STATE OF CONNECTICUT
JUDICIARY COMMITTEE

TESTIMONY OF KENNETH E. BUNGE, ESQ. ON BEHALF OF
ASSOCIATION OF CORPORATE COUNSEL – CONNECTICUT AND FAIRFIELD CHAPTERS

Dear Committee Chairmen McDonald and Lawlor and Honorable Committee Members:

My name is Kenneth Bunge. I am an attorney admitted in Connecticut and currently I am the president of the Connecticut Chapter of the Association of Corporate Counsel, or ACC. ACC is the bar association for in house lawyers, with approximately 23,000 members in 75 countries employed by 10,000 corporations and other private sector organizations. ACC currently has approximately 510 members in the state of Connecticut, representing more than 250 Connecticut companies. I am speaking on behalf of both my chapter as well as the Fairfield chapter.

We appreciate the hard work done by all involved to establish an authorized house counsel program for in house attorneys working but not admitted in Connecticut. While it may seem appropriate to address the penalties for unauthorized practice in light of these new rules, criminal penalties, we believe, are not necessary for in house lawyers as a matter of public policy. The current disciplinary rules in Connecticut and in the jurisdictions where the attorneys are licensed are fully competent and sufficient to address unauthorized practice of law issues for in house counsel. What is necessary to safeguard the public is available through the regulatory processes and does not require the expenditure of time and public resources to prosecute in house "offenders" as criminals. The only client harmed when an employed lawyer does not live up to his or her professional obligations is the employer client who bears the expense of having paid that person's salary and the task of dismissing them; these lawyers are no danger to the public and we should not seek to criminalize their behavior.

In addition, there are some very significant issues with regard to the new authorized house counsel rules that we feel need further refinement and clarification. For example, it now appears under the rules that pro bono work is not permitted. As we all know, pro bono services are a professional responsibility of all attorneys. Many corporations in Connecticut have established pro bono arrangements to facilitate the fulfillment of these obligations by their attorneys. An attorney approved as an authorized house counsel could potentially be subject to the criminal penalties for performing pro bono services in the state in a fully competent manner. Another major issue relates to the status of non-U.S.attorneys admitted in their home countries but ineligible, as it currently stands, for the authorized house counsel program. More and more companies are truly becoming global operations. A non-U.S. attorney employed by a company who comes to Connecticut for any period of time and renders legal counsel to the client company would seem to be at risk. Not allowing such attorneys to be eligible for the program serves no Connecticut interest and unfairly restricts companies needing these services. Finally, we need to consider attorneys who should fully qualify now for authorized house counsel but may be unable to complete their applications timely, if at all. For example, some applicants are Vietnam era veterans who are unable to obtain there service records because they are more than 30 years old. The application requires their service records, and yet I hope that they would not risk a criminal penalty simply because their service records cannot be located. In short, the Bar and in house counsel would benefit from more time to address open issues. We therefore respectfully urge this committee to reconsider this bill in light of our position or at least until an adequate period of time has evolved to work through the questions we have raised concerning these very new authorized house counsel rules.

Thank you for the opportunity to speak, and I would be pleased to answer any questions you might have.