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7 **IN THE SUPREME COURT**
8 **STATE OF ARIZONA**

9 In the Matter of:

10 **PETITION TO AMEND RULE 38,**
11 **ARIZONA RULES OF SUPREME**
12 **COURT**

Supreme Court No. R-17-0011

13 **REPLY OF THE**
14 **STATE BAR OF ARIZONA**

15 Pursuant to Rule 28, Ariz. R. Sup. Ct., the State Bar of Arizona (“State Bar”)
16 submits this reply in support of its Petition, asking the Court to amend Rule 38, Ariz.
17 R. Sup. Ct. In particular, the State Bar replies to the Comment of the Supreme
18 Court’s Attorney Regulation Advisory Committee (“ARC”).

19 **DISCUSSION**

20 Among the various changes to Rule 38 requested in its Petition, the State Bar
21 requested that the current Comment to Rule 38 be replaced with the proposed
22 Comment in the Appendix attached to the Petition. The Comment submitted by ARC
23 supports the State Bar’s Petition, but suggests adding language to clarify that the
24 reference to “State” is specific to Arizona. The State Bar agrees with the suggested
25

1 language proposed by ARC.

2 The Comment to Rule 38, with deleted language reflected by strikethrough
3 and new language underlined, is as follows:
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5 **Comment**

6 ~~This rule requires that lawyers not admitted to practice in Arizona, but
7 who are employed in the State by an entity or one of its specified
8 affiliates as “in house counsel,” as that terms is defined, register
9 annually with the State Bar of Arizona. The rule's registration
10 requirement is only intended to apply to those lawyers who are
11 employed in that capacity by an entity conducting activities within the
12 State, and whose principal office is located within the physical
13 boundaries of the State. It is not intended to apply to those employed in
14 such a capacity whose physical presence in the State is temporary or
15 sporadic.~~

16 This rule requires annual registration with the State Bar of Arizona for
17 lawyers who are not admitted to practice in Arizona, but who are
18 employed in Arizona by an entity or one of its specified affiliates as “in-
19 house counsel,” as that term is defined in this rule. The registration
20 requirements of this rule apply only to lawyers: (1) who are employed
21 as in-house counsel by an entity that conducts activities within the State
22 of Arizona; and (2) who either have a principal office physically located
23 in the State of Arizona, or will otherwise be systematically and
24 continuously present in the State of Arizona on behalf of their employer.
25 The registration requirements of this rule do not apply to in house
counsel whose presence in the State of Arizona is only temporary or
sporadic.

26 **CONCLUSION**


27 The State Bar of Arizona respectfully requests amendments to Rule 38, Ariz.
28 R. Sup. Ct., as stated in its Petition, and supports the further amended language to
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1 the Comment proposed by ARC.

2 RESPECTFULLY SUBMITTED this 28th day of June, 2017.

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6 
7 Lisa M. Panahi
8 General Counsel

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10 Electronic copy filed with the
11 Clerk of the Arizona Supreme Court
12 this 30th day of June, 2017.

13 by: 
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