regulatory objective: To ensure consumers have access to a well-developed, high-quality, innovative, affordable, and competitive market for legal services. The Utah Supreme Court's view is that adherence to this objective will improve access to justice by improving the ability of Utahns to meaningfully access solutions to their justice problems, including access to legal information, advice, and other resources, as well as access to the courts.

¹³ The Implementation Task Force on Regulatory Reform has already established an Innovation Office Manual. A copy of that manual may be viewed at sandbox.utcourt.gov.

3.2 Regulatory Principles

The Innovation Office will be guided by the following regulatory principles:

1. Regulation should be based on the evaluation of risk to the consumer.¹⁴
2. Risk to the consumer should be evaluated relative to the current legal services options available.¹⁵
3. Regulation should establish probabilistic thresholds for acceptable levels of harm.¹⁶
4. Regulation should be empirically driven.¹⁷
5. Regulation should be guided by a market-based approach.¹⁸

¹⁴ The phrase “based on the evaluation of risk” means that regulatory intervention should be proportional and responsive to the actual risk of harm posed to the consumer, as supported by the evidence.

¹⁵ The phrase “relative to the current legal service options available” means that risk should not be evaluated as against an ideal of perfect legal representation by a lawyer. Risk should rather be measured as against the reality of current market options for consumers. In many cases, that means no access to legal representation or legal resources at all.

¹⁶ The phrase “probabilistic thresholds for acceptable levels of harm” (the chance a consumer is harmed) means the probability of a risk occurring and the magnitude of the harm should the risk occur. Based on this assessment, the Innovation Office will determine thresholds of acceptable risks for identified harms. Regulatory resources should be focused on areas in which, on balance, there is a high probability of harm or a significant impact from that harm on the consumer or the market.

¹⁷ The phrase “empirically driven” means that the regulatory approach and actions must be supported, whenever possible, by data from the legal services market.

¹⁸ The phrase “market-based approach” means that regulatory tactics should seek to align regulatory incentives with increased revenue or decreased costs for market participants in order to encourage desired behavior or outcomes.

3.3 Regulatory Scope

As noted, under the auspices of the Utah Supreme Court, the Innovation Office will be responsible for developing, overseeing, and regulating the Sandbox, including the oversight of nontraditional legal providers and services therein. The Supreme Court offers the following examples to help individuals and entities, lawyers and nonlawyers alike, understand the Innovation Office's regulatory scope. These examples are just that and the list is not intended to be exhaustive.

3.3.1 Outside the Regulatory Scope

Individuals and entities that carry out the following activities are outside the Innovation Office's regulatory scope, remain under the Utah Bar's authority, and need not notify the Innovation Office:

Partnerships, corporations, and companies entirely owned and controlled by lawyers in good standing; individual lawyers with an active Utah Bar license; and legal services nonprofits:

- (i) offering traditional legal services as permitted under the Rules of Professional Conduct; or
- (ii) using new advertising, solicitation, fee-sharing, or fee-splitting approaches as contemplated by the Rules of Professional Conduct.¹⁹

¹⁹ Partnerships, corporations, and companies entirely owned and controlled by lawyers; individual lawyers with an active Utah Bar license; and legal services nonprofits may not, however, engage in fee-splitting or fee-sharing in an effort to avoid the prohibition against outside ownership set forth in rule 5.4A of the Utah Rules of Professional Conduct.

3.3.2 Within the Innovation Office's Regulatory Scope

Individuals and entities that carry out the following activities are within the scope of the Innovation Office's regulatory authority and are subject to this Standing Order's requirements:²⁰

- (a) Partnerships, corporations, and companies entirely owned and controlled by lawyers; individual lawyers with an active Utah Bar license; and legal services nonprofits partnering with a nonlawyer-owned entity to offer legal services as contemplated by Rule 5.4B;
- (b) Nonlawyer owned entities, or legal entities in which nonlawyers are partial owners (for profit or nonprofit):
 - (i) offering legal practice options whether directly or by partnership, joint venture, subsidiary, franchise, or other corporate structure or business arrangement, not authorized under the Rules of Professional Conduct in effect prior to [Month] [Date], 2020, or under Utah Supreme Court Rule of Professional Practice 14-802; or
 - (ii) practicing law through technology platforms, or lawyer or nonlawyer staff, or through an acquired law firm.

3.3.3 Disbarred Lawyers and Individuals with Criminal History

Disbarred Lawyers. The Utah Supreme Court has determined that lawyers who have been disbarred²¹ present a significant risk of harm to consumers if in the position of ownership or control of

²⁰ This list is not meant to be exclusive or exhaustive. There may be business arrangements, models, products, or services not contemplated in Section 3.3.2, which are welcome and should come through the Sandbox. The Sandbox is not, however, meant to enable lawyers not licensed in Utah to practice in Utah without authorization from the Utah State Bar.

²¹ For purposes of this Standing Order, a lawyer whose license has been suspended qualifies as a disbarred lawyer during the period of suspension.

an entity or individual providing legal services. Therefore, disbarred lawyers are not permitted to gain or hold an ownership interest of greater than 10 percent in any entity authorized to practice law under Rule 5.4B or this Standing Order.

In addition, any entity applying for authorization to offer services in the Sandbox must disclose the following:

- (a) whether the entity has any material corporate relationship and/or business partnership with a disbarred lawyer, and
- (b) whether a disbarred lawyer works with or within the entity, in either an employment or contractual relationship, and is in a managerial role in the direct provision of legal services to consumers.

Criminal History. The Supreme Court has determined that individuals with certain serious criminal histories may present an increased risk of harm to consumers if in the position of ownership or control of a legal service entity.

Any entity applying for authorization to offer services in the Sandbox must disclose the following:

- (a) whether any individual holding an ownership interest of greater than 10 percent in the entity has a felony criminal history,
- (b) whether the entity has any material corporate relationship or business partnership with an individual with a felony criminal history, and
- (c) whether an individual with a felony criminal history works with or within the entity, in either an employment or contractual relationship, and is in a managerial role in the direct provision of legal services to consumers.

The Innovation Office, on receipt of any disclosures required above, will incorporate the information into the risk assessment of the entity as appropriate. To the extent permitted by law, the Innovation Office may also conduct independent criminal history checks.

Falsifying any information, including lawyer status and individual criminal history, is a basis for dismissal from the Sandbox and in the event the entity or individual has exited the Sandbox, a basis for loss of licensure. Other criminal and civil sanctions may also apply.

4. The Sandbox

The Sandbox is a policy tool by which the Utah Supreme Court, through the Innovation Office, can permit innovative legal services to be offered to the public in a controlled environment. The Innovation Office will develop, oversee, and regulate the Sandbox according to the guidance outlined in this Standing Order. Individuals and entities wanting to offer the public nontraditional legal business models, services, or products must notify the Innovation Office. Individuals and entities in the Sandbox will be subject to such data reporting requirements and ongoing supervision as the Innovation Office determines, so long as the requirements fall within its regulatory authority.

4.1 Application

All individuals and entities that fall within the Regulatory Scope (Section 3.3.2) must apply to the Innovation Office for authorization to enter the Sandbox.

4.2 Application Process

The objective of the application process is for the Innovation Office to determine that the legal service proposed by the applicant furthers the Regulatory Objective and does not present unacceptable levels of risk of consumer harm. The Innovation Office will develop an efficient and responsive process for intake, review, assessment, and response to applications.

The Utah Supreme Court contemplates that the application process will be iterative and will include communications between the Innovation Office and the various applicants, as necessary.

The Innovation Office will make a determination as to whether an applicant's proposed legal service furthers the Regulatory Objective and does not present an unacceptable risk of consumer

harm. The Innovation Office will make recommendations to the Supreme Court regarding whether an applicant should be authorized and the associated requirements for the applicant (e.g., reporting, disclosure, risk mitigation, insurance requirements). In developing these requirements, the Innovation Office will consider the Regulatory Objective and Regulatory Principles.

If the Innovation Office does not find that an applicant's proposed legal service furthers the Regulatory Objective or finds that it presents an unacceptable risk of consumer harm, the Innovation Office will deny the proposed authorization, and will include a brief written explanation supporting the finding. The Innovation Office will develop a process for appeal of a denial of a proposed authorization to the Supreme Court.

4.3 Authorization

As with the licensing of lawyers and Licensed Paralegal Practitioners, the Utah Supreme Court will ultimately be responsible for approving or denying authorization to nontraditional legal service providers.

An approved application means permission to offer the proposed legal service in the Sandbox as outlined in the approval and under the Innovation Office's authority. Authorized participants and services are deemed authorized to practice law in Utah, albeit on a limited and temporary basis, under Utah Supreme Court Rule of Professional Practice 14-802.

Denial of authorization by the Supreme Court has the effect of returning the application to the Innovation Office. The Supreme Court may include a brief written explanation of the reasons for its decision not to authorize the applicant. This information may guide the applicant in how to potentially resolve concerns and revise its application for reconsideration for authorization. However, to be clear, some (perhaps many) applicants may not be approved to enter or exit the Sandbox.

Additionally, and to be clear, authorization to practice law does not impact any of the other requirements that may be imposed upon an entity (e.g., business license, tax commission registration, etc.).

4.4 Licensing (Exiting the Sandbox)

Sandbox participants that are able to demonstrate that their legal services are safe—i.e., that they do not cause levels of consumer harm above threshold levels established by the Innovation Office—may be approved to exit the Sandbox and may be granted the appropriate license to practice law by the Utah Supreme Court pursuant to Utah Supreme Court Rule of Professional Practice 14-802. Such providers and services will remain under the regulatory authority of the Supreme Court, through the Innovation Office and subject to such monitoring and reporting requirements as the terms of the license indicate and subject to the enforcement authority of the Innovation Office.

The Innovation Office will develop the process (subject to Supreme Court approval) by which providers and services exit the Sandbox. It is anticipated that this process will generally follow that outlined for application approval, including an assessment of the provider or service, a finding on the consumer safety of the provider or service, and a recommendation to the Supreme Court as to the scope of the license and associated requirements (e.g., reporting). The Innovation Office is authorized to make the licensing assessment, findings, and recommendations at both the individual or entity level and a more categorical level—i.e., to recommend that a category of legal service providers be licensed to practice law in Utah.

If the Innovation Office does not find that a participant's proposed legal service furthers the Regulatory Objective or finds that it presents an unacceptable risk of consumer harm, the Innovation Office will deny the proposed licensure, and will include a brief written explanation supporting the finding. The Innovation Office will develop and propose the process for appeal of a denial of Sandbox exit to the Supreme Court.

4.5 Fees

The Innovation Office will have the authority to propose a fee schedule to the Utah Supreme Court. Unless otherwise required, fees paid will be used to fund the Innovation Office.

4.6 Monitoring and Measuring Risk

The Innovation Office will have the authority to develop the measurements by which it assesses and manages risk. The Innovation Office will identify specific harms presenting the most significant risk to the Regulatory Objective. All regulated providers, whether in the Sandbox or after exiting, have a proactive duty to report any unforeseen risks or harms of which they become aware.

As noted, the Innovation Office will have the authority to develop specific data reporting requirements to monitor consumer risk of harm as part of both Sandbox authorization and general licensing of proposed legal services. The Innovation Office will develop processes and procedures for intake, review, and assessment of incoming data at an individual provider level, across different market sectors, and across the market as a whole. The Innovation Office will have the authority to increase or decrease reporting requirements as indicated by the provider's performance in the market and compliance with the Innovation Office's requirements.

The Innovation Office will have the authority to take proactive actions to effect monitoring of providers and the market as a whole, including but not limited to market surveys, expert audits, anonymous testing, and "secret shopper" tests. The Innovation Office will also develop processes and procedures for intake, review, and assessment of information coming from sources such as media, other governmental or nongovernmental institutions, whistleblowers, and academia.

The Utah Supreme Court acknowledges that this regulatory approach does not remove all possibility of harm from the market and, in fact, contemplates that sometimes there may be no regulatory enforcement action even though some consumers may experience harm. Nevertheless, aggrieved consumers may seek relief and remedy through traditional channels of civil litigation or, if applicable, the criminal justice system.

4.7 Consumer Complaints

The Innovation Office will develop a process by which consumers may directly complain to the Office. The Innovation Office will

develop a process by which individual complaint information is fed into the larger data reporting system to contribute to the assessment of risk.

4.8 Enforcement

The Innovation Office will develop standards for enforcement authority upon regulated providers in line with the Regulatory Objective and Regulatory Principles. Enforcement will generally be triggered when the evidence of consumer harm exceeds the applicable acceptable consumer harm threshold. The Innovation Office will also develop the range of enforcement mechanisms it deems appropriate, including but not limited to education, increased reporting requirements, fines, and suspension or termination of authorization or license. Last, the Innovation Office will develop a process for appealing enforcement decisions to the Innovation Office, and then to the Utah Supreme Court.

Once the Innovation Office has developed these various processes and procedures, they will be submitted to the Supreme Court for review and, if appropriate, approval. Both the Supreme Court and the Innovation Office will strive to make the enforcement process as transparent, targeted, and responsive as possible.

4.9 Standards of Conduct

As stated in Rule 5.4(B), lawyers engaging with the nontraditional provision of legal services, as owners, employees, contractors, or business partners with Sandbox participants or licensed providers are required to uphold their duties as required by the Rules of Professional Conduct.

4.10 Confidentiality

The Innovation Office shall maintain a commitment to transparency in the execution of its mission. Identities of applicants to the Sandbox and the applications themselves are presumed to be public information and will be shared via the Innovation Office website.

Applicants may designate appropriate, specific information in the application and/or in any data reported as required by the Innovation Office as confidential business information under the

Government Records and Access Management Act (GRAMA). *See* UTAH CODE § 63G-2-305(1)-(2). The Innovation Office will maintain the confidentiality of such designated information and it will be redacted from the publicly released documents. Nothing, however, in this paragraph limits the ability of the Innovation Office to provide aggregate and anonymized data sets to outside researchers, subject to a duly executed data sharing agreement with the Court.

4.11 Reporting Requirements

The Innovation Office will be responsible for regular reporting to the Utah Supreme Court and the public on the status of the Sandbox, the Sandbox participants, licensed providers, and consumers.

The reports to the Supreme Court must be monthly. Reports to the Supreme Court must include the following:

- The number of applicants
- General information about applicants (e.g., type of legal entity, ownership makeup, target market, proposed type of service, legal need to be addressed, subject matter served)
- Numbers of (along with general information)
 - Applicants recommended for Sandbox entry
 - Applicants denied Sandbox entry
 - Sandbox applicants on hold
 - Applicants recommended to exit Sandbox
 - Applicants not recommended to exit Sandbox
- Numbers and demographic data (as available) on consumers served by the Sandbox and licensed providers
- Identification of risk trends and responses

The Innovation Office will, subject to existing law, have the authority to determine the nature and frequency of its reports to the public, but must, at a minimum, report the information identified above on an annual basis (keeping anonymity and confidentiality as required).

4.12 Jurisdiction

Entities authorized to practice law within the Sandbox and licensed to practice law on exiting the Sandbox are subject to the jurisdiction of this Court. Any false or misleading statements made by entities or their members throughout the regulatory relationship, whether during application, authorization, reporting, monitoring, or enforcement, whether discovered at the time or at any time afterward, will be independent grounds for enforcement and an aggravating factor in any enforcement proceeding based on other conduct. Any fraudulent or materially misleading statements made by an entity or its members to the Innovation Office or the Court may result in revocation of the entity's authorization to practice law.

4.13 Termination of Pilot Phase

The Sandbox is a policy tool, adopted by the Utah Supreme Court to develop a new regulatory approach to nontraditional legal services and to inform the Supreme Court's decision-making on rule changes necessary to support the expanded legal services market. The Supreme Court has set out a two-year period of operation for this pilot phase of the Innovation Office and Sandbox.

At the end of the pilot phase, the Supreme Court will determine if and in what form the Innovation Office will continue. Sandbox participants authorized and in good standing at the end of the two-year period and for whom there appears to be little risk of consumer harm will be able to continue operations under the authority of the Innovation Office or other appropriate entity should the Innovation Office cease to exist. Entities that have successfully exited the Sandbox will be able to continue operations under the authority of the Innovation Office or other appropriate entity should the Innovation Office cease to exist.

Rule 1.5. Fees.

(a) A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:

- (1) the time and labor required, the novelty and difficulty of the questions involved and the skill requisite to perform the legal service properly;
- (2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
- (3) the fee customarily charged in the locality for similar legal services;
- (4) the amount involved and the results obtained;
- (5) the time limitations imposed by the client or by the circumstances;
- (6) the nature and length of the professional relationship with the client;
- (7) the experience, reputation and ability of the lawyer or lawyers performing the services; and
- (8) whether the fee is fixed or contingent.

(b) The scope of the representation and the basis or rate of the fee and expenses for which the client will be responsible shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing the representation, except when the lawyer will charge a regularly represented client on the same basis or rate. Any changes in the basis or rate of the fee or expenses shall also be communicated to the client.

(c) A fee may be contingent on the outcome of the matter for which the service is rendered, except in a matter in which a contingent fee is prohibited by paragraph (d) or other law. A contingent fee agreement shall be in a writing signed by the client and shall state the method by which the fee is to be determined, including the percentage or percentages that shall accrue to the lawyer in the event of settlement, trial or appeal;

litigation and other expenses to be deducted from the recovery; and whether such expenses are to be deducted before or after the contingent fee is calculated. The agreement must clearly notify the client of any expenses for which the client will be liable whether or not the client is the prevailing party. Upon conclusion of a contingent fee matter, the lawyer shall provide the client with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination.

(d) A lawyer shall not enter into an arrangement for, charge, or collect:

- (1) any fee in a domestic relations matter, the payment or amount of which is contingent upon the securing of a divorce or upon the amount of alimony or support, or property settlement in lieu thereof; or
- (2) a contingent fee for representing a defendant in a criminal case.

Comment

Reasonableness of Fee and Expenses

[1] Paragraph (a) requires that lawyers charge fees that are reasonable under the circumstances. The factors specified in (a)(1) through (a)(8) are not exclusive. Nor will each factor be relevant in each instance. Paragraph (a) also requires that expenses for which the client will be charged must be reasonable. A lawyer may seek reimbursement for the cost of services performed in-house, such as copying, or for other expenses incurred in-house, such as telephone charges, either by charging a reasonable amount to which the client has agreed in advance or by charging an amount that reasonably reflects the cost incurred by the lawyer.

Basis or Rate of Fee

[2] When the lawyer has regularly represented a client, they ordinarily will have evolved an understanding concerning the basis or rate of the fee and the expenses for which the client will be responsible. In a new client-lawyer relationship, however, an understanding as to fees and expenses must be promptly established. Generally, it is

desirable to furnish the client with at least a simple memorandum or copy of the lawyer's customary fee arrangements that states the general nature of the legal services to be provided, the basis, rate or total amount of the fee and whether and to what extent the client will be responsible for any costs, expenses or disbursements in the course of the representation. A written statement concerning the terms of the engagement reduces the possibility of misunderstanding.

[3] Contingent fees, like any other fees, are subject to the reasonableness standard of paragraph (a) of this Rule. In determining whether a particular contingent fee is reasonable, or whether it is reasonable to charge any form of contingent fee, a lawyer must consider the factors that are relevant under the circumstances. Applicable law may impose limitations on contingent fees, such as a ceiling on the percentage allowable, or may require a lawyer to offer clients an alternative basis for the fee. Applicable law also may apply to situations other than a contingent fee, for example, government regulations regarding fees in certain tax matters.

Terms of Payment

[4] A lawyer may require advance payment of a fee but is obligated to return any unearned portion. See Rule 1.16(d). A lawyer may accept property in payment for services, such as an ownership interest in an enterprise, providing this does not involve acquisition of a proprietary interest in the cause of action or subject matter of the litigation contrary to Rule 1.8(i). However, a fee paid in property instead of money may be subject to the requirements of Rule 1.8(a) because such fees often have the essential qualities of a business transaction with the client.

[5] An agreement may not be made whose terms might induce the lawyer improperly to curtail services for the client or perform them in a way contrary to the client's interest. For example, a lawyer should not enter into an agreement whereby services are to be provided only up to a stated amount when it is foreseeable that more extensive services probably will be required, unless the situation is adequately explained to the client. Otherwise, the client might have to bargain for further assistance in the midst of a

proceeding or transaction. However, it is proper to define the extent of services in light of the client's ability to pay. A lawyer should not exploit a fee arrangement based primarily on hourly charges by using wasteful procedures.

Prohibited Contingent Fees

[6] Paragraph (d) prohibits a lawyer from charging a contingent fee in a domestic relations matter when payment is contingent upon the securing of a divorce or upon the amount of alimony or support or property settlement to be obtained. This provision does not preclude a contract for a contingent fee for legal representation in connection with the recovery of post-judgment balances due under support, alimony or other financial orders because such contracts do not implicate the same policy concerns.

Disputes over Fees

[7] If a procedure has been established for resolution of fee disputes, such as an arbitration or mediation procedure established by the Bar, the lawyer must comply with the procedure when it is mandatory, and, even when it is voluntary, the lawyer should conscientiously consider submitting to it. Law may prescribe a procedure for determining a lawyer's fee, for example, in representation of an executor or administrator, a class or a person entitled to a reasonable fee as part of the measure of damages. The lawyer entitled to such a fee and a lawyer representing another party concerned with the fee should comply with the prescribed procedure.

[8] This rule differs from the ABA model rule.

Effective August 14, 2020

Rule 1.5. Fees.

(a) A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:

(1) the time and labor required, the novelty and difficulty of the questions involved and the skill requisite to perform the legal service properly;

(2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;

(3) the fee customarily charged in the locality for similar legal services;

(4) the amount involved and the results obtained;

(5) the time limitations imposed by the client or by the circumstances;

(6) the nature and length of the professional relationship with the client;

(7) the experience, reputation and ability of the lawyer or lawyers performing the services; and

(8) whether the fee is fixed or contingent.

(b) The scope of the representation and the basis or rate of the fee and expenses for which the client will be responsible shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing the representation, except when the lawyer will charge a regularly represented client on the same basis or rate. Any changes in the basis or rate of the fee or expenses shall also be communicated to the client.

(c) A fee may be contingent on the outcome of the matter for which the service is rendered, except in a matter in which a contingent fee is prohibited by paragraph (d) or other law. A contingent fee agreement shall be in a writing signed by the client and shall state the method by which the fee is to be determined, including the percentage or percentages that shall accrue to the lawyer in the event of settlement, trial or appeal;

litigation and other expenses to be deducted from the recovery; and whether such expenses are to be deducted before or after the contingent fee is calculated. The agreement must clearly notify the client of any expenses for which the client will be liable whether or not the client is the prevailing party. Upon conclusion of a contingent fee matter, the lawyer shall provide the client with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination.

(d) A lawyer shall not enter into an arrangement for, charge, or collect:

(1) any fee in a domestic relations matter, the payment or amount of which is contingent upon the securing of a divorce or upon the amount of alimony or support, or property settlement in lieu thereof; or

(2) a contingent fee for representing a defendant in a criminal case.

~~(e) A division of a fee between lawyers who are not in the same firm may be made only if:~~

~~(e)(1) the division is in proportion to the services performed by each lawyer or each lawyer assumes joint responsibility for the representation;~~

~~(e)(2) the client agrees to the arrangement, including the share each lawyer will receive, and the agreement is confirmed in writing; and (e)(3) the total fee is reasonable.~~

Comment

Reasonableness of Fee and Expenses

[1] Paragraph (a) requires that lawyers charge fees that are reasonable under the circumstances. The factors specified in (a)(1) through (a)(8) are not exclusive. Nor will each factor be relevant in each instance. Paragraph (a) also requires that expenses for which the client will be charged must be reasonable. A lawyer may seek reimbursement for the cost of services performed in-house, such as copying, or for other expenses

53 incurred in-house, such as telephone charges, either by charging a reasonable amount to
54 which the client has agreed in advance or by charging an amount that reasonably
55 reflects the cost incurred by the lawyer.

56 **Basis or Rate of Fee**

57 [2] When the lawyer has regularly represented a client, they ordinarily will have
58 evolved an understanding concerning the basis or rate of the fee and the expenses for
59 which the client will be responsible. In a new client-lawyer relationship, however, an
60 understanding as to fees and expenses must be promptly established. Generally, it is
61 desirable to furnish the client with at least a simple memorandum or copy of the
62 lawyer's customary fee arrangements that states the general nature of the legal services
63 to be provided, the basis, rate or total amount of the fee and whether and to what extent
64 the client will be responsible for any costs, expenses or disbursements in the course of
65 the representation. A written statement concerning the terms of the engagement
66 reduces the possibility of misunderstanding.

67 [3] Contingent fees, like any other fees, are subject to the reasonableness standard of
68 paragraph (a) of this Rule. In determining whether a particular contingent fee is
69 reasonable, or whether it is reasonable to charge any form of contingent fee, a lawyer
70 must consider the factors that are relevant under the circumstances. Applicable law
71 may impose limitations on contingent fees, such as a ceiling on the percentage
72 allowable, or may require a lawyer to offer clients an alternative basis for the fee.
73 Applicable law also may apply to situations other than a contingent fee, for example,
74 government regulations regarding fees in certain tax matters.

75 **Terms of Payment**

76 [4] A lawyer may require advance payment of a fee but is obligated to return any
77 unearned portion. See Rule 1.16(d). A lawyer may accept property in payment for
78 services, such as an ownership interest in an enterprise, providing this does not involve
79 acquisition of a proprietary interest in the cause of action or subject matter of the
80 litigation contrary to Rule 1.8(i). However, a fee paid in property instead of money may

81 be subject to the requirements of Rule 1.8(a) because such fees often have the essential
82 qualities of a business transaction with the client.

83 [5] An agreement may not be made whose terms might induce the lawyer improperly to
84 curtail services for the client or perform them in a way contrary to the client's interest.
85 For example, a lawyer should not enter into an agreement whereby services are to be
86 provided only up to a stated amount when it is foreseeable that more extensive services
87 probably will be required, unless the situation is adequately explained to the client.
88 Otherwise, the client might have to bargain for further assistance in the midst of a
89 proceeding or transaction. However, it is proper to define the extent of services in light
90 of the client's ability to pay. A lawyer should not exploit a fee arrangement based
91 primarily on hourly charges by using wasteful procedures.

92 **Prohibited Contingent Fees**

93 [6] Paragraph (d) prohibits a lawyer from charging a contingent fee in a domestic
94 relations matter when payment is contingent upon the securing of a divorce or upon the
95 amount of alimony or support or property settlement to be obtained. This provision
96 does not preclude a contract for a contingent fee for legal representation in connection
97 with the recovery of post-judgment balances due under support, alimony or other
98 financial orders because such contracts do not implicate the same policy concerns.

99 ~~Division of Fees~~

100 ~~[7] A division of fee is a single billing to a client covering the fee of two or more lawyers~~
101 ~~who are not in the same firm. A division of fee facilitates association of more than one~~
102 ~~lawyer in a matter in which neither alone could serve the client as well, and most often~~
103 ~~is used when the fee is contingent and the division is between a referring lawyer and a~~
104 ~~trial specialist. Paragraph (e) permits the lawyers to divide a fee either on the basis of~~
105 ~~the proportion of services they render or if each lawyer assumes responsibility for the~~
106 ~~representation as a whole. In addition, the client must agree to the arrangement,~~
107 ~~including the share that each lawyer is to receive, and the agreement must be confirmed~~

~~in writing. Contingent fee agreements must be in a writing signed by the client and must otherwise comply with paragraph (c) of this Rule. Joint responsibility for the representation entails financial and ethical responsibility for the representation as if the lawyers were associated in a partnership. A lawyer should only refer a matter to a lawyer whom the referring lawyer reasonably believes is competent to handle the matter. See Rule 1.1.~~

~~[8] Paragraph (e) does not prohibit or regulate division of fees to be received in the future for work done when lawyers were previously associated in a law firm.~~

Disputes over Fees

~~[9] [7]~~ If a procedure has been established for resolution of fee disputes, such as an arbitration or mediation procedure established by the Bar, the lawyer must comply with the procedure when it is mandatory, and, even when it is voluntary, the lawyer should conscientiously consider submitting to it. Law may prescribe a procedure for determining a lawyer's fee, for example, in representation of an executor or administrator, a class or a person entitled to a reasonable fee as part of the measure of damages. The lawyer entitled to such a fee and a lawyer representing another party concerned with the fee should comply with the prescribed procedure.

[8] This rule differs from the ABA model rule.

Rule 5.4A. Professional Independence of a Lawyer.

(a) A lawyer or law firm may provide legal services pursuant to sections (b) and (c) of this Rule only if there is at all times no interference with the lawyer's:

- (1) professional independence of judgment;
- (2) duty of loyalty to a client; and
- (3) protection of client confidences.

(b) A lawyer or law firm may share legal fees with a nonlawyer if:

- (1) the lawyer or law firm provides written notice to the affected client and, if applicable, to any other person paying the legal fees;
- (2) the written notice describes the relationship with the nonlawyer, including the fact of the fee-sharing arrangement; and
- (3) the lawyer or law firm provides the written notice before accepting representation or before sharing fees from an existing client.

(c) A lawyer may permit a person to recommend, retain, or pay the lawyer to render legal services for another.

(d) A lawyer shall not form a partnership with a nonlawyer if any of the activities of the partnership consist of the practice of law.

(e) A lawyer shall not practice with or in the form of a professional corporation or association authorized to practice law for a profit, if:

- (1) a nonlawyer owns any interest therein, except that a fiduciary representative of the estate of a lawyer may hold the stock or interest of the lawyer for a reasonable time during administration;
- (2) a nonlawyer is a corporate director or officer thereof or occupies the position of similar responsibility in any form of association other than a corporation; or

(3) a nonlawyer has the right to direct or control the professional judgment of a lawyer.

(f) A lawyer may practice in a non-profit corporation which is established to serve the public interest provided that the nonlawyer directors and officers of such corporation do not interfere with the independent professional judgment of the lawyer.

Comments

[1] The provisions of this Rule are to protect the lawyer's professional independence of judgment, to assure that the lawyer is loyal to the needs of the client, and to protect clients from the disclosure of their confidential information. Where someone other than the client pays the lawyer's fee or salary, or recommends employment of the lawyer, that arrangement does not modify the lawyer's obligation to the client and may not interfere with the lawyer's professional judgment.

[2] Paragraphs (b), (c), (d), and (e) permit individual lawyers or law firms to pay for client referrals, share fees with nonlawyers, or allow third party retention in a context that does not change the business model or structure of the lawyer's or firm's practice. Paragraphs (b), (c), (d), and (e) do not permit any fee sharing or third party retention or other business relationships that change the business model or structure of the firm's practice, amounting to nonlawyer investment, ownership, or the practical equivalent. Such relationships are only permitted subject to Rule 5.4B and Utah Supreme Court Standing Order No. 15. Whether in accepting or paying for referrals, or fee-sharing, the lawyer must protect the lawyer's professional judgment, ensure the lawyer's loyalty to the client, and protect client confidences.

[3] This Rule differs from the ABA Model Rule.

1 **Rule 5.4A. Professional Independence of a Lawyer.**

2 (a) A lawyer or law firm may provide legal services pursuant to sections (b) and (c) of
3 this Rule only if there is at all times no interference with the lawyer's:

4 (1) professional independence of judgment;

5 (2) duty of loyalty to a client; and

6 (3) protection of client confidences.

7 (b) A lawyer or law firm may share legal fees with a nonlawyer if:

8 (1) the lawyer or law firm provides written notice to the affected client and, if
9 applicable, to any other person paying the legal fees;

10 (2) the written notice describes the relationship with the nonlawyer, including
11 the fact of the fee-sharing arrangement; and

12 (3) the lawyer or law firm provides the written notice before accepting
13 representation or before sharing fees from an existing client.

14 ~~(b) A lawyer or law firm shall not share legal fees with a nonlawyer, except that:~~

15 ~~(1) an agreement by a lawyer with the lawyer's firm, partner or associate may provide~~
16 ~~for the payment of money, over a reasonable period of time after the lawyer's death, to~~
17 ~~the lawyer's estate or to one or more specified persons;~~

18 ~~(2)(i) a lawyer who purchases the practice of a deceased, disabled or disappeared~~
19 ~~lawyer may, pursuant to the provisions of Rule 1.17, pay to the estate or other~~
20 ~~representative of that lawyer the agreed-upon purchase price; and~~

21 ~~(2)(ii) a lawyer who undertakes to complete unfinished legal business of a deceased~~
22 ~~lawyer may pay to the estate of the deceased lawyer that proportion of the total~~
23 ~~compensation which fairly represents the services rendered by the deceased lawyer;~~
24 ~~and~~

~~(3) a lawyer or law firm may include nonlawyer employees in a compensation or retirement plan, even though the plan is based in whole or in part on a profit-sharing arrangement.~~ (bc) A lawyer may permit a person to recommend, retain, or pay the lawyer to render legal services for another. A lawyer shall not form a partnership with a nonlawyer if any of the activities of the partnership consist of the practice of law.

(ed) A lawyer shall not form a partnership with a nonlawyer if any of the activities of the partnership consist of the practice of law. A lawyer shall not permit a person who recommends, employs or pays the lawyer to render legal services for another to direct or regulate the lawyer's professional judgment in rendering such legal services.

~~(de)~~ A lawyer shall not practice with or in the form of a professional corporation or association authorized to practice law for a profit, if:

(1) a nonlawyer owns any interest therein, except that a fiduciary representative of the estate of a lawyer may hold the stock or interest of the lawyer for a reasonable time during administration;

(2) a nonlawyer is a corporate director or officer thereof or occupies the position of similar responsibility in any form of association other than a corporation; or

(3) a nonlawyer has the right to direct or control the professional judgment of a lawyer.

(ef) A lawyer may practice in a non-profit corporation which is established to serve the public interest provided that the nonlawyer directors and officers of such corporation do not interfere with the independent professional judgment of the lawyer.

Comments

[1] The provisions of this Rule express traditional limitations on sharing fees. These limitations are to protect the lawyer's professional independence of judgment. The provisions of this Rule are to protect the lawyer's professional independence of judgment, to assure that the lawyer is loyal to the needs of the client, and to protect clients from the disclosure of their confidential information. Where someone other than

the client pays the lawyer's fee or salary, or recommends employment of the lawyer, that arrangement does not modify the lawyer's obligation to the client and may not interfere with the lawyer's professional judgment. ~~As stated in paragraph (c), such arrangements should not interfere with the lawyer's professional judgment.~~

[2] Paragraphs (b), (c), (d), and (e) permit individual lawyers or law firms to pay for client referrals, share fees with nonlawyers, or allow third party retention in a context that does not change the business model or structure of the lawyer's or firm's practice. Paragraphs (b), (c), (d), and (e) do not permit any fee sharing or third party retention or other business relationships that change the business model or structure of the firm's practice, amounting to nonlawyer investment, ownership, or the practical equivalent. Such relationships are only permitted subject to Rule 5.4B and Utah Supreme Court Standing Order No. 15. Whether in accepting or paying for referrals, or fee-sharing, the lawyer must protect the lawyer's professional judgment, ensure the lawyer's loyalty to the client, and protect client confidences.

~~The Rule also expresses traditional limitations on permitting a third party to direct or regulate the lawyer's professional judgment in rendering legal services to another. See also Rule 1.8(f) (lawyer may accept compensation from a third party as long as there is no interference with the lawyer's independent professional judgment and the client gives informed consent)~~

[3] This Rule differs from the ABA Model Rule.

~~[a] Paragraph (a)(4) of the ABA Model Rule was not adopted because it is inconsistent with the provisions of Rule 7.2(b), which prohibit the sharing of attorney's fees. Rule 5.4(e) addresses a lawyer practicing in a non-profit corporation that serves the public interest. There is no similar provision in the ABA Model Rules.~~

Rule 5.4B. Professional Independence of a Lawyer

(a) Notwithstanding Rule 5.4A, and if permitted by Utah Supreme Court Standing Order No. 15, a lawyer may provide legal services pursuant to section (b) of this Rule only if there is at all times no interference with the lawyer's:

- (1) professional independence of judgment,
- (2) duty of loyalty to a client, and
- (3) protection of client confidences.

(b) A lawyer may practice law with nonlawyers, or in an organization, including a partnership, in which a financial interest is held or managerial authority is exercised by one or more persons who are nonlawyers, provided that the nonlawyers or the organization has been authorized as required by Utah Supreme Court Standing Order No. 15 and provided the lawyer shall:

- (1) before accepting a representation, provide written notice to a prospective client that one or more nonlawyers holds a financial interest in the organization in which the lawyer practices or that one or more nonlawyers exercises managerial authority over the lawyer; and
- (2) set forth in writing to a client the financial and managerial structure of the organization in which the lawyer practices.

Comments

[1] The provisions of this Rule are to protect the lawyer's professional independence of judgment, to assure that the lawyer is loyal to the needs of the client, and to protect clients from the disclosure of their confidential information. Where someone other than the client pays the lawyer's fee or salary, manages the lawyer's work, or recommends retention of the lawyer, that arrangement does not modify the lawyer's obligation to the client. As stated in paragraph (a), such arrangements must not interfere with the lawyer's professional judgment. See also Rule 1.8(f) (lawyer may accept compensation

from a third party as long as there is no interference with the lawyer's independent professional judgment and the client gives informed consent). This Rule does not lessen a lawyer's obligation to adhere to the Rules of Professional Conduct and does not authorize a nonlawyer to practice law by virtue of being in a business relationship with a lawyer. It may be impossible for a lawyer to work in a firm where a nonlawyer owner or manager has a duty to disclose client information to third parties, as the lawyer's duty to maintain client confidences would be compromised.

[2] The Rule also expresses traditional limitations on permitting a third party to direct or regulate the lawyer's professional judgment in rendering legal services to another. See also Rule 1.8(f) (lawyer may accept compensation from a third party as long as there is no interference with the lawyer's independent professional judgment and the client gives informed consent).

Effective August 14, 2020

1 **Rule 5.4B. Professional Independence of a Lawyer**

2 (a) Notwithstanding Rule 5.4A, and if permitted by Utah Supreme Court Standing
3 Order No. 15, a lawyer may provide legal services pursuant to section (b) of this Rule
4 only if there is at all times no interference with the lawyer's:

5 (1) professional independence of judgment,

6 (2) duty of loyalty to a client, and

7 (3) protection of client confidences.

8 (b) A lawyer may practice law with nonlawyers, or in an organization, including a
9 partnership, in which a financial interest is held or managerial authority is exercised by
10 one or more persons who are nonlawyers, provided that the nonlawyers or the
11 organization has been authorized as required by Utah Supreme Court Standing Order
12 No. 15 and provided the lawyer shall:

13 (1) before accepting a representation, provide written notice to a prospective
14 client that one or more nonlawyers holds a financial interest in the organization
15 in which the lawyer practices or that one or more nonlawyers exercises
16 managerial authority over the lawyer; and

17 (2) set forth in writing to a client the financial and managerial structure of the
18 organization in which the lawyer practices.

19 **Comments**

20 [1] The provisions of this Rule are to protect the lawyer's professional independence of
21 judgment, to assure that the lawyer is loyal to the needs of the client, and to protect
22 clients from the disclosure of their confidential information. Where someone other than
23 the client pays the lawyer's fee or salary, manages the lawyer's work, or recommends
24 retention of the lawyer, that arrangement does not modify the lawyer's obligation to the
25 client. As stated in paragraph (a), such arrangements must not interfere with the
26 lawyer's professional judgment. See also Rule 1.8(f) (lawyer may accept compensation

27 from a third party as long as there is no interference with the lawyer's independent
28 professional judgment and the client gives informed consent). This Rule does not lessen
29 a lawyer's obligation to adhere to the Rules of Professional Conduct and does not
30 authorize a nonlawyer to practice law by virtue of being in a business relationship with
31 a lawyer. It may be impossible for a lawyer to work in a firm where a nonlawyer owner
32 or manager has a duty to disclose client information to third parties, as the lawyer's
33 duty to maintain client confidences would be compromised.

34 [2] The Rule also expresses traditional limitations on permitting a third party to direct
35 or regulate the lawyer's professional judgment in rendering legal services to another.
36 See also Rule 1.8(f) (lawyer may accept compensation from a third party as long as there
37 is no interference with the lawyer's independent professional judgment and the client
38 gives informed consent).

39

Rule 7.1. Communications Concerning a Lawyer's Services.

(a) A lawyer shall not make a false or misleading communication about the lawyer or the lawyer's services. A communication is false or misleading if it:

- (1) contains a material misrepresentation of fact or law, or omits a fact necessary to make the statement considered as a whole not materially misleading;
- (2) is likely to create an unjustified or unreasonable expectation about results the lawyer can achieve or has achieved; or
- (3) contains a testimonial or endorsement that violates any portion of this Rule.

(b) A lawyer shall not interact with a prospective client in a manner that involves coercion, duress, or harassment.

Comments

[1] This Rule governs all communications about a lawyer's services. Whatever means are used to make known a lawyer's services, statements about them must be truthful.

[2] Truthful statements that are misleading are also prohibited by this Rule. A truthful statement is misleading if it omits a fact necessary to make the lawyer's communication considered as a whole not materially misleading. A truthful statement is also misleading if there is a substantial likelihood that it will lead a reasonable person to formulate a specific conclusion about the lawyer or the lawyer's services for which there is no reasonable factual foundation.

[3] By way of example, this Rule permits the following, so long as they are not false or misleading: public dissemination of information concerning a lawyer's name or firm name, address, email address, website, and telephone number; the kinds of services the lawyer will undertake; the basis on which the lawyer's fees are determined, including prices for specific services and payment and credit arrangements; the use of actors or dramatizations to portray the lawyer, law firm, client, or events; the courts or

jurisdictions where the lawyer is permitted to practice, and other information that might invite the attention of those seeking legal assistance.

[4] An advertisement that truthfully reports a lawyer's achievements on behalf of clients or former clients may be misleading if presented so as to lead a reasonable person to form an unjustified expectation that the same results could be obtained for other clients in similar matters without reference to the specific factual and legal circumstances of each client's case. Similarly, an unsubstantiated comparison of the lawyer's services or fees with the services or fees of other lawyers may be misleading if presented with such specificity as would lead a reasonable person to conclude that the comparison can be substantiated. The inclusion of an appropriate disclaimer or qualifying language may preclude a finding that a statement is likely to create unjustified expectations or otherwise mislead the public.

[5] A lawyer can communicate practice areas and can state that he or she "specializes" in a field based on experience, training, and education, subject to the "false or misleading" standard set forth in this Rule. A lawyer shall not state or imply that the lawyer is certified as a specialist in a particular field unless the lawyer has been certified as a specialist by an objective entity and the name of the entity is clearly identified in the communication.

[6] In order to avoid coercion, duress, or harassment, a lawyer should proceed with caution when initiating contact with someone in need of legal services, especially when the contact is "live," whether that be in-person, face-to-face, live telephone and other real-time visual or auditory person-to-person communications, where the person is subject to a direct personal encounter without time for reflection

[7] Firm names, letterhead and professional designations are communications concerning a lawyer's services. A firm may be designated by the names of all or some of its current members, by the names of deceased or retired members where there has been a succession in the firm's identity or by a trade name if it is not false or misleading. A lawyer or law firm also may be designated by a distinctive website address, social

media username or comparable professional designation that is not misleading. A law firm name or designation is misleading if it implies a connection with a government agency, with a deceased lawyer who was not a former member of the firm, with a lawyer not associated with the firm or a predecessor firm, with a nonlawyer or with a public or charitable legal services organization. If a firm uses a trade name that includes a geographical name such as “Springfield Legal Clinic,” an express statement explaining that it is not a public legal aid organization may be required to avoid a misleading implication.

[8] A law firm with offices in more than one jurisdiction may use the same name or other professional designation in each jurisdiction.

[9] Lawyers may not imply or hold themselves out as practicing together in one firm when they are not a firm, as defined in Rule 1.0(d), because to do so would be false and misleading.

[10] It is misleading to use the name of a lawyer holding public office in the name of a law firm, or in communications on the law firm’s behalf, during any substantial period in which the lawyer is not practicing with the firm. A firm may continue to use in its firm name the name of a lawyer who is serving in Utah’s part-time legislature as long as that lawyer is still associated with the firm.

[11] See Rules 5.3 (duties of lawyers and law firms with respect to the conduct of non-lawyers); Rule 8.4(a) (duty to avoid violating the Rules through the acts of another); and Rule 8.4(e) (prohibition against stating or implying an ability to influence improperly a government agency or official or to achieve results by means that violate the Rules of Professional Conduct or other law).

[12] This Rule differs from the ABA Model Rule. Additional changes have been made to the comments.

Effective August 14, 2020

Rule 7.2. Advertising.

Reserved.

Effective August 14, 2020

Rule 7.3. Solicitation of Clients.

Reserved.

Effective August 14, 2020

Rule 7.4. Communication of Fields of Practice.

Reserved.

Effective August 14, 2020

Rule 7.5. Firm Names and Letterheads.

Reserved.

Effective August 14, 2020

Rule 7.1. Communications Concerning a Lawyer's Services.

(a) A lawyer shall not make a false or misleading communication about the lawyer or the lawyer's services. A communication is false or misleading if it:

(a~~1~~) contains a material misrepresentation of fact or law, or omits a fact necessary to make the statement considered as a whole not materially misleading;

(b~~2~~) is likely to create an unjustified or unreasonable expectation about results the lawyer can achieve or has achieved; or

(c~~3~~) contains a testimonial or endorsement that violates any portion of this Rule.

(b) A lawyer shall not interact with a prospective client in a manner that involves coercion, duress, or harassment.

Comments

[1] This Rule governs all communications about a lawyer's services, ~~including advertising permitted by Rule 7.2.~~ Whatever means are used to make known a lawyer's services, statements about them must be truthful.

[2] Truthful statements that are misleading are also prohibited by this Rule. A truthful statement is misleading if it omits a fact necessary to make the lawyer's communication considered as a whole not materially misleading. A truthful statement is also misleading if there is a substantial likelihood that it will lead a reasonable person to formulate a specific conclusion about the lawyer or the lawyer's services for which there is no reasonable factual foundation.

[3] By way of example, this Rule permits the following, so long as they are not false or misleading: public dissemination of information concerning a lawyer's name or firm name, address, email address, website, and telephone number; the kinds of services the lawyer will undertake; the basis on which the lawyer's fees are determined, including prices for specific services and payment and credit arrangements; the use of actors or dramatizations to portray the lawyer, law firm, client, or events; the courts or

jurisdictions where the lawyer is permitted to practice, and other information that might invite the attention of those seeking legal assistance.

[4] An advertisement that truthfully reports a lawyer's achievements on behalf of clients or former clients may be misleading if presented so as to lead a reasonable person to form an unjustified expectation that the same results could be obtained for other clients in similar matters without reference to the specific factual and legal circumstances of each client's case. Similarly, an unsubstantiated comparison of the lawyer's services or fees with the services or fees of other lawyers may be misleading if presented with such specificity as would lead a reasonable person to conclude that the comparison can be substantiated. The inclusion of an appropriate disclaimer or qualifying language may preclude a finding that a statement is likely to create unjustified expectations or otherwise mislead the public.

~~[4] See also Rule 8.4(e) for the prohibition against stating or implying an ability to influence improperly a government agency or official or to achieve results by means that violate the Rules of Professional Conduct or other law.~~5] A lawyer can communicate practice areas and can state that he or she "specializes" in a field based on experience, training, and education, subject to the "false or misleading" standard set forth in this Rule. A lawyer shall not state or imply that the lawyer is certified as a specialist in a particular field unless the lawyer has been certified as a specialist by an objective entity and the name of the entity is clearly identified in the communication.

[6] In order to avoid coercion, duress, or harassment, a lawyer should proceed with caution when initiating contact with someone in need of legal services, especially when the contact is "live," whether that be in-person, face-to-face, live telephone and other real-time visual or auditory person-to-person communications, where the person is subject to a direct personal encounter without time for reflection.

[7] Firm names, letterhead and professional designations are communications concerning a lawyer's services. A firm may be designated by the names of all or some of its current members, by the names of deceased or retired members where there has

55 been a succession in the firm's identity or by a trade name if it is not false or misleading.
56 A lawyer or law firm also may be designated by a distinctive website address, social
57 media username or comparable professional designation that is not misleading. A law
58 firm name or designation is misleading if it implies a connection with a government
59 agency, with a deceased lawyer who was not a former member of the firm, with a
60 lawyer not associated with the firm or a predecessor firm, with a nonlawyer or with a
61 public or charitable legal services organization. If a firm uses a trade name that includes
62 a geographical name such as "Springfield Legal Clinic," an express statement
63 explaining that it is not a public legal aid organization may be required to avoid a
64 misleading implication.

65 [8] A law firm with offices in more than one jurisdiction may use the same name or
66 other professional designation in each jurisdiction.

67 [9] Lawyers may not imply or hold themselves out as practicing together in one firm
68 when they are not a firm, as defined in Rule 1.0(d), because to do so would be false and
69 misleading.

70 [10] It is misleading to use the name of a lawyer holding public office in the name of a
71 law firm, or in communications on the law firm's behalf, during any substantial period
72 in which the lawyer is not practicing with the firm. A firm may continue to use in its
73 firm name the name of a lawyer who is serving in Utah's part-time legislature as long as
74 that lawyer is still associated with the firm.

75 [11] See Rules 5.3 (duties of lawyers and law firms with respect to the conduct of non-
76 lawyers); Rule 8.4(a) (duty to avoid violating the Rules through the acts of another); and
77 Rule 8.4(e) (prohibition against stating or implying an ability to influence improperly a
78 government agency or official or to achieve results by means that violate the Rules of
79 Professional Conduct or other law).

80 [4a12] The Utah Rule is different. This Rule differs from the ABA Model Rule.

81 Subsections (b), (c), and (d) are added to the Rule to give further guidance as to which

Advertising Rules. Redline.

Effective August 14, 2020

82 | ~~communications are false or misleading.~~ Additional changes have been made to the
83 | comments.

Rule 7.2. Advertising.

lawyer may pay the reasonable cost of advertising permitted by these Rules and may pay the usual charges of a lawyer referral service or other legal service plan.

Comment

[1] To assist the public in learning about and obtaining legal services, lawyers should be allowed to make known their services not only through reputation but also through organized information campaigns in the form of advertising. Advertising involves an active quest for clients, contrary to the tradition that a lawyer should not seek clientele. However, the public's need to know about legal services can be fulfilled in part through advertising. This need is particularly acute in the case of persons of moderate means who have not made extensive use of legal services. The interest in expanding public information about legal services ought to prevail over considerations of tradition. Nevertheless, advertising by lawyers entails the risk of practices that are misleading or overreaching.

[2] This Rule permits public dissemination of information concerning a lawyer's name or firm name, address, email address, website and telephone number; the kinds of services the lawyer will undertake; the basis on which the lawyer's fees are determined, including prices for specific services and payment and credit arrangements; a lawyer's foreign language ability; names of references and, with their consent, names of clients regularly represented; and other information that might invite the attention of those seeking legal assistance.

[3] Questions of effectiveness and taste in advertising are matters of speculation and subjective judgment. Some jurisdictions have had extensive prohibitions against television and other forms of advertising, against advertising going beyond specified facts about a lawyer or against "undignified" advertising. Television, the Internet and other forms of electronic communication are now among the most powerful media for getting information to the public, particularly persons of low

and moderate income; prohibiting television, Internet, and other forms of electronic advertising, therefore, would impede the flow of information about legal services to many sectors of the public. Limiting the information that may be advertised has a similar effect and assumes that the Bar can accurately forecast the kind of information that the public would regard as relevant. But see Rule 7.3(a) for the prohibition against a solicitation through a real-time electronic exchange initiated by the lawyer.

[4] Neither this Rule nor Rule 7.3 prohibits communications authorized by law, such as notice to members of a class in class action litigation.

Paying Others to Recommend a Lawyer

[5] Except as permitted by Paragraph (f), lawyers are not permitted to pay others for recommending the lawyer's services or for channeling professional work in a manner that violates Rule 7.3. A communication contains a recommendation if it endorses or vouches for a lawyer's credentials, abilities, competence, character, or other professional qualities. Paragraph (f), however, allows a lawyer to pay for advertising and communications permitted by this Rule, including the costs of print directory listings, on-line directory listings, newspaper ads, television and radio airtime, domain name registrations, sponsorship fees, Internet-based advertisements and group advertising. A lawyer may compensate employees, agents and vendors who are engaged to provide marketing or client development services, such as publicists, public relations personnel, business development staff and website designers. Moreover, a lawyer may pay others for generating client leads, such as Internet-based client leads, as long as the lead generator does not recommend the lawyer, and any payment to the lead generator is consistent with the lawyer's obligations under these rules. To comply with Rule 7.1, a lawyer must not pay a lead generator that states, implies, or creates a reasonable impression that it is recommending the lawyer, is making the referral without payment from the lawyer, or has analyzed a person's legal problems when determining which lawyer should

139 receive the referral. See Rule 5.3 (duties of lawyers and law firms with respect to the
140 conduct of non-lawyers); Rule 8.4(a) (duty to avoid violating the Rules through the
141 acts of another).

142 [6] A lawyer may pay the usual charges of a legal service plan or a lawyer referral
143 service. A legal service plan is a prepaid or group legal service plan or a similar
144 delivery system that assists prospective clients to secure legal representation. A
145 lawyer referral service, on the other hand, is an organization that holds itself out to
146 the public to provide referrals to lawyers with appropriate experience in the subject
147 matter of the representation. No fee-generating referral may be made to any lawyer
148 or firm that has an ownership interest in, or who operates or is employed by, the
149 lawyer referral service, or who is associated with a firm that has an ownership
150 interest in, or operates or is employed by, the lawyer referral service.

151 [7] A lawyer who accepts assignments or referral from a legal service plan or
152 referrals from a lawyer referral service must act reasonably to assure that the
153 activities of the plan or service are compatible with the lawyer's professional
154 obligations. See Rule 5.3. Legal service plans and lawyer referral services may
155 communicate with the public, but such communication must be in conformity with
156 these Rules. Thus, advertising must not be false or misleading, as would be the case
157 if the communications of a group advertising program or a group legal services plan
158 would mislead the public to think that it was a lawyer referral service sponsored by
159 a state agency or bar association. Nor could the lawyer allow in-person, telephonic,
160 or real-time contacts that would violate Rule 7.3.

161 [8] For the disciplinary authority and choice of law provisions applicable to
162 advertising, see Rule 8.5.

163 [8a] This Rule differs from the ABA Model Rule in that it defines "advertisement"
164 and places some limitations on advertisements. Utah Rule 7.2(b)(2) also differs from
165 the ABA Model Rule by permitting a lawyer to pay the usual charges of any lawyer

166 | ~~referral service. This is not limited to not-for-profit services. Comment [6] to the~~
167 | ~~Utah rule is modified accordingly.~~

168 | Reserved.

169 |

Rule 7.3. Solicitation of Clients.

(a) A lawyer shall not by in-person, live telephone or real-time electronic contact solicit professional employment from a prospective client when a significant motive for the lawyer's doing so is the lawyer's pecuniary gain, unless the person contacted:

(a)(1) is a lawyer;

(a)(2) has a family, close personal, or prior professional relationship with the lawyer, or

(a)(3) is unable to make personal contact with a lawyer and the lawyer's contact with the prospective client has been initiated by a third party on behalf of the prospective client.

(b) A lawyer shall not solicit professional employment by written, recorded or electronic communication or by in-person, live telephone or real-time electronic contact even when not otherwise prohibited by paragraph (a), if:

(b)(1) the target of the solicitation has made known to the lawyer a desire not to be solicited by the lawyer; or

(b)(2) the solicitation involves coercion, duress or harassment.

(c) Every written, recorded or electronic communication from a lawyer soliciting professional employment from anyone known to be in need of legal services in a particular matter shall include the words "Advertising Material" on the outside envelope, if any, and at the beginning of any recorded or electronic communication, unless the recipient of the communication is a person specified in paragraphs (a)(1) or (a)(2). For the purposes of this subsection, "written communication" does not include advertisement through public media, including but not limited to a telephone directory, legal directory, newspaper or other periodical, outdoor advertising, radio, television or webpage.

(d) Notwithstanding the prohibitions in paragraph (a), a lawyer may participate with a prepaid or group legal service plan operated by an organization not owned or directed

196 by the lawyer that uses in-person or other real-time communication to solicit
197 memberships or subscriptions for the plan from persons who are not known to need
198 legal services in a particular matter covered by the plan.

199 Comment

200 [1] A solicitation is a targeted communication initiated by the lawyer that is directed to
201 a specific person and that offers to provide, or can reasonably be understood as offering
202 to provide, legal services. In contrast, a lawyer's communication typically does not
203 constitute a solicitation if it is directed to the general public, such as through a billboard,
204 an Internet banner advertisement, a website or a television commercial, or if it is in
205 response to a request for information or is automatically generated in response to
206 Internet searches.

207 [2] There is a potential for abuse when a solicitation involves direct in-person, live
208 telephone or real-time electronic contact by a lawyer with someone known to need
209 legal services. These forms of contact subject a person to the private importuning of the
210 trained advocate in a direct interpersonal encounter. The person, who may already feel
211 overwhelmed by the circumstances giving rise to the need for legal services, may find it
212 difficult fully to evaluate all available alternatives with reasoned judgment and
213 appropriate self-interest in the face of the lawyer's presence and insistence upon being
214 retained immediately. The situation is fraught with the possibility of undue influence,
215 intimidation, and over-reaching.

216 [3] This potential for abuse inherent in direct in-person, live telephone or real-time
217 electronic solicitation justifies its prohibition, particularly since lawyers have alternative
218 means of conveying necessary information to those who may be in need of legal
219 services. In particular, communications can be mailed or transmitted by email or other
220 electronic means that do not involve real-time contact and do not violate other laws
221 governing solicitations. These forms of communications and solicitations make it
222 possible for the public to be informed about the need for legal services, and about the
223 qualifications of available lawyers and law firms, without subjecting the public to direct

224 in-person, live telephone or real-time electronic persuasion that may overwhelm a
225 person's judgment.

226 [4] The use of general advertising and written, recorded or electronic communications
227 to transmit information from lawyer to the public, rather than direct in-person or other
228 real-time communications, will help to ensure that the information flows cleanly as well
229 as freely. The contents of advertisements and communications permitted under Rule 7.2
230 can be permanently recorded so that they cannot be disputed and may be shared with
231 others who know the lawyer. This potential for informal review is itself likely to help
232 guard against statements and claims that might constitute false and misleading
233 communications in violation of Rule 7.1. The contents of direct in-person, live telephone
234 or real-time electronic contact can be disputed and may not be subject to third-party
235 scrutiny. Consequently, they are much more likely to approach (and occasionally cross)
236 the dividing line between accurate representations and those that are false and
237 misleading.

238 [5] There is far less likelihood that a lawyer would engage in abusive practices against a
239 former client, or a person with whom the lawyer has a close personal or family
240 relationship, or where the lawyer has been asked by a third party to contact a
241 prospective client who is unable to contact a lawyer, for example when the prospective
242 client is incarcerated and is unable to place a call, or is mentally incapacitated and
243 unable to appreciate the need for legal counsel. Nor is there a serious potential for abuse
244 in situations where the lawyer is motivated by considerations other than the lawyer's
245 pecuniary gain, or when the person contacted is also a lawyer. This rule is not intended
246 to prohibit a lawyer from applying for employment with an entity, for example, as in-
247 house counsel. Consequently, the general prohibition in Rule 7.3(a) and the
248 requirements of Rule 7.3(c) are not applicable in those situations. Also, paragraph (a) is
249 not intended to prohibit a lawyer from participating in constitutionally protected
250 activities of public or charitable legal service organizations or bona fide political, social,

civic, fraternal, employee or trade organizations whose purposes include providing or recommending legal services to their members or beneficiaries.

[5a] Utah's Rule 7.3(a) differs from the ABA Model Rule by authorizing in-person or other real-time contact by a lawyer with a prospective client when that prospective client is unable to make personal contact with a lawyer, but a third party initiates contact with a lawyer on behalf of the prospective client and the lawyer then contacts the prospective client.

[6] But even permitted forms of solicitation can be abused. Thus, any solicitation which contains information that is false or misleading within the meaning of Rule 7.1, that involves coercion, duress or harassment within the meaning of Rule 7.3(b)(2), or that involves contact with someone who has made known to the lawyer a desire not to be solicited by the lawyer within the meaning of Rule 7.3(b)(1) is prohibited. Moreover, if after sending a letter or other communication as permitted by Rule 7.2 the lawyer receives no response, any further effort to communicate with the recipient of the communication may violate the provisions of Rule 7.3(b).

[7] This Rule is not intended to prohibit a lawyer from contacting representatives of organizations or groups that may be interested in establishing a group or prepaid legal plan for their members, insureds, beneficiaries or other third parties for the purpose of informing such entities of the availability of and the details concerning the plan or arrangement which the lawyer or lawyer's firm is willing to offer. This form of communication is not directed to people who are seeking legal services for themselves. Rather, it is usually addressed to an individual acting in a fiduciary capacity seeking a supplier of legal services for others who may, if they choose, become prospective clients of the lawyer. Under these circumstances, the activity which the lawyer undertakes in communicating with such representatives and the type of information transmitted to the individual are functionally similar to and serve the same purpose as advertising permitted under Rule 7.2.

~~[8] The requirement in Rule 7.3(c) that certain communications be marked "Advertising Material" does not apply to communications sent in response to requests of potential clients or their spokespersons or sponsors. General announcements by lawyers, including changes in personnel or office location, do not constitute communications soliciting professional employment from a client known to be in need of legal services within the meaning of this Rule.~~

~~[8a] Utah Rule 7.3(c) requires the words "Advertising Material" to be marked on the outside of an envelope, if any, and at the beginning of any recorded or electronic communication, but not at the end as the ABA Model Rule requires. Lawyer solicitations in public media that regularly contain advertisements do not need the "Advertising Material" notice because persons who view or hear such media usually recognize the nature of the communications.~~

~~[9] Paragraph (d) of this Rule permits a lawyer to participate with an organization that uses personal contact to solicit members for its group or prepaid legal service plan, provided that the personal contact is not undertaken by any lawyer who would be a provider of legal services through the plan. The organization must not be owned by or directed (whether as manager or otherwise) by any lawyer or law firm that participates in the plan. For example, paragraph (d) would not permit a lawyer to create an organization controlled directly or indirectly by the lawyer and use the organization for the in-person or telephone, live person-to-person contacts or other real-time electronic solicitation of legal employment of the lawyer through memberships in the plan or otherwise. The communication permitted by these organizations also must not be directed to a person known to need legal services in a particular matter, but is to be designed to inform potential plan members generally of another means of affordable legal services. Lawyers who participate in a legal service plan must reasonably assure that the plan sponsors are in compliance with Rules 7.1, 7.2 and 7.3(b). See Rule 8.4(a). Reserved.~~

Advertising Rules. Redline.

Effective August 14, 2020

Rule 7.4. Communication of Fields of Practice.

~~(a) A lawyer may communicate the fact that the lawyer does or does not practice in particular fields of law.~~

~~(b) A lawyer admitted to engage in patent practice before the United States Patent and Trademark Office may use the designation "Patent Attorney" or a substantially similar designation.~~

~~(c) A lawyer engaged in Admiralty practice may use the designation "Admiralty," "Proctor in Admiralty" or substantially similar designation.~~

~~(d) A lawyer shall not state or imply that a lawyer is certified as a specialist in a particular field of law, unless:~~

~~(d)(1) the lawyer has been certified as a specialist by an organization that has been approved by an appropriate state authority or that has been accredited by the American Bar Association; and~~

~~(d)(2) the name of the certifying organization is clearly identified in the communication.~~

Comment

[1] Paragraph (a) of this Rule permits a lawyer to indicate areas of practice in communications about the lawyer's services. If a lawyer practices only in certain fields or will not accept matters except in a specified field or fields, the lawyer is permitted to so indicate. A lawyer is generally permitted to state that the lawyer is a "specialist," practices a "specialty" or "specializes in" particular fields, but such communications are subject to the "false and misleading" standard applied in Rule 7.1 to communications concerning a lawyer's services.

[2] Paragraph (b) recognizes the long-established policy of the Patent and Trademark Office for the designation of lawyers practicing before the Office. Paragraph (c) recognizes that designation of Admiralty practice has a long historical tradition associated with maritime commerce and the federal courts.

333 ~~{3} Paragraph (d) permits a lawyer to state that the lawyer is certified as a specialist in a~~
334 ~~field of law if such certification is granted by an organization approved by an~~
335 ~~appropriate state authority or accredited by the American Bar Association or another~~
336 ~~organization, such as a state bar association, that has been approved by the state~~
337 ~~authority to accredit organizations that certify lawyers as specialists. Certification~~
338 ~~signifies that an objective entity has recognized an advanced degree of knowledge and~~
339 ~~experience in the specialty area greater than is suggested by general licensure to~~
340 ~~practice law. Certifying organizations may be expected to apply standards of~~
341 ~~experience, knowledge and proficiency to insure that a lawyer's recognition as a~~
342 ~~specialist is meaningful and reliable. In order to insure that consumers can obtain access~~
343 ~~to useful information about an organization granting certification, the name of the~~
344 ~~certifying organization must be included in any communication regarding the~~
345 ~~certification.~~Reserved.

Rule 7.5. Firm Names and Letterheads.

~~(a) A lawyer shall not use a firm name, letterhead or other professional designation that violates Rule 7.1. A trade name may be used by a lawyer in private practice if it does not imply a connection with a government agency or with a public or charitable legal services organization and is not otherwise in violation of Rule 7.1.~~

~~(b) A law firm with offices in more than one jurisdiction may use the same name or other professional designation in each jurisdiction, but identification of the lawyers in an office of the firm shall indicate the jurisdictional limitations on those not licensed to practice in the jurisdiction where the office is located.~~ Reserved.

~~(c) The name of a lawyer holding a public office shall not be used in the name of a law firm, or in communications on its behalf, during any substantial period in which the lawyer is not actively and regularly practicing with the firm.~~

~~(d) Lawyers may state or imply that they practice in a partnership or other organization only when that is the fact.~~

Comment

~~[1] A firm may be designated by the names of all or some of its members, by the names of deceased or retired members where there has been a continuing succession in the firm's identity or by a trade name such as the "ABC Legal Clinic." A lawyer or law firm may also be designated by a distinctive website address or comparable professional designation. Although the United States Supreme Court has held that legislation may prohibit the use of trade names in professional practice, use of such names in law practice is acceptable so long as it is not misleading. If a private firm uses a trade name that includes a geographical name such as "Springfield Legal Clinic," an express disclaimer that it is not a public legal aid agency may be required to avoid a misleading implication. It may be observed that any firm name including the name of a deceased or retired partner is, strictly speaking, a trade name. The use of such names to designate law firms has proven a useful means of identification. However, it is misleading to use~~

374 ~~the name of a lawyer who has not been associated with the firm or a predecessor of the~~
375 ~~firm, or the name of a nonlawyer.~~

376 ~~[2] With regard to paragraph (d), lawyers sharing office facilities, but who are not in fact~~
377 ~~associated with each other in a law firm, may not denominate themselves as, for~~
378 ~~example, "Smith and Jones," for that title suggests that they are practicing law together~~
379 ~~in a firm.~~

380

381

TAB 6

3. Committee Leadership Succession

It is the policy of the Utah State Bar that Bar committees provide regular, ongoing leadership opportunities for committee members. Committees shall have a succession plan which may be unique to that committee but shall address leadership and succession. Suggested guidelines are that each committee should have a chair and a chair-elect. A committee chair should serve a term to be approved by the Commission but should not exceed three (3) years. The chair-elect should be nominated by the committee membership as a whole and approved by the Commission. The chair-elect should automatically become chair of the committee upon the end of the chair's term. Committees may propose a deviation from these guidelines if factors unique to that committee justify a deviation and the basis for the deviation is set forth in the committee succession plan. Any deviations must be approved by the Commission.

TAB 7

Policy for Appointments of State Bar Delegates to the ABA House of Delegates and Reimbursement Policy

The control and administration of the ABA is vested in the House of Delegates, the policy-making body of the association. Pursuant to the ABA Constitution, the Utah State Bar appoints 3 “State Bar Association Delegates.”¹ The ABA requires that one of the three State Bar Association Delegates be a representative of the Young Lawyers Division (“YLD”).

TERM: The term of State Bar delegates is two years. It is the policy of the Utah State Bar Board of Bar Commissioners (“the Bar Commission”) that each State Bar delegate and the YLD delegate may serve up to four (4) consecutive two-year terms, or a maximum of eight (8) years, regardless of whether the individual is serving as the State Bar delegate or the YLD delegate. Former delegates may apply again for appointment after two years from the expiration of their last term.

REQUIREMENTS: State Bar delegates are expected to attend the ABA’s Midyear and Annual meetings, and, on occasion, to participate in conference calls. The delegates are also expected to report to the Commission regarding the work of the House of Delegates and highlights of the meetings.

State Bar delegates and the State delegate (together, “delegates”) are expected to serve as *ex officio* members of the Bar Commission and attend Bar Commission meetings.

Delegates must be active members in good standing of the Utah State Bar.

Delegates must be members in good standing of the ABA and meet all eligibility requirements set forth by the ABA.

SELECTION PROCESS FOR THE STATE BAR DELEGATES: The **August** before the end of a Bar delegate’s term, the Bar Commission will solicit applications to fill the expiring delegate term by sending out a public notice to all members.

By **September 1** of the year in which there is an expiring term, interested Bar members must submit to the Bar Commission a letter expressing interest in and qualifications for serving as a Bar delegate.

At the **September or October** regularly scheduled Bar Commission meeting, the Bar Commission will review the letter submissions and select a Bar delegate by a majority vote of voting Commissioners. When selecting candidates for Bar delegate, the Bar Commission will consider all relevant factors including, but not limited to, a candidate’s past service as a Bar Delegate in the interest of fostering continuity and experience, and an open application process

¹ Utah also has one State Delegate who is elected by the state’s ABA members.

that will encourage participation by a broad spectrum of eligible Bar members and foster transparency and fairness in the selection process.

SELECTION PROCESS FOR THE ABA YLD DELEGATE: Vacancies in the ABA Young Lawyer delegate position shall be filled by the YLD Board and the Utah Bar Commission. When a vacancy occurs, the YLD Board shall solicit letters of interest in the position from members of the Division. The YLD Board shall select from the applicants three (3) eligible nominees for submission to the Utah Bar Commission. The Utah Bar Commission will select one applicant for appointment to the ABA House of Delegates. In the event there are less than three eligible applicants, all applicants will be submitted to the Utah Bar Commission for consideration. Nominees for this position shall meet all eligibility requirements set forth by the American Bar Association.

The **August** before the end of the ABA Young Lawyer delegate's term, the YLD shall solicit applications from its members to fill the vacant YLD delegate seat by sending out a public notice to all YLD members.

By **September 1** of the year in which there is an YLD delegate vacancy, interested Bar members may submit to the YLD Board a letter expressing interest in and qualifications for serving as delegate. The YLD Board will select three candidates to forward to the Commission for final selection.

At the **September or October** regularly scheduled Commission meeting, the Commission will review the YLD's Board recommendations for the ABA Young Lawyer delegate position and approve the candidate by a majority vote of voting Commissioners.

ALTERNATE DELEGATES: If a State Bar delegate is unable to attend a meeting of the ABA House of Delegates, the Commission may certify an alternate delegate to serve for the one meeting the regular Bar delegate will be absent. As soon as the Commission becomes aware of the need for an alternate, it will solicit applications to serve as an alternate by sending out a public notice to all members. Interested candidates should submit a letter expressing interest in and qualifications for serving as an alternate. At the next regularly scheduled Commission meeting, or if necessary, by phone, the Bar Commission will review the letter submissions and select an alternate by a majority vote of voting Commissioners.

ABA rules for alternate delegates provide that "[e]ach state, territorial and local bar association, section and affiliated organization represented in the House may certify an alternate delegate to serve during the absence of any of its delegates at a meeting of the House. The alternate delegate's service is: (1) limited to that meeting of the House for which certified; (2) not counted in determining length of service in the House; and (3) not considered a lapse in service for the elected delegate." Certification of the alternate delegate must be completed before the roster is approved by the House. Once the roster is approved, no additional changes may be made.

REIMBURSEMENT FOR ALL DELEGATES: The Utah State Bar will reimburse delegates for travel expenses to ABA meetings or conferences only if those expenses are not covered by the ABA. Reimbursable expenses include:

1. Early, basic registration fees
2. Coach airfare purchased at least three weeks in advance of event
3. Reasonable lodging at meeting hotel or, if necessary, other reasonable lodging
4. Ground transportation to and from terminals and
5. A per diem for meals at the federal rate for the event city, less any per diem provided by the ABA.

Lodging will be reimbursed only for the days delegates must attend ABA meetings. Unless the delegate is required to attend additional days of meetings, lodging reimbursement is capped at 4 nights for the annual meeting and 3 nights for the midyear meeting.

Procedure for requesting reimbursement:

1. Requests for reimbursement are submitted to the Bar's Finance Department
2. All requests for reimbursement must include a receipt.
3. All receipts must be submitted to the Bar's Finance Department within 60 days of the event.

TAB 8

**UTAH STATE BAR
BOARD OF BAR COMMISSIONERS
MINUTES**

JULY 16, 2020

VIDEO CONFERENCE MEETING

- In Attendance:** President Herm Olsen and President-elect Heather Farnsworth.
Commissioners: John Bradley, Mary Kay Griffin, Marty Moore, Mark Morris, Mark Pugsley, Michelle Quist, Tom Seiler, Cara Tangaro, and Heather Thuet.
- Ex-Officio Members:** Nate Alder, Erik Christiansen, Torie Finlinson, Candace Glead, Camila Moreno, Ashley Peck (for Women Lawyers), Rob Rice, Dean Gordon Smith.
- Not in Attendance:** Steven Burt, Chrystal Mancuso-Smith, and Katie Woods. Ex-Officio Members: Kate Conyers, Amy Fowler, Jiro Johnson, Margaret Plane, and Dean Elizabeth Kronk-Warner.
- Also in Attendance:** Commissioners-elect: Traci Gunderson, Rick Hoffman, and Andrew Morse. Executive Director John C. Baldwin, Assistant Executive Director Richard Dibblee, General Counsel Elizabeth A. Wright and Supreme Court Liaison Larissa Lee.

Minutes: 9:05 a.m. start

1. President's Report: Herm Olsen.

- 1.1 Welcome & Meeting Safety Discussion.** Mr. Olsen welcomed new Commissioners Traci Gunderson, Rick Hoffman, and Andrew Morse. Mr. Olsen also reported on much needed repairs to the Law and Justice Center that are taking place while the building is closed due to the COVID-19 pandemic. The building is being painted, re-carpeted, and concrete on the front and back entrances is being repaired. Additionally, Mr. Olsen reported on news from other bars.
- 1.2 Review 2020-2021 Schedule.** Heather Farnsworth reported that the Fall Forum would have a modified format because of COVID-19 restrictions and would be offered remotely. Ms. Farnsworth reported the theme of the convention would be "Whole New World" to encompass regulatory reform, police reform and changes resulting from the pandemic.
- 1.3 Review Retreat Schedule.** Heather Farnsworth reported that there would not be an annual Commission retreat this Fall because of budget and COVID-19 restrictions. Ms. Farnsworth will send a survey to Commissioners regarding plans for an alternate type of retreat.

2. Action Items.

- 2.1 **Bar Survey Planning.** Mark Morris reviewed the results from the Bar survey that showed that the percentage of diverse lawyers has not changed in the 10 years since the last survey. The percentage of women lawyers has gone up slightly. The Commission discussed ways it could increase the diversity of the bar. The Commission also discussed how to present the survey to members and that the survey should be presented with a statement to give context to the results.
- 2.2 **2020 Fall Forum Planning.** See 1.2 above.
- 2.3 **2021 Spring Convention Planning.** Heather Thuet reported that it is too early to determine if the Spring 2021 convention will be an in-person event. **Heather Thuet moved to appoint Magistrate Judge Paul Kohler and Abby Dizon-Maughan to serve as Co-Chairs of the 2021 Spring Convention. Tom Seiler seconded the motion which passed unopposed.**
- 2.4 **2021 Summer Convention Planning.** Mr. Olsen reported it is too early to decide about Summer 2021 and that the issue would be addressed at a subsequent meeting.
- 2.5 **Utah Implementation Task Force on Regulatory Reform Report.** The Honorable Christine Durham joined the meeting to discuss regulatory reform. Justice Durham addressed the issues raised in the July 8, 2020 memo from the Bar's Committee on Regulatory Reform. The memo addresses concerns or questions about regulatory reform and is the result of the Committee's review of the Court's regulatory reform proposal, surveys and responses from judges and members of the Bar. Bar Regulatory Reform Committee Co-Chair Erik Christiansen summarized the memo. Mr. Christiansen reported the Committee generally supported regulatory reform and the goal of access to legal services. However, the Committee reported six concerns with the reforms as presented. Justice Durham addressed each of the concerns raised in the memo. **Marty Moore moved to adopt the findings and recommendations of the Bar's Committee on Regulatory Reform and to submit those findings and recommendations to the Utah Supreme Court. John Bradley seconded the motion which passed unopposed.**
- 2.6 **Bar Regulatory Reform Committee Report.** See 2.5 above.

3. Discussion Items

- 3.1 **Term Limits for Bar Commissioners, Committee Chairs and Members.** Herm Olsen reported that the Court raised the issue of term limits for Commissioners and Bar Committee members. Mr. Olsen asked the Commission to consider the idea for future discussion.

4. **Commission Reorganization.** Chief Justice Matthew Durrant joined the meeting to swear in new Commissioners and Officers.
 - 4.1 **New Commissioners Swearing In.** Justice Durrant swore in **Traci Gunderson, Rick Hoffman, and Andrew Morse** as Bar Commissioners.
 - 4.2 **Bar President-Elect Swearing In.** Justice Durrant swore **Heather Thuet** in as Bar Commission President Elect.
 - 4.3 **Bar President Swearing In.** Justice Durrant swore in **Heather Farnsworth** as Bar Commission President.
 - 4.4 **Appoint *Ex Officio* Members.** **Mark Pugsleys moved to appoint** the following *ex officio* Commission members for the 2020-2021 year: the Immediate Past Bar President (**Herm Olsen**); the Bar's Representatives to the ABA House of Delegates (**Nate Alder and Erik Christiansen**); the Bar's YLD Representative to the ABA House of Delegates (**Camila Moreno**); Utah's ABA Members' Representative to the ABA House of Delegates (**Margaret Plane**); the Utah Minority Bar Association Representative (**Raj Dhaliwal**); the Women Lawyers of Utah Representative (**Ashley Peck**); the LGBT and Allied Lawyers of Utah Representative (**Amy Fowler**); the Paralegal Division Representative (**Sarah Stronk**); the J. Reuben Clark Law School Dean (**Gordon Smith**); the S.J. Quinney College of Law Dean (**Elizabeth Kronk-Warner**); and the Young Lawyers Division Representative (**Grace Pusavat**). **Tom Seiler seconded the motion which passed unopposed.**
 - 4.5 **Approve Executive Committee.** **Heather Thuet moved to appoint Heather Farnsworth, Heather Thuet, Marty Moore, Mark Morris, Michelle Quist, and Katie Woods** as members of the Executive Committee. **John Bradley seconded the motion which passed unopposed.**
 - 4.6 **Adopt Resolution on Bank Signatures.** **Marty Moore moved to approve members of the Executive Committee to serve as signatories on the Bar's checking account. Mark Pugsley seconded the motion which passed unopposed.**

NEW ITEM: Mary Kay Griffin reported that the Bar's financials are healthy even with losses resulting from COVID-19.

5. **Recognize Retiring Commissioners.** Commissioners thanked Herm Olsen for his service as Bar President. The Commission recognized Heather Farnsworth for six years of service as a Commissioner and Mary Kay Griffin for 17 years of service as a Commissioner.
6. **Executive Session.**

The meeting adjourned for the day at 12:30 p.m.

Consent Agenda

1. Approved Minutes from the June 5, 2020 Commission Meeting.

TAB 9

FINANCIAL STATEMENT HIGHLIGHTS

Notable Trends:

- The results of the first month of the fiscal year show total revenues underreporting compared to the budget, while expenses are reporting under budget, as well.
 - The lower-than-expected revenues are mostly the result of Licensing revenues that have slowed slightly because attorneys were given five months to renew licenses for the 2020/2021 period before late fees are applied, instead of the regular two months. This extension was made due to the COVID pandemic and slowing economy.
 - Admissions revenue is underreporting this first month of the fiscal year compared to the budget, which appears mostly related to Transfer Application Fees underreporting. This is a difficult revenue stream to predict and will fluctuate from month-to-month compared to the budget.
 - CLE revenue is also underreporting, which was expected but is still difficult to estimate in a budget due to the current restrictions on large gatherings due to COVID.

Year-to-Date (YTD) Net Profit – Accrual Basis:

	Actual	Budget	Fav(unfav) \$ Variance	Fav(unfav) % Variance
YTD revenue	3,500,504	4,131,455	(630,951)	-15%
YTD expenses	495,904	595,920	100,016	17%
YTD net profit/(loss)	3,004,600	3,535,535	(530,935)	-15%

YTD net income is \$3,004,600 and is \$531,000 under budget.

YTD Net Profit –Cash Basis: Adding back year-to-date depreciation expense of \$16,000 and deducting capital expenditures of \$130,000, the cash basis year-to-date net profit is approximately \$114,000 lower.

Explanations for Departments with Net Profit Variances \$10k and 5% Over/Under Budget and/or significant activity:

Licensing: YTD Licensing revenue is \$3,422,720, which is \$575,000 (14%) below budget and approximately \$552,000 less than last year's revenue at this time. Licensing expenses are just slightly higher than budgeted and will even out as the year goes on.

CLE: The CLE department's revenue is currently reporting \$22,000 less than budgeted, however expenses have also underreported, which has resulted in a net profit \$3,000 compared to budget net spending of \$8,000, a difference of \$11,000. CLE Registrations is the most significant revenue item for this department, which is underreporting by \$10,000, and is due to the Bar not holding many CLE events due to COVID-19. The department's CLE – Video Library sales are also underreporting by \$22,000, which is not unexpected considering MCLE extended reporting requirements for the July 30, 2020 deadline until September 2020, thus giving attorneys additional time to complete CLE requirements, some of which generate funds here.

Public Services: Public Services YTD net spending is \$41,000 compared to budgeted net spending of \$105,000. Lower net spending is the result of the Utah Law Related Education \$60,000 donation not occurring in July as budgeted, but will be paid in August. Therefore this variance will most likely resolve next month.

ADDITIONAL COMMENTS

Board Designated Reserves: In consultation with Bar management and the Budget & Finance Committee, the Commission informally targeted the following reserve amounts:

Operations Reserve (3 months' operations)	\$1,581,302
Capital Replacement Reserve (equipment)	200,000
Capital Replacement Reserve (building)*	<u>520,457</u>
Total	\$2,301,759
Estimated cash reserve at July 31, 2020	<u>\$3,551,718</u>
Excess of current cash reserve over board-designated reserve	<u>\$1,249,960</u>

*During the June 6, 2020 Commission Meeting, the Board approved building improvements to include interior painting and carpet, and repairs to external concrete areas. During July 2020, \$129,543 was spent for concrete and painting, thus depleting the \$650,000 reserve to \$520,457, shown above.

**Utah State Bar
Income Statement
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
Licensing	3,974,545	3,422,720	3,998,011	(575,291)	86%	4,433,431	77%
Admissions	22,675	15,075	23,511	(8,436)	64%	366,920	4%
NLTP	4,800	6,319	5,266	1,053	120%	51,920	12%
OPC	700	-	1,142	(1,142)	0%	28,128	0%
CLE	43,694	21,414	43,160	(21,746)	50%	463,447	5%
Summer Convention	216,000	-	-	-	#DIV/0!	-	#DIV/0!
Fall Forum	-	-	-	-	#DIV/0!	79,903	0%
Spring Convention	-	-	-	-	#DIV/0!	92,750	0%
Member Services	25,588	24,768	26,224	(1,456)	94%	239,395	10%
Public Services	985	870	1,257	(387)	69%	12,085	7%
Bar Operations	16,122	6,313	21,492	(15,179)	29%	175,422	4%
Facilities	8,340	3,024	11,392	(8,368)	27%	244,053	1%
Total Revenue	4,313,450	3,500,504	4,131,455	(630,951)	85%	6,187,454	57%
Expenses							
Licensing	(5,915)	6,551	(1,886)	(8,437)	-347%	130,789	5%
Admissions	53,214	48,351	54,001	5,649	90%	397,785	12%
NLTP	4,738	9,341	5,488	(3,853)	170%	69,087	14%
OPC	145,152	137,757	140,824	3,067	98%	1,088,953	13%
CLE	26,024	24,511	35,197	10,686	70%	457,638	5%
Summer Convention	142,086	-	7,701	7,701	0%	9,649	0%
Fall Forum	-	-	36	36	0%	79,903	0%
Spring Convention	-	-	3	3	0%	72,019	0%
Member Services	58,405	53,544	54,036	492	99%	461,881	12%
Public Services	106,448	41,512	106,661	65,149	39%	459,131	9%
Bar Operations	242,905	141,078	157,722	16,644	89%	1,197,952	12%
Facilities	34,076	33,258	36,137	2,879	92%	441,097	8%
Total Expenses	807,133	495,904	595,920	100,016	83%	4,865,883	10%
Net Profit (Loss)	\$ 3,506,317	\$ 3,004,600	\$ 3,535,535	\$ (530,935)	85%	\$ 1,321,571	227%
Depreciation	16,336	16,178	17,526	1,348	92%	161,075	
Cash increase (decrease) from operations	3,522,653	3,020,778	3,553,061	(532,283)	85%	1,482,646	
Changes in operating assets/liabilities	(2,477,081)	(2,477,081)	(2,477,081)	-	100%	20,000	
Capital expenditures	(129,863)	(129,863)	(4,167)	(125,697)	3117%	(157,000)	
Net change in cash	\$ 915,709	\$ 413,834	\$ 1,071,813	\$ (657,980)	39%	\$ 1,345,646	31%

**Utah State Bar
Licensing
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4010 · Section/Local Bar Support fees	-	-	-	-	#DIV/0!	16,914	0%
4011 · Admissions LPP	200	-	170	(170)	0%	1,954	0%
4021 · Lic Fees > 3 Years	3,467,575	2,994,975	3,480,731	(485,756)	86%	3,693,872	81%
4022 · Lic Fees < 3 Years	152,000	145,500	158,656	(13,156)	92%	199,635	73%
4023 · Lic Fees - House Counsel	36,650	34,840	39,943	(5,103)	87%	47,125	74%
4025 · Pro Hac Vice Fees	4,675	12,000	5,456	6,544	220%	114,946	10%
4024 · Lic Fees LPP	-	600	-	600	#DIV/0!	800	75%
4026 · Lic Fees - Inactive/FS	116,055	84,000	115,226	(31,226)	73%	119,346	70%
4027 · Lic Fees - Inactive/NS	194,880	147,945	195,309	(47,364)	76%	214,146	69%
4029 · Prior Year Lic Fees	-	-	-	-	#DIV/0!	-	#DIV/0!
4030 · Certs of Good Standing	1,730	1,400	2,191	(791)	64%	23,670	6%
4095 · Miscellaneous Income	180	60	329	(269)	18%	1,023	6%
4096 · Late Fees	600	1,400	-	1,400	#DIV/0!	-	#DIV/0!
Total Revenue	3,974,545	3,422,720	3,998,011	(575,291)	86%	4,433,431	77%
Expenses							
Program Services	-	-	3,042	3,042	0%	27,475	-
Salaries & Benefits	9,180	12,324	10,511	(1,814)	117%	70,899	17%
General & Administrative	(15,756)	(6,587)	(16,184)	(9,597)	41%	25,424	-26%
Building Overhead	660	814	746	(68)	109%	6,991	12%
Total Expenses	(5,915)	6,551	(1,886)	(8,437)	-347%	130,789	5%
Net Profit (Loss)	\$ 3,980,460	\$ 3,416,169	\$ 3,999,897	\$ (583,728)	85%	\$ 4,302,643	79%

Note: Includes LPP staff time and exam expense

**Utah State Bar
Admissions
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4001 · Admissions - Student Exam Fees	-	(550)	-	(550)	#DIV/0!	138,957	0%
4002 · Admissions - Attorney Exam Fees	(425)	300	(406)	706	-74%	43,788	1%
4003 · Admissions - Retake Fees	-	300	-	300	#DIV/0!	14,284	2%
4004 · Admissions - Laptop Fees	-	(150)	-	(150)	#DIV/0!	78,189	0%
4006 · Transfer App Fees	11,750	5,650	14,389	(8,739)	39%	45,983	12%
4008 · Attorney - Motion	8,500	7,650	6,641	1,009	115%	27,226	28%
4009 · House Counsel	1,700	1,700	2,036	(336)	83%	13,414	13%
4095 · Miscellaneous Income	150	175	18	157	972%	2,580	7%
4096 · Late Fees	-	-	-	-	#DIV/0!	-	#DIV/0!
Total Revenue	22,675	15,075	23,511	(8,436)	64%	366,920	6%
Expenses							
Program Services	11,226	1,697	11,243	9,546	15%	90,765	2%
Salaries & Benefits	37,965	36,500	38,749	2,249	94%	239,422	15%
General & Administrative	2,330	8,711	2,135	(6,576)	408%	50,371	17%
Building Overhead	1,693	1,444	1,874	430	77%	17,227	8%
Total Expenses	53,214	48,351	54,001	5,649	90%	397,785	12%
Net Profit (Loss)	\$ (30,539)	\$ (33,276)	\$ (30,490)	\$ (2,787)	9%	\$ (30,865)	108%

Utah State Bar
NLTP
July 31, 2020

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4020 · NLTP Fees	4,800	5,700	5,174	526	110%	51,096	11%
4081 · CLE - Registrations	-	619	-	619	#DIV/0!	-	#DIV/0!
4200 · Seminar Profit/Loss	-	-	92	(92)	0%	824	-
Total Revenue	4,800	6,319	5,266	1,053	120%	51,920	12%
Expenses							
Program Services	-	-	-	-	#DIV/0!	5,576	0%
Salaries & Benefits	3,526	6,712	4,255	(2,457)	158%	50,519	13%
General & Administrative	839	2,321	809	(1,512)	287%	9,190	25%
Building Overhead	373	308	424	116	73%	3,802	8%
Total Expenses	4,738	9,341	5,488	(3,853)	170%	69,087	14%
Net Profit (Loss)	\$ 62	\$ (3,022)	\$ (222)	\$ (2,800)	1359%	\$ (17,167)	18%

**Utah State Bar
OPC
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4095 · Miscellaneous Income	700	-	1,142	(1,142)	0%	5,628	0%
4200 · Seminar Profit/Loss	-	-	-	-	#DIV/0!	22,500	0%
Total Revenue	700	-	1,142	(1,142)	0%	28,128	0%
Expenses							
Program Services	526	303	101	(202)	300%	6,330	5%
Salaries & Benefits	125,873	120,276	121,896	1,620	99%	938,389	13%
General & Administrative	12,841	11,827	12,380	553	96%	84,144	14%
Building Overhead	5,911	5,351	6,447	1,096	83%	60,090	9%
Total Expenses	145,152	137,757	140,824	3,067	98%	1,088,953	13%
Net Profit (Loss)	\$ (144,452)	\$ (137,757)	\$ (139,682)	\$ 1,925	99%	\$ (1,060,825)	13%

**Utah State Bar
CLE
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4052 · Meeting - Sponsor Revenue	-	-	-	-	#DIV/0!	22,050	0%
4053 · Meeting - Vendor Revenue	-	-	-	-	#DIV/0!	-	-
4054 · Meeting - Material Sales	-	-	-	-	#DIV/0!	-	-
4081 · CLE - Registrations	16,130	15,864	26,026	(10,162)	61%	402,087	4%
4082 · CLE - Video Library Sales	36,463	5,550	27,962	(22,412)	20%	56,905	10%
4084 · Business Law Book Sales	-	-	-	-	#DIV/0!	-	-
4095 · Miscellaneous Income	-	-	-	-	#DIV/0!	-	-
4200 · Seminar Profit/Loss	(8,900)	-	(10,828)	10,828	0%	(17,595)	0%
Total Revenue	43,694	21,414	43,160	(21,746)	50%	463,447	5%
Expenses							
Program Services	8,687	7,677	17,070	9,393	45%	296,854	3%
Salaries & Benefits	10,196	10,930	10,903	(27)	100%	98,288	11%
General & Administrative	6,073	4,657	6,141	1,485	76%	51,805	9%
Building Overhead	1,069	1,247	1,082	(165)	115%	10,691	12%
Total Expenses	26,024	24,511	35,197	10,686	70%	457,638	5%
Net Profit (Loss)	\$ 17,669	\$ (3,097)	\$ 7,963	\$ (11,060)	-39%	\$ 5,809	-53%

**Utah State Bar
Summer Convention
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4051 · Meeting - Registration	179,780	-	-	-	#DIV/0!	-	#DIV/0!
4052 · Meeting - Sponsor Revenue	19,500	-	-	-	#DIV/0!	-	#DIV/0!
4053 · Meeting - Vendor Revenue	11,800	-	-	-	#DIV/0!	-	#DIV/0!
4055 · Meeting - Sp Ev Registration	4,920	-	-	-	#DIV/0!	-	#DIV/0!
Total Revenue	216,000	-	-	-	#DIV/0!	-	#DIV/0!
Expenses							
Program Services	110,555	-	5,290	5,290	0%	6,692	0%
Salaries & Benefits	17,426	-	2,411	2,411	0%	2,957	0%
General & Administrative	14,105	-	-	-	#DIV/0!	-	#DIV/0!
Building Overhead	-	-	-	-	#DIV/0!	-	-
Total Expenses	142,086	-	7,701	7,701	0%	9,649	0%
Net Profit (Loss)	\$ 73,914	\$ -	\$ (7,701)	\$ 7,701	0%	\$ (9,649)	0%

**Utah State Bar
Fall Forum
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4051 · Meeting - Registration	-	-	-	-	#DIV/0!	73,178	0%
4052 · Meeting - Sponsor Revenue	-	-	-	-	#DIV/0!	-	-
4053 · Meeting - Vendor Revenue	-	-	-	-	#DIV/0!	4,950	0%
4055 · Meeting - Sp Ev Registration	-	-	-	-	#DIV/0!	1,775	-
Total Revenue	-	-	-	-	#DIV/0!	79,903	0%
Expenses							
Program Services	-	-	-	-	#DIV/0!	68,507	0%
Salaries & Benefits	-	-	-	-	#DIV/0!	4,160	0%
General & Administrative	-	-	36	36	0%	7,236	0%
Building Overhead	-	-	-	-	#DIV/0!	-	-
Total Expenses	-	-	36	36	0%	79,903	0%
Net Profit (Loss)	\$ -	\$ -	\$ (36)	\$ 36	0%	\$ -	#DIV/0!

**Utah State Bar
Spring Convention
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4051 · Meeting - Registration	-	-	-	-	#DIV/0!	72,750	0%
4052 · Meeting - Sponsor Revenue	-	-	-	-	#DIV/0!	11,250	0%
4053 · Meeting - Vendor Revenue	-	-	-	-	#DIV/0!	6,750	0%
4055 · Meeting - Sp Ev Registration	-	-	-	-	#DIV/0!	2,000	0%
Total Revenue	-	-	-	-	#DIV/0!	92,750	0%
Expenses							
Program Services	-	-	-	-	#DIV/0!	39,053	0%
Salaries & Benefits	-	-	-	-	#DIV/0!	22,493	0%
General & Administrative	-	-	3	3	0%	10,473	0%
Building Overhead	-	-	-	-	#DIV/0!	-	-
Total Expenses	-	-	3	3	0%	72,019	0%
Net Profit (Loss)	\$ -	\$ -	\$ (3)	\$ 3	0%	\$ 20,731	0%

**Utah State Bar
Member Services
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4010 · Section/Local Bar Support fees	-	-	-	-	#DIV/0!	83,217	0%
4052 · Meeting - Sponsor Revenue	-	-	-	-	#DIV/0!	-	#DIV/0!
4061 · Advertising Revenue	25,398	24,285	26,074	(1,789)	93%	148,917	16%
4062 · Subscriptions	-	-	-	-	#DIV/0!	40	0%
4071 · Mem Benefits - Lexis	-	-	-	-	#DIV/0!	1,013	-
4072 · Royalty Inc - Bar J, MBNA, LM,M	191	483	150	333	322%	6,208	8%
Total Revenue	25,588	24,768	26,224	(1,456)	94%	239,395	10%
Expenses							
Program Services	19,923	19,552	18,748	(804)	104%	191,191	10%
Salaries & Benefits	14,412	15,810	14,230	(1,580)	111%	141,722	11%
General & Administrative	22,612	16,627	19,545	2,917	85%	114,309	15%
Building Overhead	1,458	1,555	1,513	(42)	103%	14,659	11%
Total Expenses	58,405	53,544	54,036	492	99%	461,881	12%
Net Profit (Loss)	\$ (32,817)	\$ (28,776)	\$ (27,812)	\$ (964)	103%	\$ (222,486)	13%

**Utah State Bar
Public Services
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4063 · Modest Means revenue	975	850	1,075	(225)	79%	9,479	9%
4093 · Law Day Revenue	-	-	175	(175)	0%	1,575	0%
4095 · Miscellaneous Income	10	20	7	13	286%	27	74%
4120 · Grant Income	-	-	-	-	#DIV/0!	36,812	0%
4200 · Seminar Profit/Loss	-	-	-	-	#DIV/0!	1,004	-
Total Revenue	985	870	1,257	(387)	69%	48,897	2%
Expenses							
Program Services	71,771	8,783	67,758	58,975	13%	158,323	6%
Salaries & Benefits	29,082	27,923	32,729	4,806	85%	253,329	11%
General & Administrative	4,496	3,826	4,975	1,149	77%	36,314	11%
Building Overhead	1,099	980	1,200	220	82%	11,166	9%
Total Expenses	106,448	41,512	106,661	65,149	39%	459,131	9%
Net Profit (Loss)	\$ (105,463)	\$ (40,642)	\$ (105,404)	\$ 64,762	39%	\$ (410,234)	10%

**Utah State Bar
Bar Operations
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4060 · E-Filing Revenue	-	-	-	-	#DIV/0!	33,639	0%
4103 · In - Kind Revenue - UDR	119	23	-	23	#DIV/0!	(2)	-1145%
4095 · Miscellaneous Income	93	-	100	(100)	0%	933	0%
4200 · Seminar Profit/Loss	-	-	-	-	#DIV/0!	-	-
Investment Income	15,911	6,290	21,392	(15,102)	29%	140,852	11%
Total Revenue	16,122	6,313	21,492	(15,179)	29%	175,422	9%
Expenses							
Program Services	102,795	2,839	14,159	11,320	20%	48,942	6%
Salaries & Benefits	118,208	120,585	116,803	(3,782)	103%	902,992	13%
General & Administrative	17,282	13,580	22,012	8,432	62%	201,930	7%
In Kind	284	188	-	(188)	#DIV/0!	-	#DIV/0!
Building Overhead	4,336	3,888	4,748	860	82%	44,088	9%
Total Expenses	242,905	141,078	157,722	16,644	89%	1,197,952	12%
Net Profit (Loss)	\$ (226,783)	\$ (134,765)	\$ (136,230)	\$ 1,465	99%	\$ (1,022,530)	13%

**Utah State Bar
Facilities
July 31, 2020**

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4039 · Room Rental-All parties	3,841	730	5,467	(4,737)	13%	101,602	1%
4042 · Food & Beverage Rev-All Parties	2,692	418	4,261	(3,843)	10%	125,354	0%
4043 · Setup & A/V charges-All parties	-	-	-	-	#DIV/0!	1,351	0%
4090 · Tenant Rent	1,806	1,806	1,758	48	103%	15,822	11%
4095 · Miscellaneous Income	1	70	1	69	7000%	19	368%
4103 · In - Kind Revenue - UDR	-	-	(95)	95	0%	(95)	0%
Total Revenue	8,340	3,024	11,392	(8,368)	27%	244,148	1%
Expenses							
Program Services	2,720	555	4,229	3,674	13%	120,073	0%
Salaries & Benefits	13,369	18,303	12,960	(5,343)	141%	120,941	15%
General & Administrative	625	(1,347)	25	1,372	-5387%	10,741	-13%
In Kind	380	-	517	517	0%	16,950	0%
Building Overhead	16,982	15,746	18,406	2,660	86%	172,392	9%
Total Expenses	34,076	33,258	36,137	2,879	92%	441,097	8%
Net Profit (Loss)	\$ (25,735)	\$ (30,233)	\$ (24,745)	\$ (5,488)	122%	\$ (196,949)	15%

Utah State Bar
Income Statement - Consolidated By Account
July 31, 2020

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
Revenue							
4001 · Admissions - Student Exam Fees	-	(550)	-	(550)	#DIV/0!	138,957	0%
4002 · Admissions - Attorney Exam Fees	(425)	300	(406)	706	-74%	43,788	1%
4003 · Admissions - Retake Fees	-	300	-	300	#DIV/0!	14,284	2%
4004 · Admissions - Laptop Fees	-	(150)	-	(150)	#DIV/0!	78,189	0%
4005 · Admissions - Application Forms	1,000	-	833	(833)	0%	2,499	-
4006 · Transfer App Fees	11,750	5,650	14,389	(8,739)	39%	45,983	12%
4008 · Attorney - Motion	8,500	7,650	6,641	1,009	115%	27,226	28%
4009 · House Counsel	1,700	1,700	2,036	(336)	83%	13,414	13%
4010 · Section/Local Bar Support fees	-	-	-	-	#DIV/0!	100,131	0%
4011 · Admissions LPP	200	-	170	(170)	0%	1,954	0%
4012 · Admissions Military Spouse	-	-	-	-	#DIV/0!	-	#DIV/0!
4020 · NLTP Fees	4,800	5,700	5,174	526	110%	51,096	11%
4021 · Lic Fees > 3 Years	3,467,575	2,994,975	3,480,731	(485,756)	86%	3,693,872	81%
4022 · Lic Fees < 3 Years	152,000	145,500	158,656	(13,156)	92%	199,635	73%
4023 · Lic Fees - House Counsel	36,650	34,840	39,943	(5,103)	87%	47,125	74%
4024 · Lic Fees LPP	-	600	-	600	#DIV/0!	800	75%
4025 · Pro Hac Vice Fees	4,675	12,000	5,456	6,544	220%	114,946	10%
4026 · Lic Fees - Inactive/FS	116,055	84,000	115,226	(31,226)	73%	119,346	70%
4027 · Lic Fees - Inactive/NS	194,880	147,945	195,309	(47,364)	76%	214,146	69%
4029 · Prior Year Lic Fees	-	-	-	-	#DIV/0!	-	#DIV/0!
4030 · Certs of Good Standing	1,730	1,400	2,191	(791)	64%	23,670	6%
4039 · Room Rental-All parties	3,841	730	5,467	(4,737)	13%	101,602	1%
4042 · Food & Beverage Rev-All Parties	2,692	418	4,261	(3,843)	10%	125,354	0%
4043 · Setup & A/V charges-All parties	-	-	-	-	#DIV/0!	1,351	0%
4051 · Meeting - Registration	179,780	-	-	-	#DIV/0!	145,928	0%
4052 · Meeting - Sponsor Revenue	19,500	-	-	-	#DIV/0!	33,300	0%
4053 · Meeting - Vendor Revenue	11,800	-	-	-	#DIV/0!	11,700	0%
4054 · Meeting - Material Sales	-	-	-	-	#DIV/0!	-	-
4055 · Meeting - Sp Ev Registration	4,920	-	-	-	#DIV/0!	3,775	0%
4060 · E-Filing Revenue	-	-	-	-	#DIV/0!	33,639	0%
4061 · Advertising Revenue	25,398	24,285	26,074	(1,789)	93%	148,917	16%
4062 · Subscriptions	-	-	-	-	#DIV/0!	40	0%
4063 · Modest Means revenue	975	850	1,075	(225)	79%	9,479	9%
4071 · Mem Benefits - Lexis	-	-	-	-	#DIV/0!	1,013	-
4072 · Royalty Inc - Bar J, MBNA, LM,M	191	483	150	333	322%	6,208	8%
4081 · CLE - Registrations	16,130	16,483	26,026	(9,543)	63%	402,087	4%
4082 · CLE - Video Library Sales	36,463	5,550	27,962	(22,412)	20%	56,905	10%
4084 · Business Law Book Sales	-	-	-	-	#DIV/0!	-	-
4090 · Tenant Rent	1,806	1,806	1,758	48	103%	15,822	11%
4093 · Law Day Revenue	-	-	175	(175)	0%	1,575	0%
4095 · Miscellaneous Income	1,134	325	1,597	(1,272)	20%	10,210	3%
4096 · Late Fees	600	1,400	-	1,400	#DIV/0!	-	#DIV/0!
4103 · In - Kind Revenue - UDR	119	23	(95)	118	-24%	(97)	-24%
4200 · Seminar Profit/Loss	(8,900)	-	(10,736)	10,736	0%	6,733	0%
Investment income	15,911	6,290	21,392	(15,102)	29%	140,852	4%
Total Revenue	4,313,450	3,500,504	4,131,455	(630,951)	85%	6,187,454	57%
Program Service Expenses							
5001 · Meeting Facility-external only	66,276	-	22,376	22,376	0%	24,886	0%
5002 · Meeting facility-internal only	2,821	730	3,850	3,120	19%	59,564	1%
5013 · ExamSoft	-	-	-	-	#DIV/0!	19,110	0%
5014 · Questions	-	-	3,042	3,042	0%	63,376	0%
5015 · Investigations	50	251	77	(174)	326%	577	44%
5016 · Credit Checks	27	-	30	30	0%	1,098	0%
5017 · Medical Exam	-	-	-	-	#DIV/0!	320	-
5020 · Exam Scoring	-	-	-	-	#DIV/0!	-	-
5025 · Temp Labor/Proctors	3,100	-	3,100	3,100	0%	6,100	0%
5030 · Speaker Fees & Expenses	505	3,500	-	(3,500)	#DIV/0!	15,548	23%
5031 · Speaker Reimb. - Receipt Req'd	217	-	-	-	#DIV/0!	18,713	0%
5035 · Awards	801	2,269	874	(1,395)	260%	5,491	41%
5037 · Grants/ contributions - general	-	-	-	-	#DIV/0!	12,670	0%
5040 · Witness & Hearing Expense	19	-	47	47	0%	4,324	0%
5041 · Process Serving	25	-	24	24	0%	619	0%
5046 · Court Reporting	-	1,111	-	(1,111)	#DIV/0!	-	#DIV/0!
5047 · Casemaker	6,103	4,354	6,423	2,069	68%	38,504	11%
5055 · Legislative Expense	3,500	5,000	3,148	(1,852)	159%	37,517	13%
5060 · Program Special Activities	-	-	-	-	#DIV/0!	2,595	-
5061 · LRE - Bar Support	65,000	-	60,000	60,000	0%	60,000	0%
5062 · Law Day	-	-	-	-	#DIV/0!	3,500	0%
5063 · Special Event Expense	12,712	-	1,439	1,439	0%	23,422	0%
5064 · MCLE Fees Paid	2,422	593	2,735	2,142	22%	17,766	3%
5070 · Equipment Rental	31,660	-	490	490	0%	37,565	0%
5075 · Food & Bev-external costs only	3,074	1,783	4,838	3,055	37%	340,429	1%
5076 · Food & beverage - internal only	1,002	508	812	304	63%	58,065	1%
5079 · Soft Drinks	533	126	627	501	20%	7,606	2%
5085 · Misc. Program Expense	5,410	-	626	626	0%	5,917	0%
5090 · Commission Expense	767	2,621	855	(1,766)	307%	28,731	9%
5095 · Wills for Heroes	-	-	50	50	0%	1,106	0%
5096 · UDR Support	-	-	-	-	#DIV/0!	-	-
5099 · Blomquist Hale	6,144	6,138	6,146	8	100%	55,303	11%
5702 · Travel - Lodging	4,988	-	-	-	#DIV/0!	31,670	0%
5703 · Travel - Transportation/Parking	4,282	-	-	-	#DIV/0!	4,539	0%
5704 · Travel - Mileage Reimbursement	1,696	-	-	-	#DIV/0!	2,425	0%
5705 · Travel - Per Diems	284	-	290	290	0%	590	0%
5706 · Travel - Meals	-	-	-	-	#DIV/0!	-	#DIV/0!
5707 · Travel - Commission Mtgs	11,286	-	1,968	1,968	0%	2,500	0%
5805 · ABA Annual Meeting	4,596	-	-	-	#DIV/0!	-	#DIV/0!
5810 · ABA Mid Year Meeting	-	-	-	-	#DIV/0!	-	#DIV/0!
5815 · Commission/Education	12,750	-	1,984	1,984	0%	2,350	0%
5820 · ABA Annual Delegate	-	-	-	-	#DIV/0!	-	#DIV/0!
5830 · Western States Bar Conference	-	-	-	-	#DIV/0!	-	#DIV/0!

Utah State Bar
Income Statement - Consolidated By Account
July 31, 2020

	Actual LYTD	Actual YTD	Budget YTD	Fav (Unfav) variance	% of Budget	Total Budget	YTD % of Tot Budget
5840 · President's Expense	2,270	1,663	1,610	(53)	103%	14,791	11%
5841 · President's Reimbursement	2,754	-	3,355	3,355	0%	3,532	0%
5845 · Reg Reform Task Force	-	-	-	-	#DIV/0!	-	-
5850 · Leadership Academy	-	-	-	-	#DIV/0!	10,000	0%
5855 · Bar Review	-	-	-	-	#DIV/0!	-	#DIV/0!
5865 · Retreat	12,360	-	3,076	3,076	0%	5,000	0%
5866 · Wellbeing Committee	4,167	8,783	4,097	(4,686)	214%	41,590	21%
5867 · Bar Membership Survey	-	-	-	-	#DIV/0!	-	#DIV/0!
5868 · UCLI Support	50,000	-	-	-	#DIV/0!	-	#DIV/0!
5960 · Overhead Allocation - Seminars	-	-	273	273	0%	(36,176)	0%
5970 · Event Revenue Sharing - 3rd Pty	4,605	1,974	3,378	1,404	58%	26,548	7%
Total Program Service Expenses	328,203	41,406	141,640	100,235	29%	1,059,781	4%
Salaries & Benefit Expenses							
5510 · Salaries/Wages	299,580	298,937	283,015	(15,922)	106%	2,205,507	14%
5605 · Payroll Taxes	21,789	19,805	20,645	840	96%	165,874	12%
5610 · Health Insurance	21,841	24,025	24,485	460	98%	216,410	11%
5620 · Health Ins/Medical Reimb	350	500	486	(14)	103%	4,100	12%
5630 · Dental Insurance	1,310	1,176	1,530	354	77%	13,070	9%
5640 · Life & LTD Insurance	1,497	1,598	1,637	39	98%	14,785	11%
5645 · Workman's Comp Insurance	207	565	177	(388)	319%	1,637	35%
5650 · Retirement Plan Contributions	23,852	22,757	27,273	4,516	83%	199,181	11%
5655 · Retirement Plan Fees & Costs	-	-	116	116	0%	10,442	0%
5660 · Training/Development	8,815	-	6,083	6,083	0%	15,105	0%
Total Salaries & Benefit Expenses	379,239	369,364	365,447	(3,917)	101%	2,846,111	13%
General & Administrative Expenses							
7025 · Office Supplies	2,911	715	2,337	1,622	31%	19,064	4%
7033 · Operating Meeting Supplies	2,012	-	2,542	2,542	0%	20,174	0%
7035 · Postage/Mailing, net	12,285	5,855	9,039	3,184	65%	40,025	15%
7040 · Copy/Printing Expense	18,283	13,836	16,146	2,310	86%	128,288	11%
7041 · Copy/Print revenue	(1,022)	(1,099)	(1,222)	(123)	90%	(20,027)	5%
7045 · Internet Service	272	440	480	40	92%	9,513	5%
7050 · Computer Maintenance	2,362	2,362	2,323	(39)	102%	42,762	6%
7055 · Computer Supplies & Small Equip	1,493	4,114	1,698	(2,416)	242%	14,542	28%
7089 · Membership Database Fees	4,000	6,000	-	(6,000)	#DIV/0!	25,357	24%
7100 · Telephone	2,984	9,635	3,053	(6,582)	316%	41,871	23%
7105 · Advertising	3,300	-	329	329	0%	5,132	0%
7106 · Public Notification	-	277	-	(277)	#DIV/0!	-	#DIV/0!
7107 · Production Costs	-	-	-	-	#DIV/0!	83	0%
7110 · Publications/Subscriptions	3,509	2,526	3,604	1,078	70%	17,949	14%
7115 · Public Relations	-	-	-	-	#DIV/0!	-	#DIV/0!
7120 · Membership/Dues	7,079	7,605	6,916	(689)	110%	10,370	73%
7135 · Bank Service Charges	282	261	351	90	74%	854	31%
7136 · ILM Service Charges	1,219	1,196	1,218	22	98%	14,237	8%
7138 · Bad debt expense	-	-	-	-	#DIV/0!	-	-
7140 · Credit Card Merchant Fees	3,519	(11)	(1,565)	(1,554)	1%	47,034	0%
7141 · Credit Card surcharge	(15,793)	(8,222)	(16,091)	(7,869)	51%	(20,336)	40%
7145 · Commission Election Expense	-	-	-	-	#DIV/0!	2,699	0%
7150 · E&O/Off & Dir Insurance	4,329	-	4,320	4,320	0%	38,880	0%
7160 · Audit Expense	-	-	-	-	#DIV/0!	34,265	0%
7170 · Lobbying Rebates	119	-	176	176	0%	195	0%
7175 · O/S Consultants	10,650	7,660	14,997	7,336	51%	96,267	8%
7176 · Bar Litigation	-	-	-	-	#DIV/0!	6,227	0%
7177 · UPL	-	-	-	-	#DIV/0!	7,402	0%
7178 · Offsite Storage/Backup	343	-	-	-	#DIV/0!	-	#DIV/0!
7179 · Payroll Adm Fees	251	251	250	(1)	101%	2,418	10%
7180 · Administrative Fee Expense	78	94	74	(20)	127%	787	12%
7190 · Lease Interest Expense	-	-	-	-	#DIV/0!	-	#DIV/0!
7191 · Lease Sales Tax Expense	-	-	-	-	#DIV/0!	-	#DIV/0!
7195 · Other Gen & Adm Expense	980	117	902	785	13%	15,930	1%
Total General & Administrative Expenses	65,446	53,614	51,877	(1,738)	103%	601,937	11%
In Kind Expenses							
7103 · InKind Contrib-UDR & all other	664	188	517	329	36%	16,950	1%
Total In Kind Expenses	664	188	517	329	36%	16,950	4%
Building Overhead Expenses							
6015 · Janitorial Expense	3,019	1,253	3,691	2,438	34%	27,887	4%
6020 · Heat	688	747	740	(7)	101%	15,834	5%
6025 · Electricity	5,111	5,195	5,783	588	90%	37,917	14%
6030 · Water/Sewer	1,195	650	1,243	593	52%	6,545	10%
6035 · Outside Maintenance	650	987	673	(314)	147%	13,691	7%
6040 · Building Repairs	654	500	822	322	61%	15,508	3%
6045 · Bldg Mtncn Contracts	2,218	2,908	2,218	(690)	131%	26,409	11%
6050 · Bldg Mtncn Supplies	-	-	92	92	0%	619	0%
6055 · Real Property Taxes	2,155	2,882	2,063	(819)	140%	21,355	13%
6060 · Personal Property Taxes	35	33	37	4	91%	333	10%
6065 · Bldg Insurance/Fees	1,520	-	1,551	1,551	0%	13,933	0%
6070 · Building & Improvements Depre	4,501	4,922	4,636	(286)	106%	41,678	12%
6075 · Furniture & Fixtures Depre	717	255	830	575	31%	7,746	3%
7065 · Computers, Equip & Sftwre Depre	11,117	11,000	12,060	1,060	91%	111,651	10%
Total Building Overhead Expenses	33,581	31,332	36,439	5,107	86%	341,106	10%
	-	-	-	-	#DIV/0!	(36,812)	
Total Expenses	807,133	495,904	595,920	100,016	83%	4,902,695	16%
Net Profit (Loss)	\$ 3,506,317	\$ 3,004,600	\$ 3,535,535	\$ (530,935)	85%	\$ 1,284,759	\$ 0

Utah State Bar Balance Sheets

	7/31/2020	6/30/2020
ASSETS		
Current Assets		
Petty Cash	\$ 625	\$ 625
Cash in Bank	780,513	789,463
Invested Funds	7,194,558	6,089,850
Total Cash/Investments	7,975,696	6,879,938
Accounts Receivable	29,079	227,851
Prepaid Expenses	159,123	94,743
A/R - Sections	49,946	49,679
Total Other Current Assets	238,148	372,273
Total Current Assets	8,213,844	7,252,211
Fixed Assets		
Property & Equipment	4,773,674	4,643,811
Accumulated Depreciation	(4,045,843)	(4,029,666)
Land	633,142	633,142
Total Fixed Assets	1,360,972	1,247,286
TOTAL ASSETS	\$ 9,574,816	\$ 8,499,498
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
AP Trade	\$ 106,420	\$ 104,237
Other Accounts Payable	167,791	109,826
Accrued Payables	526,591	481,137
Cap Lease Oblig - ST	3,892	3,892
A/P - Sections	277,770	173,165
Deferred Revenue	19,731	2,158,156
Total Current Liabilities	1,102,195	3,030,412
Long Term Liabilities		
Capital Lease Oblig	3,048	4,112
Total Long Term Liabilities	3,048	4,112
Total Liabilities	1,105,242	3,034,524
Equity		
Unrestricted Net Assets (R/E)	5,464,974	5,853,847
Fund Balance - Current Year	3,004,600	(388,874)
Total Equity	8,469,574	5,464,974
TOTAL LIABILITIES & EQUITY	\$ 9,574,816	\$ 8,499,498

Balance Sheet Classification

ILM-UT ST BAR (3176)

Base Currency: USD As of 07/31/2020

Dated: 08/04/2020

CE

Identifier	Description	Current Units	Rating	Coupon	Effective Maturity	Book Yield	Yield	Base Book Value	Base Net Total Unrealized Gain/Loss	Market Price	Base Accrued Balance	Base Market Value + Accrued
38141W232	GOLDMAN:FS MM INST	3,192,814.59	AAA	0.170	07/31/2020	0.170	0.170	3,196,596.82	-270.14	1.0011	0.00	3,196,326.68
CCYUSD	Cash	381.52	AAA	0.000	07/31/2020	0.000	0.000	381.52	0.00	1.0000	0.00	381.52
---	---	3,193,196.11	AAA	---	07/31/2020	0.170	0.170	3,196,978.34	-270.14	---	0.00	3,196,708.20

ST

Identifier	Description	Current Units	Rating	Coupon	Effective Maturity	Book Yield	Yield	Base Book Value	Base Net Total Unrealized Gain/Loss	Market Price	Base Accrued Balance	Base Market Value + Accrued
74368CAJ3	PROTECTIVE LIFE GLOBAL FUNDING	215,000.00	AA-	2.161	09/25/2020	2.065	0.402	215,030.56	535.54	100.2633	1,626.15	217,192.25
44987CAG3	ING BANK NV	300,000.00	AA-	2.700	08/17/2020	1.940	1.223	300,099.29	107.71	100.0690	3,690.00	303,897.00
57629WCF5	MASSMUTUAL GLOBAL FUNDING II	250,000.00	AA+	1.950	09/22/2020	1.844	0.387	250,037.16	515.09	100.2209	1,746.88	252,299.13
65557CAR4	NORDEA BANK ABP	200,000.00	AA-	2.500	09/17/2020	1.942	1.214	200,141.12	191.28	100.1662	1,861.11	202,193.51
6325C0BY6	NATIONAL AUSTRALIA BANK LTD	200,000.00	AA-	4.375	12/10/2020	1.930	1.247	201,733.34	510.66	101.1220	1,239.87	203,483.87
74256LAS8	PRINCIPAL LIFE GLOBAL FUNDING II	225,000.00	A+	2.625	11/19/2020	1.954	0.329	225,446.61	1,100.26	100.6875	1,181.25	227,728.13
17325FAJ7	CITIBANK NA	245,000.00	AA-	2.125	09/20/2020	1.884	0.416	245,079.80	489.09	100.2322	1,460.64	247,029.53
136069XY2	CANADIAN IMPERIAL BANK OF COMMERCE	187,000.00	AA	2.700	02/02/2021	1.876	1.541	187,767.64	313.22	100.5780	2,510.47	190,591.33
89236TEU5	TOYOTA MOTOR CREDIT CORP	250,000.00	A+	2.950	04/13/2021	1.619	0.412	252,302.59	2,126.41	101.7716	2,212.50	256,641.50
69371RP26	PACCAR FINANCIAL CORP	50,000.00	A+	3.100	05/10/2021	1.908	0.360	50,455.76	603.39	102.1183	348.75	51,407.90
74153WCH0	PRICOA GLOBAL FUNDING I	200,000.00	AA-	2.200	06/03/2021	2.460	0.411	199,571.48	3,422.12	101.4968	708.89	203,702.49
22532LAR5	CREDIT AGRICOLE SA (LONDON BRANCH)	250,000.00	AA-	2.375	07/01/2021	1.970	0.468	250,913.64	3,453.86	101.7470	494.79	254,862.29
89114Q3V8	TORONTO-DOMINION BANK	250,000.00	AA-	0.568	07/30/2021	1.465	0.303	247,783.85	2,129.15	99.9652	3.95	249,916.95
---	---	2,822,000.00	AA-	---	01/08/2021	1.901	0.675	2,826,362.83	15,497.79	---	19,085.25	2,860,945.87

LT

Identifier	Description	Current Units	Rating	Coupon	Effective Maturity	Book Yield	Yield	Base Book Value	Base Net Total Unrealized Gain/Loss	Market Price	Base Accrued Balance	Base Market Value + Accrued
525ESC1Y5	LEHMAN ESCROW	300,000.00	NA	0.000	01/01/2049	0.000	---	0.00	3,450.00	1.1500	0.00	3,450.00
59217GBX6	METROPOLITAN LIFE GLOBAL FUNDING I	316,000.00	AA-	1.950	09/15/2021	1.936	0.387	316,048.67	5,475.96	101.7483	2,327.87	323,852.49
22546QAR8	CREDIT SUISSE AG (NEW YORK BRANCH)	337,000.00	A+	3.000	10/29/2021	2.006	0.418	341,090.81	6,698.58	103.2016	2,583.67	350,373.06
69371RP75	PACCAR FINANCIAL CORP	186,000.00	A+	2.850	03/01/2022	2.022	0.395	188,389.57	4,810.86	103.8712	2,208.75	195,409.18
46849LTE1	JACKSON NATIONAL LIFE GLOBAL FUNDING	250,000.00	A+	3.300	02/01/2022	1.516	0.697	256,591.63	3,102.12	103.8775	4,125.00	263,818.75
---	---	1,389,000.00	A+	---	12/29/2021	1.874	0.470	1,102,120.68	23,537.52	---	11,245.28	1,136,903.49

Summary

Identifier	Description	Current Units	Rating	Coupon	Effective Maturity	Book Yield	Yield	Base Book Value	Base Net Total Unrealized Gain/Loss	Market Price	Base Accrued Balance	Base Market Value + Accrued
---	---	7,404,196.11	AA	---	12/23/2020	1.123	0.418	7,125,461.86	38,765.17	---	30,330.53	7,194,557.56

* Grouped by: BS Class 2. * Groups Sorted by: BS Class 2. * Weighted by: Base Market Value + Accrued, except Book Yield by Base Book Value + Accrued. * Holdings Displayed by: Lot.