

UT law students help businesses, gain experience

Leaders want experience to inspire young lawyers to serve low-income communities

By Francesca Jarosz
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About a year ago, Jen Biddle decided that she wanted to take her part-time, pie-making business — the Texas Pie Kitchen — from her cozy, colorful home kitchen to a store in one of Austin's poorest communities. The question was how to do it.

Biddle, a 32-year-old social worker who started the business in 2000, knows pie-making secrets, including using White Lily Flour from Knoxville, Tenn., to make the crust and adding cornstarch to thicken the filling. She knows that an entity like the Texas Pie Kitchen, which she plans to turn into a full-time operation, could bring jobs and skills to a low-income area. She hasn't settled on a site yet.

But when it comes to the legal aspects of executing her idea — such as whether the shop should be a small business or a nonprofit group — Biddle said she needed some inexpensive guidance. "I need all the help I can get because I don't have the money to hire an attorney."

She found it at the University of Texas Law School's Community Development Clinic, a program launched this semester to connect six third-year students with small-profit businesses or nonprofit groups that serve low-income residents. The students act as unpaid attorneys, advising clients on matters ranging from business and property contracts to federal tax issues. They're compensated with class credit and hands-on experience.

"It empowers students to be the primary lawyers on the case," said Matt Last, one of two students advising Biddle. "In a big law firm, you'll be part of a bigger team working on a case."

Last and fellow student Michael Pancherz helped Biddle investigate the differences between starting a nonprofit group and opening a small business. They gave her guidance on how to run her first board meeting. And next month, they'll help her apply for tax-exempt status for her pie shop, which will be overseen by a nonprofit community development corporation.

Biddle is among 12 clients who students are assisting so far this semester. Texas Community Building with Attorney Resources, or C-BAR, a nonprofit legal service that pairs needy nonprofit and small business clients with pro bono services from lawyers statewide, is partnering with UT for the clinic. Texas C-BAR treats UT students as volunteer lawyers and gives them cases that are appropriate for their skill level and can be handled in a semester.

The clinic's director, Heather Way, said many clients have been deterred from seeking professional legal services by the cost, which she said typically range from \$150 to \$300 an hour.

"It's not just a clinic about providing transactional skills, but doing it in a context that has an impact on people's lives," Way said.

UT's law school offers 13 other clinics in areas such as immigration law and criminal defense. The community development clinic, which costs the school about \$90,000 a year to operate, is the first to focus on business law, said Eden Harrington, the school's director of clinical programs.

Texas C-BAR Executive Director Frances Leos Martinez said business law matters have become more important for nonprofit groups in recent years as donors put potential recipients under greater scrutiny.

From 1992 to 2002, the number of law schools that offered business law clinics grew from five to 25, according to an American Bar Association survey.

At UT, students spend an average of 12 to 15 hours each week on their cases meeting with clients, doing research and attending meetings with boards of directors.

Way attends the students' first meeting with the clients; afterward, they work in pairs or independently on the cases. Professional lawyers who volunteer for Texas C-BAR and members of the UT faculty offer guidance if students need it.

Students in the program meet for two hours each week as a group to learn general lawyering skills, such as interviewing and counseling, and business-law concepts, like real estate and tax law. They also discuss poverty issues and talk about their cases with the group.

Student demand for the clinic has been high, Way said. In the first semester, she accepted six of the 18 applicants; so far, 20 have applied for next semester.

The program's leaders say they hope to build more than just young lawyers' business skills. They want to spark a passion for serving low-income communities that translates into pro bono involvement later on. Some students get to see the tangible results of their work, like watching a family move into their first home with the close of a real estate negotiation.

Last and Pancherz won't see the finished product of their efforts this semester, but they said they plan to keep in touch with Biddle. Pancherz said it takes about 10 months for tax-exempt status to be approved.

Biddle said she hopes to open the pie shop in about a year. She envisions it in an old house where customers can sit out on the front porch and play music.

"I want it to be a place of community where people can come out and eat pies," Biddle said.

Need help?

Nonprofit groups that are unable to afford legal services and whose primary mission is to serve low-income families, people or communities or who are engaged in an initiative that serves that population, as well as small businesses with low-income owners can apply for help by calling Frances Leos Martinez, executive director of Texas Community Building with Attorney Resources, at 374-2710.

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