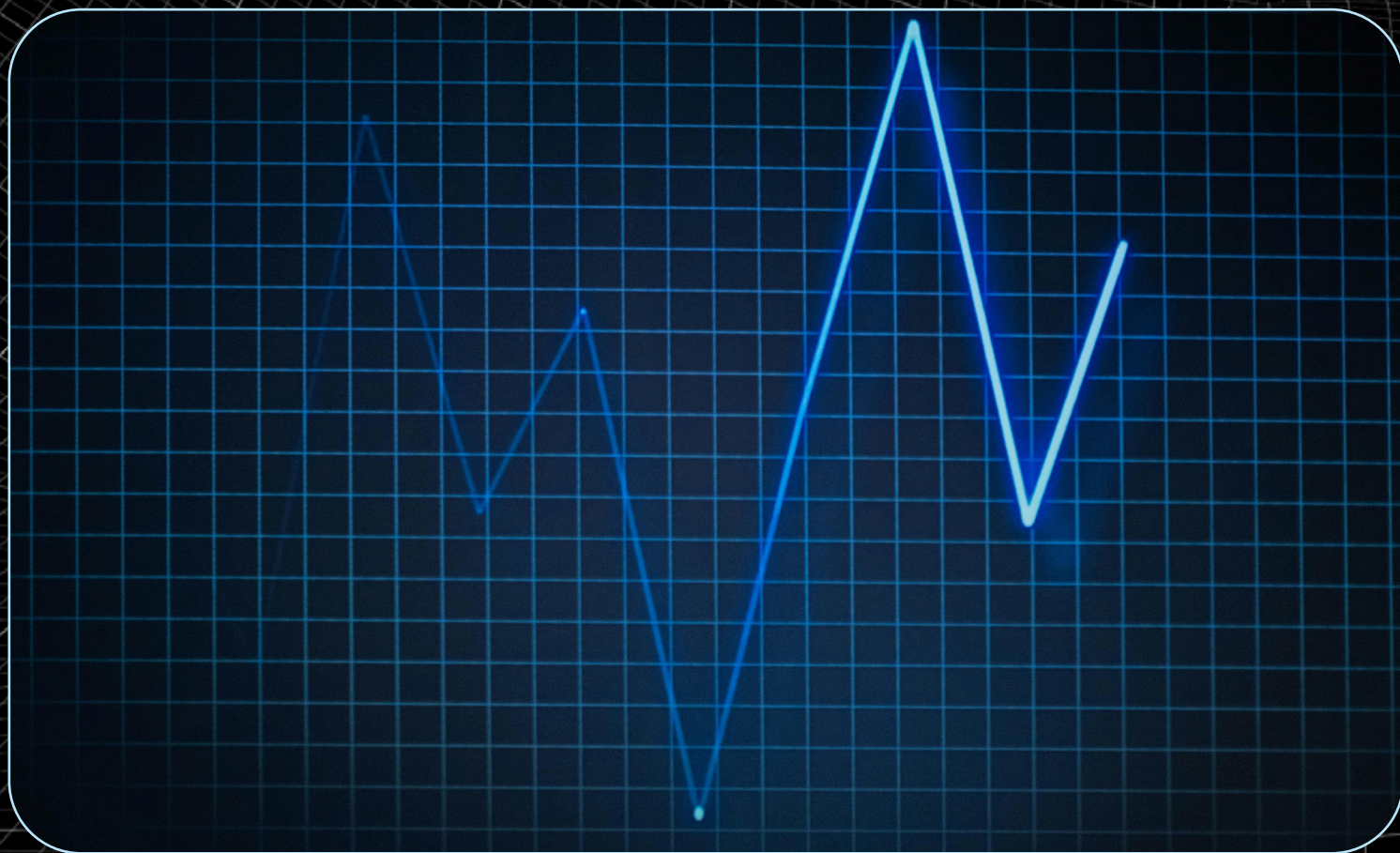


# 2024

## STATE OF PRACTICE #2

Bloomberg Law



# The Pulse of Policy

**Bloomberg Law** surveyed 395 law practitioners in August and September 2024 about various aspects of their practice—including the overturning of the Chevron Doctrine, supply chain disruptions, corporate noncompete agreements and more. This report summarizes the topline survey results. Responses have been rounded to the nearest whole number.

# TRANSACTIONAL LAW & THE CHEVRON DOCTRINE

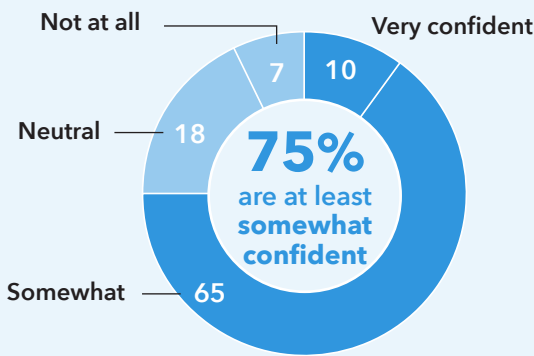


More than one-third of respondents (37%) manage transactional lawyers who have less than five years' experience. Of those attorneys, 75% express confidence in junior lawyers' drafting capability in general, though responses become more critical when discussing specifics like due diligence, negotiating terms and contract fundamentals.

Do you manage transactional lawyers with less than 5 years' experience?



Are you confident that transactional lawyers with less than 5 years' experience can draft contracts well?



Which of the following skills do transactional lawyers with less than 5 years of experience lack when it comes to drafting transactional contracts? *Select all that apply.*

Proficiency drafting concise, legally sound contracts	74%
Due diligence	59
Ability to negotiate terms favorable to your organization and other parties	44
Contract law fundamentals	44
Proficiency in researching relevant transactional precedence.	32
Ability to follow internal guidance or resources	24

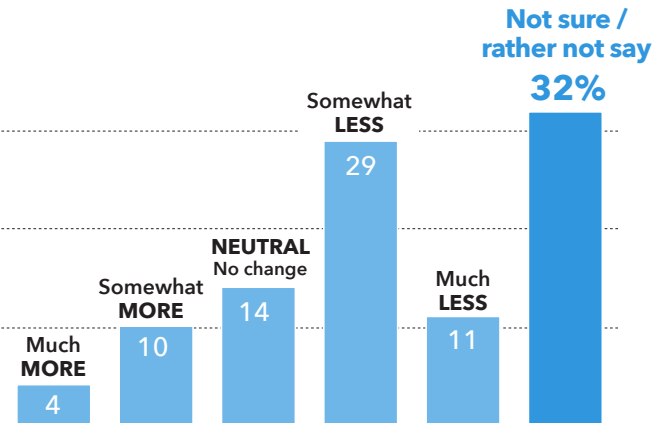
37%

of respondents believe the Supreme Court's overturning of the Chevron doctrine will have a notable effect on their practice.

How will the Chevron doctrine being overturned affect future SEC Rulemaking? *Select all that apply.*

Proceed more cautiously with future rulemaking, including focus on the authority to make rules	42%
Reevaluate the legal basis for past rulemakings in preparation for defending lawsuits	38
No change/Don't know/Rather not say	31
Keep the rules vague and use enforcement and litigation to affect the behavior of specific parties.	25
Proceed with rulemaking plans as before	12
Pause new rulemaking	7

Will the SEC respond to the Chevron decision with MORE or LESS rulemaking?



71% of respondents work, at least occasionally, on corporate governance matters. Of those, only 13% said their clients have implemented Dodd-Frank clawback policies in accordance with SEC requirements. More than three-quarters (76%) believe that it's the board of directors' role to oversee responsible use of artificial intelligence at the company.



Of lawyers who say companies they advise have implemented "clawback policies" within the past two years (13%), **how did those companies implement the policy?** *Select all that apply.*

Implemented prior to the Dec. 1, 2023 start date	34%
Aligned policies with the Oct. 26, 2022 SEC final rule	31
Don't know/Not sure	29
Expanded policy beyond the SEC population requirement	17
Implemented policy between Oct. 2022 and Oct. 2, 2023	9
Expanded policy beyond the SEC compensation requirement	6

What do you believe the role of the board of directors should be in your or your clients organizations **regarding AI governance?** *Select all that apply.*

Oversee responsible AI use in the company	76%
Enhance the effectiveness of board oversight of AI	36
Support the integration of AI in the organization	34
Build a strong foundation for data use	30
Other	5

Lawyers are more likely to cite domestic rather than foreign pressures when identifying supply chain disruption risks. Trade regulations, contracts, export controls, and other trade sanctions are considered greater threats than things like geopolitical issues or transportation problems.

What are the top **supply chain disruption risks** for your organization among the list below? *Select up to three.*

Compliance with regulations and/or contracts	47%
Trade barriers, export controls, and sanctions	31
Don't know/Rather not say	28
Geopolitical risk (civil unrest, political issues, etc.)	25
Transportation disruptions	25
ESG issues (e.g., environment, climate, labor, other social issues, etc.)	14

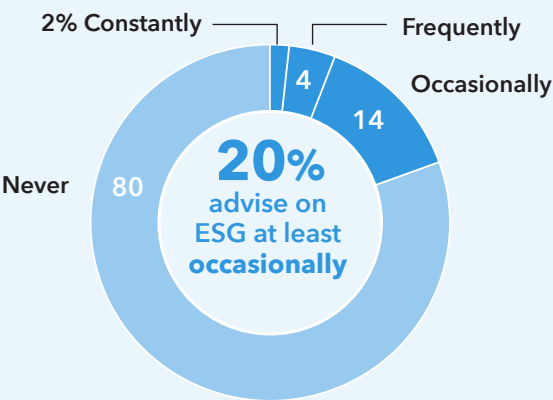
Which of the following steps is your business taking to **build supply chain resilience?** *Select all that apply.*

Expanding/diversifying network of suppliers	46%
Don't know/Rather not say	40
Renegotiating supply contracts to enhance flexibility	32
Nearshoring/friend shoring	15
Adopting supply chain tracing/mapping technology, including AI	7
Other	3

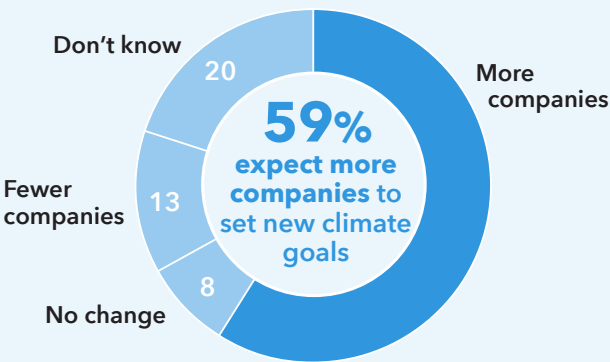
# CORPORATE CLIMATE GOALS

One in five lawyers (20%) at least occasionally advise US public companies on setting and meeting climate-related goals and targets. Issuing Environmental, Social & Governance (ESG) or sustainability reports is the most common way that lawyers’ clients disclose their climate-related information, followed by company marketing or promotional materials.

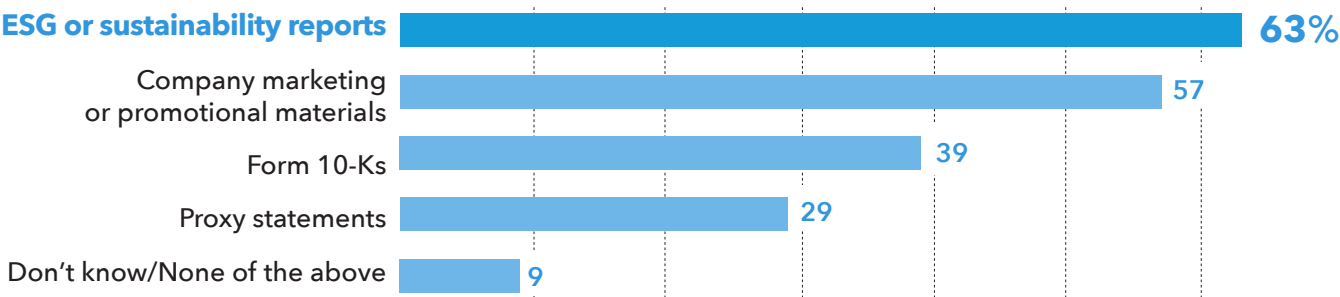
**How often** do you advise US public companies on achieving climate-related goals or targets?



Will there be **more companies setting new climate-related goals** between 2025-2030 than there were from 2019-2024?



Do the US public companies you advise **disclose information** about their climate-related goals in any of the following? *Select all that apply.*



**Which requirements** will impact US public companies evaluating whether to set new climate-related goals?

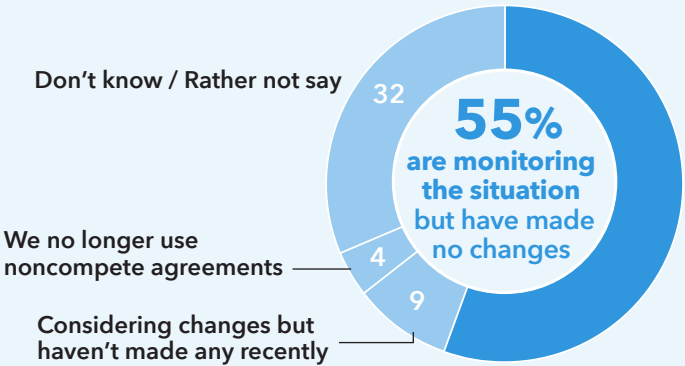
Enhancement and/or Standardization of Climate-Related Disclosures for Investors (SEC Climate Rule)	68%
California Climate-Related Financial Risk Act (SB 261)	49
Corporate Sustainability Reporting Directive (EU CSRD)	43
California Corporate Data Accountability Act (SB 253)	43
Don't know/Not sure	23

**59 percent of these lawyers** expect the number of companies setting new climate-related goals in 2025-2030 to be higher than the total for 2019-2024. The SEC climate rule is the climate-related requirement that the largest number of lawyers (68%) predict will impact companies’ decisions.



# NONCOMPETE AGREEMENTS

One-quarter of respondents (25%) say their organizations don't use restrictions at all to protect confidential company information from being obtained by competitors, including noncompete agreements. The most popular method lawyers' organizations use to protect confidential information is to control its employees' access to it; in other words, information is limited to a need-to-know basis.



**With the FTC's ban on noncompete** arrangements currently stayed, the majority of lawyers say their organizations have opted for a "wait and see" strategy regarding the protection of confidential company information. 55% of respondents report that their companies are monitoring the situation, but thus far have made no changes to their current procedures.

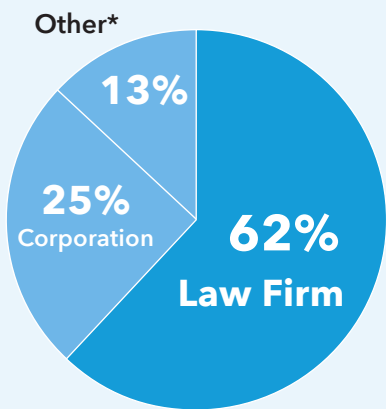
# RESPONDENT PROFILE

## PROFESSIONAL

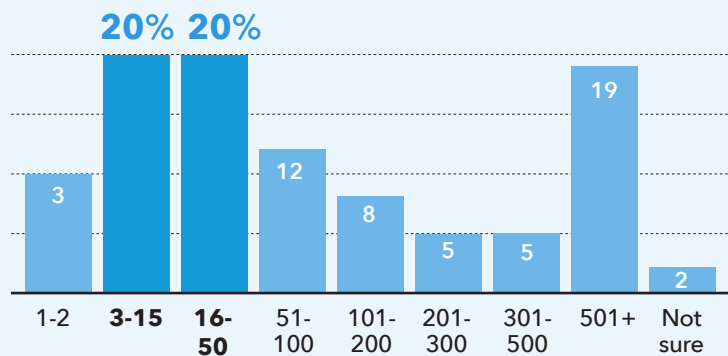
28 years

Average amount of time respondents have practiced law

### TYPE OF ORGANIZATION



### NUMBER OF PRACTICING ATTORNEYS in your organization



In which of the following **AREAS OF LAW** do you or the attorneys you support practice?

<b>Corporate</b>	<b>33%</b>	Mergers & Acquisitions	19	Trademarks & Copyrights	9
Commercial Contracts	32	Privacy & Data Security	17	Antitrust/Competition	9
Litigation (International)	32	Intellectual Property	16	Legal Ethics & Professional Responsibility	9
Other	31	Banking & Finance	16	Benefits & Executive Compensation	8
Litigation (Other)	26	ESG	11	Bankruptcy	8
Labor & Employment	24	Healthcare	10	Financial Technology	3
Compliance	23	Securities/Capital markets	10		

### Is your firm an AmLaw 100 or 200 Firm?

<b>AmLaw 100</b>	<b>21%</b>
AmLaw 101-200	11
Neither of the above	50
Not sure/prefer not to say	18

### Is your organization ranked on the Fortune 100, 500, or 1000 list?

Fortune 100	11
Fortune 500	20
Fortune Global 500	5
Fortune 1000	8
<b>None of the above</b>	<b>41%</b>
Not sure/rather not to say	15

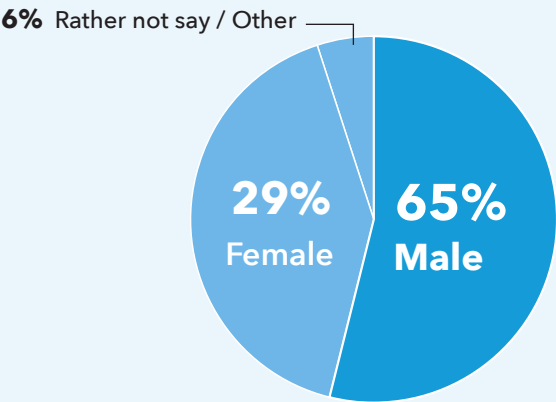
\*"Other" answers include sole practitioner's offices, government, unions, not-for-profits, and more.

Which of the following descriptions best matches your **PROFESSIONAL TITLE**?

<b>Partner</b>	<b>43%</b>	Mid-level Associate	3
General Counsel/Chief Legal Officer	10	Non-practicing Attorney (librarian, paralegal, consultant etc.)	3
In-House Counsel	10	Sole Practitioner	2
Counsel	9	Allied Professional (Non-attorney librarian, paralegal, consultant, etc.)	2
Associate/Assistant General Counsel	7	C-Suite professional (CEO, CLO, CFO, etc., or comparable role)	2
General Attorney/Staff Attorney	5		
Senior Associate	4		

PERSONAL

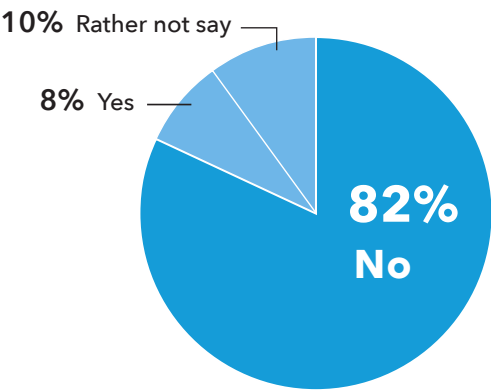
GENDER



RACE / ETHNICITY

<b>White or Caucasian</b>	<b>72%</b>
Hispanic, Latino/a/x, or Spanish	4
Black or African American	2
Asian	4
Multi-racial	3
Middle Eastern or North African	<1
Other/Rather not say	15

Do you identify as **NEURODIVERGENT**?



What is your **AGE**?

