

March 21, 1979

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the question of participation in prepaid legal insurance either the type of company that an attorney may work with, the conditions under which they may work, that sort of thing?

SENATOR DeCAMP: Theoretically I am sure that the code of ethics could and I guess I can just speculate on my own and I can say possibly they will have some regulations in this area.

SENATOR FOWLER: Okay. Do you think it is appropriate that if the Bar Association on the one, can issue these types of rules of conduct, but also then run an insurance company or package, do you see any conflict there with that sort of ability basically and a kind of anticompetitive aspect where they could prohibit through their rules, attorneys working with competing prepaid legal plans?

SENATOR DeCAMP: I see the theoretical issue and I think at such time as, let's say the Bar Association did decide to get into this because somebody else didn't, then I think there is a legitimate question that could be raised there. I don't know how valid it is but it certainly is a legitimate question, Steve.

SENATOR FOWLER: Well those are concerns...

SENATOR DeCAMP: Potential conflict.

SENATOR FOWLER: Those are concerns that people have raised to me that the Bar Association has, one, since attorneys are required to belong to it and, two, because they control basically whether or not you stay in the practice, they all ready have a great deal of control over the practices of attorneys and that, second then, if they get into the insurance business that they would be able to use that control to their advantage. I think that sort of anticompetitive nature is what makes a number of attorneys nervous about this. Now if the Bar Association itself does not want to get into this except if no one else comes in, perhaps we could preclude them from forming an insurance company in this bill and if nothing surfaces in a couple of years, they could come in and ask for that permission.

SENATOR DeCAMP: That is a possibility and between now and Select, after we move the bill on, I would sure be willing to sit down and talk about it.

SENATOR FOWLER: Okay, that is fine.