LegalCORPS, a business law pro bono program started by the Minnesota State Bar Association (MSBA), is now up and running.

Through the recently incorporated nonprofit, business lawyers will donate their time and legal services to other nonprofit corporations and very small businesses to assist in economic development.

LegalCORPS was initiated last year as part of the MSBA Legal Assistance to the Disadvantaged Committee’s (LAD) 10-point plan to increase the amount of pro bono work being done by Minnesota lawyers. (See “State bar’s pro bono challenge moving ahead,” in the Sept. 22, 2003, issue of Minnesota Lawyer.) It came about in large part due the vision of former MSBA president James L. Baillie.

“I think that providing services to these nonprofit organizations and to these micro-enterprise organizations can make a lot of difference long term for our community,” Baillie observed. “There are a lot of lawyers that would like to provide these services and ... have the skills and the experience and the interest in [doing so]. It's a good match.”

Those involved in the creation of the program say it has been well received — by the community in general and by the lawyers who've shown an interest in participating.

“We've really benefited from good energy in the legal community ... and from community organizations,” said Minneapolis attorney Joseph L. Genereux, president of the board of LegalCORPS. “It's going to be an effective program because we got that kind of help.”

Unmet need

Much of the pro bono work traditionally handled by attorneys involves litigation, in areas like family law, immigration, employment and housing.

According to Baillie, it’s a challenge to find pro bono opportunities that business lawyers are enthusiastic about. He said that historically they have been reluctant about taking on pro bono cases when it requires that they step outside their traditional areas of expertise.

Therefore, one of Baillie’s pet projects as bar president was an effort to draw more business lawyers into doing pro bono work. He and several other interested attorneys got together and formed the MSBA’s Task Force on Business Law Pro Bono to look into the possibility of forming a business law pro bono program.

“We formed a large committee which consisted of lawyers who might have some interest or connection to this kind of service ... as well as people who are involved with organizations that serve the kind of clients that we were thinking of serving — namely, nonprofits and very small businesses that we are calling microenterprises,” Baillie observed.
For nearly a year, the task force conducted regular meetings in which it heard presentations from people and community groups that had insight into the need for small businesses to receive legal services. At the end of the process, the task force issued a fairly extensive report of its findings.

According to Genereux, who co-chaired the task force along with Baillie, the group concluded that the need and the interest were there.

The report issued by the task force last year indicated that both nonprofits and small businesses have unmet needs for legal services. "The nature of these needs change as these entities develop and mature, but they often continue to be unmet when the means for paying for them are not available," the report states. "Evidence presented to the task force confirmed that if more lawyers were available to provide pro bono legal services, nonprofits and microenterprises would utilize those services."

Given that many nonprofits and small businesses need pro bono legal services and many business lawyers have expressed interest in meeting those needs, the task force determined that a program should be formed to match volunteer business lawyers with eligible clients who are not being served by existing programs.

Genereux pointed out that while some large firm business lawyers can provide pro bono legal services through programs organized by their firms, attorneys in smaller firms have struggled to find such opportunities.

"We don’t want to impede but instead fit in with what’s already taking place," Genereux explained. “But many lawyers don’t have access to a firm’s program. This is a unique opportunity to do business law pro bono work through our connections with the community organizations."

In August 2003, Baillie and the LAD committee adopted 10 initiatives designed to reach a goal of 500 new volunteer lawyers and 1,000 new cases over the bar year. (Baillie reported in June 2004 that the committee easily met its goal, with 652 new attorneys accepting new representations during the bar year and more than 5,614 additional pro bono clients being served.) The business law pro bono program was one of the key initiatives in LAD’s plan.

LegalCORPS has since been established as a separate and independent 501(c)3 organization. Although it has working relationships with the MSBA, various county bar associations, and existing charitable organizations, the organization is dependent upon grants and charitable support.

In September 2003, the MSBA Board of Governors provided $15,000 in “seed money” to facilitate the early operations of the program. Since that time, organizers have received various donations and grants, including a major three-year grant from the Bush Foundation that came through in late July 2004. (The Bush Foundation provides grants and fellowships to support the work of nonprofit organizations and the professional development of individuals.)

“One of their grant funders who was on a committee that I was on ... came up to me and said ‘Jim, I think we should talk about whether we can help you find funding for your vision.’ So they have given us a three-year grant,” Baillie observed.

According to MSBA president David Stowman, the MSBA recently hired a pro bono development director who will begin working on Oct. 15. That person will serve as the executive director of LegalCORPS, spending one-half of his time working for that organization, and the other half of his time coordinating the MSBA’s general pro bono efforts.
The MSBA also recently entered into a contract with the Volunteer Lawyers Network — which coordinates the delivery of pro bono legal services for the Hennepin County Bar Association — to serve as the administrator of the LegalCORPS program. For LegalCORPS purposes, VLN will coordinate services statewide.

Minneapolis attorney Bradley C. Thorson, executive director of VLN, explained that VLN would work closely with the LegalCORPS executive director in doing case placements. “We’ve got years and years of experience taking phone calls and placing cases,” he noted.

**The mission**

The mission of the newly formed organization is to provide pro bono legal services to eligible nonprofit organizations and micro-businesses on business-related matters. LegalCORPS will aim primarily to serve two types of clients — nonprofits and microenterprises, particularly small businesses in poor neighborhoods.

“We are particularly concerned with small businesses where assisting those small businesses would be in aid of community development,” Baillie observed.

This includes organizations like those served by the Metropolitan Economic Development Association (MEDA), which assists minority entrepreneurs with developing the skills to start and grow successful businesses, Baillie explained. He also envisions the microenterprises to be the same clientele served by organizations such as the Neighborhood Development Center in St. Paul, a community development agency that offers business training, loans and technical assistance to help inner city entrepreneurs revitalize their neighborhoods.

“We used the [task force] process to confirm that those kinds of organizations needed legal services and by and large weren’t getting them because they couldn’t afford them,” said Baillie.

According to organizers of the program, LegalCORPS will assist small businesses and microenterprises in the following areas:

- Organizational formation and governance (e.g., incorporation, fiduciary duties, liability insurance);
- Taxation (e.g., general advice regarding state and local taxes, application/maintenance or exempt status);
- Business contracts, structure and transactions (e.g., partnerships, joint ventures, reorganizations, mergers);
- Employment (e.g., contracts, human resources, personnel policies);
- Real Estate (e.g., leases, property taxes); and
- Intellectual property (e.g., trademarks, copyrights, technology licenses).

“It’s really the whole gamut,” said Genereux. “The brunt of the work to be done is similar to the work done for non-pro bono clients.”

**Placement process**

Recruitment of volunteer attorneys throughout the state is currently underway and a few have been placed.

“We’re doing a little bit of case placement now and within a couple months we’ll have a fair amount of it underway,” Baillie observed.
Baillie also indicated that LegalCORPS is just about to make a broad announcement to its “partners,” or “collaborators,” that it is seeking work.

“We’re not ready to just open it up to anybody, any organization that thinks it might be an eligible client,” he said. “They need to come to us through some other community organization they already work with, like the ones of the type I described.”

According to Baillie, the LegalCORPS board of directors is also still working out all of the particulars of the program. “Our board is meeting in various committees to work out a lot of details — our articles, our by-laws, our policies on certain issues, our training programs, publicity,” he said.

Genereux added that the community organizations have shown an intense interest in the program. “They were part of our task force, and they continue to be on board,” he said. “We are working with a core group of about 15 to 20.”

Lawyers are showing interest as well. Genereux explained that this past summer an e-mail about the program went out prematurely to about 1,500 lawyers and at least 30 or 40 responded. Another recruitment e-mail was sent out at the end of last month.

“My expectation is that we’ll have a healthy number of attorneys interested in participating,” Genereux said.