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AMERICAN BAR ASSOCIATION

**STANDING COMMITTEE ON ETHICS AND PROFESSIONAL
RESPONSIBILITY**

REPORT TO THE HOUSE OF DELEGATES

RESOLUTION

- 1 RESOLVED, That the American Bar Association amends Rules 7.1 through 7.5 and
- 2 Comments of the ABA Model Rules of Professional Conduct as follows (insertions
- 3 underlined, deletions ~~struck through~~):

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Rules 7.1 through 7.5 and Comments of the
ABA Model Rules of Professional Conduct
(August 2018)

1 **Model Rule 7.1: Communications Concerning A Lawyer's Services**
2

3 **A lawyer shall not make a false or misleading communication about the lawyer or**
4 **the lawyer's services. A communication is false or misleading if it contains a**
5 **material misrepresentation of fact or law, or omits a fact necessary to make the**
6 **statement considered as a whole not materially misleading.**
7

8 **Comment**
9

10 [1] This Rule governs all communications about a lawyer's services, including advertising.
11 ~~permitted by Rule 7.2.~~ Whatever means are used to make known a lawyer's services,
12 statements about them must be truthful.
13

14 [2] ~~Truthful statements that are~~ Mmisleading truthful statements are also prohibited by
15 this Rule. A truthful statement is misleading if it omits a fact necessary to make the
16 lawyer's communication considered as a whole not materially misleading. A truthful
17 statement is ~~also~~ misleading if ~~there is~~ a substantial likelihood exists that it will lead a
18 reasonable person to formulate a specific conclusion about the lawyer or the lawyer's
19 services for which there is no reasonable factual foundation. A truthful statement is also
20 misleading if presented in a way that creates a substantial likelihood that a reasonable
21 person would believe the lawyer's communication requires that person to take further
22 action when, in fact, no action is required.
23

24 [3] It is misleading for a communication to provide information about a lawyer's fee without
25 indicating the client's responsibilities for costs, if any. If the client may be responsible for
26 costs in the absence of a recovery, a communication may not indicate that the lawyer's
27 fee is contingent on obtaining a recovery unless the communication also discloses that
28 the client may be responsible for court costs and expenses of litigation. See Rule 1.5(c).
29

30 [3][4] ~~An advertisement~~ A communication that truthfully reports a lawyer's achievements
31 on behalf of clients or former clients may be misleading if presented so as to lead a
32 reasonable person to form an unjustified expectation that the same results could be
33 obtained for other clients in similar matters without reference to the specific factual and
34 legal circumstances of each client's case. Similarly, an unsubstantiated claim about a
35 lawyer's or law firm's services or fees, or an unsubstantiated comparison of the lawyer's
36 or law firm's services or fees with the services or fees those of other lawyers or law firms,
37 may be misleading if presented with such specificity as would lead a reasonable person
38 to conclude that the comparison or claim can be substantiated. The inclusion of an

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39 appropriate disclaimer or qualifying language may preclude a finding that a statement is
40 likely to create unjustified expectations or otherwise mislead the public.

41
42 [4][5] It is professional misconduct for a lawyer to engage in conduct involving dishonesty,
43 fraud, deceit or misrepresentation. Rule 8.4(c). See also Rule 8.4(e) for the prohibition
44 against stating or implying an ability to improperly influence improperly a government
45 agency or official or to achieve results by means that violate the Rules of Professional
46 Conduct or other law.

47
48 [6] Firm names, letterhead and professional designations are communications concerning
49 a lawyer's services. A firm may be designated by the names of all or some of its current
50 members, by the names of deceased members where there has been a succession in
51 the firm's identity or by a trade name if it is not false or misleading. A lawyer or law firm
52 also may be designated by a distinctive website address, social media username or
53 comparable professional designation that is not misleading. A law firm name or
54 designation is misleading if it implies a connection with a government agency, with a
55 deceased lawyer who was not a former member of the firm, with a lawyer not associated
56 with the firm or a predecessor firm, with a nonlawyer or with a public or charitable legal
57 services organization. If a firm uses a trade name that includes a geographical name such
58 as "Springfield Legal Clinic," an express statement explaining that it is not a public legal
59 aid organization may be required to avoid a misleading implication.

60
61 [7] A law firm with offices in more than one jurisdiction may use the same name or other
62 professional designation in each jurisdiction.

63
64 [8] Lawyers may not imply or hold themselves out as practicing together in one firm when
65 they are not a firm, as defined in Rule 1.0(c), because to do so would be false and
66 misleading.

67
68 [9] It is misleading to use the name of a lawyer holding a public office in the name of a
69 law firm, or in communications on the law firm's behalf, during any substantial period in
70 which the lawyer is not actively and regularly practicing with the firm.

71
72 **Rule 7.2: Advertising Communications Concerning a Lawyer's Services: Specific**
73 **Rules**

74
75 **(a) Subject to the requirements of Rules 7.1 and 7.3, a A lawyer may advertise**
76 **communicate information regarding the lawyer's services through written,**
77 **recorded or electronic communication, including public any media.**

78
79 **(b) A lawyer shall not compensate, give or promise anything of value to a person**
80 **who is not an employee or lawyer in the same law firm for recommending the**
81 **lawyer's services except that a lawyer may:**

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82
83 (1) pay the reasonable costs of advertisements or communications permitted
84 by this Rule;

85
86 (2) pay the usual charges of a legal service plan or a not-for-profit or qualified
87 lawyer referral service. ~~A qualified lawyer referral service is a lawyer referral~~
88 ~~service that has been approved by an appropriate regulatory authority;~~

89
90 (3) pay for a law practice in accordance with Rule 1.17; and

91
92 (4) refer clients to another lawyer or a nonlawyer professional pursuant to an
93 agreement not otherwise prohibited under these Rules that provides for the other
94 person to refer clients or customers to the lawyer, if:

95
96 (i) the reciprocal referral agreement is not exclusive; and

97
98 (ii) the client is informed of the existence and nature of the agreement;
99 and

100
101 (5) give nominal gifts that are neither intended nor reasonably expected to
102 be a form of compensation for recommending a lawyer's services.

103
104 (c) A lawyer shall not state or imply that a lawyer is certified as a specialist in a
105 particular field of law, unless:

106
107 (1) the lawyer has been certified as a specialist by an organization that has
108 been approved by an appropriate authority of the state or the District of
109 Columbia or a U.S. Territory or that has been accredited by the American Bar
110 Association; and

111
112 (2) the name of the certifying organization is clearly identified in the
113 communication.

114
115 (d) Any communication made under pursuant to this Rule must shall include the
116 name and ~~office address contact information~~ of at least one lawyer or law firm
117 responsible for its content.

118
119 **Comment**

120
121 ~~[1] To assist the public in learning about and obtaining legal services, lawyers should be~~
122 ~~allowed to make known their services not only through reputation but also through~~
123 ~~organized information campaigns in the form of advertising. Advertising involves an active~~
124 ~~quest for clients, contrary to the tradition that a lawyer should not seek clientele. However,~~

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125 ~~the public's need to know about legal services can be fulfilled in part through advertising.~~
126 ~~This need is particularly acute in the case of persons of moderate means who have not~~
127 ~~made extensive use of legal services. The interest in expanding public information about~~
128 ~~legal services ought to prevail over considerations of tradition. Nevertheless, advertising~~
129 ~~by lawyers entails the risk of practices that are misleading or overreaching.~~

130
131 ~~[1] [2] This Rule permits public dissemination of information concerning a lawyer's or law~~
132 ~~firm's name, or firm name, address, email address, website, and telephone number; the~~
133 ~~kinds of services the lawyer will undertake; the basis on which the lawyer's fees are~~
134 ~~determined, including prices for specific services and payment and credit arrangements;~~
135 ~~a lawyer's foreign language ability; names of references and, with their consent, names~~
136 ~~of clients regularly represented; and other information that might invite the attention of~~
137 ~~those seeking legal assistance.~~

138
139 ~~[3] Questions of effectiveness and taste in advertising are matters of speculation and~~
140 ~~subjective judgment. Some jurisdictions have had extensive prohibitions against~~
141 ~~television and other forms of advertising, against advertising going beyond specified facts~~
142 ~~about a lawyer, or against "undignified" advertising. Television, the Internet, and other~~
143 ~~forms of electronic communication are now among the most powerful media for getting~~
144 ~~information to the public, particularly persons of low and moderate income; prohibiting~~
145 ~~television, Internet, and other forms of electronic advertising, therefore, would impede the~~
146 ~~flow of information about legal services to many sectors of the public. Limiting the~~
147 ~~information that may be advertised has a similar effect and assumes that the bar can~~
148 ~~accurately forecast the kind of information that the public would regard as relevant. But~~
149 ~~see Rule 7.3(a) for the prohibition against a solicitation through a real-time electronic~~
150 ~~exchange initiated by the lawyer.~~

151
152 ~~[4] Neither this Rule nor Rule 7.3 prohibits communications authorized by law, such as~~
153 ~~notice to members of a class in class action litigation.~~

154 155 **Paying Others to Recommend a Lawyer**

156
157 ~~[2] [5] Except as permitted under paragraphs (b)(1)-(b)(4)(5), lawyers are not permitted~~
158 ~~to pay others for recommending the lawyer's services. or for channeling professional work~~
159 ~~in a manner that violates Rule 7.3. A communication contains a recommendation if it~~
160 ~~endorses or vouches for a lawyer's credentials, abilities, competence, character, or other~~
161 ~~professional qualities. Directory listings and group advertisements that list lawyers by~~
162 ~~practice area, without more, do not constitute impermissible "recommendations."~~

163
164 ~~[3] Paragraph (b)(1) however, allows a lawyer to pay for advertising and communications~~
165 ~~permitted by this Rule, including the costs of print directory listings, on-line directory~~
166 ~~listings, newspaper ads, television and radio airtime, domain-name registrations,~~
167 ~~sponsorship fees, Internet-based advertisements, and group advertising. A lawyer may~~

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168 compensate employees, agents and vendors who are engaged to provide marketing or
169 client development services, such as publicists, public-relations personnel, business-
170 development staff, television and radio station employees or spokespersons and website
171 designers.

172
173 [4] Paragraph (b)(5) permits nominal gifts as might be given for holidays, or other ordinary
174 social hospitality. A gift is prohibited if offered or given in consideration of any promise,
175 agreement or understanding that such a gift would be forthcoming or that referrals would
176 be made or encouraged in the future.

177 [5] Moreover, a A lawyer may pay others for generating client leads, such as Internet-
178 based client leads, as long as the lead generator does not recommend the lawyer, any
179 payment to the lead generator is consistent with Rules 1.5(e) (division of fees) and 5.4
180 (professional independence of the lawyer), and the lead generator’s communications are
181 consistent with Rule 7.1 (communications concerning a lawyer’s services). To comply
182 with Rule 7.1, a lawyer must not pay a lead generator that states, implies, or creates a
183 reasonable impression that it is recommending the lawyer, is making the referral without
184 payment from the lawyer, or has analyzed a person’s legal problems when determining
185 which lawyer should receive the referral. See Comment [2] (definition of
186 “recommendation”). See also Rule 5.3 (duties of lawyers and law firms with respect to the
187 conduct of nonlawyers); Rule 8.4(a) (duty to avoid violating the Rules through the acts of
188 another.

189
190 [6] A lawyer may pay the usual charges of a legal service plan or a not-for-profit or
191 qualified lawyer referral service. A legal service plan is a prepaid or group legal service
192 plan or a similar delivery system that assists people who seek to secure legal
193 representation. A lawyer referral service, on the other hand, is any organization that holds
194 itself out to the public as a lawyer referral service. Such Qualified referral services are
195 understood by the public to be consumer-oriented organizations that provide unbiased
196 referrals to lawyers with appropriate experience in the subject matter of the representation
197 and afford other client protections, such as complaint procedures or malpractice
198 insurance requirements. Consequently, this Rule only permits a lawyer to pay the usual
199 charges of a not-for-profit or qualified lawyer referral service. A qualified lawyer referral
200 service is one that is approved by an appropriate regulatory authority as affording
201 adequate protections for the public. See, e.g., the American Bar Association’s Model
202 Supreme Court Rules Governing Lawyer Referral Services and Model Lawyer Referral
203 and Information Service Quality Assurance Act, (requiring that organizations that are
204 identified as lawyer referral services (i) permit the participation of all lawyers who are
205 licensed and eligible to practice in the jurisdiction and who meet reasonable objective
206 eligibility requirements as may be established by the referral service for the protection of
207 the public; (ii) require each participating lawyer to carry reasonably adequate malpractice
208 insurance; (iii) act reasonably to assess client satisfaction and address client complaints;
209 and (iv) do not make referrals to lawyers who own, operate or are employed by the referral
210 service.)

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211
212 [7] A lawyer who accepts assignments or referrals from a legal service plan or referrals
213 from a lawyer referral service must act reasonably to assure that the activities of the plan
214 or service are compatible with the lawyer's professional obligations. ~~See Rule 5.3. Legal~~
215 ~~service plans and lawyer referral services may communicate with the public, but such~~
216 ~~communication must be in conformity with these Rules. Thus, advertising must not be~~
217 ~~false or misleading, as would be the case if the communications of a group advertising~~
218 ~~program or a group legal services plan would mislead the public to think that it was a~~
219 ~~lawyer referral service sponsored by a state agency or bar association. Nor could the~~
220 ~~lawyer allow in-person, telephonic, or real-time contacts that would violate Rule 7.3.~~

221
222 [8] A lawyer also may agree to refer clients to another lawyer or a nonlawyer professional,
223 in return for the undertaking of that person to refer clients or customers to the
224 lawyer. Such reciprocal referral arrangements must not interfere with the lawyer's
225 professional judgment as to making referrals or as to providing substantive legal services.
226 See Rules 2.1 and 5.4(c). Except as provided in Rule 1.5(e), a lawyer who receives
227 referrals from a lawyer or nonlawyer professional must not pay anything solely for the
228 referral, but the lawyer does not violate paragraph (b) of this Rule by agreeing to refer
229 clients to the other lawyer or nonlawyer professional, so long as the reciprocal referral
230 agreement is not exclusive and the client is informed of the referral agreement. Conflicts
231 of interest created by such arrangements are governed by Rule 1.7. Reciprocal referral
232 agreements should be of indefinite duration and should be reviewed periodically to
233 determine whether they comply with these Rules. This Rule does not restrict referrals or
234 divisions of revenues or net income among lawyers within firms comprised of multiple
235 entities.

236
237 **Communications about Fields of Practice**

238
239 [9] Paragraph (a) of this Rule permits a lawyer to communicate that the lawyer does or
240 does not practice in particular areas of law. A lawyer is generally permitted to state that
241 the lawyer "concentrates in" or is a "specialist," practices a "specialty," or "specializes in"
242 particular fields based on the lawyer's experience, specialized training or education, but
243 such communications are subject to the "false and misleading" standard applied in Rule
244 7.1 to communications concerning a lawyer's services.

245
246 [10] The Patent and Trademark Office has a long-established policy of designating
247 lawyers practicing before the Office. The designation of Admiralty practice also has a long
248 historical tradition associated with maritime commerce and the federal courts. A lawyer's
249 communications about these practice areas are not prohibited by this Rule.

250
251 [11] This Rule permits a lawyer to state that the lawyer is certified as a specialist in a field
252 of law if such certification is granted by an organization approved by an appropriate
253 authority of a state, the District of Columbia or a U.S. Territory or accredited by the

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254 American Bar Association or another organization, such as a state supreme court or a
255 state bar association, that has been approved by the authority of the state, the District of
256 Columbia or a U.S. Territory to accredit organizations that certify lawyers as specialists.
257 Certification signifies that an objective entity has recognized an advanced degree of
258 knowledge and experience in the specialty area greater than is suggested by general
259 licensure to practice law. Certifying organizations may be expected to apply standards of
260 experience, knowledge and proficiency to ensure that a lawyer's recognition as a
261 specialist is meaningful and reliable. To ensure that consumers can obtain access to
262 useful information about an organization granting certification, the name of the certifying
263 organization must be included in any communication regarding the certification.

264 Required Contact Information

265
266
267 [12] This Rule requires that any communication about a lawyer or law firm's services
268 include the name of, and contact information for, the lawyer or law firm. Contact
269 information includes a website address, a telephone number, an email address or a
270 physical office location.

271 Model Rule 7.3: Solicitation of Clients

272
273
274 (a) "Solicitation" or "solicit" denotes a communication initiated by or on behalf of
275 a lawyer or law firm that is directed to a specific person the lawyer knows or
276 reasonably should know needs legal services in a particular matter and that offers
277 to provide, or reasonably can be understood as offering to provide, legal services
278 for that matter.

279
280 (a) (b) A lawyer shall not solicit professional employment by live person-to-person
281 contact-in-person, live telephone or real-time electronic contact solicit professional
282 employment when a significant motive for the lawyer's doing so is the lawyer's or
283 law firm's pecuniary gain, unless the person contacted is with a:

284
285 (1) is a lawyer; or

286
287 (2) person who has a family, close personal, or prior business or
288 professional relationship with the lawyer; or

289
290 (3) person who is known by the lawyer to be an experienced user of the type
291 of legal services involved for business matters.

292
293 (b)(c) A lawyer shall not solicit professional employment by written, recorded or
294 electronic communication or by in person, telephone or real-time electronic
295 contact even when not otherwise prohibited by paragraph (a), if:

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

299
300 (2) the solicitation involves coercion, duress or harassment.

301
302 ~~(c) Every written, recorded or by electronic communication from a lawyer soliciting~~
303 ~~professional employment from anyone known to be in need of legal services in a~~
304 ~~particular matter shall include the words “Advertising Material” on the outside~~
305 ~~envelope, if any, and at the beginning and ending of any recorded or electronic~~
306 ~~communication, unless the recipient of the communication is a person specified in~~
307 ~~paragraphs (a)(1) or (a)(2).~~

308
309 (d) This Rule does not prohibit communications authorized by law or ordered by a
310 court or other tribunal.

311
312 ~~(d)~~(e) Notwithstanding the prohibitions in this Rule paragraph (a), a lawyer may
313 participate with a prepaid or group legal service plan operated by an organization
314 not owned or directed by the lawyer that uses ~~in-person or telephone~~ live person-
315 to-person contact to solicit enroll memberships or sell subscriptions for the plan
316 from persons who are not known to need legal services in a particular matter
317 covered by the plan.

318
319 **Comment**

320
321 ~~[1] A solicitation is a targeted communication initiated by the lawyer that is directed to a~~
322 ~~specific person and that offers to provide, or can reasonably be understood as offering to~~
323 ~~provide, legal services. In contrast, a Paragraph (b) prohibits a lawyer from soliciting~~
324 ~~professional employment by live person-to-person contact when a significant motive for~~
325 ~~the lawyer’s doing so is the lawyer’s or the law firm’s pecuniary gain. A lawyer’s~~
326 ~~communication is typically does not constitute a solicitation if it is directed to the general~~
327 ~~public, such as through a billboard, an Internet banner advertisement, a website or a~~
328 ~~television commercial, or if it is in response to a request for information or is automatically~~
329 ~~generated in response to electronic Internet searches.~~

330
331 ~~[2] “Live person-to-person contact” means in-person, face-to-face, live telephone and~~
332 ~~other real-time visual or auditory person-to-person communications such as Skype or~~
333 ~~FaceTime, where the person is subject to a direct personal encounter without time for~~
334 ~~reflection. Such person-to-person contact does not include chat rooms, text messages or~~
335 ~~other written communications that recipients may easily disregard. There is a A potential~~
336 ~~for abuse overreaching exists when a solicitation involves a lawyer, seeking pecuniary~~
337 ~~gain, direct in-person, live telephone or real-time electronic contact solicits a person by a~~
338 ~~lawyer with someone known to be in need of legal services. These This forms of contact~~
339 ~~subjects a person to the private importuning of the trained advocate in a direct~~

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340 interpersonal encounter. The person, who may already feel overwhelmed by the
341 circumstances giving rise to the need for legal services, may find it difficult to fully evaluate
342 fully all available alternatives with reasoned judgment and appropriate self-interest in the
343 face of the lawyer's presence and insistence upon being retained immediately an
344 immediate response. The situation is fraught with the possibility of undue influence,
345 intimidation, and over-reaching.

346
347 [3] This ~~The~~ potential for abuse overreaching inherent in live person-to-person contact
348 ~~direct in-person, live telephone or real-time electronic solicitation~~ justifies its prohibition,
349 particularly since lawyers have alternative means of conveying necessary information. ~~to~~
350 ~~those who may be in need of legal services~~. In particular, communications can be mailed
351 or transmitted by email or other electronic means that ~~do not involve real-time contact~~
352 ~~and do not violate other laws governing solicitations~~. These forms of communications
353 ~~and solicitations~~ make it possible for the public to be informed about the need for legal
354 services, and about the qualifications of available lawyers and law firms, without
355 subjecting the public to live person-to-person direct in-person, telephone or real-time
356 electronic persuasion that may overwhelm a person's judgment.

357
358 [4] ~~The use of general advertising and written, recorded or electronic communications to~~
359 ~~transmit information from lawyer to the public, rather than direct in-person, live telephone~~
360 ~~or real-time electronic contact, will help to assure that the information flows cleanly as~~
361 ~~well as freely. The contents of advertisements and communications permitted under Rule~~
362 ~~7.2 can be permanently recorded so that they cannot be disputed and may be shared~~
363 ~~with others who know the lawyer. This potential for informal review is itself likely to help~~
364 ~~guard against statements and claims that might constitute false and misleading~~
365 ~~communications, in violation of Rule 7.1. The contents of live person-to-person direct~~
366 ~~in-person live telephone or real-time electronic contact can be disputed and may not be~~
367 ~~subject to third-party scrutiny. Consequently, they are much more likely to approach (and~~
368 ~~occasionally cross) the dividing line between accurate representations and those that are~~
369 ~~false and misleading.~~

370
371 [5] There is far less likelihood that a lawyer would engage in ~~abusive practices~~
372 overreaching against a former client, or a person with whom the lawyer has a close
373 personal, ~~or~~ family, business or professional relationship, or in situations in which the
374 lawyer is motivated by considerations other than the lawyer's pecuniary gain. Nor is there
375 a serious potential for abuse overreaching when the person contacted is a lawyer or is
376 known to be an experienced user of the type of legal services involved for business
377 purposes. For instance, an "experienced user" of legal services for business matters may
378 include those who hire outside counsel to represent the entity; entrepreneurs who
379 regularly engage business, employment law or intellectual property lawyers; small
380 business proprietors who hire lawyers for lease or contract issues; and other people who
381 retain lawyers for business transactions or formations. Consequently, the general
382 prohibition in Rule 7.3(a) and the requirements of Rule 7.3(c) are not applicable in those

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383 situations. Also, Paragraph (a) is not intended to prohibit a lawyer from participating in
384 constitutionally protected activities of public or charitable legal-service organizations or
385 bona fide political, social, civic, fraternal, employee or trade organizations whose
386 purposes include providing or recommending legal services to their members or
387 beneficiaries.

388
389 ~~[6] But even permitted forms of solicitation can be abused. Thus, any A solicitation that~~
390 ~~which contains false or misleading information which is false or misleading within the~~
391 ~~meaning of Rule 7.1, that which involves coercion, duress or harassment within the~~
392 ~~meaning of Rule 7.3(b)(c)(2), or that which involves contact with someone who has made~~
393 ~~known to the lawyer a desire not to be solicited by the lawyer within the meaning of Rule~~
394 ~~7.3(b)(c)(1) is prohibited. Moreover, if after sending a letter or other communication as~~
395 ~~permitted by Rule 7.2 the lawyer receives no response, any further effort to communicate~~
396 ~~with the recipient of the communication may violate the provisions of Rule 7.3(b). Live,~~
397 ~~person-to-person contact of individuals who may be especially vulnerable to coercion or~~
398 ~~duress is ordinarily not appropriate, for example, the elderly, those whose first language~~
399 ~~is not English, or the disabled.~~

400
401 [7] This Rule ~~is~~ does not intended to prohibit a lawyer from contacting representatives of
402 organizations or groups that may be interested in establishing a group or prepaid legal
403 plan for their members, insureds, beneficiaries or other third parties for the purpose of
404 informing such entities of the availability of and details concerning the plan or
405 arrangement which the lawyer or lawyer's firm is willing to offer. This form of
406 communication is not directed to people who are seeking legal services for themselves.
407 Rather, it is usually addressed to an individual acting in a fiduciary capacity seeking a
408 supplier of legal services for others who may, if they choose, become prospective clients
409 of the lawyer. Under these circumstances, the activity which the lawyer undertakes in
410 communicating with such representatives and the type of information transmitted to the
411 individual are functionally similar to and serve the same purpose as advertising permitted
412 under Rule 7.2.

413
414 ~~[8] The requirement in Rule 7.3(c) that certain communications be marked "Advertising~~
415 ~~Material" does not apply to communications sent in response to request so potential~~
416 ~~clients or their spokespersons or sponsors. General announcements by lawyers,~~
417 ~~including changes in personnel or office location do not constitute communications~~
418 ~~soliciting professional employment from a client known to be in need of legal services~~
419 ~~within the meaning of this Rule.~~

420
421 [8] Communications authorized by law or ordered by a court or tribunal include a notice
422 to potential members of a class in class action litigation.

423
424 [9] Paragraph ~~(d)~~ (e) of this Rule permits a lawyer to participate with an organization which
425 uses personal contact to solicit enroll members for its group or prepaid legal service plan,

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426 provided that the personal contact is not undertaken by any lawyer who would be a
427 provider of legal services through the plan. The organization must not be owned by or
428 directed (whether as manager or otherwise) by any lawyer or law firm that participates in
429 the plan. For example, paragraph ~~(d)~~(e) would not permit a lawyer to create an
430 organization controlled directly or indirectly by the lawyer and use the organization for the
431 ~~in-person or telephone~~ person-to-person solicitation of legal employment of the lawyer
432 through memberships in the plan or otherwise. The communication permitted by these
433 organizations ~~also~~ must not be directed to a person known to need legal services in a
434 particular matter, but ~~is to~~ must be designed to inform potential plan members generally
435 of another means of affordable legal services. Lawyers who participate in a legal service
436 plan must reasonably assure that the plan sponsors are in compliance with Rules 7.1, 7.2
437 and 7.3(b)(c). ~~See 8.4(a).~~

438
439 **Rule 7.4 Communication of Fields of Practice and Specialization (Deleted in 2018.)**

440
441 ~~(a) A lawyer may communicate the fact that the lawyer does or does not practice in~~
442 ~~particular fields of law.~~

443
444 ~~(b) A lawyer admitted to engage in patent practice before the United States Patent~~
445 ~~and Trademark Office may use the designation "Patent Attorney" or a substantially~~
446 ~~similar designation.~~

447
448 ~~(c) A lawyer engaged in Admiralty practice may use the designation "Admiralty,"~~
449 ~~"Proctor in Admiralty" or a substantially similar designation.~~

450
451 ~~(d) A lawyer shall not state or imply that a lawyer is certified as a specialist in a~~
452 ~~particular field of law, unless:~~

453
454 ~~(1) the lawyer has been certified as a specialist by an organization that has~~
455 ~~been approved by an appropriate state authority or that has been accredited~~
456 ~~by the American Bar Association; and~~

457
458 ~~(2) the name of the certifying organization is clearly identified in the~~
459 ~~communication.~~

460
461 **Comment**

462
463 ~~[1] Paragraph (a) of this Rule permits a lawyer to indicate areas of practice in~~
464 ~~communications about the lawyer's services. If a lawyer practices only in certain fields, or~~
465 ~~will not accept matters except in a specified field or fields, the lawyer is permitted to so~~
466 ~~indicate. A lawyer is generally permitted to state that the lawyer is a "specialist," practices~~
467 ~~a "specialty," or "specializes in" particular fields, but such communications are subject to~~

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468 the "false and misleading" standard applied in Rule 7.1 to communications concerning a
469 lawyer's services.

470
471 [2] Paragraph (b) recognizes the long-established policy of the Patent and Trademark
472 Office for the designation of lawyers practicing before the Office. Paragraph (c)
473 recognizes that designation of Admiralty practice has a long historical tradition associated
474 with maritime commerce and the federal courts.

475
476 [3] Paragraph (d) permits a lawyer to state that the lawyer is certified as a specialist in a
477 field of law if such certification is granted by an organization approved by an appropriate
478 state authority or accredited by the American Bar Association or another organization,
479 such as a state bar association, that has been approved by the state authority to accredit
480 organizations that certify lawyers as specialists. Certification signifies that an objective
481 entity has recognized an advanced degree of knowledge and experience in the specialty
482 area greater than is suggested by general licensure to practice law. Certifying
483 organizations may be expected to apply standards of experience, knowledge and
484 proficiency to insure that a lawyer's recognition as a specialist is meaningful and reliable.
485 In order to insure that consumers can obtain access to useful information about an
486 organization granting certification, the name of the certifying organization must be
487 included in any communication regarding the certification.

488
489 **Rule 7.5 Firm Names And Letterheads (Deleted in 2018.)**

490
491 (a) A lawyer shall not use a firm name, letterhead or other professional designation that
492 violates Rule 7.1. A trade name may be used by a lawyer in private practice if it does not
493 imply a connection with a government agency or with a public or charitable legal services
494 organization and is not otherwise in violation of Rule 7.1.

495
496 (b) A law firm with offices in more than one jurisdiction may use the same name or other
497 professional designation in each jurisdiction, but identification of the lawyers in an office
498 of the firm shall indicate the jurisdictional limitations on those not licensed to practice in
499 the jurisdiction where the office is located.

500
501 (c) The name of a lawyer holding a public office shall not be used in the name of a law
502 firm, or in communications on its behalf, during any substantial period in which the lawyer
503 is not actively and regularly practicing with the firm.

504
505 (d) Lawyers may state or imply that they practice in a partnership or other organization
506 only when that is the fact.

507
508 **Comment**

509

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510 ~~[1] A firm may be designated by the names of all or some of its members, by the names~~
511 ~~of deceased members where there has been a continuing succession in the firm's identity~~
512 ~~or by a trade name such as the "ABC Legal Clinic." A lawyer or law firm may also be~~
513 ~~designated by a distinctive website address or comparable professional designation.~~
514 ~~Although the United States Supreme Court has held that legislation may prohibit the use~~
515 ~~of trade names in professional practice, use of such names in law practice is acceptable~~
516 ~~so long as it is not misleading. If a private firm uses a trade name that includes a~~
517 ~~geographical name such as "Springfield Legal Clinic," an express disclaimer that it is a~~
518 ~~public legal aid agency may be required to avoid a misleading implication. It may be~~
519 ~~observed that any firm name including the name of a deceased partner is, strictly~~
520 ~~speaking, a trade name. The use of such names to designate law firms has proven a~~
521 ~~useful means of identification. However, it is misleading to use the name of a lawyer not~~
522 ~~associated with the firm or a predecessor of the firm, or the name of a nonlawyer.~~

523
524 ~~[2] With regard to paragraph (d), lawyers sharing office facilities, but who are not in fact~~
525 ~~associated with each other in a law firm, may not denominate themselves as, for example,~~
526 ~~"Smith and Jones," for that title suggests that they are practicing law together in a firm.~~

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REPORT

LAWYER ADVERTISING RULES FOR THE 21ST CENTURY

I. Introduction

The American Bar Association is the leader in promulgating rules for regulating the professional conduct of lawyers. For decades, American jurisdictions have adopted provisions consistent with the Model Rules of Professional Conduct, relying on the ABA's expertise, knowledge, and guidance. In lawyer advertising, however, a dizzying number of state variations exist. This breathtaking variety makes compliance by lawyers who seek to represent clients in multiple jurisdictions unnecessarily complex, and burdens bar regulators with enforcing prohibitions on practices that are not truly harmful to the public.¹ This patchwork of advertising rules runs counter to three trends that call for simplicity and uniformity in the regulation of lawyer advertising.

First, lawyers in the 21st century increasingly practice across state and international borders. Clients often need services in multiple jurisdictions. Competition from inside and outside the profession in these expanded markets is fierce. The current web of complex, contradictory, and detailed advertising rules impedes lawyers' efforts to expand their practices and thwart clients' interests in securing the services they need. The proposed rules will free lawyers and clients from these constraints without compromising client protection.

Second, the use of social media and the Internet—including blogging, instant messaging, and more—is ubiquitous now.² Advancing technologies can make lawyer advertising easy, inexpensive, and effective for connecting lawyers and clients. Lawyers can use innovative methods to inform the public about the availability of legal services. Clients can use the new technologies to find lawyers. The proposed amendments will facilitate these connections between lawyers and clients, without compromising protection of the public.

¹ Center for Professional Responsibility Jurisdictional Rules Comparison Charts, *available at*: https://www.americanbar.org/groups/professional_responsibility/policy/rule_charts.html.

² See Association of Professional Responsibility Lawyers 2015 Report of the Regulation of Lawyer Advertising Committee (2015) [hereinafter APRL 2015 Report], https://www.americanbar.org/content/dam/aba/administrative/professional_responsibility/aprl_june_22_2015%20report_authcheckdam.pdf at 18-19 ("According to a Pew Research Center 2014 Social Media Update, for the 81% of American Adults who use the Internet: 52% of online adults now use two or more social media sites; 71% are on Facebook; 70% engage in daily use; 56% of all online adults 65 and older use Facebook; 23% use Twitter; 26% use Instagram; 49% engage in daily use; 53% of online young adults (18-29) use Instagram; and 28% use LinkedIn.").

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Finally, trends in First Amendment and antitrust law suggest that burdensome and unnecessary restrictions on the dissemination of accurate information about legal services may be unlawful. The Supreme Court announced almost forty years ago that lawyer advertising is commercial speech protected by the First Amendment. Advertising that is false, misleading and deceptive may be restricted, but many other limitations have been struck down.³

Antitrust law may also be a concern. For nearly 20 years, the Federal Trade Commission (FTC) has actively opposed lawyer regulation where the FTC believed it would, for example, restrict consumer access to factually accurate information regarding the availability of lawyer services. The FTC has reminded regulators in Alabama, Arizona, Florida, Indiana, Louisiana, New Jersey, New Mexico, New York, Ohio, Tennessee, and Texas that overly broad advertising restrictions may reduce competition, violate federal antitrust laws, and impermissibly restrict truthful information about legal services.⁴

The Standing Committee on Ethics and Professional Responsibility (SCEPR) is proposing amendments to ABA Model Rules 7.1 – 7.5 that respond to these trends. It is hoped the U.S. jurisdictions will follow the ABA's lead to eliminate compliance confusion and promote consistency in lawyer advertising rules. As amended, the rules will provide lawyers and regulators nationwide with models that continue to protect clients from false and misleading advertising, but free lawyers to use expanding and innovative technologies to communicate the availability of legal services and enable bar regulators to focus on truly harmful conduct. The amended rules will also increase consumer access to accurate information about the availability of legal services and, thereby, expand access to legal services.

II. Brief Summary of the Changes

The principal amendments:

³ For developments in First Amendment law on lawyer advertising, see APRL June 2015 Report, *supra* note 2, at 7-18.

⁴ The recent decision in *North Carolina State Board of Dental Examiners v. F.T.C.*, 135 S. Ct. 1101 (2015) may be a warning. The Court found that the Board of Dental Examiners exclusion of non-dentists from providing teeth whitening services was anti-competitive and an unfair method of competition in violation of the Federal Trade Commission Act. The Court determined that a controlling number of the board members were “active market participants” (i.e., dentists), and there was no state entity supervision of the decisions of the non-sovereign board. Many lawyer regulatory entities are monitoring the application of this precedent as the same analysis might be applicable to lawyers. See also, ABA Center for Professional Responsibility, *FTC Letters Regarding Lawyer Advertising* (2015), http://www.americanbar.org/groups/professional_responsibility/resources/professionalism/professionalism_ethics_in_lawyer_advertising/FTC_lawyerAd.html.

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- Combine provisions on false and misleading communications into Rule 7.1 and its Comments.
- Consolidate specific provisions on advertising into Rule 7.2, including requirements for use of the term “certified specialist”.
- Permit nominal “thank you” gifts under certain conditions as an exception to the general prohibition against paying for recommendations.
- Define solicitation as “a communication initiated by or on behalf of a lawyer or law firm that is directed to a specific person the lawyer knows or reasonably should know needs legal services in a particular matter and that offers to provide, or reasonably can be understood as offering to provide, legal services for that matter.”
- Prohibit live, person-to-person solicitation for pecuniary gain with certain exceptions.
- Eliminate the labeling requirement for targeted mailings but continue to prohibit targeted mailings that are misleading, involve coercion, duress or harassment, or that involve a target of the solicitation who has made known to the lawyer a desire not to be solicited.

III. Discussion of the Proposed Amendments

A. Rule 7.1: Communications Concerning a Lawyer’s Services

Rule 7.1 remains unchanged; however, additional guidance is inserted in Comment [2] to explain that truthful information may be misleading if consumers are led to believe that they must act when, in fact, no action is required. New Comment [3] provides that communications that contain information about a lawyer’s fee must also include information about the client’s responsibility for costs to avoid being labeled as a misleading communication.

In Comment [4], SCEPR recommends replacing “advertising” with “communication” to make the Comment consistent with the title and scope of the Rule. SCEPR expands the guidance in Comment [4] by explaining that an “unsubstantiated claim” may also be misleading. SCEPR also recommends in Comment [5] that lawyers review Rule 8.4(c) for additional guidance.

Comments [6] through [9] have been added by incorporating the black letter concepts from current Rule 7.5. Current Rule 7.5(a) restates and incorporates Rule 7.1, and then provides examples of misleading statements. SCEPR has concluded that Rule 7.1, with the guidance of new Comments [6] through [9], better addresses the issues.

B. Rule 7.2: Communications Concerning a Lawyer’s Services: Specific Rules

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Specific Advertising Rules: Specific rules for advertising are consolidated in Rule 7.2, similar to the current structure of Rule 1.8, which provides for specific conflict situations.

SCEPR recommends amendments to Rule 7.2(a) parallel to its recommendations for changes to Comments to Rule 7.1, specifically replacing the term “advertising” with “communication” and replacing the identification of specific methods of communication with a general statement that any media may be used.

Gifts for Recommendations: Rule 7.2(b) continues the existing prohibition against giving “anything of value” to someone for recommending a lawyer. New subparagraph (b)(5), however, contains an exception to the general prohibition. This subparagraph permits lawyers to give a nominal gift to thank the person who recommended the lawyer to the client. The new provision states that such a nominal gift is permissible only where it is not expected or received as payment for the recommendation. The new words “compensate” and “promise” emphasize these limitations: the thank you gift cannot be promised in advance and must be no more than a token item, i.e. not “compensation.”

SCEPR’s amendments to Rule 7.2(b) allow lawyers to give something “of value” to employees or lawyers in the same firm. As to lawyers, this new language in Rule 7.2(b) simply reflects the common and legitimate practice of rewarding lawyers in the same firm for generating business. This is not a change; it is a clarification of existing rules. As to employees, SCEPR has concluded that lawyers ought to be permitted to give nominal gifts to non-lawyers, e.g. paralegals who may refer friends or family members to a firm, marketing personnel and others. Rule 5.4 continues to protect against any improper fee sharing. Rule 7.3 protects against solicitation by, for example, so-called “runners,” which are also prohibited by other rules, e.g. Rule 8.4(a).

SCEPR recommends deleting the second sentence Rule 7.2(b)(2) because it is redundant. Comment [6] has the same language.

Specialization: Provisions of Rule 7.4 regarding certification are moved to Rule 7.2(c) and Comments. SCEPR acknowledges suggestions offered by the Standing Committee on Specialization, which shaped revisions to Rule 7.4. Based on these and other recommendations, the prohibition against claiming certification as a specialist is moved to new subdivision (c) of Rule 7.2 as a specific requirement. Amendments also clarify which entities qualify to certify or accredit lawyers. The remaining provisions of Rule 7.4 are moved to Comments [9] through [11] of Rule 7.2. Finally, Comment [9] adds guidance on the circumstances under which a lawyer might properly claim specialization by adding the phrase “based on the lawyer’s experience, specialized training or education.”

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Contact Information: In provision 7.2(d) [formerly subdivision (c)] the term “office address” is changed to “contact information” to address technological advances on how a lawyer may be contacted and how advertising information may be presented. Examples of contact information are added in new Comment [12]. All “communications” about a lawyer’s services must include the firm name (or lawyer’s name) and some contact information (street address, telephone number, email, or website address).

Changes to the Comments: Statements in Comments [1] and [3] justifying lawyer advertising are deleted. Advertising is constitutionally protected speech and needs no additional justification. These Comments provide no additional guidance to lawyers.

New Comment [2] explains that the term “recommendations” does not include directories or other group advertising in which lawyers are listed by practice area.

New language in Comment [3] clarifies that lawyers who advertise on television and radio may compensate “station employees or spokespersons” as reasonable costs for advertising. These costs are well in line with other ordinary costs associated with advertising that are listed in the Comment, i.e. “employees, agents and vendors who are engaged to provide marketing or client development services.”

New Comment [4] explains what is considered nominal, including ordinary social hospitality. It also clarifies that a gift may not be given based on an agreement to receive recommendations or to make future recommendations. These small and token gifts are not likely to result in the harms addressed by the rule: that recommendation sources might interfere with the independent professional judgment of the lawyer, interject themselves into the lawyer-client relationship, or engage in prohibited solicitation to gain more recommendations for which they might be paid.

Comment [6] continues to address lawyer referral services, which remain limited to qualified entities approved by an appropriate regulatory authority. Description of the ABA Model Supreme Court Rules Governing Lawyer Referral Services is omitted from Comment [6] as superfluous.

The last sentence in Comment [7] is deleted because it is identical to the second sentence in Comment [7] (“Legal services plans and lawyer referral services may communicate with the public, *but such communication must be in conformity with these Rules.*”) (Emphasis added.).

C. Rule 7.3: Solicitation of Clients

The black letter of the current Rules does not define “solicitation;” the definition is contained in Comment [1]. For clarity, a definition is added as new paragraph (a). The definition of solicitation is adapted from Virginia’s definition. A solicitation is:

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a communication initiated by or on behalf of a lawyer or law firm that is directed to a specific person the lawyer knows or reasonably should know needs legal services in a particular matter and that offers to provide, or reasonably can be understood as offering to provide, legal services for that matter.

Paragraph (b) continues to prohibit direct, in-person solicitation for pecuniary gain, but clarifies that the prohibition applies solely to live person-to-person contact. Comment [2] provides examples of prohibited solicitation including in-person, face-to-face, telephone, and real-time visual or auditory person-to-person communication such as Skype or FaceTime or other face-to-face communications. Language added to Comment [2] clarifies that a prohibited solicitation does not include chat rooms, text messages, or any other written communications to which recipients would not feel undue pressure to respond.

The Rule no longer prohibits real-time electronic solicitation because real-time electronic communication includes texts and Tweets. These forms of communication are more like a written communication, which allows the reader to pause before responding and creates less pressure to immediately respond or to respond at all, unlike a direct interpersonal encounter.

Exceptions to live person-to-person solicitation are slightly broadened in Rule 7.3(b)(2). Persons with whom a lawyer has a business relationship—in addition to or separate from a professional relationship—may be solicited because the potential for overreaching by the lawyer is reduced.

Exceptions to prohibited live person-to-person solicitation are slightly broadened in Rule 7.3(b)(3) to include “experienced users of the type of legal services involved for business matters.” Similarly, Comment [5] to Rule 7.3 is amended to explain that the potential for overreaching, which justifies the prohibition against in-person solicitation, is unlikely to occur when the solicitation is directed toward experienced users of the legal services in a business matter.

The amendments retain Rule 7.3(c)(1) and (2), which prohibit solicitation of any kind when a target has made known his or her desire not to be solicited, or the solicitation involves coercion, duress, or harassment. These restrictions apply to both live in-person and written solicitations. Comment [6] identifies examples of persons who may be most vulnerable to coercion or duress, such as the elderly, those whose first language is not English, or the disabled.

After much discussion, SCEPR is recommending deletion of the requirement that targeted written solicitations be marked as “advertising material.” Agreeing with the recommendation of the Standing Committee on Professionalism and the Standing

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Committee on Professional Discipline's suggestion to review both Oregon's rules and Washington State's proposed rules, which do not require such labeling, SCEPR has concluded that the requirement is no longer necessary to protect the public. Consumers have become accustomed to receiving advertising material via many methods of paper and electronic delivery. Advertising materials are unlikely to mislead consumers due to the nature of the communications. SCEPR was presented with no evidence that consumers are harmed by receiving unmarked mail solicitations from lawyers, even if the solicitations are opened by consumers. If the solicitation itself or its contents are misleading, that harm can and will be addressed by Rule 7.1's prohibition against false and misleading advertising.

The statement that the rules do not prohibit communications about legal services authorized by law or by court order is moved from Comment [4] of Rule 7.2 to new paragraph (d) of Rule 7.3.

Amendments were made to Rule 7.3(e) to make the prohibition language consistent with the solicitation prohibition and to reflect the reality that prepaid and group legal service plans enroll members and sell subscriptions to wide range of groups. They do not engage in solicitation as defined by the Rules.

New Comment [8] to Rule 7.3 adds class action notices as an example of a communication that is authorized by law or court order.

IV. SCEPR's Process and Timetable

The amendments were developed during two years of intensive study by SCEPR, after SCEPR received a proposal from the Association of Professional Responsibility Lawyers (APRL) in 2016.⁵ Throughout, SCEPR's process has been transparent, open, and welcoming of comments, suggestions, revisions, and discussion from all quarters of the ABA and the profession. SCEPR's work included the formation of a broad-based working group, posting drafts for comment on the website of the Center for Professional Responsibility, holding public forums at the Midyear Meetings in February 2017 and February 2018, conducting a webinar in March 2018, and engaging in extensive outreach seeking participation and feedback from ABA and state entities and individuals.⁶

⁵ APRL's April 26, 2016 Supplemental Report can be accessed here: https://www.americanbar.org/content/dam/aba/administrative/professional_responsibility/aprl_april_26_2016%20report.authcheckdam.pdf.

⁶ Written comments were received through the CPR website. SCEPR studied them all. Those comments are available here:

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A. Development of Proposals by the Association of Professional Responsibility Lawyers (APRL) – 2013 - 2016

In 2013, APRL created a Regulation of Lawyer Advertising Committee to analyze and study lawyer advertising rules. That committee studied the ABA Model Rules and various state approaches to regulating lawyer advertising and made recommendations aimed at bringing rationality and uniformity to the regulation of lawyer advertising and disciplinary enforcement. APRL's committee consisted of former and current bar regulators, law school professors, authors of treatises on the law of lawyering, and lawyer-experts in the field of professional responsibility and legal ethics. Liaisons to the committee from the ABA Center for Professional Responsibility and the National Organization of Bar Counsel ("NOBC") provided valuable advice and comments.

The APRL committee obtained, with NOBC's assistance, empirical data derived from a survey sent to bar regulators regarding the enforcement of current advertising rules. That committee received survey responses from 34 of 51 U.S. jurisdictions.

APRL's 2014 survey of U.S. lawyer regulatory authorities showed:

- Complaints about lawyer advertising are rare;
- People who complain about lawyer advertising are predominantly other lawyers and not consumers;
- Most complaints are handled informally, even where there is a provable advertising rule violation;
- Few states engage in active monitoring of lawyer advertisements; and
- Many cases in which discipline has been imposed involve conduct that would constitute a violation of ABA Model Rule 8.4(c).

APRL issued reports in June 2015 and April 2016⁷ proposing amendments to Rules 7.1 through 7.5 to streamline the regulations while maintaining the enforceable standard of prohibiting false and misleading communications.

In September 2016 APRL requested that SCEPR consider its proposals for amendments to the Model Rules.

B. ABA Public Forum – February 2017

https://www.americanbar.org/groups/professional_responsibility/committees_commissions/ethicsandprofessionalresponsibility/mrpc_rule71_72_73_74_75/modelrule7_1_7_5comments.html.

⁷ Links to both APRL reports are available at:

https://www.americanbar.org/groups/professional_responsibility/committees_commissions/ethicsandprofessionalresponsibility/mrpc_rule71_72_73_74_75.html.

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On February 3, 2017 SCEPR hosted a public forum at the ABA 2017 Midyear Meeting to receive comments about the APRL proposals. More than a dozen speakers testified, and written comments were collected from almost 20 groups and individuals.⁸

C. Working Group Meetings and Reports – 2017

In January 2017, SCEPR's then chair Myles Lynk appointed a working group to review the APRL proposals. The working group, chaired by SCEPR member Wendy Wen Yun Chang, included representatives from Center for Professional Responsibility ("CPR") committees: Client Protection, Ethics and Professional Responsibility, Professional Discipline, Professionalism, and Specialization. Liaisons from the National Conference of Bar Presidents, the ABA Solo, Small Firm and General Practice Division, NOBC, and APRL were also appointed.

Chang provided SCEPR with two memoranda summarizing the various suggestions received for each advertising rule and, where applicable, identified recommendations from the working group.

D. SCEPR December 2017 Draft

After reviewing the Chang memoranda and other materials SCEPR drafted proposed amendments to Model Rules 7.1 through 7.5, and Model Rule 1.0 (terminology), which were presented to all ABA CPR Committees at the October 2017 Leadership Conference. SCEPR then further modified the proposed changes to the advertising rules based in part on the suggestions and comments of CPR Committees. In December 2017, SCEPR released for comment and circulated to ABA entities and outside groups a new Working Draft of proposed amendments to Model Rules 7.1-7.5.

E. ABA Public Forum – February 2018

In February 2018, the SCEPR hosted another public forum at the 2018 Midyear Meeting, to receive comments about the revised proposals.⁹ The proposed amendments were also posted on the ABA CPR website and circulated to state bar representatives,

⁸ Written submissions to SCEPR are available at:

https://www.americanbar.org/groups/professional_responsibility/committees_commissions/ethicsandprofessionalresponsibility/mrpc_rule71_72_73_74_75/modelrule7_1_7_5comments.html.

⁹ Speakers included George Clark, President of APRL; Mark Tuft, Chair, APRL Subcommittee on Advertising; Charlie Garcia and Will Hornsby, ABA Division for Legal Services; Bruce Johnson; Arthur Lachman; Karen Gould, Executive Director of the Virginia State Bar; Dan Lear, AVVO; Matthew Driggs; and Elijah Marchbanks.

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NOBC, and APRL. Thirteen speakers appeared. Twenty-seven written comments were submitted. SCEPR carefully considered all comments and further modified its proposals.¹⁰

On March 28, 2018, SCEPR presented a free webinar to introduce and explain the Committee's revised recommendations. More than 100 people registered for the forum, and many favorable comments were received.¹¹

V. The Background and History of Lawyer Advertising Rules Demonstrates Why the Proposed Rules are Timely and Necessary

A. 1908 – A Key Year in the Regulation of Lawyer Advertising

Prior to the ABA's adoption of the Canons of Professional Ethics in 1908, legal advertising was virtually unregulated. The 1908 Canons changed this landscape; the Canons contained a total ban on attorney advertising. This prohibition stemmed partially from an explosion in the size of the legal profession that resulted in aggressive attorney advertising, which was thought to diminish ethical standards and undermine the public's perception of lawyers.¹² This ban on attorney advertising remained for approximately six decades, until the Supreme Court's decision in 1977 in *Bates v. Arizona*.¹³

B. Attorney Advertising in the 20th Century

¹⁰ All Comments can be found here:

https://www.americanbar.org/groups/professional_responsibility/committees_commissions/ethicsandprofessionalresponsibility/mrpc_rule71_72_73_74_75/modelrule7_1_7_5comments.html. The full transcript of the Public Forum can be accessed here:

https://www.americanbar.org/content/dam/aba/administrative/professional_responsibility/public_hearing_transcript_complete.authcheckdam.pdf.

¹¹ An MP3 recording of the webinar can be accessed here:

https://www.americanbar.org/content/dam/aba/multimedia/professional_responsibility/advertising_rules_webinar.authcheckdam.mp3. A PowerPoint of the webinar is also available:

https://www.americanbar.org/content/dam/aba/administrative/professional_responsibility/webinar_advertising_powerpoint.authcheckdam.pdf.

¹² Robert F. Boden, *Five Years After Bates: Lawyer Advertising in Legal and Ethical Perspective*, 65 MARQ. L. REV. 547, 549 (1982). Mylene Brooks, *Lawyer Advertising: Is There Really A Problem*, 15 LOY. L.A. ENT. L. REV. 1, 6-9 (1994). See also APRL 2015 Report, *supra* note 2.

¹³ *Bates v. State Bar of Arizona*, 433 U.S. 350 (1977).

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Bates established that lawyer advertising is commercial speech and entitled to First Amendment protection. But the Court also said that a state could prohibit false, deceptive, or misleading ads, and that other regulation may be permissible.

Three years later, in *Central Hudson*,¹⁴ the Supreme Court explained that regulations on commercial speech must “directly advance the [legitimate] state interest involved” and “[i]f the governmental interest could be served as well by a more limited restriction . . . the excessive restrictions cannot survive.”¹⁵

In the years that followed, the Supreme Court applied the *Central Hudson* test to strike down a number of regulations on attorney-advertising.¹⁶ The Court reviewed issues such as the failure to adhere to a state “laundry list” of permitted content in direct mail advertisements,¹⁷ a newspaper advertisement’s use of a picture of a Dalkon Shield intrauterine device in a state that prohibited all illustrations,¹⁸ and an attorney’s letterhead that included his board certification in violation of prohibition against referencing expertise.¹⁹ The court’s decisions in these cases reinforced the holding in *Bates*: a state may not constitutionally prohibit commercial speech unless the regulation advances a substantial state interest, and no less restrictive means exists to accomplish the state’s goal.²⁰

C. Solicitation

Unlike advertising, in-person solicitation is subject to heightened scrutiny. In *Ohralik v. Ohio State Bar Ass’n*, the Supreme Court upheld an Ohio regulation prohibiting lawyers from in-person solicitation for pecuniary gain. The Court declared: “[T]he State—or the Bar acting with state authorization—constitutionally may discipline a lawyer for soliciting clients in-person, for pecuniary gain, under circumstances likely to pose dangers that the State has a right to prevent.”²¹ The Court added: “It hardly need be said that the potential for overreaching is significantly greater when a lawyer, a professional trained in the art of persuasion, personally solicits an unsophisticated, injured, or distressed lay person.”²² The Court concluded that a prophylactic ban is constitutional given the virtual impossibility of regulating in-person solicitation.²³

¹⁴ *Central Hudson Gas & Elec. Corp. v. Pub. Service Comm’n of N.Y.*, 447 U.S. 557 (1980).

¹⁵ 447 U.S. at 564.

¹⁶ See APRIL 2015 Report, *supra* note 2, at 9-18, for a discussion of these cases.

¹⁷ *In re R.M.J.*, 455 U.S. 191, 197 (1982).

¹⁸ *Zauderer v. Office of Disciplinary Counsel*, 471 U.S. 626, 647 (1985).

¹⁹ *Peel v. Attorney Registration & Disciplinary Comm’n*, 496 U.S. 91, 93-94 (1990).

²⁰ *In re R.M.J.*, 455 U.S. 191, 197 (1982); *Zauderer v. Office of Disciplinary Counsel*, 471 U.S. 626, 647 (1985); *Peel v. Attorney Registration & Disciplinary Comm’n*, 496 U.S. 91, 93-94 (1990).

²¹ *Ohralik v. Ohio State Bar Ass’n*, 436 U.S. 447, 449 (1978).

²² *Id.* at 464-65.

²³ *Id.* at 465-467.

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Ohralik's blanket prohibition on in-person solicitation does not extend to targeted letters. The U.S. Supreme Court held in *Shapiro v. Kentucky Bar Ass'n*,²⁴ that a state may not prohibit a lawyer from sending truthful solicitation letters to persons identified as having legal problems. The Court concluded that targeted letters were comparable to print advertising, which can easily be ignored or discarded.

D. Commercial Speech in the Digital Age

The *Bates*-era cases preceded the advent of the Internet and social media, which have revolutionized attorney advertising and client solicitation. Attorneys are posting, blogging, and Tweeting at minimal cost. Their presence on websites, Facebook, LinkedIn, Twitter, and blogs increases exponentially each year. Attorneys are reaching out to a public that has also become social media savvy.

More recent cases, while relying on the commercial speech doctrine, exemplify digital age facts. A 2010 case involves a law firm's challenge to New York's 2006 revised advertising rules, which prohibited the use of "the irrelevant attention-getting techniques unrelated to attorney competence, such as style and advertising gimmicks, puffery, wisps of smoke, blue electrical currents, and special effects, and... the use of nicknames, monikers, mottos, or trade names implying an ability to obtain results in a matter."²⁵ The U.S. Court of Appeals for the Second Circuit found New York's regulation to be unconstitutional as a categorical ban on commercial speech. The speech was not likely to be misleading.²⁶ The court noted that prohibiting *potentially misleading* commercial

²⁴ 486 U.S. 466 (1988). *But see, Florida Bar v. Went For It, Inc.*, 515 U.S. 618 (1995). The Supreme Court has upheld (in a 5 to 4 decision) a Florida Bar rule banning targeted direct mail solicitation to personal injury accident victims or their families for 30 days. The court found that the timing and intrusive nature of the targeted letters was an invasion of privacy; and, when coupled with the negative public perception of the legal profession, the Florida rule imposing a 30 day "cooling off" period materially advanced a significant government interest. This decision, however, does not support a prophylactic ban on targeted letters, only a restriction as to their timing. *But see, Ficker v. Curran*, 119 F.3d 1150 (4th Cir. 1997), in which Maryland's 30-day ban on direct mail in traffic and criminal defense cases was found unconstitutional, distinguishing *Went for It*, because criminal and traffic defendants need legal representation, time is of the essence, privacy concerns are different, and criminal defendants enjoy a 6th amendment right to counsel.

²⁵ *Alexander v. Cahill*, 598 F.3d 79, 84-86 (2d Cir. 2010). The court commented, "Moreover, the sorts of gimmicks that this rule appears designed to reach—such as Alexander & Catalano's wisps of smoke, blue electrical currents, and special effects—do not actually seem likely to mislead. It is true that Alexander and his partner are not giants towering above local buildings; they cannot run to a client's house so quickly that they appear as blurs; and they do not actually provide legal assistance to space aliens. But given the prevalence of these and other kinds of special effects in advertising and entertainment, we cannot seriously believe—purely as a matter of 'common sense'—that ordinary individuals are likely to be misled into thinking that these advertisements depict true characteristics. Indeed, some of these gimmicks, while seemingly irrelevant, may actually serve 'important communicative functions: [they] attract [] the attention of the audience to the advertiser's message, and [they] may also serve to impart information directly.'" (Citations omitted.).

²⁶ *Alexander v. Cahill*, 598 F.3d 79, at 96.

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speech might fail the *Central Hudson* test.²⁷ The court concluded that even assuming that New York could justify its regulations under the first three prongs of the *Central Hudson* test, an absolute prohibition generally fails the prong requiring that the regulation be narrowly fashioned.²⁸

In 2011, the Fifth Circuit reached a similar conclusion, ruling that many of Louisiana's 2009 revised attorney advertising regulations contained absolute prohibitions on commercial speech, rendering the regulations unconstitutional due to a failure to comply with the least restrictive means test in *Central Hudson*.²⁹ The Fifth Circuit applied the *Central Hudson* test to attorney advertising regulations.³⁰ Although paying homage to a state's substantial interest in ensuring the accuracy of information in the commercial marketplace and the ethical conduct of its licensed professionals, the Fifth Circuit relied on the Supreme Court's decision in *Zauderer* to conclude that the dignity of attorney advertising does not fit within the substantial interest criteria.³¹

[T]he mere possibility that some members of the population might find advertising embarrassing or offensive cannot justify suppressing it. The same must hold true for advertising that some members of the bar might find beneath their dignity.³²

Florida also revised its attorney advertising rules in light of the digital age evolution of attorney advertising and the commercial speech doctrine. Nonetheless, some of Florida's rules and related guidelines have failed constitutional challenges. For example, in *Rubenstein v. Florida Bar* the Eleventh Circuit declared Florida Bar's prohibition on advertising of past results to be unconstitutional because the guidelines prohibited any such advertising on indoor and outdoor displays, television, or radio.³³ The state's underlying regulatory premise was that these "specific media . . . present too high a risk of being misleading." This total ban on commercial speech again did not survive constitutional scrutiny.³⁴

²⁷ *Id.*

²⁸ *Id.* Note that the court did uphold the moratorium provisions that prevent lawyers from contacting accident victims for a certain period of time.

²⁹ *Pub. Citizen, Inc. v. La. Attorney Disciplinary Bd.*, 632 F.3d 212, 229 (5th Cir. 2011). Note that the court did uphold the regulations that prohibited promising results, that prohibited use of monikers or trade names that implied a promise of success, and that required disclaimers on advertisements that portrayed scenes that were not actual or portrayed clients who were not actual clients. The court distinguished its holding from New York's in *Cahill* by indicating that the Bar had produced evidence in the form of survey results that supported the requirement that the regulation materially advanced the government's interest in protecting the public.

³⁰ *Pub. Citizen, Inc. v. La. Attorney Disciplinary Bd.*, 632 F.3d 212 (5th Cir. 2011).

³¹ *Id.* at 220.

³² *Id.* citing *Zauderer v. Office of Disciplinary Counsel*, 471 U.S. 626, 648 (1985).

³³ *Rubenstein v. Fla. Bar*, 72 F. Supp. 3d 1298 (S.D. Fla. 2014).

³⁴ *Id.* at 1312.

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Finally, in *Searcy v. Florida Bar*, a federal court enjoined The Florida Bar from enforcing its rule requiring an attorney to be board certified before advertising expertise in an area of law.³⁵ The Searcy law firm challenged the regulation as a blanket prohibition on commercial speech, arguing board certification is not available in all areas of practice, including the firm's primary mass torts area of expertise.

VII. Conclusion

Trends in the profession, the current needs of clients, new technology, increased competition, and the history and law of lawyer advertising all demonstrate that the current patchwork of complex and burdensome lawyer advertising rules is outdated for the 21st Century. SCEPR's proposed amendments improve Model Rules 7.1 through 7.5 by responding to these developments. Once amended, the Rules will better serve the bar and the public by expanding opportunities for lawyers to use modern technology to advertise their services, increasing the public's access to accurate information about the availability of legal services, continue the prohibition against the use of false and misleading communications, and protect the public by focusing the resources of regulators on truly harmful conduct. The House of Delegates should proudly adopt these amendments.

Respectfully submitted,

Barbara S. Gillers, Chair
Chair, Standing Committee on Ethics and Professional Responsibility
August, 2018

³⁵ *Searcy v. Fla. Bar*, 140 F. Supp. 3d 1290, 1299 (N.D. Fla. 2015). Summary Judgment Order available at: [http://www.floridabar.org/TFB/TFBResources.nsf/Attachments/E8E7FDDE9DBB8DE385257ED5004ABB95/\\$FILE/Searcy%20Order%20on%20Merits.pdf?OpenElement](http://www.floridabar.org/TFB/TFBResources.nsf/Attachments/E8E7FDDE9DBB8DE385257ED5004ABB95/$FILE/Searcy%20Order%20on%20Merits.pdf?OpenElement).

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GENERAL INFORMATION FORM

Submitting Entity: Standing Committee on Ethics and Professional Responsibility

Submitted By: Barbara S. Gillers, Chair

1. Summary of Resolution. The SCEPR recommends amendments to Model Rules 7.1 through 7.5 and their related Comments. These amendments:

- Streamline and simplify the rules while adhering to constitutional limitations on restricting commercial speech, protecting the public, and permitting lawyers to use new technologies to inform consumers accurately and efficiently about the availability of legal services.
- Combine the provisions on false and misleading communications into Rule 7.1 and its Comments. The black letter of Rule 7.1 remains unchanged. Provisions of Rule 7.5, which largely relate to misleading communications, are moved into Comments to Rule 7.1.
- Consolidate specific rules for advertising into Rule 7.2, change “office address” to “contact information” (to accommodate technological advances) and delete unrelated or superfluous provisions. Provisions of Rule 7.4 regarding certification are moved to Rule 7.2(c) and its Comments. Lawyer referral services remain limited to qualified entities approved by an appropriate regulatory authority.
- Add a new subparagraph to Rule 7.2(b) as an exception to the general provision against paying for recommendations. The new provision would permit only nominal “thank you” gifts and contains other restrictions.
- Define solicitation as “a communication initiated by or on behalf of a lawyer or law firm that is directed to a specific person the lawyer knows or reasonably should know needs legal services in a particular matter and that offers to provide, or reasonably can be understood as offering to provide, legal services for that matter.” Live person-to-person solicitation is prohibited. This includes in-person, face-to-face, telephone, and real-time visual or auditory person-to-person communication such as Skype or FaceTime.
- Broaden slightly the exceptions in Rule 7.3(b)(2) and (3) to permit live person-to-person solicitation of “experienced users of the type of legal services involved for business matters,” and of “persons with whom a lawyer has a business relationship”. Additional Comments offers guidance on the new terms.

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- Eliminate the requirement to label targeted mailings as “Advertising”, but prohibit targeted mailings that are misleading, involve coercion, duress, or harassment, or where the target of the solicitation has made known to the lawyer a desire not to be solicited.

2. Approval by Submitting Entity

The SCEPR approved this recommendation on April 11, 2018.

3. Has this or a similar Resolution been submitted to the House or Board previously?

Yes. All amendments to the ABA Model Rules of Professional Conduct must be approved by the House of Delegates.

4. What existing Association policies are relevant to this Resolution and how would they be affected by its adoption?

Adoption of this resolution would result in amendments to the ABA Model Rules of Professional Conduct. Goal II of the Association—to improve our profession by promoting ethical conduct—would be advanced by the adoption of this resolution.

5. If this is a late Report, what urgency exists which requires action at this meeting of the House?

N/A

6. Status of Legislation (if applicable).

N/A

7. Brief explanation regarding plans for implementation of the policy, if adopted by the House of Delegates.

The Center for Professional Responsibility will publish amendments to the ABA Model Rules of Professional Conduct and Comments. The Policy Implementation Committee of the Center for Professional Responsibility has in place the procedures and infrastructure to successfully implement any policies that are adopted by the House of Delegates.

8. Cost to the Association (both indirect and direct costs):

None.

9. Disclosure of interest:

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N/A.

10. Referrals.

In February 2017, SCEPR hosted a public forum when it received from the Association of Professional Responsibility Lawyers (APRL) a proposal to amend the lawyer advertising rules. Invitations to attend and comment were extended to ABA entities including:

Bar Activities and Services

Client Protection

Delivery of Legal Services

Election Law

Group and Prepaid Legal Services

Lawyers Referral and Information Services

Lawyers' Professional Liability

Legal Aid and Indigent Defendants

Pro Bono and Public Service

Professional Discipline

Professionalism

Public Education

Specialization

Technology and Information Services

Bioethics and the Law

Commission on Disability Rights

Commission on Domestic and Sexual Violence

Hispanic Legal Rights and Responsibilities

Commission on Homelessness and Poverty

Commission on Immigration

Commission on Law and Aging

Commission on Lawyer Assistance Programs

Center for Racial and Ethnic Diversity

Commission on Sexual Orientation and Gender Identity

Commission on Women in the Profession

Administrative Law and Regulatory Practice

Antitrust Law

Business Law Section

Civil Rights and Social Justice

Criminal Justice Section

Section of Dispute Resolution

Section of Environment, Energy and Resources

Section of Family Law

Government and Public Sector Lawyers Division

Health Law Section

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Infrastructure and Regulated Industries Section
Intellectual Property Law
Section of International Law
Judicial Division
Labor and Employment Law
Law Practice Division
Law Student Division
Section of Litigation
Section of Public Contract Law
Real Property, Trust and Estate Law
Science and Technology Law
State and Local Govt. Law
Section of Taxation
TTIPS
YLD
Forum on Communications Law
Forum on Construction Law
Forum on Entertainment and Sports Industries
Franchising
Solo Small Firm GP

In December 2017, SCEPR released a Working Draft of its proposal to amend the Model Rules regulating lawyer advertising. Information released also included instructions on how to comment in writing and about the February 2018 public forum the Committee was to host. This was emailed to the state bar associations, state disciplinary agencies and the ethics committees of the following ABA entities:

Antitrust Law
Business Law
Criminal Justice
Dispute Resolution
Environment, Energy and Resources
Family Law
Government and Public Sector Lawyers Division
Health Law
Intellectual Property
International Law
Judicial Division
Labor and Employment Law
Law Practice Division
Litigation
Real Property, Trust and Estate Law
Senior Lawyers

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Solo, Small Firm, and General Practice
State and Local Govt. Law
Tort Trial and Insurance Practice
Young Lawyers Division

SCEPR also made its work available to the press and the public. Many news articles about its work appeared in the Lawyers' Manual on Professional Conduct, the ABA Journal, and other legal news outlets.

In February 2018, SCEPR hosted a Public Forum at the Midyear Meeting in Vancouver. More than 50 people attended, many spoke, and many written comments were received. A transcript of the proceedings and all the Comments were posted on the Committee's website.

In March 2018, SCEPR hosted a free webinar on the revisions it made to its proposal to amend the Model Rules. Information was emailed to members of the ABA House of Delegates, state bars, state regulators, and other groups.

11. Contact Name and Address Information. (Prior to the meeting contact person information.)

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12. Contact Name and Address Information. (Who will present the report to the House? Please include name, address, telephone number, cell phone number and e-mail address.)

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EXECUTIVE SUMMARY

1. Summary of Resolution.

The Resolution proposes changes to Model Rules 7.1 through 7.5, known as the lawyer advertising rules. The changes highlight the American Bar Association's long-standing leadership in promulgating rules for the professional conduct of lawyers generally, and in the rules governing lawyer advertising in particular.

A dizzying number of state variations in the rules governing lawyer advertising exist. There are vast departures from the Model Rules and numerous differences between jurisdictions. These differences cause compliance confusion among intra-state and interstate lawyers and firms, time-consuming and expensive litigation, and enforcement uncertainties for bar regulators. At the same time, changes in the law on commercial speech, trends in the profession including increased cross-border practice and intensified competition from inside and outside the profession, and technological advances demand greater uniformity, more simplification, and focused enforcement.

As amended the rules will provide lawyers and regulators nationwide with models that protect clients from false and misleading advertising, free lawyers to use expanding and innovative technologies for advertising, and enable bar regulators to focus on truly harmful conduct. The amended rules will also increase consumer access to accurate information about the availability of legal services and, thereby, expand access to legal services.

2. Summary of the issues which the Resolution addresses.

The Resolution addresses at least five issues. First, the Resolution addresses the overwhelming variation in the rules governing lawyer advertising by promoting simplified, targeted, and more uniform regulation in this area. Second, the Resolution addresses changes in the profession resulting from increased competition from inside and outside the profession and from increased cross-border practice. Lawyers who serve clients across jurisdictions and clients who need service across jurisdictions will benefit from the proposed changes. Third, the Resolution frees bar regulators to focus on truly harmful conduct: advertising that is misleading, harassing, and coercive. Fourth, the Resolution will increase access to legal services by freeing lawyers and clients to connect via ever-expanding technologies. Finally, the Resolution responds to developments in First Amendment law governing commercial speech and antitrust concerns.

3. An explanation of how the proposed policy position will address the issue.

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At least three policies inform the Resolution. First, lawyers and clients should be free to use advancing technology to provide the public with greater access to legal services. Second, lawyer advertising rules should focus on truly harmful conduct: false, deceptive, and misleading statements, harassment, coercion, and invasions of privacy, freeing lawyers of unnecessary restrictions. Finally, bar regulators should be able to concentrate their limited enforcement resources on truly harmful conduct.

4. A summary of any minority views or opposition internal and/or external to the ABA which have been identified.

Minority opposition has been received from two state bar associations: the Illinois State Bar Association and the New Jersey State Bar Association. There was also opposition, but only on two amendments, from the Connecticut Bar Association Standing Committee on Professional Ethics (the “Connecticut Ethics Committee”). The two amendments opposed by the Connecticut Ethics Committee are: (i) eliminating the labeling requirement and (ii) permitting nominal gifts for recommendations.

That said, proposals to change the Model Rules of Professional Conduct typically generate diverse comments rooted in dissimilar philosophical and drafting approaches. The comments received by SCEPR throughout this process followed that pattern; they reflected divergent approaches toward lawyer advertising. Generally, however, the minority views fell into two categories.

One group of minority views argued that SCEPR’s proposals do not remove enough restrictions on lawyer communications with the public regarding legal services and the availability of legal services. In this group are states and individuals—within and outside the ABA—who argue that the Model Rules should prohibit only false or misleading communications.

The other group thought the opposite was true—that SCEPR’s proposals went too far in lifting regulatory constraints on lawyers. In this group are a handful of individuals and state bar associations that oppose, for example, (i) lifting limitations on communicating with experienced users of legal services in business matters, (ii) permitting nominal gifts for recommendations, and (iii) removing the labelling requirement on targeted mail. Some of these commenters also opposed the simple restructuring of current provisions on firm names and claims about specialization.

SCEPR considered all of these, as well as other comments. After significant study, debate, deliberation, and work, SCEPR concluded that its proposals represent the right mix of regulations to protect the public from false, misleading, and harassing conduct while freeing lawyers to use innovative technologies to communicate accurate information about the availability of legal services, enabling clients to find lawyers using those technologies, and focusing regulators on truly harmful conduct.

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