

Dedicated
to helping
all Americans
handle their
legal affairs
simply,
affordably
and
equitably

HALT 

An Organization of Americans for Legal Reform

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2005
ANNUAL REPORT

From the Executive Director

As we looked back on our recent work to prepare this report, I was struck by the variety and importance of HALT's accomplishments in advocacy, public education, research and outreach. Here is an up-to-date snapshot.

Advocacy

Our *Advocacy Program* recently saw the culmination of more than a decade of reform efforts, when the *Small Claims Reform Project* secured significant expansions of small claims court jurisdiction in California, Idaho, Illinois and Virginia. The *Freedom of Legal Information Project* won adoption of reform proposals licensing Arizona legal document preparers and lifting restrictions that limit legal services in New Hampshire and Virginia.

The *Lawyer Accountability Project* victories included new public disclosure of Arizona attorney discipline histories, a requirement for written attorney fee agreements in DC, public access to Pennsylvania attorney discipline proceedings, an increase in recoveries for Illinois consumers who are victims of fraud by a lawyer, rejection of proposals that would weaken the Massachusetts discipline system, and an end to New Jersey's unconstitutional gag rule in attorney discipline proceedings.

The *Judicial Integrity Project* similarly helped overturn confidentiality rules that prohibited consumers in New Jersey and Tennessee from speaking publicly about complaints against judges, and successfully urged the ABA to strengthen judicial conflicts of interest rules.

Public Education

To help Americans better understand our civil justice system, the *HALT Public Education Program* publishes a wealth of legal self-help books, guides and brochures. Here are the most recent additions to our self-help library: *Do-It-Yourself Law*; *How Courts & Judges Work*; *Lemon Laws*; *Small Claims Court*; *Employment Rights*; *Wages, Benefits & Safety*; *Age Discrimination*; *How to Form a Nonprofit Corporation*; *The New Bankruptcy—An Overview* and *Write Your Will: No More Procrastination*. In the past 18 months, we distributed more than 40,000 copies of self-help materials, including free living wills, durable powers of attorney and health care proxies for all 50 states and DC.

We also responded to more than 1,500 written inquiries about legal issues, and our Internet site, www.halt.org, provided legal information to an average of more than 3,000 visitors each week. The *HALT Internship Program* provided stipends to 11 undergraduates and nine law students, so they could learn about legal reform issues in clinical settings at HALT and at the University of California, Hastings College of the Law.

Research

HALT's nationwide *Research Program* provides basic information to inform the policy debate surrounding legal reform issues. In 2005, our staff completed the massive research needed for the *HALT 2006 Lawyer Discipline Report Card*. In addition, we completed analyses of responses to the ABA's Ethics 2000 recommendations for Arizona, Colorado, Maine, New Hampshire, New York, Washington state, Wyoming and DC.

We also released the *HALT National Probate Web Site Survey*, which documents the failure of most states to post adequate consumer information online, and submitted recommendations to the responsible judicial offices in every state and DC. In conjunction with the *HALT Internship Program* at the University of California, Hastings College of the Law, we completed a study of legal document preparers in California, which revealed overwhelming levels of satisfaction with these nonlawyer service providers. Our staff also conducted an analysis of the difficulties, successes and methods of the Harvard Small Claims Advisory Service in Massachusetts, which will aid our efforts to apply this successful model in other states.

Outreach

The *HALT Outreach Program* carries the legal reform message to policymakers and concerned American consumers nationwide. With more than 1,200 subscribers, our monthly *eJournal* supplements HALT's quarterly newsletter, *The Legal Reformer*, which provides comprehensive legal reform news and self-help information to more than 30,000 readers. Prominent news stories about HALT's reform efforts and commentary by HALT staff have appeared regularly in major media outlets including *The New York Times*, *The Washington Post*, *Boston Globe*, *Associated Press*, *Dallas Morning News*, *Legal Times*, and *The National Law Journal*.

I know this has been a somewhat long-winded summary, but I want to share with all of our members, supporters and partners the full scope of HALT's comprehensive legal reform work. It is with special pride that we all can say, "HALT is unique and serves the public interest like no other organization."

Sincerely,



James C. Turner
Executive Director

Advocacy

Each component of HALT's advocacy program—the *Small Claims Reform Project*, the *Freedom of Legal Information Project*, the *Lawyer Accountability Project* and the *Judicial Integrity Project*—enjoyed major successes in 2005.

Small Claims Reform Project

HALT's campaign to educate consumers and policymakers about small claims court reforms continues to make great strides, including sweeping reform legislation in California and jurisdictional dollar increases in numerous states. HALT works not only to increase small claims jurisdiction (with a goal of raising each state's limit to \$20,000), but also to improve the process of collecting small claims judgments, to grant small claims judges the power to issue court orders, to expand small claims dispute resolution programs, and to create more user-friendly courts.

California—Culminating a decade of HALT reform efforts, in October Governor Arnold Schwarzenegger signed legislation raising small claims jurisdiction from \$5,000 to \$7,500 for individual plaintiffs, requiring new training for temporary small claims judges and expanding small claims advisory services. As part of our *Internship Program* at the University of California, Hastings College of the Law, HALT has also completed a study of small claims cases in San Francisco and Ventura County, which found that an increase in the dollar limit for small claims courts will benefit individuals and small businesses.

Illinois—After hearing testimony by HALT Senior Counsel Thomas Gordon, the Illinois Supreme Court Rules Committee raised the state’s small claims jurisdiction from \$5,000 to \$10,000. Before HALT’s presentation, the court was only considering an increase to \$7,500. Illinois is the fifth state to raise small claims jurisdiction to \$10,000 or more.

“A godsend to judges.”

—Honorable Wayne Rhine,
Supervising Judge, Cook County,
Illinois, on the increase in Illinois
small claims jurisdiction to \$10,000.

Virginia—Following HALT testimony, the General Assembly unanimously passed legislation sponsored by Delegate Brian Moran increasing small claims jurisdiction from \$2,000 to \$5,000. Virginia was the last state in the country to create a small claims court system and its jurisdictional limit had been the second lowest.

Nationally—HALT completed a report on the Harvard Small Claims Advisory Service’s difficulties, successes and methods over three decades, which will serve as the basis for advocating the small claims advisory service model nationwide.

Freedom of Legal Information Project

Even though millions of low and moderate income Americans are priced out of the civil justice system, many states are eliminating inexpensive alternatives to hiring a lawyer, such as independent paralegals. The Freedom of Legal Information Project continues our longstanding efforts to defend the right of citizens to have access to legal information and to inexpensive alternatives to hiring a lawyer.

Arizona—After HALT submitted comments calling for caution in changing the licensing examination for legal document preparers, the Arizona Supreme Court and the Board of Legal Document Preparers adopted a plan that includes only limited testing on substantive legal issues.

California—As part of our *Internship Program* at the University of California, Hastings College of the Law, HALT completed a study on legal document preparers, which found that consumers are overwhelmingly satisfied with the quality, cost and performance of these service providers.

New Hampshire—Following HALT testimony supporting reforms that allow unbundled legal services, the New Hampshire Supreme Court approved new rules clarifying that attorneys may take on discrete portions of a case, thus lowering a client’s costs.

“[Consumers] have voiced a unanimous belief that [legal document preparers] provide an important service for those who cannot afford representation at divorce.”

—HALT white paper *Helping Unrepresented Litigants with Legal Documents*

Utah—After HALT submitted comments supporting reforms that expand the types of representation allowed by nonlawyers, the Utah Supreme Court adopted a new rule that allows representation by nonlawyers in mediation and unpaid representation in small claims and arbitration proceedings. The new Utah rule also clarifies the right of consumers to receive legal forms and other self-help information.

Virginia—Following HALT comments supporting reforms that allow unbundled legal services, the Virginia State Bar Council approved a new rule that will allow attorneys to undertake discrete legal tasks, such as the drafting of pleadings, after they disclose the risks and benefits of limited representation. The reform is now pending before the Virginia Supreme Court.

Lawyer Accountability Project

The twin goals of HALT’s lawyer accountability efforts are to make lawyers more responsive to legal consumers and to protect legal consumers from negligent,

unscrupulous and incompetent attorneys. Through our well-known Report Cards, white papers, legislative work, appellate litigation, media campaigns and grassroots organization, HALT has been on the forefront in fights to improve attorney discipline systems and to help victimized consumers.

Arizona—At HALT’s recommendation, the Arizona State Bar decided to release more information to the public about attorney discipline histories, even when a charge is not investigated, and to make information about public sanctions available online.

District of Columbia—HALT persuaded DC to go beyond the ABA’s minimum requirements by requiring written fee agreements for legal services.

Massachusetts—Through an opinion editorial published in the *Boston Globe* and comments to the Massachusetts Bar Association, HALT convinced the state to abandon proposals that would set the attorney discipline system back several decades—including a more onerous standard of proof, a special statute of limitations on filing complaints against lawyers, and new redtape requiring all consumer inquiries to be in writing.

New Jersey—After HALT submitted written testimony arguing that gag rules violate citizens’ constitutional rights, the New Jersey Supreme Court struck down the attorney discipline system’s gag rule, which prohibited victims from discussing the fact that they had filed a complaint against a lawyer.

Pennsylvania—After HALT filed comments urging Pennsylvania to allow the public to attend disciplinary hearings and obtain information about attorneys’ complete discipline histories, the Pennsylvania Supreme Court changed its rules and ordered that disciplinary proceedings be open to the public once formal charges are filed.

Texas—With HALT’s support, the Texas Bar adopted new rules that require lawyers to make complaint brochures available at their offices, prominently display signs that describe the attorney discipline process, and include consumer rights information in their written contracts or bills.

Nationally—HALT issued the *2006 Lawyer Discipline Report Card*, which grades the lawyer discipline systems in all 50 states and DC, exposing an appalling pattern of toothless sanctions, unnecessary secrecy, biased procedures and endless delays. Nationwide, HALT is also filing written testimony on the responses by individual states to the ABA’s Ethics 2000 recommendations for disciplinary reforms.

Judicial Integrity Project

Because Americans deserve a legal system operated by judges who are honest and publicly accountable, HALT promotes strict ethical standards for judges and works to empower litigants so they can ensure that their case is heard by an impartial judge.

Tennessee—As courts continue to strike down attorney discipline gag rules, many states are abolishing them in judicial discipline proceedings as well. This year, HALT helped persuade Tennessee’s Court of the Judiciary to strike down a confidentiality rule that prohibited citizens from speaking publicly about their complaints against judges.

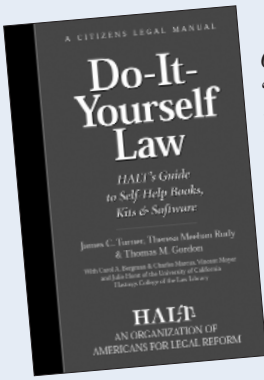
“When an attorney victimizes a client, discipline should be swift and certain. Where the majority of the evidence shows a lawyer committed misconduct, the public deserves protection. Whenever unethical behavior is discovered, the lawyer involved should be accountable. Clients should not be discouraged from reporting misconduct through hotlines and e-mail. And all attorney discipline should be on the public record.”

—James C. Turner and Suzanne M. Blonder, “When Lawyers Misbehave,” the *Boston Globe*, June 27, 2005.

Nationally— In collaboration with national ethics experts and members of Congress, HALT is working to bring increased accountability to the federal judiciary, an issue highlighted in HALT’s commentary published in *The Washington Post* and in over a dozen other newspapers across the country. As a featured panelist at the 2006 ABA Center for Professional Responsibility annual conference, HALT Associate Counsel Suzanne M. Blonder continued this work explaining the appearance of impropriety that arises when judges fail to disclose financial conflicts of interest and when judges accept lavish gifts from private corporations and special interest groups.

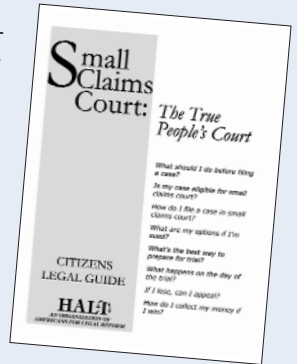
Public Education & Research

Through our series of books, guides and online publications, HALT educates the public about America’s legal system and helps citizens become more self-reliant in handling their legal affairs. Over the last year, we produced a new **Citizens Legal Manual** and several new Internet publications. We also responded to hundreds of individual inquiries about the law and kept consumers informed about the latest legal reform news and developments through our Internet site, our newsletter and the *HALT eJournal*.



We published a new edition of *Do-It-Yourself Law: HALT’s Guide to Self-Help Books, Kits & Software* this year. Recognized as “the most useful and authoritative consumer guide to self-help legal resources” by Consumer Federation of America’s Executive Director Stephen Brobeck, this one-of-a-kind resource evaluates the best and worst legal products on the market. HALT Do-It-Yourself Best Buys include *Quicken WillMaker Plus* by Nolo, *Home and Business Lawyer Deluxe* by Broderbund and *TurboTax* by Intuit.

Citizens Legal Guides—*Lemon Laws: What Do I Do If My Car is a Lemon* and *Small Claims Court: The True People’s Court*. Harvard’s Small Claims Advisory Service in Massachusetts is posting a link to HALT’s small claims guide on their Web site.



Recent additions to our **Everyday Law Series** include *Forming a Nonprofit Corporation; Employment Rights; Wages, Benefits & Safety; Age Discrimination; Should I Incorporate?* and *The New Personal Bankruptcy—An Overview* which lets consumers know about important changes to the new bankruptcy law, and what they now need to do to qualify for a Chapter 7 bankruptcy.

HALT’s *National Probate Web Site Survey* evaluates online help for handling probate, revealing that only a handful of states post information, forms and instructions online,

while the vast majority offer consumers little or no help. HALT used the survey results to prepare Best Practices letters to each court encouraging better consumer assistance. Court officials in Georgia quickly responded to HALT’s call for action by making Georgia’s Web site easier to find and navigate and adding two new online publications.

“We recently received a report from your organization regarding our Probate Court website. . . . The report gave Georgia a “C-” and suggested several improvements. We took this report seriously and welcomed the feedback and suggestions, and have since re-designed this website with your recommendations in mind.”

—Brian Collins, Webmaster, Administrative Office of the Courts of Georgia.

Internships

HALT's *Internship Program* provides college and law students a unique opportunity to learn about issues affecting consumers of legal services, while at the same time providing invaluable research assistance and helping to train the next generation of public interest advocates. We host three to five interns for each semester, who conduct research, track legislation, answer queries from users of the legal system and write articles for our quarterly newsletter, *The Legal Reformer*.

"My internship helped demystify the nonprofit world for me and furthered my interest in starting a nonprofit aimed at helping the people that really need help the most."

—Henry Mak, Harvard College '05 HALT intern

Legal Information Clearinghouse

HALT's *Legal Information Clearinghouse* helps legal consumers navigate the frequently thorny civil justice system. Our no-nonsense approach helps ordinary Americans find legal malpractice lawyers, lawyer referral services, mediators and a wealth of legal resources including downloadable living will forms and referrals to books, articles and law-related Web sites. In 2005, HALT responded to over 850 requests for legal information on topics such as attorney malpractice, going *pro se* and estate planning.

"I have seen a great many form living wills, as well as lawyer drawn living wills. Most of them do the job well. The best I have seen is published free by an organization called HALT."

—Harry Gross, *Philadelphia Daily News*, November 28, 2005

Outreach

Our Internet site, www.halt.org, receives more than 3,000 visits each week and provides an unparalleled selection of informational brochures, our *Everyday Law Series* and notices on current legal reform activities. Now in its third year, the *HALT eJournal* reaches more than 1,200 subscribers twice a month, providing timely updates to legal reform advocates across the country.

"You have a wonderful Web site. It was so refreshing to find an organization like HALT. There's no one else who seems to be doing work like this. Thank you so much for doing the work you do."

—Carol Todd, HALT Member.

HALT focuses public attention on its current legal reform work throughout the year, with news articles and staff commentary featured in *The New York Times*, *The Washington Post*, the *Boston Globe*, *ABA Journal eReport*, *WITI Fox 6 News (Milwaukee, WI)*, *Topeka Capital-Journal*, *Sunday Oklahoman*, *WTOP Radio (Washington, DC)*, *State Journal-Register (Springfield, IL)*, *Medical Economics Magazine*, *BottomLine Personal* and *Philadelphia Daily News*.

"I am a member of HALT, a law clerk in Vermont. A quick note to say I really love your e-journal, and am so pleased, in however small a way, to be part of your mission."

—Joyce-Marie Robertson

Summary 2005 Financial Statement

BALANCE SHEET

ASSETS

Current Assets

Cash & Cash Equivalents	\$15,389
Investments	2,652,336
Accounts Receivable	1,160
Prepaid Expenses	9,029
Books and Pamphlets	101,413
Lease Deposit	4,565
Furniture and Equip. Rental	11,273
Total Current Assets	2,795,165

TOTAL ASSETS **\$2,795,165**

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$113,074
Accrued Expenses	6,791
Deferred Compensation	40,158
Total Current Liabilities	160,023

Net Assets

Unrestricted	2,635,142
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TOTAL LIABILITIES AND NET ASSETS **\$2,795,165**

Excerpted from the financial audit completed by Handel & Associates, P.C., Certified Public Accountants

REVENUES & EXPENSES

REVENUE

Support and Revenue

Contributions	\$141,491
Dues	646,295
Investment Income	167,090
Rental Income	8,020
Other Income	13,009

TOTAL SUPPORT AND REVENUE **\$975,905**

EXPENSES

Program Services

Education	\$707,843
Advocacy	338,919
Research & Planning	169,606
Total Program Services	1,216,368

Supporting Services

Membership Development	18,615
Fund Raising	135,585
General & Administrative	12,399

Total Supporting Services **166,599**

TOTAL EXPENSES **\$1,382,967**

Change in Unrestricted Net Assets from Operations	(407,062)
Unrealized Gain/(Loss)	(32,514)

Change In Unrestricted Net Assets (439,576)

Unrestricted Net Assets, Beginning of Year 3,074,718

Unrestricted Net Assets, End of Year **\$2,635,142**

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