Chair Martinez, Vice Chair Perlman and members of the Committee, my name is Paris Eliades and I am president of the New Jersey State Bar Association.

I would like to thank the Commission for holding this hearing to discuss issues critical to the legal profession. I will briefly share with you the NJSBA’s position on two key matters raised in the Commission’s issue paper: (1) Our steadfast position that only lawyers should be permitted to own law firms; and (2) Our fundamental belief that the public and the legal profession will be harmed by allowing unlicensed individuals without a Juris Doctorate degree to practice law.

The NJSBA firmly believes that the public has been well served by the traditional and long standing relationship that exists between the Judiciary and the bar, and the responsibilities imposed on attorneys in the ownership of law firms as a result. We see great value in the parameters provided by our rules of professional conduct, the ethical obligations they impose upon us in all matters and the regulation of conflicts, financial and otherwise, that could threaten the interests of the clients we serve.

The overarching goal of our system is to ensure that every client is afforded a just, fair and impartial system where lawyers zealously advocate their clients’ interests within the boundaries of ethics rules and where judges decide matters based on the facts of the case and the laws of the land.

While the ownership of law firms by non-lawyers is occurring in other parts of the world, where it has been argued that there will be a resultant cost-savings in the delivery of legal services, I stand here today to tell you that if there is any reduction in cost it will be at the expense of diminishing the quality of the legal services rendered given the competing interests this model injects.

Opening law firm ownership to non-lawyers will dilute and ultimately eviscerate our professional
independence in such a fundamental way that lawyers will be forced to place the interests of their corporate sponsors above the duties and responsibilities of their professional obligations. The loss will be profound. Allowing non-attorneys to own law firms changes that balance and allows profit motives to replace independent professional judgment in the zealous representation of clients.

We are deeply wary of changing the historic status quo without good and sound reason. Simply put, if there is good reason to change the long standing rules governing law firm ownership, it has not been made apparent to the NJSBA.

I would like now to turn my attention to the issue of non-lawyers delivering legal services.

On behalf of our 18,000 members, we do not believe that the public, nor the profession would benefit if non-lawyers were permitted to provide legal services.

So strong is our belief that the public and profession are better served when legal advice is administered only by licensed attorneys that the NJSBA has challenged individuals who practice law without a law license.

We have even filed civil complaints with our Supreme Court’s unauthorized practice of law committee against various companies that claim to offer low-cost services to purportedly address legal issues because, as lawyers, we see and know the harm they cause to clients who believe they have resolved a legal matter, only to find out that it was either never resolved or done improperly.

And, we have advocated before our Legislature to make it illegal for notarios to advertise as being able to address legal issues, because we have learned that they take advantage of the vulnerable in our society who do not understand our system of justice.

We have taken these steps to ensure that our citizens are not preyed upon by individuals purporting to assist with the completion of seemingly simple legal tasks at a nominal cost.
We believe it is vitally important for the public to be represented in legal matters by a licensed attorney, a professional who is duty-bound by the same ethical rules I discussed earlier. It is a disservice to the public and to our profession to allow non-lawyers to dispense legal advice especially when we have countless thousands of newly admitted and established colleagues who are not able to make a decent living as a practicing lawyer.

There are other avenues that have not been fully explored to engage attorneys in representing clients in an affordable manner. Indeed, there are a great many programs around the country, including those sponsored by bar associations. We support your efforts to fully examine these programs and other possible models before resorting to an alternative that hurts the public and lawyers at large.

While the NJSBA takes a strong stand today, we do recognize the urgent need to provide quality and affordable legal services to the public. That is the very reason why the NJSBA has formed the Blue Ribbon Commission on Unmet Legal Needs. We, like many states, are seeking practical solutions to employ our unemployed and underemployed lawyers in a way that address the unmet legal needs of growing number of moderate income folks in our society. When our Commission has competed its work we would be happy to share their report with this group.

Thank you for allowing the NJSBA to be a part of this discussion.