



June 23, 2000

The Honorable Richard Alarcon  
California State Legislature  
State Capitol Room 4066  
Sacramento, CA 95814  
Re: Senate Bill 1782 on Admission of Attorneys in California

Dear Senator Alarcon:

We are writing on behalf of the American Corporate Counsel Association (ACCA) to urge you to support passage of SB 1782. We believe this bill will have a positive impact on the delivery of legal services to corporate and other business clients within California.

**1. ACCA.**

ACCA is the only national bar association exclusively serving the professional needs and interests of in-house counsel to corporations and other private sector organizations. Since its founding in 1982, ACCA has grown to represent over 11,800 individual in-house counsel members. These members work in over 5,000 separate business and not-for-profit organizations across the United States and overseas. Many of these businesses are located or do business in California. Over 1,300 of the more than 5,000 in-house counsel who actually practice in California are ACCA members. ACCA's California members represent a great diversity of businesses -- over 640 separate companies -- including: multi-national corporations with large law departments, non-profit organizations such as California's finest universities, and small start-ups, family-owned, and dot-com businesses with only a single lawyer on staff.

ACCA has four active chapters in California, more than in any other state: San Francisco Bay Area ACCA, Sacramento ACCA, Southern California ACCA and San Diego ACCA. Like the national parent organization, each of these chapters offers its local membership a full panoply of services, including networking, educational programming, online resources, and a wide variety of initiatives focused on such priorities as pro bono service, diversity in the legal profession and relationships with local law schools and their students.

While ACCA does not lobby or engage in significant efforts to influence governmental decision-making at either the local or national levels, ACCA frequently files its comments and offers its expertise on matters involving in-house counsel and

their practice environment. ACCA regularly files amicus briefs with courts across the county, including the Courts of Appeal and Supreme Court of California, and provides testimony before legislatures, professional groups, licensing authorities and courts when these entities are considering issues that would specifically affect in-house legal practice or corporate counsel as a subset of the legal profession.

## **2. SB 1782.**

SB 1782 provides that any attorney who is duly licensed after passing the bar examination of any US jurisdiction may be admitted to the California State Bar after proving that the attorney has practiced law for three years in good standing in that other jurisdiction and upon passage of an ethical fitness investigation. This bill would allow attorneys who have already passed one bar examination, practiced for a minimum of three years and, then passed the California character investigation, to be admitted to practice in California without taking the California bar examination.

### **A. SB 1782 Reflects the Reality of the National Practice of Law.**

ACCA strongly advocates reciprocal admissions standards such as those reflected in SB 1782. For the corporate in-house legal community, reciprocity reflects the reality that, for our clients, the practice of law in the United States is a national, if not an international practice. Our corporate clients, whether located in California or outside the state, share a common need for a wide variety of legal services which transcend any one state's boundaries. As a result, many corporations with a diversity of national legal needs and multiple site locations have in-house legal departments in more than one state and regularly transfer in-house attorneys between locations. Similarly, many California companies, seeking to establish or grow their in-house legal departments, recruit experienced or highly specialized attorneys from out-of-state.

These in-house attorneys have already passed a bar examination and practiced for some period of time. They are highly sophisticated practitioners conducting transactions or offering client counseling based on very specialized expertise that usually transcends the body of any one state's law or regulation. But, under current California law, these specialists cannot provide legal services to their corporate clients in California until they have also passed the California bar examination. SB 1782 would eliminate this burden.

### **B. SB 1782 Protects the California Consumer of Legal Services.**

The proposed legislation adequately safeguards the people and companies of California from incompetent and unethical lawyers. First, to be admitted in California, an out-of-state attorney must pass the bar examination of another US jurisdiction. There is no reason to believe that lawyers licensed elsewhere in the US are not competent to practice law. The majority of the substantive legal subjects tested on state bar examinations do not significantly differ from state to state. In addition, the multi-state bar and ethics examinations already reflect the increasing nationalization of the law which attorneys practice today. And much of what today's lawyers do for their clients isn't even tested in the bar exam.

Second, SB 1782 requires that the out-of-state attorney practice for three years and remain in good standing in their licensing jurisdiction. This requirement recognizes that the real protection for legal consumers is not the ability to take a test, but the experience and judgment derived from the practice of law, and a showing that the lawyer has served clients well in the past. Since the proposed legislation requires that an attorney must be able to "pass" a California ethics investigation, incompetency and unethical behavior reported to other bars will be easily uncovered, and admission will be denied.

Finally, the attorney is licensed by and subject to the ethical rules, continuing legal education requirements and disciplinary procedures of the State Bar of California. Since many attorneys do for all intents & purposes practice law in California without a license, they are not directly subject to the California bars' jurisdiction and regulation. This legislation will allow for those attorneys who already practice law in California to some extent to be subject to the authority of the California bar.

ACCA does not believe that SB 1782 will result in a flood of new lawyers seeking to set up shop in California because of reciprocity. But, even if it does, the proposed legislation protects both the people and the legal community of California by providing adequate safeguards to ensure that the basic competency and moral character of attorneys doing business in our state are maintained.

### **3. Conclusion.**

The legal admissions standards of the 50 states were adopted and based on legal traditions, jurisdictional standards and the limited mobility which characterized the 18th century, not the 21st. Every other major profession - including doctors, accountants, architects, engineers, and so on - already have adopted standards of reciprocity which recognize this 21st century reality; only the legal profession has resisted such change, and on grounds which are no longer relevant, applicable, or persuasive. Thus, ACCA urges you to support SB 1782, a significant step forward for the California legal community and the clients it serves.

Please feel free to call upon us or the national organization we are part of if you would like to discuss this legislation further.

*Sincerely yours,*

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cc: Maud Mater, ACCA Board Chair  
Frederick J. Krebs, ACCA President