Proposed Alaska Rule of Professional Conduct 1.8(e)(3) And New Comments to ARPC 1.8 "Financial Assistance"

(e) A lawyer shall not provide financial assistance to a client in connection with pending or contemplated litigation, except that:

. . .

- (3) a lawyer may provide modest gifts to a client for food, rent, transportation, medicine, and other basic living expenses. The lawyer:
 - (i) may not promise, assure, or imply the availability of such gifts prior to retention or as an inducement to continue the client-lawyer relationship after retention;
 - (ii) may not seek or accept reimbursement from the client, a relative of the client, or anyone affiliated with the client; and
 - (iii) may not publicize or advertise a willingness to provide such gifts to prospective clients.

Gifts that would compromise the lawyer's independent professional judgment are prohibited.

COMMENT

Financial Assistance

. . . .

[11] Under Paragraph (e)(3), a lawyer may give a client modest gifts for food, rent, transportation, medicine, and similar basic necessities of life. Because such gifts may have collateral consequences for the client – for example, they may affect the client's tax liability or the client's eligibility for government benefits or social services – the lawyer should consult with the client about these issues before giving the gifts. See Rule 1.4.

[12] Even though Paragraph (e)(3) allows lawyers to give modest gifts to clients for the listed basic living expenses, these gifts must not be so substantial that they would create a conflict between the lawyer's interests and the client's interests in regard to the handling or settling of the case. In addition, Paragraph (e)(3) prohibits a lawyer from (i) promising, assuring, or implying the availability of such financial assistance prior to the lawyer's retention or as an inducement to continue the client-lawyer relationship after retention; (ii) seeking or accepting reimbursement from the client, a relative of the client, or anyone affiliated with the client; and (iii) publicizing or advertising a willingness to provide gifts to prospective to clients beyond court costs and expenses of litigation in connection with contemplated or pending litigation or administrative proceedings.

. . . .