
E-81-2 City conflict of interest on city insurance carrier's board of directors

Question

May a deputy city attorney who represents the city in contract negotiations with the municipality's medical insurance carrier, and who also participates in a policy-making body which monitors the insurance carrier's contract performance, simultaneously sit on the insurance carrier's board of directors?

Opinion

It is the committee's opinion that it would be improper for the deputy city attorney to do so, there being no question but that this would result in a conflict of interest and divided loyalties.

SCR 20.23: "A lawyer should exercise independent professional judgment on behalf of the client." SCR 20.23(1) states:

Ethical consideration. The professional judgment of a lawyer should be exercised, within the bounds of the law, solely for the benefit of the client and free of compromising influences and loyalties. Neither his nor her personal interest, the interest of other clients, nor the desires of third persons should be permitted to dilute a lawyer's loyalty to a client.

Other ethical considerations under SCR 20.23 are also relevant.