

No. C8-84-1650  
STATE OF MINNESOTA  
IN SUPREME COURT

OFFICE OF  
APPELLATE COURTS

JUN 3 - 2002

**FILED**

In re:

Amendment of Minnesota Rules  
of Professional Conduct

**SUPPLEMENTAL STATEMENT OF MINNESOTA STATE BAR ASSOCIATION**

TO THE HONORABLE JUSTICES OF THE MINNESOTA SUPREME COURT:

Petitioner Minnesota State Bar Association ("MSBA") respectfully submits this Supplemental Statement in support of its Petition for Amendment of the Minnesota Rules of Professional Conduct.

1. By the Amended Order for Hearing to Consider Proposed Amendments to the Minnesota Rules of Professional Conduct dated April 22, 2002, this Court directed Petitioner MSBA to file a supplemental statement that addresses on a state-by-state basis the status of multidisciplinary practice.

2. Attached to this Supplemental Statement as Exhibit A is a table that indicates the current status of multidisciplinary practice initiatives in each of the states. Exhibit A is derived from a table posted at an American Bar Association website dedicated to this subject, which is found at

<http://www.abanet.org/cpr/multicom.html>. That site also contains links to

websites in those states where additional information is available. Exhibit A also includes additional information provided by the MSBA relating to subsequent action. For example, the entry for Utah includes a description of the decision of the Utah Supreme Court denying a petition to adopt a rule on multidisciplinary practice. The proposed Utah rule, however, unlike the MSBA Petition proposal here, did not provide for the valuable substantive control requiring majority ownership and control by lawyers of any MDP entity.

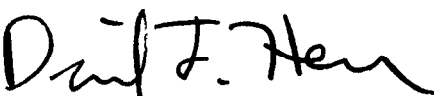
3. Petitioner MSBA will provide the court an updated version of this chart if it becomes aware of significant further developments.

Dated: May 31, 2002.

Respectfully submitted,

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**STATE-BY-STATE STATUS  
OF MULTIDISCIPLINARY PRACTICE INITIATIVES  
PREPARED BY MINNESOTA STATE BAR ASSOCIATION**

Derived from ABA website\*

**MDP INFORMATION – April 29, 2002**

This report and a longer narrative one are posted at

<http://www.abanet.org/cpr/multicom.html>

Both reports contain links to websites where available (underlined jurisdictions).

JURISDICTION	CATEGORY	STATUS
<u>Alabama</u>	Studying	Pro and con reports submitted, asking for member comments on reports.
<u>Alaska</u>	Nothing	No formal study.
<u>Arizona</u>	Pro	Task force drafted Rule amendments (5.4, 1.6, 1.7, 1.10, 1.15, 1.16, 5.5, 5.3, 5.5, and the advertising rules) that were presented to the Board of Governors in November 2001. The proposal does not require lawyer control of the MDP. On April 18, 2002 the Board deferred a vote on the proposals indefinitely.
<u>Arkansas</u>	Rejected	House of Delegates rejected a proposal to allow MDPs.
<u>California</u>	Pro	The Task Force filed its report on June 29, 2001. The report requires a certification process for MDPs; it does not require lawyer control of the enterprise. It is anticipated that the State Bar of California Board of Governors will consider the comments received on the report at Board meetings scheduled for August 23-24, 2002.

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\*States that are underlined in this report are those to which hyperlinks exist on the ABA website to web pages for those separate states.

<b>JURISDICTION</b>	<b>CATEGORY</b>	<b>STATUS</b>
<b><u>Colorado</u></b>	Pro	Board of Governors has adopted a resolution supporting MDPs; the resolution does not require lawyer control of the MDP. A subcommittee of the MDP Task Force is drafting proposed new rules and rule amendments to permit MDPs.
<b><u>Connecticut</u></b>	Studying	Task force filed report in May 2000 that recommended no changes in the ethics rules and continued study of the issue.
<b><u>Delaware</u></b>	Rejected	Committee determined that MDP should not be permitted in Delaware beyond current practices of law firms associated with incorporation businesses, etc. However, if the ABA changes its position, Delaware will reconsider.
<b><u>District of Columbia</u></b>	Pro	On Oct. 19, 2001 the Special Committee on Multidisciplinary Practice unanimously approved its report, which stated that existing restrictions on lawyer participation in multidisciplinary practice should be substantially reduced. The Report was adopted by the DC Bar Board of Governors on May 14, 2002. A petition for a rule change will be forwarded to the Court of Appeals.
<b><u>Florida</u></b>	Rejected	Board of Governors adopted a resolution opposing MDPs.
<b><u>Georgia</u></b>	Pro	Committee submitted report on February 8, 2001 that recommended that the rules be changed to permit MDPs where lawyers control the enterprise. The Board may vote on it at the June 2002 Annual Meeting.
<b><u>Hawaii</u></b>	Nothing	No committee.
<b><u>Idaho</u></b>	Dormant	Committee voted to disband.

JURISDICTION	CATEGORY	STATUS
<b>Illinois</b>	Rejected	Assembly voted to support resolution before ABA to make no change to model rules.
<b><u>Indiana</u></b>	Rejected	Committee filed report on April 9, 2001 that recommended that the rules be changed to permit MDP. On Jan. 24, 2002 the House of Delegates voted against the recommendation.
<b><u>Iowa</u></b>	Monitoring	Committee filed report on January 19, 2001 that recommended that it continue monitoring developments relating to MDP.
<b>Kansas</b>	Rejected	Board of Governors voted to oppose MDPs.
<b>Kentucky</b>	Rejected	Committee voted to oppose MDPs.
<b>Louisiana</b>	Nothing	No committee.
<b><u>Maine</u></b>	Pro	Task force report recommends review of rules to permit MDP if lawyers are in control of MDP.
<b><u>Maryland</u></b>	Rejected	Board of Governors voted against any rule changes regarding MDPs in September 2000.
<b><u>Massachusetts</u></b>	Nothing	No activity by state bar.
<b><u>Michigan</u></b>	Studying	Task force recommends changes to rule on ancillary services, but does not permit fully integrated MDPs. On February 10, 2001 the Representative Assembly indefinitely postponed consideration of the recommendations.

JURISDICTION	CATEGORY	STATUS
<u>Minnesota</u>	Pro	General Assembly has adopted a pro-MDP task force report. In January 2002, the task force filed a petition to the state Supreme Court to adopt specific rule amendments to allow for MDP. The amendments would require lawyer control of the MDP.
Mississippi	Nothing	Task force has been disbanded. Will be reactivated if there are new developments on the national scene.
<u>Missouri</u>	Neutral	Board of Governors supported neither ABA Commission report nor MacCrate Commission report. Urges consideration of core values including lawyer controlled MDPs if allowed.
Montana	Studying	The Multidisciplinary Practice Committee will report to the Board of Trustees from time to time, including progress on the feasibility of adopting proposed rules on MDP.
<u>Nebraska</u>	Rejected	House of Delegates voted to oppose MDPs.
Nevada	Nothing	No information available.
New Hampshire	Studying	In process of asking for member comments regarding MDPs.
<u>New Jersey</u>	Rejected	Board of Trustees accepted task force report opposing MDPs.
New Mexico	Studying	Task force appointed to study issue. Report was expected by November 2001.
<u>New York</u>	Rejected	Special committee issued extensive report opposing MDPs but clarifying ancillary business provisions.

JURISDICTION	CATEGORY	STATUS
<u>North Carolina</u>	Pro	Task force issued report on Sept. 13, 2000 supporting lawyer controlled MDPs. Task force collected responses from bar members and reported to the Board of Governors in October 2001. Another committee is now following the issue.
North Dakota	Studying	Has been referred to Joint Commission on Attorney Standards for monitoring. The committee is reviewing activities of other states and has not taken substantive action.
<u>Ohio</u>	Rejected	On May 17, 2000 the OSBA Council of Delegates approved a report that concluded that MDP should not be authorized or sanctioned.
<u>Oklahoma</u>	Studying	Board of Governors issued three informational reports. The final report stated that "the national inquiry and debate relating to Multidisciplinary Practice (MDP) which was implemented and facilitated by the ABA Commission on Multidisciplinary Practice has now reached a conclusion."
Oregon	Rejected	House of Delegates voted against MDPs in September 2000.
<u>Pennsylvania</u>	Rejected	House of Delegates voted to oppose commission report recommending lawyer controlled MDPs.
<u>Rhode Island</u>	Rejected	House of Delegates voted against MDPs on October 30, 2000.
<u>South Carolina</u>	Pro	Task force report recommends rules be modified to permit MDPs with a specified list of professions, requires petition to state supreme court to form MDP. No further action currently under consideration.

JURISDICTION	CATEGORY	STATUS
<b>South Dakota</b>	Pro	As first step, committee has recommended a definition of the practice of law.
<b><u>Tennessee</u></b>	Rejected	Task force issued report opposing ABA Commission recommendation to allow MDPs.
<b><u>Texas</u></b>	Rejected	Board of Directors accepted task force report to oppose MDPs at this time.
<b><u>Utah</u></b>	Rejected	On January 26, 2001, the Utah Bar Commission unanimously approved the recommendations of the Utah MDP Task Force. On February 15, 2001 the Utah State Bar filed a petition asking that after the Advisory Committee completes its study and recommendations, the Court authorize amendments to the Rules of Professional Conduct to permit multi-disciplinary practice. The proposal did not require lawyer control of the MDP. The Utah Supreme Court's "Rules" committee came out against the MDP proposal. On January 30, 2002, the Utah State Bar's Past-President and the Chair of the Utah State Bar MDP Task Force met with the Utah Supreme Court and representatives from the Court's Rules Committee. On April 2, 2002 the Court denied the Bar's petition on MDP, expressing its willingness to reconsider the concept in the future "in light of experience that may be gained from other jurisdictions dealing with the multidisciplinary issue."
<b>Vermont</b>	Nothing	No discussion.



<b>JURISDICTION</b>	<b>CATEGORY</b>	<b>STATUS</b>
<b><u>Virginia</u></b>	Pro	Commission issued a report on October 1, 2001 recommending that lawyers be permitted to practice in fully integrated MDPs. The proposal does not require lawyer control of the MDP. The report was discussed and debated at a February 2002 meeting and is scheduled for a vote at the June 2002 Annual Meeting.
<b>Washington</b>	Studying	Committee appointed to study issue.
<b><u>West Virginia</u></b>	Rejected	Board of Governors adopted report of committee to oppose MDPs.
<b><u>Wisconsin</u></b>	Studying	A Multidisciplinary Practice Commission was assembled as a result of a May 5, 2001, Board of Governors resolution calling for in-depth study of MDP. The Commission's final report was presented at the May 17-18, 2002 board meeting. The report requires lawyer control of the MDP. A vote is scheduled for the September board meeting.
<b>Wyoming</b>	Studying	Working on creating a definition of MDP and draft rules to allow. Plans to hold referendum of its membership to debate the issue.

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