

## **University of Connecticut School of Law Business Law Center**

The State Commission on Leadership in Connecticut Business Law recommends the formation of a Business Law Center (the “Center”) sited on the campuses of the University of Connecticut School of Law in Hartford and Stamford. The Center’s focus would be on matters involving the Model Business Corporation Act, which has been adopted in whole or in part by Connecticut and more than 30 other states, and model acts and Connecticut’s statutes for other forms of business organizations (including limited liability companies and benefit corporations). An additional focus would be on making Connecticut an attractive forum for arbitrations and similar approaches to resolving business controversies. The goal would be for the Center to become a leading resource on Connecticut and national corporate laws and thereby enhance the willingness of businesses to organize and stay in the State, as opposed to Delaware. Under the leadership of its Director and an advisory board, the Center would actively participate, on its own initiative and at the request of others, in legislative, transactional and judicial settings where the model acts or significant issues in limited liability company or benefit corporation laws are being considered or tested. Students could perform much of the Center’s work through clinical programs, and Connecticut lawyers could provide support in a manner intended to raise the Connecticut bar’s profile in corporate law matters. Ancillary activities would facilitate the building of ties among students, faculty, law firm partners and in-house counsel and governmental lawyers.

As its reputation and resources grow, the Center could expand its reach, to add a focus on other laws particularly affecting companies in industries that Connecticut is targeting, such as financial services, biosciences, advanced manufacturing and green technology.

### Other Law School Centers

A number of law schools have “centers” focusing on, or including a focus on, corporate law matters. Some have a broad stated mandate – for example, Berkeley’s Center for Law, Business and the Economy – and some a relatively narrow one – Stanford’s Center for Corporate Governance. A corporate law center is typically just one of a half dozen or more centers or institutes a law school might have. Corporate law centers differ from one another, of course, but they generally:

- Serve as a means to emphasize the particular school’s corporate law offerings and, where applicable, its ties (through jointly taught classes and cross-enrollment opportunities) to its university’s business school.

- Have a featured conference (usually called a “symposium”) once a year, typically on a designated topic – crowdfunding has recently been popular.
- Sponsor “seminars” from time to time during the year for students and faculty, often led by established practitioners reviewing developments in their fields.
- May sponsor faculty research.
- Sponsor or fund student research, clinical work or externships.
- May facilitate fund-raising from alumni in corporate law positions and networking among alumni, local corporate law leaders, students and faculty. A number, for example, have large advisory boards mostly made up of alumni. The centers can create “naming” opportunities – Stanford’s, for example, is named for Arthur Rock, the legendary VC pioneer, and NYU’s for Lester Pollack. A center signals to the school’s corporate law alumni that it considers corporate law worthy of academic interest.

Several centers offer a “certificate” for successful completion of certain prescribed classes. At least two hold themselves out as being repositories of relevant materials.

A partial list of law schools with centers includes

Fordham  
 NYU  
 University of Cincinnati  
 Washington University  
 University of Michigan  
 UCLA (which arguably has several)  
 Vanderbilt  
 Duke  
 Widener  
 Stanford  
 Northwestern  
 Berkeley  
 Harvard (which uses the word “forum”)  
 UPenn  
 University of Minnesota

### The Center

The Center would sponsor symposia and seminars, academic research and clinical programs and externships for students. It could distinguish itself by seeking to directly influence the ways in which the model acts for business organizations (and revisions thereto) are developed and considered by model act committees and

state legislatures and are interpreted and applied in transactional and judicial settings, primarily by:

- Providing guidance and support to model act committees and legislatures in Connecticut and elsewhere as they contemplate new provisions and revisions to the model acts and Connecticut's own statutes. The support might include expert testimony, drafting assistance and comparative background analysis, as well as proposals for changes following from case or practice developments. One way the Center could gain immediate recognition among key practitioners would be to help in disseminating case and legislative developments and reform suggestions among the state bar committees in the relevant states.
- Recommending changes in model acts or Connecticut's business statutes or in their interpretation, which may involve supporting proposals by the Connecticut Bar Association for the adoption in Connecticut of a version of the Uniform Limited Liability Company Act (the "ULLCA"). The Center should also be instrumental in drafting a model act for benefit corporations and quarterbacking efforts to secure its being broadly adopted. Prior to the adoption of the ULLCA in Connecticut or of a model act for benefit corporations in Connecticut or more broadly, the Center could also look to provide assistance in controversies involving laws for organizing limited liability companies or benefit entities when those controversies may affect the development of such laws generally.
- Submitting amicus briefs and offering expert testimony in cases, as a way to support appropriate development of the law and not as advocacy per se for the position of one party.
- Offering to serve as, or to select Connecticut professionals in a merit-driven, unbiased process to serve as, experts or neutrals in arbitrations and the like based in Connecticut, including for business disputes centered in other places, and working with arbitration counsel on framing individualized rules for resolving disputes outside of court.

Students would participate in each of these activities, through the Center's related clinical programs. Connecticut law firms (including local offices of national firms) could be invited to participate, in order to enhance their brands and capabilities (as well as making the Connecticut law community generally more prominent in model act matters). Law firms would be asked to appoint "relationship" partners to enable instant contact.

In a sense, the suggestion here is the Center would act, first, as the Delaware law firms do in providing expert direction to the evolution of a body of corporate law (in the Center's case, the model acts and limited liability and benefit corporation

laws) and also as something of a public interest law firm with respect to them, contributing to their development from an independent perspective rooted in both academic and practical concerns.

The Center's effectiveness might be augmented by decisions from the Connecticut judiciary on model act-related disputes, when Connecticut has statutes based on those acts, and further enhanced if parties designate Connecticut courts as the forum for these disputes. The judiciary would, of course, need to project a readiness to expedite proceedings (including by rendering quick decisions) and possibly offering direct appeals to the Connecticut Supreme Court. If the Attorney General's office were willing to provide occasional assistance, perhaps similarly to the way a law firm might, its participation would surely add clout to a project.

### Staffing Plans

In the first year or so, the staffing would be one full-time faculty member, who would be the Director of the Center and would be assisted by an adjunct professor from the corporate legal community and a fellow. The staffing would include customary staff and library support personnel.

The full time faculty member should either be an established academic with the right subject-matter background, reputation and contacts that would lend credibility to the founding work or a younger, committed academic with promise and energy.

The second faculty position might be a non-tenure track one filled in succession by reasonably well-known corporate or litigation partners on formal or informal sabbatical leaves from major law firms or interested in transitioning to a law school environment. Appropriately advertised, it could be a sought-after position (since there is a dearth of similar opportunities). The fellow would be a relatively recent law school graduate, perhaps someone from experience at one of the key Connecticut law firms. The fellow would serve for no more than a year. An attractive feature for both roles would be the ability to create a body of work in a short period. While a single law review article could easily take a year to research, write and revise, it seems possible to craft (with student support) several meaningful amicus briefs and to appear before several legislative bodies in the same year. The adjunct professor would need to have meaningful practical experience for the amicus brief (and possible advisory opinion) endeavors to easily work.

A small cadre of experienced academics and practitioners from law firms and in-house counsel would be enlisted to form an advisory-board to provide advice and hands-on assistance in the completion of significant projects, quite likely all on a pro bono basis with suitable recognition.

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## Notes:

(1) It has been suggested that the Center could offer advisory opinions in real-world transactional situations. Demand for an opinion might arise, for example, in a context where two law firms in a transaction are at odds over the proper construction of a provision and looking for a respected third party to effectively mediate. Or, a law firm lacking the requisite expertise or stature might pursue advice. This offering would require exceptional responsiveness to be successful. Over time, the offering could provide a revenue stream for the Center. However, it is unknown whether this would be permitted under the University's rules.

(2) Consideration has been given to whether the Center should be administered jointly with Yale and Quinnipiac Law Schools. The University of Connecticut alone is being recommended because it is a state school and the goal is to enhance the State's reputation in this area of education and expertise.

(3) Connecticut has traditionally been an incubator for business innovation and entrepreneurial endeavor. In today's business environment, this has resulted in the emergence of the limited liability company as the preferred and predominant entity for start-up companies to achieve flexibility of operation, attract investor capital and obtain limited liability protection. Both the business community and the legal profession through the Connecticut Bar Association have been active in placing Connecticut as a leader in the development of limited liability company law and policy. Most recently, the Business Law Section of the CBA conducted a comprehensive review of the ULLCA, with the intention of submitting a version to the legislature. An emphasis on limited liability company law should advance Connecticut as a venue for providing expertise, certainty and guidance for businesses being formed and operated as limited liability companies, a structure that is and will continue to be at the cutting edge of importance for small and growing businesses.