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**HOUSE BILL 1545**

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**State of Washington**

**67th Legislature**

**2021 Regular Session**

**By** Representatives Kirby, Vick, and Pollet

Read first time 02/22/21. Referred to Committee on Civil Rights & Judiciary.

1 AN ACT Relating to insurance regulation; and adding a new section  
2 to chapter 48.01 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 48.01  
5 RCW to read as follows:

6 (1) It is the public policy of the state of Washington to promote  
7 ready access to legal assistance and counsel for all citizens of the  
8 state and to encourage programs and plans that promote arrangements  
9 between members of the public as consumers of legal services and  
10 lawyers who provide legal assistance and counsel to the general  
11 public for any type of legal needs.

12 (2) Legal service contractors are not insurers under RCW  
13 48.01.050 and legal service plans are not insurance under RCW  
14 48.01.040.

15 (3) This section does not in any way affect the practice of law  
16 in this state.

17 (4) This section does not apply to or affect any of the following  
18 arrangements:

19 (a) Retainer, fee, engagement, or representation agreements made  
20 by an attorney or firm of attorneys with any person or group other  
21 than a legal service contractor;

1 (b) Referral of individual clients to an attorney by a nonprofit  
2 lawyer referral service or public corporation or entity such as state  
3 or local bar association provided there is no fee or charge for such  
4 referral;

5 (c) Employee welfare benefit plans to the extent that state law  
6 or regulation is preempted by federal law or regulation;

7 (d) The provision of legal assistance to low or moderate-income  
8 persons by nonprofit legal aid organizations or legal aid programs  
9 affiliated with the Washington state bar association, a local bar  
10 association, a law school accredited by the American bar association,  
11 or a program operated in conjunction with a paralegal education  
12 program approved by the American bar association; or

13 (e) Policies of insurance, or coverage incidental to such  
14 insurance which may include legal defense, issued by an insurer  
15 holding a valid certificate of authority in this state and issued  
16 under applicable laws in this title pertaining to such insurance.

17 (5) For the purposes of this section:

18 (a) "Legal service contractor" means any person, entity, or group  
19 of persons, including associations, who does not engage in the  
20 practice of law or the business of insurance and who, for  
21 consideration, provides members with access to legal services through  
22 agreements with providing attorneys.

23 (b) "Legal service plan" or "plan" means an arrangement between a  
24 legal service contractor and an individual or person or group of  
25 individuals or persons, whereby specified legal services may be  
26 provided to, or provided at discounted rates to members by providing  
27 attorneys in consideration of a periodic payment that does not  
28 constitute payment of attorney fees of any providing attorneys.

29 (c) "Member" means an individual, person, or group of individuals  
30 or persons eligible to receive legal services under a legal service  
31 plan.

32 (d) "Providing attorney" means an attorney licensed, in good  
33 standing, and eligible to practice law in this state who provides  
34 legal services under a providing attorney agreement in accordance  
35 with the terms of the legal service plan, and pursuant to an  
36 engagement agreement between the providing attorney and the member.

37 (e) "Providing attorney agreement" means a written contract or  
38 agreement between a legal service contractor and a providing attorney

1 under which the providing attorney renders and provides legal  
2 services to members of a legal service plan.

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