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## HOUSE BILL 1664

By Representatives Shea, Rodne, Chandler, McCune, Bailey, Hinkle, Nealey, Rivers, Klippert, Warnick, Smith, Short, Condotta, Kristiansen, Angel, Ross, Schmick, Taylor, Buys, Fagan, Asay, and

62nd Legislature

2011 Regular Session

Overstreet

State of Washington

Read first time 01/28/11. Referred to Committee on Judiciary.

1 ACT Relating to transferring all mandatory, regulatory, 2. licensing, and disciplinary functions of the Washington state bar association to the Washington state supreme court; adding new sections 3 to chapter 2.04 RCW; repealing RCW 2.48.010, 2.48.020, 2.48.021, 4 2.48.030, 2.48.035, 2.48.040, 2.48.050, 2.48.060, 2.48.070, 2.48.080, 5 6 2.48.090, 2.48.100, 2.48.110, 2.48.130, 2.48.140, 2.48.150, 2.48.160, 7 2.48.165, 2.48.166, 2.48.170, 2.48.180, 2.48.190, 2.48.200, 2.48.210, 2.48.220, and 2.48.230; and providing an effective date. 8

## 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 NEW SECTION. Sec. 1. The legislature recognizes that the 11 Washington state bar association, as an administrative arm of the Washington state supreme court, is currently the sole statewide bar 12 13 association of Washington state that administers the admissions, 14 licensing, and discipline functions for lawyers practicing in the state 15 of Washington. The Washington state bar association also acts as the 16 exclusive statewide professional association for all lawyers licensed 17 to practice law in active status, and as a mandatory bar association, 18 membership in the Washington state bar association is required in order 19 to practice law in the state of Washington.

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The legislature recognizes that from its creation in 1888, the Washington bar association, or the Washington state bar association, as it was named in 1890, was a voluntary organization that did not include all lawyers admitted to practice. In 1930, it was proposed that the Washington state bar association be incorporated, and eventually it was proposed that the bar association be an agency of the state. In 1933, after much debate, the legislature enacted the state bar act, chapter 2.48 RCW.

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The legislature recognizes that although the state supreme court specifically held that the state bar unconstitutional infringement on the separation of powers between the legislative and judicial branches of state government, it has found several of its provisions to be contrary to the inherent power of the supreme court to regulate the judiciary and the bar, Graham v. State Bar Association, 86 Wn.2d 624, 548 P.2d 310 (1976), and WSBA v. State of Washington, 125 Wn.2d 901, 890 P.2d 1047 (1995). In *Graham*, the court held that, ". . . the source of the court's power to admit, enroll, disbar, and discipline is exclusively in the Supreme Court as one of its inherent powers . . . It was not necessary, therefore, for the legislature to act to accomplish the purposes achieved by the 1933 legislation [chapter 2.48 RCW]. The power to accomplish the integration of the bar, its supervision and regulation is found in this court, not the legislature." In WSBA v. Washington, the court held, "This court's control over Bar Association functions is not limited to admissions and discipline of lawyers. The control extends to ancillary administrative functions as well . . . The ultimate power to regulate court-related functions, including the administration of the Bar Association, belongs exclusively to this court."

The legislature recognizes that mandatory bar associations such as the Washington state bar association exist at the present time in a slight majority of states. The Washington state bar association has always been funded by member dues and other fees. In 2007, the Washington state bar association dues and fees ranked twelfth highest in the nation at four hundred fourteen dollars per year, up from twenty-seventh highest in the nation in 1995, and have been raised even higher for 2011 at the level of four hundred eighty dollars per year. There is currently before the supreme court for approval a Washington

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state bar association recommendation to increase the annual members' assessment of dues and fees to an even higher level.

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legislature recognizes that the Washington state bar association has adopted as part of its bylaws the following: "ACTIVITIES NOT AUTHORIZED. The Washington State Bar Association will not: . . . [t]ake positions on political or social issues which do not relate to or affect the practice of law or the administration of justice." Over the past several years the Washington state bar association, a mandatory bar association, has begun to take positions on political and social issues which do not relate to or affect the practice of law or the administration of justice by officially endorsing and lobbying for highly controversial and divisive social and political causes. The Washington state bar association's official endorsement and support for such factious social, political, and partisan causes are far beyond any reasonable, fair, or just understanding of what constitutes the practice of law or the administration of justice, or the purview of what a professional mandatory membership bar association should engage in. Positions the Washington state bar association, a mandatory bar association, and administrative arm of the Washington state supreme court, have taken in recent years on contentious social, political, and partisan issues not only have been in knowing, willful, and intentional contradiction to the opinions and beliefs of numerous members of the Washington state bar association, but also matters of conscience. Thus, a professional organization that once promoted only issues of interest to the bar in general, or issues of interest to lawyers engaged in certain areas of practice, is now clearly taking the side of special interests in disputatious social, political, and partisan causes.

The legislature recognizes that voluntary bar associations are private organizations of lawyers, each voluntary bar association choosing its own purposes regarding social, educational, and lobbying functions, and that voluntary bar associations do not regulate the practice of law, admit, enroll, disbar, or discipline lawyers. There is a voluntary bar association in every state that has no mandatory bar association, and many voluntary bar associations throughout most states, including Washington, organized by city, county, or other communities. Voluntary bar associations are most often focused on common professional interests. Minnesota does not require bar

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association membership and the Minnesota state bar association, one of the oldest state bar associations in the United States having been organized in 1883, is a purely voluntary professional association with a membership of nearly sixteen thousand legal professionals consisting of lawyers, judges, and other legal practitioners, such as clerks, registrars, and paralegals.

NEW SECTION. Sec. 2. The legislature finds that it is in the best interests of the practice of law, the administration of justice, the professionalism of the legal community, and the maintenance of the integrity and rightful respect due to the legal profession as a whole to eliminate a mandatory state bar association, to transfer all the mandatory, regulatory, licensing, and disciplinary functions of the Washington state bar association to the Washington state supreme court where those powers belong, and to authorize voluntary bar associations that best represent the diverse professional and personal interests, values, ideals, and principles, of their individual memberships.

The legislature finds that voluntary bar associations will best demonstrate the value of diversity, equality, and fairness within and without the legal community; aid the courts in the administration of justice; promote programs which develop high standards of competence; professionalism, and ethics; foster collegiality among their members and goodwill between the legal profession and the public; provide quality programs of continuing legal education; provide lower costs for memberships and continuing legal education; apply the knowledge and experience of the profession to the public good; provide varied forums for the discussion of subjects pertaining to law, jurisprudence, and legal reform; cooperate with other bar associations and organizations; and be a positive and constructive force for justice in society.

NEW SECTION. Sec. 3. It is the clear, unambiguous, and express intent of the legislature by this act to transfer and place all mandatory, regulatory, licensing, and disciplinary functions regarding the practice of law and the administration of justice in this state currently administered by the Washington state bar association exclusively in the Washington state supreme court and that all mandatory fees currently paid by licensees to the Washington state bar association shall cease and be transferred and placed exclusively in

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the Washington state supreme court. The Washington state supreme court is encouraged to utilize such fees solely for the mandatory, regulatory, licensing, and disciplinary functions regarding the practice of law and the administration of justice and to adjust fees downwardly accordingly.

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NEW SECTION. Sec. 4. All mandatory, regulatory, licensing, and disciplinary functions regarding the practice of law administration of justice in this state currently administered by the Washington state bar association are hereby transferred to and placed exclusively in the Washington state supreme court. legislative policies and functions pertaining to the practice of law and the administration of justice should be reasonably related to the following subjects: Regulating and disciplining lawyers; improving the functioning of the courts, including issues of judicial independence, fairness, efficacy, and efficiency; making legal services available to society; regulating lawyer trust accounts; the education, ethics, competence, integrity, and regulation of the legal profession; law improvement assistance to elected and appointed providing government officials; issues involving the structure, organization, and operation of federal, state, and local courts in or affecting Washington; issues involving the rules of practice, procedure, and evidence in federal, state, or local courts in or affecting Washington; or issues involving the duties and functions of judges and lawyers in federal, state, and local courts in or affecting Washington. mandatory fees currently paid by licensees to the Washington state bar association shall cease and be transferred and placed exclusively in the Washington state supreme court.

NEW SECTION. Sec. 5. The Washington state supreme court is respectfully requested to adopt rules necessary for the transfer to the court of all mandatory, regulatory, licensing, and disciplinary functions regarding the practice of law and the administration of justice in this state currently administered by the Washington state bar association. Court rules should establish an annual assessment of member dues and fees reasonably related to the costs necessary for the administration of functions pertaining to the practice of law and the administration of justice.

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- NEW SECTION. Sec. 6. Voluntary, nonmandatory bar associations are hereby authorized as incorporated under chapter 24.03 RCW.
- 3 NEW SECTION. Sec. 7. Nothing in this act is intended, nor shall be construed, to transfer, compromise, or otherwise diminish in any 4 5 way, any constitutional prerogatives of the legislature or its inherent 6 legislative power, to establish law, including substantive, remedial, evidentiary, and procedural law, as originally intended by, and 7 implemented in accordance with, the provisions of the Washington state 8 9 Constitution. Nothing in this act is intended, nor shall be construed, 10 to interfere, intrude, or otherwise assume any of the constitutional 11 prerogatives of the judiciary or its inherent judicial power, to 12 regulate the practice of law and the administration of justice as 13 originally intended by, and implemented in accordance with, the 14 provisions of the Washington state Constitution.
- NEW SECTION. Sec. 8. The following acts or parts of acts are each repealed:
- 17 (1) RCW 2.48.010 (Objects and powers) and 1933 c 94 s 2;
- 18 (2) RCW 2.48.020 (First members) and 1933 c 94 s 3;
- 19 (3) RCW 2.48.021 (New members) and 1933 c 94 s 4;
- 20 (4) RCW 2.48.030 (Board of governors) and 1982 1st ex.s. c 30 s 1, 21 1972 ex.s. c 66 s 1, & 1933 c 94 s 5;
- 22 (5) RCW 2.48.035 (Board of governors--Membership--Effect of creation of new congressional districts or boundaries) and 1982 1st ex.s. c 30 s 2;
- 25 (6) RCW 2.48.040 (State bar governed by board of governors) and 26 1933 c 94 s 6;
- 27 (7) RCW 2.48.050 (Powers of governors) and 1933 c 94 s 7;
- 28 (8) RCW 2.48.060 (Admission and disbarment) and 1933 c 94 s 8;
- 29 (9) RCW 2.48.070 (Admission of veterans) and 1945 c 181 s 1;
- 30 (10) RCW 2.48.080 (Admission of veterans--Establishment of 31 requirements if in service) and 1945 c 181 s 2;
- 32 (11) RCW 2.48.090 (Admission of veterans--Establishment of 33 requirements if discharged) and 1945 c 181 s 3;
- 34 (12) RCW 2.48.100 (Admission of veterans--Effect of disability 35 discharge) and 1945 c 181 s 4;

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- 1 (13) RCW 2.48.110 (Admission of veterans--Fees of veterans) and 2 1945 c 181 s 5;
- 3 (14) RCW 2.48.130 (Membership fee--Active) and 1957 c 138 s 1, 1953 4 c 256 s 1, & 1933 c 94 s 9;
- 5 (15) RCW 2.48.140 (Membership fee--Inactive) and 1955 c 34 s 1 & 6 1933 c 94 s 10;
- 7 (16) RCW 2.48.150 (Admission fees) and 1933 c 94 s 11;
- 8 (17) RCW 2.48.160 (Suspension for nonpayment of fees) and 1933 c 94 9 s 12;
- 10 (18) RCW 2.48.165 (Disbarment or license suspension--Nonpayment or 11 default on educational loan or scholarship) and 1996 c 293 s 1;
- 12 (19) RCW 2.48.166 (Admission to or suspension from practice-13 Noncompliance with support order--Rules) and 1997 c 58 s 810;
- 14 (20) RCW 2.48.170 (Only active members may practice law) and 1933 15 c 94 s 13;
- 16 (21) RCW 2.48.180 (Definitions--Unlawful practice a crime--Cause 17 for discipline--Unprofessional conduct--Defense--Injunction--Remedies--18 Costs--Attorneys' fees--Time limit for action) and 2003 c 53 s 2 & 2001 19 c 310 s 2;
- 20 (22) RCW 2.48.190 (Qualifications on admission to practice) and 1987 c 202 s 107 & 1921 c 126 s 4;
- 22 (23) RCW 2.48.200 (Restrictions on practice by certain officers) 23 and 1992 c 225 s 1, 1975 1st ex.s. c 19 s 3, 1971 c 81 s 13, & 1921 c 24 126 s 5;
- 25 (24) RCW 2.48.210 (Oath on admission) and 1921 c 126 s 12;
- 26 (25) RCW 2.48.220 (Grounds of disbarment or suspension) and 1921 c 27 126 s 14 & 1909 c 139 s 7; and
- 28 (26) RCW 2.48.230 (Code of ethics) and 1921 c 126 s 15.
- NEW SECTION. Sec. 9. Sections 1 through 7 of this act shall be codified and are each added to chapter 2.04 RCW.
- 31 <u>NEW SECTION.</u> **Sec. 10.** This act takes effect December 1, 2011.

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