

Lawyer Referral Service

of CENTRAL TEXAS



DESCRIPTION AND RULES OF OPERATION (updated 11/01/2016)

1. History and Purpose

The Lawyer Referral Service of Central Texas (“Service”) is organized and operates to provide a public service by which any person may readily obtain legal services at an affordable fee, or referral information for appropriate legal service, or both.

LRS is a non-profit 501(c)(6) created by the Austin Bar Association in 1966 to assist individuals who do not have counsel and who are seeking help with a legal problem. Those who contact the Service are either referred to a lawyer who has indicated that he/she is qualified to handle the legal problem presented, or referred to community service organization. Further objectives of Service are:

- To acquaint people in need of legal services with the value of consultation with an attorney;
- To aid in the selection of a lawyer by providing information about lawyers and the availability of legal services;
- To provide general legal information needed by the public; and
- To encourage lawyers to recognize their obligation to provide affordable legal services to persons in need of such services.

How Does It Work?

The Service is comprised of three separate parts:

1. A staff person(s) who processes requests for legal assistance, makes referrals, and operates the Service (“Staff”);
2. Panels of lawyers who provide legal assistance (“Members”); and,
3. The LRS Board of Trustees, which has the authority to make and/or delegate all decisions necessary to operate the service and supervise the finances of the Service (“Board”).

Lawyers interested in participating complete an application and schedule an interview. Applicants may choose up to four (4) areas of law (“Panels”) in which to receive referrals and an unlimited number of “subpanels” based on experience levels of the lawyer applicant.

One of the hallmarks of the Service is screening; Staff makes referrals using information gathered during the screening process, including legal need, geographic area, and language spoken. The Member next on the rotating list receives a referral based on the above criteria. After making a referral, the Member rotates to the bottom of the referral list in that particular subpanel.

Callers (“Clients”) receive the name and telephone number of one or two Members. The Service transfers the Clients directly to the Member’s office to arrange an appointment (unless the Client requests otherwise). Clients may receive more than one referral when calling from out of town or if requested. If two referrals are given, the Staff does not make a call transfer. Referrals are made to a Member rather than to the Member’s office. Members are responsible for personally serving the Client.

LRS advises all Clients:

- Members shall return phone calls within 24 hours;
- They may receive personal in-office consultation for up to 30-minutes for \$20;
- That fees involved in representation should be discussed with the Member and all agreements shall be in writing;
- They should contact the Service for an additional referral if the Member cannot assist.

The Service sends an email confirmation of the referral to the Member and the Client. Members are required to report the status of all referrals. In return for referrals made to participating members, LRS receives a referral fee of 15% of all legal fees. (“Percentage Fee”).

How to Join

Complete and submit an application (www.AustinLRS.org) including the Member Information Sheet, Subject Matter Applications, and a copy of the declaration page of the professional liability insurance policy. **Contact Jeannie Rollo at 472-1311 to schedule an appointment.** Member dues payment can be paid during the orientation meeting.

LRS MEMBERSHIP RULES

I. Membership Criteria

Membership is extended to all Travis, Hays, Bastrop and Williamson County attorneys who have graduated from an accredited law school, have passed the Texas bar exam, licensed to practice law and members in good standing with the State of Texas, who are engaged in the full-time, private practice of law, and maintain full time office in the LRS service area.

Members must maintain a primary office in the county(ies) that LRS serves. The office is one in which the Member maintains a full time practice of law and spends at least three days a week. The Executive Director (“ED”), with the advice and consent of the Board, will have discretion to evaluate the type of practice and how that affects the Members’ ability to serve the geographical area. Office space must be completely separate from living space with a separate entrance. For home offices that do not have a separate entrance and meeting space, all attorney/client meetings must take place in a courthouse, law library, law office conference room, or other similar setting to insure safety, privacy, and professionalism. The Board has final discretion in reviewing acceptable office/meeting space and allowing exceptions.

Members must carry profession liability insurance with limits not less than \$100,000 per claim and \$300,000 aggregate. Members must attach a copy of the declaration page of the policy to the application for membership. When the policy expires, Members are placed on inactive status until insurance becomes current. Members have the affirmative duty to notify the Service of renewal, cancellation, or other changes to the insurance policy, and should authorize the insurance carrier to supply the Service with any information concerning the policy.

Members must possess legal ability and competency to handle legal issues in the categories they have designated for referrals. Members must demonstrate personal reliability and integrity and comply with all rules of the Service. LRS has the right to refuse membership.

II. Membership Dues (non refundable)

Annual membership fees are \$200 per year. Membership commences on the date you are activated in the LRS database and ends on that anniversary date. (change to dues structure 3/7/2016)

To encourage participating in a local bar association, new Members, joining the bar association for the first time, will receive a \$50 dues discount if they also join the bar association.

III. Consultation Fees

For each referral, the Member shall personally conduct a one-half hour consultation for \$20. Clients are informed by LRS of the initial consultation fee (\$20) and that further services and fees will be decided upon at the time of the consultation. Please send the referral client back to LRS if representation is denied.

If a Member plans to exceed 30 minutes and charge for the time that exceeds thirty minutes, the Member shall inform the Client of the fee to be charged at the conclusion of the 30 minute consultation. Members shall obtain the Client’s consent to provide any further services in advance of providing such services. Members must have in place written fee agreements and provide the Client a copy of the agreement.

The Client does not pay the \$20 consultation fee for specific referrals. However, if a percentage fee is earned on any such matter, the consultation fee becomes due in addition to the percentage fee. Panels that provide a free consultation are:

- personal injury matters (plaintiff)
- social security disability
- workers’ compensation
- bankruptcy, and
- criminal law

Where circumstances warrant, the Director, in his/her sole discretion, may approve a request for waiver of the consultation fee in other matters.

In the event that a Member does not receive the \$20.00 consultation fee from the Client, but does receive other legal fees for services rendered, the Member must still pay the \$20.00 fee in addition to the percentage fee owed.

IV. Fee Agreements

Compensation for additional time or services beyond the initial one-half hour consultation must be agreed upon between the Member and the Client before Client is charged any fee beyond the \$20.00. Please be sure the Client understands that additional fees may apply upon the expiration of the initial thirty-minute consultation. Members *must* have written fee agreements with Clients who retain them through the LRS referral. Please contact the LRS office for sample fee agreements.

V. Percentage Fees

The combined fees and expenses charged a Client should not exceed the total charges the Client would have incurred had no referral service been involved. Members shall not increase fees to compensate for the portion due to LRS.

Members are required to pay the Lawyer Referral Service a 15% referral fee on each LRS case that generates a fee. LRS uses fees it receives for operating costs. Fees over and above general operating costs (salaries, rent, other office related expenses) are used for advertising and community outreach.

If the Member and Client enter into an agreement whereby the Member provides legal services to the Client for which the Client pays a fee, then percentage fees are due to the Service. Payment must be reported and paid monthly (whether Client has paid in response to a bill or whether the Member has billed against funds held in trust) to the LRS on the next status report cycle, even if the Member anticipates that additional fees will be paid in the future by the client.

“All fees received” are fees received by the Member, partners, or associates, or by any attorney to whom the case has been transferred, with or without LRS consent.

If the Member fails to remit the appropriate percentage fee to the Service within the next status report cycle, the Director shall notify the Member requesting immediate remittance of the appropriate percentage fee to the LRS. At the same time, the Director shall remove the lawyer’s name from the referral panels until the percentage fees are paid. A \$50 reinstatement fee may apply if the Member has failed to update status reports beyond the second reporting cycle and has been suspended.

When fees are remitted, please indicate whether the amount is a percentage fee or consultation fee and for which client the monies will be applied.

The following must occur for LRS to close and process a final status on a referred case:

- Report all fees received, the date fees were paid, and **submit the final client billing or settlement statement.**
- LRS must receive all fees within 30 days from the receipt of fees.
- If the Member fails to remit the appropriate percentage fee to the Service within 30 days of closure of a referred matter, the Director shall contact the Member, requesting immediate payment of the appropriate percentage fee to the LRS.
- If the Member is delinquent, the Director shall remove the Member's name from the referral rotation until the percentage fee is paid. If the Member fails to respond within 15 days of the receipt of the notification sent by the Director, the Director will present the matter to the Collections Committee for submission to collection, pursuant to LRS Section VII of the LRS Membership Rules. At the discretion of the Director and/or Committee, the Board of Trustees of the Service may be notified when a panel member has failed to remit the appropriate forms and/or funds to LRS. The Board of Trustees may also take whatever action is deemed appropriate, including initiating collection actions and imposing a collection penalty in addition to fees due LRS.
- After the third suspension for failure to pay fees due LRS the panel member is subject to removal from the Service.

Any legal matter(s) discussed or any representation arising out of a legal matter discussed during the initial consultation are subject to payment of a percentage fee in accordance with the LRS fee sharing agreement.

If the Service refers a Client who puts other people in touch with LRS attorney for the *same case or extension of the same case*, LRS is entitled to 15% of fees from all related cases. However, if the LRS referred case closes and sometime later the Client re-contacts the attorney on an unrelated matter, LRS will not require the 15% fee. Please contact LRS with questions.

If a Member cannot handle an LRS referral, the client must be referred back to the LRS for another referral. **Under no circumstance should a Member refer a Client to another lawyer.** Please contact the Service with any questions. There is an

ongoing obligation to remit percentage fees to LRS. If a Member decides collaborate with another attorney, LRS must still receive 15% of *all* fees generated (including those paid to attorney brought in on case). There shall be no brokering of clients or cases referred by LRS.

LRS is entitled to (a) know the outcome of any legal representation, (b) the fees received, and (c) to audit the file to determine if it has received the appropriate amounts. Upon the settlement of any such action, the LRS Member shall be obligated to include LRS with those who have a right to know about a settlement, to the extent necessary to allow LRS to have knowledge of the terms of the settlement, including all fees paid in the case, whether paid directly by another party, or by settlement proceeds, so that LRS may determine the portion of the fees to which it is entitled.

VI. Subject Matter Panel Application

Members must submit Subject Matter Applications to participate in the some panels. In addition, some applications require proof of experience in particular practice areas. All membership information may be found at www.AustinLRS.org.

VII. Fee Disputes/Audits

Fee disputes arising between LRS and its Members that cannot be resolved through intervention by the Executive Director, the Collection Committee, or the Board of Trustees, are subject to collection procedures by the Service.

LRS may require Members to open for inspection any financial or accounting records and the legal files regarding referral Clients. The audit may include, but is not limited to, chart of accounts, general account records, court filing records, calendars, appointment records, time sheets, docket sheets, engagement letters, fee agreements, and contracts with LRS clients.

VIII. Referral Forms

Referral confirmations will be emailed to the attorney's office when a referral is made. Please retain the forms or return them with payment to the Service.

The Service provides (by fax, email, or online) monthly status reports listing all pending or open referrals. Failure to update these referral records within thirty days are grounds for suspension from the rotation. A \$50 reinstatement fee may apply to suspended Members whose reports are over 60 days late. Reports are considered delinquent until completed and fees paid. When fees are paid, please indicate whether the amounts are percentage fees or consultation fees. Please indicate on the status report all legal fees received. Chronic delinquent reporting will result in removal from the Service.

IX. Follow-up

LRS sends follow-up surveys to 100% of its referrals, asking if Clients consulted with the Member, amounts of fees paid, and if they were satisfied with the LRS process. Any pertinent information will be forwarded to Members, and, if deemed necessary by the Director of the LRS, to the Board of Trustees. LRS routinely monitors referrals by checking court dockets, legal notices, etc.

MATCH PROGRAM PANEL

The Match Program is a reduced fee program through which LRS matches low to modest income Clients with Members willing to handle their legal matters at the reduced rate of \$75.00 per hour (maximum). The Match Program is currently available for family law matters, guardianship cases, and drafting of simple wills. Your decision to join the Match Program will help meet the profession's responsibility of providing legal services to all low income Central Texans who qualify. Ask the LRS office for more information. To encourage involvement in this program, LRS provides professional liability insurance coverage for participating Match attorneys who take only Match referrals. The insurance covers Match cases only. If you participate in the Match Program ONLY, your membership dues will be waived the first year. If you join both LRS and Match, you must pay full LRS membership dues and carry malpractice insurance.

LAWYER OF THE DAY

As part of a "24 hour service," criminal law panel members can participate after 4:30pm and holidays as "on call" attorneys to receive emergency and jail calls. You are permitted to handle all cases in which you are qualified under LRS guidelines. You are entitled to fees for any service performed and obligated by the terms of your agreement with LRS to contribute the first \$20.00 consultation fee to LRS. If you are interested, please call 512-472-1311 for more information.

MENTOR PROGRAM

The Lawyer Referral Service offers a mentoring program, particularly for attorneys participating in the family law matters through the Match Program. If you agree to mentor, your name will be given to your protégé needing a consultation on a legal matter. Mentors will not be "of record," nor be required to hold lengthy meetings with protégé. Mentors should be willing to accept occasional phone calls and offer information or support on difficult cases.

LAWFON

LawFON (Lawyer Friends of Non-profits) is a program where legal work is provided to qualified non-profits at a reduced rate \$70.00 per hour. The non-profit will also receive a one-hour consultation for \$20, payable to LRS. If you are interested in providing this service, please contact LRS for more information.

LEGALLINE

On the first Tuesday of each month, attorney volunteers take calls from the public to give brief legal advice and assistance. All calls remain anonymous. If a caller needs more in-depth legal advice, Members can request the referral be made to them through the LRS office. Please volunteer for this worthwhile service!

DISCIPLINARY PROCEDURES
SUSPENSION AND TERMINATION OF MEMBERSHIP

- I. Membership in the Lawyer Referral Service of Central Texas, Inc. is a privilege extended to those attorneys who meet the stated qualifications and agree to comply with LRS regulations. Those qualifications include the requirements that you:
- a. Be a member in good standing of the State Bar of Texas;
 - b. Engage in the full-time, private practice of law;
 - c. Maintain suitable office for receiving clients. Office space must be completely separate from living space with separate entrance and in a commercially zoned area;
 - d. Possess legal ability and competency to handle legal issues in the categories designated for referrals; and
 - e. Demonstrate personal reliability and integrity.
- II. The attorney has an affirmative duty to inform LRS within five (5) days if he/she receives a public or private reprimand, is placed on probation, suspended, or disbarred by the State Bar of Texas, is charged by information or complaint with a misdemeanor offense that constitutes a crime of moral turpitude, or is indicted on felony charges. The LRS conducts a check of disciplinary records of all panel members on a weekly basis.
- III. The Director is empowered to suspend any attorney member indefinitely for one or more of the following violations:
- a. Failure to update status reports or pay fees within the prescribed time limit;
 - b. Failure to update LRS membership materials;
 - c. Failure to provide proof that professional liability insurance is in force and effect;
 - d. Failure to remit fees owed LRS;
 - e. Failure to respond to LRS inquiries regarding delinquent fees or client complaints, or
 - f. Failure to notify LRS of any public or private reprimand as outlined in section II above.

The Director will send written notice, via postal or electronic mail, of the suspension to the Member at his/her last known address on or before the date the suspension commences. The attorney's status shall not be jeopardized by such action except that the referrals will not be made during this suspension. If the attorney has not cured the violation within sixty-two (62) days to the satisfaction of the Director, he/she will be subject to termination from the panel. If an attorney is terminated for refusal to pay fees due to LRS, his/her firm will be considered liable to LRS for the fees.

Any Member whose membership is suspended or terminated under Section I, II, or III of the Disciplinary Procedures will not be allowed to renew his/her membership until the violation causing the suspension or termination has been cured. Any Member who has been terminated will have to present his/her application to the Board of Trustees for readmittance to the Service.

- IV. The Director is empowered to suspend a Member for a period not to exceed sixty-two (62) days for any good cause including but not limited to the following violations:
- a. Any public or private reprimand, probation, suspension or disbarment from the State Bar of Texas;
 - b. Any indictment for any felony or charged by information or complaint with a misdemeanor offense that constitutes a crime of moral turpitude;
 - c. Filing of formal criminal charges involving moral turpitude;
 - d. Litigation relating to suspension or disbarment from the State Bar of Texas;
 - e. Failure to meet or maintain the qualifications for membership in LRS established by the Board of Trustees;
 - f. Engaging in conduct harmful or injurious to the goals, reputation, or interest of LRS, including:
 - g. Giving the client the impression that persons referred by LRS are entitled to less consideration than other clients;
 - h. Consistent unavailability to referred clients;
 - i. Consistent refusal to make or keep appointments with referred clients;
 - j. Rudeness to clients and/or to LRS staff;
 - k. Repeated fee disputes with clients; or
 - l. Consistent or excessive complaints from referred clients.

The Director will send written notice, via postal or electronic mail, of the suspension to the Member at his/her last known address on or before the date the suspension commences. The letter will include specific reference to the nature of the

violation, the date of the suspension, and notice that failure to cure the violation to the satisfaction of the Director within the time period stated will result in termination of the attorney's membership in LRS. The attorney's status shall not be jeopardized by such action except that referrals will not be made during the suspension.

If, within sixty-two (62) days of the date the suspension commences, the Member does not cure the violation to the satisfaction of the Director, the Director will terminate the attorney's membership. The Director will send written notice of this action restating the nature of the violation.

V. Administrative termination may be appealed by written request to the Director. The Director will designate the date of the next Board of Trustees' meeting as the hearing date and will notify the attorney and all members of the Board of Trustees of the date and nature of the hearing. At the meeting, the attorney may be present with or without counsel. It shall be the burden of the attorney to prove by a preponderance of the evidence that he/she is not guilty of the violation stated in the termination notice. The attorney will be expected to respond to questions by the Board of Trustees; the failure to cooperate may be a factor in the Board's decision. A simple majority vote by Board members (assuming a quorum is present) shall determine whether the attorney will be reinstated. This decision shall be final without a right of appeal.

Revised: November 1, 2016

Revised: March 7, 2016

Revised: April 9, 2015