

WASHINGTON STATE
BAR ASSOCIATION

BOARD OF GOVERNORS MEETING

November 7-8, 2024

Meeting Materials

WSBA Conference Center
Seattle, WA
Zoom and Teleconference



**Board of Governors Meeting
Seattle, WA
November 7-8, 2024**

WSBA Mission: To serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

ALL ITEMS ON THIS AGENDA ARE POTENTIAL ACTION ITEMS

To participate by Zoom or Teleconference:

Thursday, November 7th : Meeting ID: 882 6677 8876 Passcode: 349815

<https://wsba.zoom.us/j/88266778876?pwd=q8rs04DCx6gmtcHSgfRK8Z3rennLzz.1>

Friday, November 8th : Meeting ID: 881 1153 4612 Passcode: 514560

<https://wsba.zoom.us/j/88111534612?pwd=2RLvZ9rrHtU8RrASC6MnHU8hqiYSC1.1>

To participate by phone, call +1 253-205-0468

THURSDAY, NOVEMBER 7, 2024

9:00 AM – CALL TO ORDER & WELCOME

MEMBER & PUBLIC COMMENT

☐ **MEMBER AND PUBLIC COMMENTS**

Overall public comment is limited to 30 minutes and each speaker is limited to 3 minutes. The President will provide an opportunity for public comment for those in the room and participating remotely. Public comment will also be permitted at the beginning of each agenda item, at the President's discretion.

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CONSENT CALENDAR

☐ **CONSENT CALENDAR**

A governor may request that an item be removed from the consent calendar without providing a reason and it will be discussed immediately after the consent calendar. The remaining items will be voted on *en bloc*.

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- ☐ **GOVERNOR ROUNDTABLE**

5:00 PM – RECESS

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9:00 AM – RESUME MEETING

AGENDA ITEMS & UNFINISHED BUSINESS

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12:00 PM – RECESS FOR LUNCH

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- ☐ **DISCUSSION WITH LAW SCHOOL DEANS AND LAW CLERK BOARD LEADERSHIP**, University of Washington School of Law Dean Tamara Lawson, Law Clerk Board Chair Emily Rose, Gonzaga University School of Law Dean Jacob Rooksby, Seattle University School of Law Dean Anthony Varona

MEETING FEEDBACK

- ☐ **MEETING FEEDBACK**

3:00 PM – ADJOURN

INFORMATION

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TO: WSBA Board of Governors
FROM: Executive Director Terra Nevitt
DATE: October 17, 2024
RE: Executive Director's Report

WSBA Launches Regulatory School

The WSBA will be hosting its first “Regulatory School” on Monday, October 28. The program is designed to provide regulatory volunteers with information and tools needed to succeed in their appointed position. Learning objectives will emphasize system comprehension and core competencies, including the sources of regulatory authority, the Court’s regulatory objectives, the structure of rule-based regulatory systems, the work of volunteer regulators, anti-bias training, and education about the specific rules and processes that govern each entity’s work. Above all, the Regulatory School aims to foster community, a culture of steadfast volunteer commitment, and a deeper understanding of these entities’ roles in the equitable administration of the regulatory processes established by the Court and carried out by the WSBA. The all-day, CLE-accredited training will be provided to an in-person and virtual audience as well as available a recording. [Click here to view the agenda.](#)

NextGen Bar Exam

In preparation for the launch of NextGen bar exam in 2026, the Regulatory Services Department team will be administering a prototype exam in late October. The prototype exam is a full-length pretest of the NextGen bar exam that will be administered in 32 jurisdictions. As the National Conference of Bar Examiners explains, the prototype exam will generate essential data to inform each jurisdiction’s decision about the passing score it will require for admission. Applicants who sat for the July 2024 bar exam were invited to apply to take the prototype exam. To acknowledge participants’ time and effort, NCBE is offering a \$1,500 stipend for those who participate in the prototype exam. For more information, please visit <https://nextgenbarexam.ncbex.org/nextgen-prototype-exam-october-2024/>.

Public Hearing for Public Defender Caseload Standards

President Anjilvel, Council on Public Defense Chair Jason Schwarz, and I presented during the Washington Supreme Court’s public hearing on the standards for indigent defense on September 25. In addition to our testimony, the Court heard from the Board for Judicial Administration, the Washington State Association of Counties, the Association of Washington Cities, the Washington Association of Prosecuting Attorney, and the Washington State Office of Public Defense, followed by public comment. While there was significant agreement that the proposed amendments are attempting to address valid concerns, the opposition to the standards largely focused on the cost of implementing them and frustration about a one-size fits all approach. The cities and counties specifically requested that the Court provide more time to implement the standards than the three-year timeline proposed by WSBA, however they did not offer an alternative timeline. Members of the Court were very engaged and asked

many questions. A [recording](#) of the three-hour session is available on TVW. [Public comment](#) is being accepted by the Court through October 31, 2024, after which time the Court has indicated it will hold a second public hearing.

Volunteer Engagement and Onboarding Updates

We have completed our annual volunteer recruitment efforts for FY25, with the exception of a small number of vacancies left to fill. To date, we have received 177 applications for 128 vacancies. We saw strong attendance and engagement in our WSBA onboarding events including the Annual Chair Meeting and Training (which featured a CLE-accredited session on inclusion-centered leadership), two trainings for new WSBA volunteers (with 70 new volunteers in attendance between the two sessions), and drop-in sessions through the month of October for the *WSBACommunity* pilot project. For any questions about volunteer engagement and/or onboarding, please contact Paris Eriksen, parise@wsba.org.

Option to Provide Pronouns in the Legal Directory

You now have the option of including pronouns on your profile in the WSBA Legal Directory. Please go to mywsba.org to include yours! Pronouns are words used to refer to someone in the third person in place of their name. The purpose of including them is to indicate how others can respectfully refer to you.

Attachments

MCLE Board Revised Structured Mentoring Program Standards

Q4 2024 Budget Reallocations

Litigation Report

Media Report

[Member Demographics Report](#)

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Katie Denmark, MCLE Board Chair
Adelaine Shay, WSBA MCLE Manager
DATE: October 10, 2024
RE: MCLE Board Adopted Policies – Notification

INFORMATION: Pursuant to Washington Supreme Court Admission and Practice Rule (APR) 11 (d)(2)(ii), the MCLE Board is notifying the Board of Governors of a policy adopted at its August 9, 2024 meeting. The attached policy is intended to modify the standards for the approval of structured mentoring programs. This amendment and will become effective 60 days from promulgation on November 30, 2024.

APR 11 (d)(2)(ii): Policies. The MCLE Board may adopt policies to provide guidance in the administration of APR 11 and the associated regulations. The MCLE Board will notify the Board of Governors and the Supreme Court of any policies that it adopts. Such policies will become effective 60 days after promulgation by the MCLE Board.

APR 11(e)(8): The MCLE Board shall develop standards for approving mentoring programs.

MCLE Board Policy – Implementation of New Mentoring Standards and Expanded Program Eligibility

This policy alters the standards for approved structured mentoring programs developed by the MCLE Board in accordance with APR 11(e)(8). The policy changes include extending mentee eligibility beyond active members to inactive members intending to return to active status within one year, J.D. graduates seeking admission in Washington, enrolled law students who meet defined course of study completion requirements, enrolled law clerks who satisfy equivalent requirements, and those who have completed the APR 6 law clerk program in its entirety. Any licensed legal professional who falls into the mentioned groupings will also need to certify in writing (through the MCLE Board Mentoring Agreement) their intention to complete all steps to obtaining an active WSBA license as a precondition to MCLE credit eligibility. The policy also establishes that mentors using the WSBA provided “Self-Directed Mentoring Program Guide” option will be restricted to mentoring active members of the WSBA. This restriction is because self-directed programs do not have the degree of oversight or management capacity that exists in mentoring programs devised and monitored by organizations that have sought and obtained approval from the Board. This policy is consistent with the MCLE Board’s power to develop standards for mentoring programs and centers WSBA’s commitment to increasing access to mentorship opportunities to a broader cross section of current and future legal professionals.

Attachments:

- MCLE Board Policy – Standards for Approved Structured Mentoring Program

STANDARDS FOR APPROVING STRUCTURED MENTORING PROGRAMS FOR MCLE CREDIT
Adopted by MCLE Board on August 9, 2024

The MCLE Board will approve structured mentoring programs for MCLE credit that meet the requirements of APR 11 and the following requirements and standards:

1. **Purpose.** Structured mentoring programs are intended to:
 - a. Foster professionalism, civility and collegiality in the legal community;
 - b. Bridge the gap for new and transitioning attorneys;
 - c. Promote inclusion and eliminate bias with respect to the practice of law;
 - d. Encourage professional development, including insights into the practice of law;
 - e. Encourage personal development, including the need for healthy work-life balance and awareness of mental health, addiction, and stress issues; and/or
 - f. Support the community through public service.
2. **Structured Mentoring Program Standards.** The minimum structural standards for a program to be approved include facilitating and requiring the mentor and mentee to:
 - a. Attend an orientation meeting for which MCLE credit is not earned;
 - b. Sign a mentoring agreement;
 - c. Create a personalized mentoring plan that includes meetings on approved subjects under APR 11(f);
 - d. Have face-to-face mentoring meetings related to the approved course subjects under APR 11(f). Face-to-face meetings can be in person or via electronic means of communication; and
 - e. Provide an evaluation of the mentoring experience to the organization. The forms or the information from the forms must be retained for two years and provided to the MCLE Board upon request.
3. **Goals of Approved Structured Mentoring Programs.** Approved Structured Mentoring Programs should:
 - a. Strive to appropriately match qualifying mentors with qualifying mentees;
 - b. Assist mentors and mentees in creating a mentoring plan that will best serve them in achieving their goals; and
 - c. Provide support as needed to help mentors and mentees fulfill their responsibilities.
4. **Application for Approval of Structured Mentoring Program.** Organizations shall submit an application, program materials and sample forms to the MCLE Board to be considered for approval.

5. **Self-Directed Structured Mentoring Programs.** Mentors and mentees wishing to develop their own mentoring relationship and attain MCLE credit for mentoring may do so through the Self-Directed Structured Mentoring Program Guide available at <https://www.wsba.org/for-legal-professionals/mcle/mcle-credit-for-mentorship>.
6. **Eligibility.** The mentor and mentee shall not be employed by the same employer. Those using the WSBA provided “Self-Directed Mentoring Program Guide” must mentor active members of the WSBA to obtain MCLE credits.
7. **Mentor Eligibility.** The mentor must be an active member of the WSBA in good standing and have been admitted to the practice of law in Washington for at least five years.
8. **Mentee Eligibility.** To be eligible, the mentee must:
 - a) be an active member of the WSBA; or
 - b) be an inactive member of the WSBA who intends to return to active status within one year; or
 - c) be a J.D. graduate seeking admission in Washington; or
 - d) be an enrolled law student who has successfully completed not less than one third of a law school’s prescribed 3-year course of study or 16 months of a law school’s prescribed 4-year course of study; or
 - e) be an enrolled law clerk who has successfully completed not less than 16 months of the law clerk’s program prescribed 4-year course of study; or
 - f) have completed the APR 6 law clerk program.

Prior to commencing a mentoring relationship under this policy, mentees who are inactive members, law school students, or participating in the law clerk program must certify in writing their intention to complete all steps to obtaining an active WSBA license by signing the MCLE Board mentoring agreement.

9. **MCLE Credit for Participation.** Mentors and mentees may earn one MCLE credit per each 60 minutes during which they held mentoring meetings and covered topics or issues related to the approved course subjects under APR 11(f). Law and Legal Procedure credits may not be earned through mentoring. There are no limits on the number of MCLE ethics and “other” credits attorneys may earn and attorneys may participate as often as they wish. The mentor may not receive payment for the mentoring time.

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors
Budget and Audit Committee

From: Terra Nevitt, Executive Director

Date: October 14, 2024

Subject: FY 2024 Budget Reallocations for Q4

Background

WSBA Fiscal Policies allows the Executive Director to approve the reallocation of budgeted and unbudgeted expenditures within certain limitations. Specifically, the policy states:

"The Executive Director approves and reports to the Board of Governors about certain unbudgeted expenses, including reallocations of budgeted expenditures where the intent is similar or varies slightly; unbudgeted expenditures that are fully offset by unbudgeted revenue or a reallocation of budgeted expenditures up to 5% of the approved operating budget to address operational, regulatory or programmatic needs; and necessary and prudent expenditures to implement WSBA's Disaster Recovery Plan or to maintain WSBA's operations. Per occurrence limit is \$215,000.00. Reallocations may not affect the annual budget's bottom line. The Executive Director must report reallocation of funds to the President on a monthly basis and to the Board on a quarterly basis. It is expected that the Executive Director will consult with the President on reallocations that may be considered sensitive or controversial in nature, prior to execution."

President Anjilvel was notified of the monthly reallocations on August 12, September 9, and October 14.

For FY 2024, the WSBA's reforecasted annual operating budget is \$27,044,392 and the Executive Director's limit for reallocation is up to \$1,352,219.60 (5%). The total amount of funds reallocated from October 1 through September 30th are \$205,180 (0.76% of annual operating budget).

FY24 Budget Reallocations for Q4

1. *Court Reporters- Office of General Counsel Disciplinary Board (OGCDB)-* Funds were needed for Court Reporter expenses in the Office of General Counsel (OGC)- Disciplinary Board cost center resulting from a change in allocation of deposition and hearing costs between the Office of Disciplinary Counsel (ODC) and OGCDB. The court reporter budget can be difficult to estimate due to unknown factors, such as how many depositions and hearing will occur, duration of the deposition or hearing, and whether the case will settle. In FY24 total court reporter expenses between both the ODC and OGCDB cost centers are higher because of the larger than normal number of depositions and a lengthy hearing. It was estimated that \$47,000 is needed for Court Reporters budget in OGCDB, which can be supported through a reallocation of \$47,000 from excess interest income revenue (over budget by \$282,906 as of August 31, 2024).
2. *Consulting Services- Public Service Program (PSP)-* The Moderate Means Program grant is budgeted under the Public Service Programs cost center. In July the program received a return of grant funds from

Gonzaga University in the amount of \$12,221. Per the program agreement, the university is required to return any unspent funds from the grant to the WSBA. The funds returned were from the FY23 grant period. Simultaneously, WSBA has been working on assessing the Moderate Means Program and as part of that project will be conducting a client needs assessment that is set to begin in FY24 and complete in FY25. To support the assessment, the refunded funds of \$12,221 have been reallocated from the Donations/Grants/Sponsorships budget to Consulting Services within the Public Service Programs cost center.

3. *Salaries*- A reallocation of \$1,000 was needed to complete the execution of the WSBA's merit bonus program for FY24. This is the first year of implementation for the bonus program which included multiple ways to provide employee recognition. Funds were available for reallocation from the employee retirement contribution budget, which was running under budget by \$49,803 (4%) as of August 31, 2024.
4. *Records Storage*- A reallocation of \$35,410 was needed to support the completion of the WSBA downsizing project in FY25, specifically for records storage and transition from hardcopy to electronic documents. Funds are available to be reallocated from a variety of other indirect costs that will go unspent in FY24 including Furniture, Maintenance, Leasehold Improvements, Postage, Production Maintenance & Supplies, Translation Services, and Office Supplies & Equipment, as well as savings in the Service Center cost center for Staff Conferences & Training.

To: The President, President-elect, Immediate Past-President, and Board of Governors
 From: Lisa Amatangel, Associate Director, OGC
 Date: October 22, 2024
 Re: Litigation Update

No.	Name	Brief Description	Status
1	<i>Komora v. James Elliot Lobsenz, et al.</i> , No. 23-2-02363-34 (Thurston County Superior Court); No. 593530 (WA Court of Appeals, Div. II)	Alleges mishandling of grievance.	<p>Komora filed a Complaint on 07/26/2023. WSBA's Motion to Dismiss was heard and granted with prejudice on 01/26/2024. On 02/26/2024, Komora filed a Notice of Appeal. At Komora's request the Court of Appeals stayed the appeal until 09/16/2024. An amended Statement of Arrangements and/or Designation of Clerk's Papers are due 09/23/24.</p> <p>Update since last report: Komora filed a Second Amended Statement of Arrangements on 09/23/24, and Designation of Clerk's Papers on 10/21/24.</p>
2	<i>Langadinos v. WSBA, et al.</i> , No. 2:23-cv-00250-RSM (W.D. Wash.)	Alleges disability discrimination.	<p>Langadinos filed a complaint on 02/23/2023. On 06/22/2023, the WSBA filed a Motion to Dismiss, to which Langadinos responded and WSBA replied. On 07/21/2023, Plaintiff filed an Emergency Motion Requesting to Postpone Decision on Defendant's MTD for 6 Weeks, to which WSBA responded.</p> <p>On 03/15/2024 WSBA's Motion to Dismiss was granted in part, including the dismissal with prejudice of Langadinos' claims for injunctive relief, § 1983 claims against the Washington Supreme Court, and claims against individual WSBA employees. Langadinos was granted leave to file a motion to amend the complaint within 30 days and permitted 21 days to properly effect service.</p> <p>On 04/24/2024, Langadinos filed an Emergency Motion for Clarification which was denied. On 04/30/2024, Langadinos filed a motion for leave to file an amended complaint. As of 05/30/24 this motion has</p>

			<p>been fully briefed.</p> <p>Update since last report: none.</p>
3	<i>Turnbull v. Office of Disciplinary Counsel, et al.</i> , No. 2:23-cv-1619 (W.D.Wash.)	Alleges mishandling of grievance.	Turnbull filed a complaint on 10/19/2023 and an amended complaint on 12/08/2023. On 06/10/2024, Defendants filed a Motion to Dismiss. This motion has been fully briefed since 07/08/24. On 09/12/2024, the Court granted the WSBA defendants' Motion to Seal.
4	<i>Shogren v. WSBA, et al</i> (Thurston County Superior Court); 24-2-003342-34	Alleges mishandling of disciplinary hearing	Shogren filed a Petition for Review on 09/18/2024 and a Motion For Temporary Stay of Agency Administrative Proceeding on 10/03/2024. The WSBA filed a Motion to Dismiss and an opposition to the Motion for Temporary Stay on 10/08/24. The Motion for Temporary Stay was denied. A hearing on the Motion to Dismiss is scheduled for 11/22/24.

WASHINGTON STATE BAR ASSOCIATION

MEMO

To: Board of Governors

From: Jennifer Olegario, Communications and Outreach Manager, and Sara Niegowski, Chief Communications Officer

Date: Oct. 7, 2024

Re: Summary of Media Contacts, Aug. 14-Oct. 7, 2024

Date	Journalist and Media Outlet	Inquiry
Aug. 22	Rachel Riley, Law360	Interview request regarding test pilot of entity regulation. See related article below.
Aug. 23	Dorothy Atkins, Law360	Sought comment about a disbarred attorney.
Aug. 23	Sara Merken, Reuters	Sought information, including public comments, and interview about test pilot of entity regulation proposal. See related article below.
Sept. 4	Jamie Goldberg, The Oregonian	Inquired about policy regarding food reimbursements during travel.
Sept. 9	Julia Gray, ABA Center for Bar Leadership	Inquired about how bar associations and the legal community are using artificial intelligence.
Sept. 9	Anna Sanders, Law360	Inquired about mental health resources for attorneys amid misconduct allegations

News Releases

- ["Patrick O'Connor named Local Hero by Washington State Bar Association,"](#) (Sept. 6)
- ["Stephanie Stocker named Local Hero by Washington State Bar Association,"](#) (Sept. 6)
- ["Washington State Bar Association Honors Legal Luminaries at 2024 APEX Awards,"](#) (Sept. 27)
- ["Washington State's Sunitha Anjilvel Becomes First South Asian Female President of a State Bar Association,"](#) (Sept. 30)

News Coverage

- ["Washington Justices Affirm Convicted Ex-State Auditor Disbarment,"](#) (Law360, Aug. 24)
- ["Washington state removes bar exam requirement,"](#) (Puget Sound Business Journal, Aug. 30)
- ["Washington Bar Backs Experiment for Nonlawyers to Practice,"](#) (Law360, Sept. 5)
- ["State Sen. Mike Padden: Washington needs more public defenders and prosecutors, along with police,"](#) (Spokesman-Review, Sept. 8)
- ["Backers, foes weigh in on Washington state legal practice reforms,"](#) (Reuters, Sept. 18)
- ["To protect the public, we must reduce public defender caseloads,"](#) (Seattle Times, Sept. 18)
- ["A decision from the state Supreme Court could turn justice system into legal chaos,"](#) (Cascadia Daily News, Sept. 21)
- ["Proposal aims to cut Washington public defender caseloads, critics say it's too costly,"](#) (KING5, Sept. 25)
- ["Legal system has split opinions on caseload cap that could financially devastate smaller counties,"](#) (Cascadia Daily News, Sept. 25)
- ["WA Supreme Court is told cutting public defender caseloads could incite 'vigilante' justice,"](#) (Washington State Standard, Sept. 26)
- ["Public safety advocates warn of effort to reduce public defender caseloads,"](#) (Columbia Basin Herald, Oct. 1)
- ["State can no longer shirk its responsibility for public defenders,"](#) (Yakima Herald-Tribune, Oct. 5)

###

WASHINGTON STATE BAR ASSOCIATION

BOARD OF GOVERNORS MEETING MINUTES

Olympia, WA

September 6-7, 2024

Call to Order and Welcome ([link](#))

The meeting of the Board of Governors of the Washington State Bar Association (WSBA) was called to order by President Sunitha Anjilvel on Friday, September 6, at 1:50 p.m. Governors in attendance were:

Francis Adewale
Matthew Dresden
Tom Ahearne
Kevin Fay
Kristina Larry
Todd Bloom
Nam Nguyen
Allison Widney
Jordan Couch
Kari Petrasek
Serena Sayani
Parvin Price
Alain Villeneuve

Officers and Executive Staff in attendance were President Sunitha Anjilvel, Immediate-Past President Dan Clark, Executive Director Terra Nevitt, Chief Communications and Outreach Officer Sara Niegowski, Director of Finance Tiffany Lynch, Chief Disciplinary Counsel Doug Ende, Chief Regulatory Counsel Renata Garcia, Director of Advancement Kevin Plachy, Chief Equity & Justice Officer Diana Singleton, General Counsel Laurie Powers, Deputy Director Dua Abudiab and HR Director & Chief Culture Officer Glynnis Klinefelter Sio.

Also in attendance were Mark Alexander, Crystal Alford, Peter Arkison, Jennifer Apitz, Emily Arneson, Adam Ballout, Matt Bjork, Cameron Buhl, Dennice Bryant, McKay Campbell, Nancy Collins, Marci Comeau, Steve Crossland, Amber Curnow, Chris Desmond, Melinda Drawing, Paris Eriksen, Hon. Tracy Flood, Tom Gordon, Grainne Griffiths, Nancy Hawkins, Bobby Henry, N. Johnson, Thea Jennings, Jennifer Justice, Ben Kim-Gervey, Gregory Link, Carolyn MacGregor, Sara Merken, Sharea Moberly, Erin Moody, Gideon Newmark, Rex Nolte, Connor O'Neil, Jennifer Olegario, Aziza Ozgoren, Hye Young Park, Anya Perret, Rachel Riley, Emily Rose, Jason Schwarz, Colleen Shea-Brown, Kristen Schimpff, Catherine Schur, Shrounda Selivanoff, Drew Simshaw, Michael Terasaki, Anne Trent, Tara Urs, Amelia Watson, Raina Wagner and Bailey Zydek.

President's Report ([link](#))

President Anjilvel acknowledged being sworn in as President of the WSBA earlier in the day and welcomed District 1 Governor Parvin Price, who was also sworn in. She also reported on the morning meeting with the state Supreme Court, where they discussed the Bar's four strategic priorities, provided updates on the new bar licensure process, and emphasized ongoing outreach to tribal leaders and practitioners.

Executive Director's Report ([link](#))

Executive Director Terra Nevitt referred to her written report and invited questions. There were none.

Update on the Proposed Pilot Project for Entity Regulation ([link](#))

Chair Leslie Ashley and member Craig Shank presented a report from the Practice of Law Board on the proposed pilot project for entity regulation. They emphasized the need for innovation in legal services to improve public access to legal services. The pilot project aims to test entity regulation by allowing entities to offer scope-limited legal services and integrating technology and non-lawyer professionals under the oversight of licensed lawyers. Craig Shank highlighted the historical context, the current regulatory framework, and examples from other jurisdictions. The Board had previously voted to support the pilot, and the current phase involves gathering feedback to refine the draft order before submission to the Supreme Court. The goal is to collect data over a multi-year period to inform potential regulatory reforms. The presentation concluded with a call for continued engagement and feedback to improve the pilot project.

Nancy Hawkins, representing the Family Law Section, expressed concerns about the Practice of Law Board's proposed pilot project, emphasizing the need for stringent character and fitness evaluations for approved entities. Michael Terasaki and Tom Gordon supported the proposed pilot project, citing the current inadequacies in legal aid and the potential benefits of regulated non-lawyer ownership. Mark Alexander raised procedural concerns and questioned the proposal's effectiveness in improving access to justice.

Member & Public Comments ([link](#))

Peter Arkison emphasized the need for competence in legal practice and criticized the lack of cross-disciplinary seminars and engagement with volunteers.

Taila AyAy, Chris Desmond, Adam Ballout, Anya Perret, Jennifer Justice, McKay Campbell, Matt Bjork, and Grainne Griffiths advocated for the adoption of proposed amendments to the standards for indigent family defense, highlighting the challenges faced by public defenders, including high turnover, burnout, and the need for lower caseloads to ensure effective representation.

Budget & Audit Committee Items ([link](#))

FY25 WSBA Budget

Director Lynch presented the final draft of the FY25 budget, highlighting major changes from previous drafts, including the addition of section budgets and adjustments related to office space downsizing and capital labor. Other notable changes included increased costs for court reporters, disability

accommodations, and diversity events, as well as a reallocation of funds for law library deskbook access. Treas. Adewale moved to approve the FY25 Budget as presented. Motion passed unanimously. Gov. Couch was not present for the vote.

Reserve Allocations

Director Lynch presented proposed reserve allocations. Treas. Adewale moved to reallocate \$2.3 million from the facilities reserve to the unrestricted reserve as proposed. Motion passed with Gov. Sayani abstaining. Gov. Couch wasn't present. Treas. Adewale moved to allocate \$400,000 from unrestricted reserves to the Special Projects and Innovation Fund. Motion passed unanimously. Treas. Adewale moved to increase the operating reserve fund by \$500,000 with funds reallocated from the unrestricted reserve. Motion passed unanimously. Gov. Couch was not present for the vote.

Member Status Workgroup Report & First Read on Proposed Bylaw Amendments ([link](#))

Chair Kari Petrasek and Chief Regulatory Counsel Renata Garcia presented the Member Status Work Group's findings and recommendations for proposed amendments to the WSBA Bylaws. Chief Garcia gave an overview of current license status options, member feedback, research into other jurisdictions, and the proposed changes. Key recommendations included introducing an option for voluntarily resigned members to display their status as "retired" status on the Legal Directory, reducing the years required for honorary status from 50 to 40, and allowing inactive and honorary members to volunteer on committees. The fiscal impact of these changes was estimated at \$101,540 in the first year. Discussions followed, addressing concerns about the term "retired," the inclusion of years practiced in other jurisdictions, and the CLE requirements for pro bono status. The work group will meet again on September 25 to finalize recommendations, which will be presented for approval at the next Board of Governors meeting.

District 5 Governor Election ([link](#))

Candidate Emily Arneson provided an initial statement and answered questions from the Board members. The Board decided to conduct the election via voice vote instead of a secret paper ballot, as the bylaws were silent on the method of election and there were no objections. Emily Arneson was unanimously elected as the District 5 Governor.

Swearing in of F25 Governors and Officers ([link](#))

President Anjilvel prefaced the swearing-in ceremony by recognizing the outgoing officers and board members.

Justice Gonzalez administered the Oaths of Office to the new officers and incoming governors.

Day Two ([link](#))

President Anjilvel called day two of the board meeting to order at 9:10 a.m.

Consent Calendar ([link](#))

Executive Director Nevitt introduced the consent calendar, noting the sizable number of consent-calendar items was due to the end-of-year accumulation and a busy agenda. She explained the process for removing items from the consent calendar for individual discussion. No items were requested for removal. Gov. Petrasek moved to approve the consent calendar. Motion passed unanimously.

Council on Public Defense Proposals ([link](#))

Amendments to the WSBA Standards for Indigent Defense Standards Re Appellate Caseloads

Chair Jason Schwarz made an opening statement. CPD's Appellate Caseloads Subcommittee members Greg Link and Gideon Newmark presented a proposal focused on appellate caseload standards. Greg Link highlighted the need to reduce the caseload from 36 to 25 due to increased case complexity and size.

Amendments to the WSBA Standards for Indigent Defense Services Re Family Defense Services

CPD's Family Defense Caseload Standards Subcommittee Chair Tara Urs and Members Amelia Watson, Bailey Zydek, Shrounda Selivanoff, Crystal Alford, and Colleen Shea-Brown presented the proposed amendments to the WSBA standards for indigent defense services regarding family defense services. Chair Urs emphasized the need for lower caseloads, increased training, and supervision requirements to improve representation quality.

Both proposals received support from the State Office of Public Defense and the Office of Civil Legal Aid. After thorough discussion, including the importance of adequate funding, the necessity of client visits, and the constitutional rights involved, Gov. Couch moved to approve both amendments to the WSBA Standards for Indigent Defense Services Re Family Defense Services and Appellate Caseloads. The motion passed unanimously.

FY25 Organizational Priorities ([link](#))

Executive Director Nevitt presented a proposal to continue the four organizational priorities from FY24 into FY25, emphasizing the need for ongoing work and alignment with the upcoming three-year strategic plan. The priorities include: 1) studying member well-being and expanding resources for legal professionals, 2) assessing technology-related opportunities and threats, 3) improving the experience of belonging among legal professionals, and 4) supporting rural practice and access to justice in small towns. Discussion followed, including whether the enforcement of tribal orders was included within the priorities. Gov. Couch moved to approve the FY25 priorities. Motion passed unanimously.

Executive Session ([link](#))

President Anjilvel moved the Board to executive session at 11:13 a.m to discuss the Executive Director evaluation. The session concluded at noon and the board adjourned for lunch.

WSBA Demographic Study and Update on the Planning Process for a New Diversity Equity and Inclusion Plan ([link](#))

DEI Council Co-Chair Raina Wagner and DEI Council Co-Chair and President Sunitha Anjilvel gave an update of the process to create a new DEI Plan and explained that the Plan would be informed by the Membership Demographic Study. They introduced Dr. Ben Kim-Gerver from KGR+C Consultants who conducted the Study and gave a presentation of some key takeaways from the Study highlighting the legal profession's lack of diversity, with an 82% white and male majority. There is more diversity among younger members, but non-dominant groups experience more workplace challenges and microaggressions. Highlights from the Study will be published in the upcoming Bar News magazine. The

DEI Council's draft new DEI Plan which is informed by the Study will be shared widely this fall with the goal of presenting it to the Board of Governors for a first reading in January 2025.

Policy on Lived Experience Stipends ([link](#))

Executive Director Nevitt and Chief Equity and Justice Officer Diana Singleton presented a proposed policy on lived experience expert (LEE) stipends for first read, with input from ATJ Board Chair Esperanza Borboa and member Vanna Sing. The policy aims to remove financial barriers and thereby increase participation in Bar activities for low-income individuals with relevant lived experience. The proposal has undergone several revisions based on feedback from the Budget and Audit Committee. Key points of discussion included the criteria for eligibility, the potential cost, and the importance of diverse perspectives in improving legal services. Discussion followed about the impacts of the justification for using member dues, the need for outreach efforts, and ensuring transparency and oversight. Suggestions included piloting the program and seeking alternative funding sources.

Approve FY25 Roster of Trustees of the Washington State Bar Foundation ([link](#))

Judge Tracy Flood, President of the Washington State Bar Foundation, provided an update on the Foundation's activities and financial status. The Foundation approved a distribution of funds to support public service, pro bono, and diversity, equity, and inclusion programs. Judge Flood highlighted the success of the Powerful Communities Grants, awarded to seven legal aid projects, and as well as the inaugural Pathways to Diversity in the Legal Profession Summit. Judge Flood presented the proposed Board of Trustees roster for the coming year for approval. Gov. Kevin Fay moved to approve. Motion passed unanimously. Gov. Nguyen was not present for the vote. Judge Flood expressed gratitude for the support received during her tenure and emphasized the importance of continued efforts in diversity and inclusion, as well as addressing travel policy needs for better participation.

Governor Roundtable ([link](#))

President Anjilvel emphasized the importance of governors maintaining connections with their assigned committees and affinity bar associations, especially considering the upcoming DEI plan rollout. Gov. Couch recommended a book "Her Honor" by LaDoris Hazard Cordell as essential reading for understanding judicial system issues. Gov. Fay suggested awarding CLE credits for attending certain WSBA presentations during board meetings. Gov. Fay also proposed revisiting the alcohol policy to allow sections to use funds for social events, subject to legal review. Gov. Bloom raised the issue of dues for active-duty military members, suggesting a review of policies from other states to potentially offer discounts or waivers. Gov. Ahearne suggested to officially change the term "liaison" to "ambassador" to better reflect their role.

Meeting Feedback ([link](#))

Gov. Fay provided feedback on the meeting's transportation.

ADJOURNMENT

There being no further business, President Anjilvel adjourned the meeting at 3:46 p.m. on Saturday, September 7, 2024.

Respectfully submitted,

Terra Nevitt

WSBA Executive Director & Secretary

DRAFT



Board of Governors Meeting – Motions List Olympia, WA September 6-7, 2024

1. Motion to approve the FY 25 Budget. Motion passed unanimously.
2. Motion to reallocate \$2.3 million from the facilities reserve to the unrestricted reserve. Motion passed with one abstention.
3. Motion to allocate \$400,000 from unrestricted reserves to the Special Projects and Innovation Fund. Motion passed unanimously.
4. Motion to increase the operating reserve fund by \$500,000 with funds reallocated from the unrestricted reserve. Motion passed unanimously.
5. Motion to approve the consent calendar. Motion passed unanimously.
6. Motion to approve both amendments to the WSBA Standards for Indigent Defense Services Re Family Defense Services and Appellate Caseloads. Motion passed unanimously.
7. Motion to approve the FY25 Organizational Priorities. Motion passed unanimously.
8. Motion to approve the new roster of Trustees for the Washington State Bar Foundation. Motion passed unanimously.

WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors

FROM: Ian Cairns, Chair, WSBA Judicial Recommendation Committee; Sanjay Walvekar, Staff Liaison to the Judicial Recommendation Committee

CC: Terra Nevitt, Executive Director

DATE: October 2, 2024

RE: WSBA Judicial Recommendation Committee September 26, 2024 Interviews and Recommendations

ACTION: Approve the recommendations of the WSBA Judicial Recommendation Committee.

The WSBA Judicial Recommendation Committee met via Zoom on September 26, 2024 to conduct interviews with two individuals interested in being considered for future openings on the Washington State Court of Appeals. Per committee guidelines approved by the Board of Governors, the proceedings and records of the committee, including applicant names, committee discussions, and committee votes, are kept strictly confidential. The committee's recommendations are available in the Governors' materials via the WSBA cloud-sharing service.

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors

From: Budget and Audit Committee

Re: 2026 License Fees

Date: October 21, 2024

ACTION: Adopt the Budget and Audit Committee's recommendation regarding 2026 license fees as noted below.

BACKGROUND

License fees are established by the Board of Governors and reviewed for reasonableness by the Washington Supreme Court. Since 2012, license fees have been set on an annual basis and on a timeline that allows for the referendum process (if initiated) to be completed prior to the annual licensing renewal season, which runs from November through February. Prior to 2012, license fees were approved in a variety of different lengths ranging from 1 to 4-year increments. The current full active lawyer license fee was set at \$458 for 2020 and remains unchanged through 2025. License fees are the primary source of revenue for the General Fund, which supports the majority of WSBA's operations. The General Fund has multiple reserves including an operating, facilities, special projects/innovation, and license fee stability fund, for which the Board designates specific dollar amounts to support the work of the WSBA. Any amounts undesignated are allocated to the unrestricted reserve fund.

PROJECTIONS & CONSIDERATIONS

Provided below are fiscal projections through fiscal year 2028, assuming no change in the current lawyer license fee structure or amount of \$458 for full fee active attorney. This helps provide a timeline for the use of our unrestricted reserves and potential increase in future license fees. Updates were made to our estimated membership counts for various license types based on current data and review of historical trends and demographics. The chart below shows the estimated use of unrestricted reserves assuming WSBA meets projected budget expectations, and alternatively if WSBA outperforms the budget by \$600,000 annually. This provides an estimated range of unrestricted reserve balances from the most conservative (meeting budget expectations) to a balance that considers historical performance.

GENERAL FUND PROJECTIONS FY2024 - FY2028					
LICENSE FEES @ \$458					
	FY24 PROJECTION	FY25 BUDGET	FY26 PROJECTION	FY27 PROJECTION	FY28 PROJECTION
BEGINNING CYCLE FUND BALANCE	9,849,490	9,686,471	8,225,655	5,893,644	2,561,062
REVENUE	23,121,795	23,111,227	22,898,664	22,986,599	23,151,034
Licensing Revenue	17,109,690	17,492,616	17,558,607	17,658,989	17,834,174
Other Revenue	6,012,105	5,618,611	5,340,057	5,327,610	5,316,860
EXPENSES	23,284,814	24,572,043	25,230,675	26,319,181	27,104,079
Direct	2,695,696	3,197,877	3,325,792	3,258,824	3,389,177
Indirect	20,589,118	21,374,166	21,904,883	23,060,357	23,714,902
NET INCOME/(LOSS) AND ANTICIPATED USE OF RESERVES	-163,019	-1,460,816	-2,332,011	-3,332,582	-3,953,045
RESERVE BALANCE OFFSET	163,019	1,460,816	2,332,011	3,332,582	48,236
NET OPERATING RESULT	0	0	0	0	-3,904,809
FY24-FY28 General Fund Balance	9,686,471	8,225,655	5,893,644	2,561,062	-1,391,983
Operating, Facilities, & Special Projects Restricted Reserves	3,067,253	2,715,864	2,514,326	2,512,826	2,511,326
Remaining Unrestricted Reserves	6,619,218	5,509,791	3,379,318	48,236	-3,903,309
Remaining Unrestricted Reserves w/\$600K offset	N/A	6,109,791	4,579,318	1,848,236	-1,503,309

At their meeting on October 21, 2024, the Budget and Audit Committee reviewed fiscal data including these projections. Focusing specifically on 2026, 2027, and 2028, the Committee discussed the rate at which WSBA is anticipated to spend down the unrestricted reserves and the impact of continuous increased costs of doing business. The projected financials reflect a more rapid decline in reserves as costs continue to rise, with little increase to license fee revenue resulting from minimal increase in memberships. While we've been able to maintain the same license fee over six years, this was a result of strategic decisions and good fortune resulting from unexpected events. However, we all know that is not sustainable. While WSBA has healthy reserves now, **the longer license fees remain unchanged, the larger the increase will need be in the coming years.** Setting license fees is a delicate balance of responsibly spending down reserves while increasing fees in a method that is reasonable and mindful of the impact on our those that we license. **The question is not whether we need to increase fees, but when and by how much.** When considering how much of an increase is needed, we calculate an "Effective License Fee," which represents the fee that would need to be charged if no reserves are used, resulting in a break-even budget (see chart below). The effective license fee from FY 2025 to FY 2028 increases each year due to the corresponding growth in net losses and is limited to increases in the number of attorney licenses. The increases range from 3-6% annually (and an average of 5%), which is in line with the annual increase in expenses of approximately 4%.

LICENSE FEES & RESERVE BALANCES 2014-2028											
Fiscal Year	License Fee Rates	Effective License Fee	License Fee Revenue	Total General Fund Revenue	Total General Fund Expenses	Net Income/(Loss)	General Fund Reserves	Operating Reserve	Facilities Reserve	Other Reserves	Unrestricted
ACTUALS											
FY 2015	\$325	\$413	\$ 11,133,170	\$ 15,266,002	\$ 17,966,538	\$ (2,700,536)	\$ 5,102,534	\$ 1,500,000	\$ 3,286,096	\$ 316,438	\$ -
FY 2016	\$325/\$385	\$423	\$ 12,819,732	\$ 16,937,121	\$ 18,121,119	\$ (1,183,998)	\$ 3,918,536	\$ 1,500,000	\$ 2,114,427	\$ 304,109	\$ -
FY 2017	\$385	\$403	\$ 13,512,192	\$ 17,584,851	\$ 18,139,636	\$ (554,785)	\$ 3,363,751	\$ 1,500,000	\$ 200,000	\$ -	\$ 1,663,751
FY 2018	\$385/\$449	\$436	\$ 15,409,133	\$ 19,614,585	\$ 19,182,478	\$ 432,107	\$ 3,795,858	\$ 1,500,000	\$ 450,000	\$ -	\$ 1,845,858
FY 2019	\$449/\$453	\$424	\$ 16,217,283	\$ 21,127,959	\$ 20,187,280	\$ 940,679	\$ 4,736,537	\$ 1,500,000	\$ 550,000	\$ -	\$ 2,686,537
FY 2020	\$453/\$458	\$434	\$ 16,511,947	\$ 21,162,056	\$ 20,370,359	\$ 791,697	\$ 5,528,234	\$ 1,500,000	\$ 550,000	\$ -	\$ 3,478,234
FY 2021	\$458	\$412	\$ 16,729,236	\$ 21,051,439	\$ 19,507,499	\$ 1,543,940	\$ 7,072,174	\$ 1,500,000	\$ 1,050,000	\$ -	\$ 4,522,174
FY 2022	\$458	\$409	\$ 16,857,886	\$ 22,035,235	\$ 20,394,141	\$ 1,641,094	\$ 8,713,268	\$ 2,000,000	\$ 1,000,000	\$ -	\$ 5,713,268
FY 2023	\$458	\$424	\$ 16,871,265	\$ 22,518,988	\$ 21,382,767	\$ 1,136,221	\$ 9,849,489	\$ 2,000,000	\$ 2,700,000	\$ -	\$ 5,149,489
PROJECTIONS											
FY 2024 PROJECTION	\$458	\$463	\$ 17,109,690	\$ 23,121,795	\$ 23,284,814	\$ (163,019)	\$ 9,686,470	\$ 2,500,000	\$ 167,253	\$ 400,000	\$ 6,619,218
FY 2025	\$458	\$500	\$ 17,492,616	\$ 23,111,227	\$ 24,572,043	\$ (1,460,816)	\$ 8,225,654	\$ 2,500,000	\$ 15,826	\$ 200,038	\$ 5,509,791
FY 2026	\$458	\$526	\$ 17,558,607	\$ 22,898,664	\$ 25,230,675	\$ (2,332,011)	\$ 5,893,643	\$ 2,500,000	\$ 14,326	\$ -	\$ 3,379,318
FY 2027	\$458	\$554	\$ 17,658,989	\$ 22,986,599	\$ 26,319,181	\$ (3,332,582)	\$ 2,561,061	\$ 2,500,000	\$ 12,826	\$ -	\$ 48,236
FY 2028	\$458	\$571	\$ 17,834,174	\$ 23,151,034	\$ 27,104,079	\$ (3,953,045)	\$ (1,391,984)	\$ 2,500,000	\$ 11,326	\$ -	\$ (3,903,309)
PROJECTIONS w/\$600K offset											
FY 2025	\$458	\$483	\$ 17,492,616	\$ 23,111,227	\$ 24,572,043	\$ (860,816)	\$ 8,825,654	\$ 2,500,000	\$ 15,826	\$ -	\$ 6,109,791
FY 2026	\$458	\$509	\$ 17,558,607	\$ 22,898,664	\$ 25,230,675	\$ (1,732,011)	\$ 7,093,643	\$ 2,500,000	\$ 14,326	\$ -	\$ 4,579,318
FY 2027	\$458	\$537	\$ 17,658,989	\$ 22,986,599	\$ 26,319,181	\$ (2,732,582)	\$ 4,361,061	\$ 2,500,000	\$ 12,826	\$ -	\$ 1,848,236
FY 2028	\$458	\$554	\$ 17,834,174	\$ 23,151,034	\$ 27,104,079	\$ (3,353,045)	\$ 1,008,016	\$ 2,500,000	\$ 11,326	\$ -	\$ (1,503,309)

The difference between the effective fee and the current fee of \$458 becomes increasingly larger each year, hitting a high of \$113 in 2028.

The Committee discussed using an incremental increase approach over time to raise fees, which may be more manageable for licensed legal professionals and will slow the rate of reserve spending. Because the amount of increase between the effective fee and current fee is significant, the Committee discussed how best to approach increasing fees to provide a **softer landing** for members. This included increasing fees starting in 2026 versus 2027 and began a discussion about setting a policy to align fee increases with an annual measure such as the cost-of-living adjustment (COLA) for Washington state that more closely ties to the actual cost increases of doing business, while incorporating flexibility to adjust the fee when considering other financial factors such as available reserves. To illustrate the possible impact of this type of policy, we have provided fiscal projections in *Attachment 1* for 2026 to 2028.

RECOMMENDATION

After consideration of the information and thoughtful discussion, the Committee voted to recommend to the Board of Governors that the **full active lawyer license fee for 2026 be set at \$468**. Specifically, the language of the motion is to increase the active lawyer license fee by \$27 (the current \$458 license fee with a COLA adjustment of 5.9%) with

a \$17 reduction (which reflects the use of existing unrestricted reserves), for a total increase of \$10. The motion was approved with a vote of 6 to 1. Additionally, the Committee will be working on developing draft policy for fees to begin discussion at the March 2025 Board meeting.

Below is a list of all license fee types and recommended fees for 2026.

License Type	License Fee	\$ Change from 2025
Active Lawyer- Admitted prior to 2022	\$468.00	\$10.00
Active Lawyer- Admitted 2022 or 2023	\$234.00	\$5.00
New Admittee Lawyer- 100%	\$468.00	\$10.00
New Admittee Lawyer- 50%	\$234.00	\$5.00
New Admittee Lawyer- 25%	\$117.00	\$2.50
Active LLLT- Admitted prior to 2022	\$229.00	No Change
Active LLLT- Admitted 2021 or 2023	\$114.50	No Change
New Active LLLT- 50%	\$114.50	No Change
New Active LLLT- 25%	\$57.25	No Change
Active LPO- Admitted prior to 2022	\$200.00	No Change
New Active LPO- 50%	\$100.00	No Change
New Active LPO- 25%	\$50.00	No Change
Active LPO- Admitted 2022 or 2023	\$100.00	No Change
Inactive Lawyer/Pro Bono Status	\$200.00	No Change
Inactive LLLT or LPO	\$100.00	No Change
Judicial	\$50.00	No Change
Foreign Law Consultant	\$468.00	\$10.00
Housel Counsel	\$468.00	\$10.00
Emeritus	\$200.00	No Change
Pro Hac Vice	\$468.00	\$10.00

ADDITIONAL INFORMATION

The Committee also requested that information on license fees charged in other states be provided. See *Attachment 2* for details.

ATTACHMENT 1

Using the Washington State Labor & Industries COLA rate as a basis for an annual increase, the rate for 2024-2025 is 5.9%. For projections from 2026 to 2028, we applied the average L&I COLA over the past 10 years which equates to 5.4% and applied the increase to the annual fee. We have provided two different scenarios below to illustrate the potential fiscal impact. The **first** scenario shows using reserves to offset the annual increase only in 2026; in 2027 and 2028 the full fee based on the projected COLA increase would be assessed. The **second** scenario shows using reserves to offset the annual increase in all three years (2026, 2027, and 2028), exhausting the majority of unrestricted reserves by the end of FY 2028.

SCENARIO 1

Year	Base Fee	COLA Adjustment Rate	COLA \$ Increase	Fee Offset from Reserves	Total Fee Increase	Adjusted Fee	Adjusted Fee Increase
2025	\$458						
2026	\$485	5.90%	\$27	\$(17)	\$10	\$468	\$10
2027	\$511	5.40%	\$26	\$ -	\$26	\$511	\$43
2028	\$539	5.40%	\$28	\$ -	\$28	\$539	\$28
TOTAL INCREASE 2026 - 2028							\$81

LICENSE FEES & RESERVE BALANCES 2026-2028										
Fiscal Year	License Fee Rates	License Fee Revenue	Total General Fund Revenue	Total General Fund Expenses	Net Income/(Loss)	General Fund Reserves	Operating Reserve	Facilities Reserve	Other Reserves	Unrestricted
PROJECTIONS										
FY 2026	\$468	\$ 17,825,278	\$ 23,165,335	\$ 25,230,675	\$ (2,065,340)	\$ 6,160,314	\$ 2,500,000	\$ 14,326	\$ -	\$ 3,645,989
FY 2027	\$511	\$ 19,176,442	\$ 24,504,052	\$ 26,319,181	\$ (1,815,129)	\$ 4,345,185	\$ 2,500,000	\$ 12,826	\$ -	\$ 1,832,360
FY 2028	\$539	\$ 20,516,873	\$ 25,833,733	\$ 27,104,079	\$ (1,270,346)	\$ 3,074,839	\$ 2,500,000	\$ 11,326	\$ -	\$ 563,514
PROJECTIONS w/\$600K offset										
FY 2026	\$468	\$ 17,825,278	\$ 23,165,335	\$ 25,230,675	\$ (1,465,340)	\$ 7,360,314	\$ 2,500,000	\$ 14,326	\$ -	\$ 4,845,989
FY 2027	\$511	\$ 19,176,442	\$ 24,504,052	\$ 26,319,181	\$ (1,215,129)	\$ 6,145,185	\$ 2,500,000	\$ 12,826	\$ -	\$ 3,632,360
FY 2028	\$539	\$ 20,516,873	\$ 25,833,733	\$ 27,104,079	\$ (670,346)	\$ 5,474,839	\$ 2,500,000	\$ 11,326	\$ -	\$ 2,963,514

SCENARIO 2

Year	Base Fee	COLA Adjustment Rate	COLA \$ Increase	Fee Offset from Reserves	Total Fee Increase	Adjusted Fee	Adjusted Fee increase
2025	\$458						
2026	\$485	5.90%	\$27	\$(17)	\$10	\$468	\$10
2027	\$511	5.40%	\$26	\$(11)	\$15	\$500	\$32
2028	\$539	5.40%	\$28	\$(6)	\$22	\$533	\$33
TOTAL INCREASE 2026 - 2028							\$75

LICENSE FEES & RESERVE BALANCES 2026-2028										
Fiscal Year	License Fee Rates	License Fee Revenue	Total General Fund Revenue	Total General Fund Expenses	Net Income/(Loss)	General Fund Reserves	Operating Reserve	Facilities Reserve	Other Reserves	Unrestricted
PROJECTIONS										
FY 2026	\$468	\$ 17,825,278	\$ 23,165,335	\$ 25,230,675	\$ (2,065,340)	\$ 6,160,314	\$ 2,500,000	\$ 14,326	\$ -	\$ 3,645,989
FY 2027	\$500	\$ 18,879,948	\$ 24,207,558	\$ 26,319,181	\$ (2,111,623)	\$ 4,048,691	\$ 2,500,000	\$ 12,826	\$ -	\$ 1,535,866
FY 2028	\$533	\$ 20,254,597	\$ 25,571,457	\$ 27,104,079	\$ (1,532,622)	\$ 2,516,069	\$ 2,500,000	\$ 11,326	\$ -	\$ 4,744
PROJECTIONS w/\$600K offset										
FY 2026	\$468	\$ 17,825,278	\$ 23,165,335	\$ 25,230,675	\$ (1,465,340)	\$ 7,360,314	\$ 2,500,000	\$ 14,326	\$ -	\$ 4,845,989
FY 2027	\$500	\$ 18,879,948	\$ 24,207,558	\$ 26,319,181	\$ (1,511,623)	\$ 5,848,691	\$ 2,500,000	\$ 12,826	\$ -	\$ 3,335,866
FY 2028	\$533	\$ 20,254,597	\$ 25,571,457	\$ 27,104,079	\$ (932,622)	\$ 4,916,069	\$ 2,500,000	\$ 11,326	\$ -	\$ 2,404,744

Attachment 2

MANDATORY BAR ASSOCIATION FEES ¹			
State	Membership	Total Cost to Practice	Earmarked for Client Protection
Alaska	4,786	\$ 660.00	\$ 10.00
Arizona*	25,873	\$ 505.00	\$ 20.00
California ^A	271,497	\$ 463.00	\$ 40.00
District of Columbia	116,000	\$ 560.00	\$ -
Florida	112,515	\$ 265.00	\$ 25.00
Hawaii ^B	8,291	\$ 569.00	\$ 50.00
Idaho	7,175	\$ 425.00	\$ -
Kentucky	19,581	\$ 310.00	\$ 7.00
Louisiana	28,369	\$ 435.00	\$ -
Michigan*	42,073	\$ 415.00	\$ 15.00
Mississippi	11,111	\$ 380.00	\$ -
Missouri	49,006	\$ 410.00	\$ -
Montana	52,621	\$ 515.00	\$ 20.00
Nevada	12,301	\$ 450.00	\$ 50.00
New Hampshire	7,500	\$ 615.00	\$ 30.00
New Mexico*	8,102	\$ 440.00	\$ 15.00
North Carolina	43,945	\$ 440.00	\$ 25.00
North Dakota	3,065	\$ 380.00	\$ 16.00
Oklahoma	18,734	\$ 275.00	\$ 50.00
Oregon* ^C	23,358	\$ 688.00	\$ 20.00
Rhode Island	6,319	\$ 425.00	\$ 25.00
South Carolina	11,003	\$ 325.00	\$ 20.00
South Dakota	4,800	\$ 540.00	\$ -
Texas	111,412	\$ 300.00	\$ 10.00
Utah*	13,861	\$ 435.00	\$ 5.00
Virginia	57,537	\$ 285.00	\$ 5.00
Washington	40,967	\$ 473.00	\$ 15.00
West Virginia	9,601	\$ 250.00	\$ -
Wisconsin	19,927	\$ 523.00	\$ 25.00
Wyoming	3,378	\$ 355.00	\$ -

*Mandatory Bar Associations most comparable to Washington based on size and services provided.

^A\$125 increase has been requested, \$88 approved

^B\$150 increase has been requested

^C\$3,500 mandatory malpractice insurance required

¹ Information provided from 2024 ABA Bar Benchmarks Survey and International Survey of Attorney Licensing Fees compiled by Office of Attorney Ethics of New Jersey

TO: WSBA Board of Governors

CC: Terra Nevitt, Executive Director

FROM: Kari Petrasek, Chair, Member Status Workgroup
Renata Garcia, Chief Regulatory Counsel

DATE: October 8, 2024

RE: Recommendations and Proposed Amendments to WSBA Bylaws from the Member Status Workgroup

ACTION: The Member Status Workgroup asks the Board of Governors to adopt the recommendations of the Workgroup and approve the proposed amendments to the WSBA Bylaws.

The Member Status Workgroup (Workgroup) presented its recommendations for a first read at the September 2024 Board of Governors meeting. The Workgroup now requests the Board of Governors adopt the recommendations and approve the proposed amendments to the WSBA Bylaws.

The Workgroup recommendations are the same as presented in September, with the addition of one recommendation to change the name of “honorary” status to “emeritus.” The Senior Lawyers Section asked the Member Status Workgroup to rename honorary to emeritus because, *emeritus* conveys something that was earned whereas *honorary* conveys something that was bestowed. The Senior Lawyers Section believes, and the Workgroup agrees, that emeritus better describes the achievement of members on honorary status. The recommendations of the Workgroup, therefore, are:

1. Giving members the option to have their voluntary resignation from the WSBA displayed on the legal directory as either voluntarily resigned or retired;
2. Decreasing the number of years on active or judicial status to qualify for honorary status from 50 to 40;
3. Allowing members to include years licensed as active or judicial in another jurisdiction to count toward the 40 years required for honorary status;
4. Allowing inactive and honorary members to volunteer on WSBA committees, boards, panels, councils, and task forces;
5. Changing the name of honorary status to emeritus;
6. Allowing members who are age 65 or more, or who have been licensed for 40 years or more in any U.S. jurisdiction, to be on judicial status for pro tempore judicial positions; and
7. Providing a hardship reduction of the active license fee for members who are age 65 or more, or who have been licensed for 40 years or more in any U.S. jurisdiction, and have a gross annual household income equal to or less than 400% of the federal poverty level.

The discussion of the Workgroup recommendations is in the attached memo to the Board of Governors dated August 13, 2024. The Workgroup suggests that recommendations 1 and 4 be effective upon approval by the Supreme Court and all others be adopted with an effective date of October 1, 2025.

Attachments

Proposed Bylaws Amendments from Member Status Workgroup – Markup Version
Proposed Bylaws Amendments from Member Status Workgroup – Clean Version
Memo to Board of Governors from the Member Status Workgroup dated August 13, 2024

III. MEMBERSHIP

...

B. STATUS CLASSIFICATIONS

Membership status classifications have the qualifications, privileges, and restrictions specified.

1. Active

[No Changes]

2. Inactive

Inactive members must not practice law in Washington, nor engage in employment or duties that constitute the practice of law. Inactive members are not eligible to vote in Bar matters or hold office therein, ~~or serve on any committee or board~~, except an inactive member may vote and hold office in a Bar section if a section's bylaws permit.

a. Inactive members may:

- 1) Join Bar sections,
- 2) Continue their affiliation with the Bar;
- 3) Change their membership status to Active pursuant to these Bylaws and any applicable court rule;
- 4) Request a free subscription to the Bar's official publication; and
- 5) Receive member benefits available to Inactive members.

b. Types of Inactive membership:

- 1) Inactive Member: Inactive members must pay an annual license fee in an amount established by the BOG and approved by the Supreme Court. They are not required to earn or report MCLE credits while Inactive, but may choose to do so, and may be required to do so to return to Active membership. Inactive members may be appointed to serve on any committee, board, panel, council, task force, or other Bar entity, as deemed appropriate.
- 2) Disability: Disability inactive members are not required to pay a license fee, or earn or report MCLE credits while in this status, but they may choose to do so, and they may be required to earn and report MCLE credits to return to Active membership.
- 3) ~~Honorary Emeritus~~: All members who have been Active or Judicial, or a combination of Active and Judicial, members of the WSBA or the bar of any other United States jurisdiction for 50 40 years or more may elect to become ~~Honorary Emeritus~~ members of the Bar. ~~Honorary Emeritus~~ members are not required to pay a license fee. A member who otherwise qualifies for ~~Honorary Emeritus~~ membership but wants to continue to practice law in any manner must be an Active member or, if applicable, a Pro Bono member. Emeritus members may be appointed to serve on any committee, board, panel, council, task force, or other Bar entity as deemed appropriate.

3. Judicial

- a. A member may qualify to become a Judicial member if the member is one of the following:

- 1) A current judge, commissioner, or magistrate judge of the courts of record in the State of Washington, or the courts of the United States, including Bankruptcy courts;
 - 2) A current judge, commissioner, or magistrate in the district or municipal courts in the State of Washington, provided that such position requires the person to be a lawyer;
 - 3) A current senior status or recall judge in the courts of the United States;
 - 4) An administrative law judge, which is defined as either:
 - (a) Current federal judges created under Article I and Article II of the United States Constitution, excluding Bankruptcy court judges, or created by the Code of Federal Regulations, who by virtue of their position are prohibited by the United States Code and/or the Code of Federal Regulations from practicing law; or
 - (b) Full-time Washington State administrative law judges in positions created by either the Revised Code of Washington or the Washington Administrative Code; or
 - 5) A current Tribal Court judge in the State of Washington.
- b. Members not otherwise qualified for Judicial membership under (1) through (5) above and who serve full-time, part-time or ad hoc as pro tempore judges, commissioners or magistrates are not eligible for Judicial membership unless the member is at least age 65 or has been a member of the WSBA for at least 40 years.
 - c. Judicial members, whether serving as a judicial officer full-time or part-time, must not engage in the practice of law and must not engage in mediation or arbitration for remuneration outside of their judicial duties.
 - d. Judicial members:
 - 1) May practice law only where permitted by the then current Washington State Code of Judicial Conduct as applied to full-time judicial officers;
 - 2) May be appointed to serve on any task force, council or Institute of the Bar;
 - 3) May receive member benefits provided to Judicial members; and
 - 4) May be non-voting members in Bar sections, if allowed under the section's bylaws.
 - 5) Judicial members are not eligible to vote in Bar matters or to hold office therein.
 - e. Nothing in these Bylaws will be deemed to prohibit Judicial members from carrying out their judicial duties.
 - f. Judicial members who wish to preserve eligibility to transfer to another membership status upon leaving service as a judicial officer:
 - 1) must provide the member registry information required of other members each year unless otherwise specified herein, and provide the Bar with any changes to such information within 10 days of any change; and
 - 2) must annually pay any required license fee that may be established by the Bar, subject to approval by the Supreme Court, for this membership status. Notices, deadlines, and late fees will be consistent with those established for Active members.
 - g. Judicial members must inform the Bar within 10 days when they retire or when their employment situation has otherwise changed so as to cause them to be ineligible for Judicial membership, and must apply to change to another membership status or to resign.
 - 1) Failure to apply to change membership status or to resign within ten days of becoming ineligible for Judicial membership, when a Judicial member has annually maintained

eligibility to transfer to another membership status, is cause for administrative suspension of the member.

- 2) A Judicial member who has not annually complied with the requirements to maintain eligibility to transfer to another membership status and who is no longer eligible for Judicial membership who fails to change to another membership status will be deemed to have voluntarily resigned.
- h. Administrative law judges who are judicial members must continue to comply with APR 11 regarding MCLE. Either judicial continuing education credits or lawyer continuing legal education credits may be applied to the credit requirement for judicial members; if judicial continuing education credits are applied, the standards for determining accreditation for judicial continuing education courses will be accepted as establishing compliance.
- i. Legal, legislative, and policy positions and resolutions taken by the BOG are not taken on behalf of Judicial members, are not considered to be those of Judicial members, and are not binding on Judicial members.
- j. The Bar's disciplinary authority over Judicial members is governed exclusively by ELC 1.2 and RPC 8.5.

4. Pro Bono

A member may become a Pro Bono member by complying with the requirements of APR 3(g), including payment of any required license fee and passing a character and fitness review.

Pro Bono members must not engage in the practice of law except as permitted under APR 3(g), but may:

- a. Be appointed to serve on any ~~task force, council, or Institute of the Bar, committee, board, panel, council, task force, or other Bar entity as deemed appropriate.~~ In addition, up to two Pro Bono members are permitted to serve on the Pro Bono and Public Service Committee (PBPSC) and may be appointed to serve as Chair, Co-Chair, or Vice-Chair of that committee;
- b. Join Bar sections;
- c. Request a free subscription to the Bar's official publication; and
- d. Receive member benefits available to Pro Bono members.

5. Suspended

[Unchanged.]

...

D. CHANGE OF MEMBERSHIP STATUS TO ACTIVE

1. Members may change membership status as provided below.

1. **Transfer from Inactive to Active.**

1. An Inactive member or ~~Honorary~~ **Emeritus** member may transfer to Active by:

E. CHANGE OF MEMBERSHIP STATUS TO INACTIVE

...

3. All members who have been Active or Judicial, or a combination of Active and Judicial, members for 50 years may qualify for ~~Honorary~~ **Emeritus** status. A qualified member may request to change to ~~Honorary~~ **Emeritus** status by submitting a written request and any required application.

H. VOLUNTARY RESIGNATION

Voluntary resignation may apply in any situation in which a member does not want to continue practicing law in Washington for any reason (including retirement from practice) and for that reason does not want to continue membership in the Bar. A member may voluntarily resign from the Bar by submitting a written request for voluntary resignation to the Bar in such form and manner as the Bar may require. If there is a disciplinary investigation or proceeding then pending against the member, or if at the time the member submits the written request the member has knowledge that the filing of a grievance of substance against such member is imminent, resignation is permitted only under the provisions of the ELC, ELPOC, or ELLTTC. A member who resigns from the Bar cannot practice law in Washington in any manner. For official purposes the former member's status will be voluntarily resigned. The former member may choose to be designated either voluntarily resigned or retired as the status in the WSBA legal directory. A member seeking readmission after resignation must comply with these Bylaws.

...

I. ANNUAL LICENSE FEES AND ASSESSMENTS

1. License Fees

...

b. Inactive Members

- 1) The annual license fee for Inactive members will be as established by resolution of the BOG and as approved by the Washington Supreme Court. Except for the amount of the license fee itself, the annual license fee payment requirements, including deadlines and late payment fees, for Active members will apply to Inactive members.
- 2) ~~Honorary~~ **Emeritus** and Disability Inactive status members will be exempt from license fees and assessments, unless otherwise provided by Supreme Court order.

...

7. License Fee Reduction Due to Hardship for Senior Members

In case of financial hardship, which must entail an annual household income equal to or less than 400% of the federal poverty level as determined based on the member's gross annual household income for

the calendar year immediately preceding the calendar year for which the member is seeking the fee reduction, the Executive Director may grant a reduction of the annual license fee by any Active member who is at least age 65 or has been admitted to practice law in Washington for at least 40 years. If granted, the annual license fee will be reduced to the amount of that of the inactive license fee. Each hardship request that is granted is for one calendar year only. Hardship reduction requests can be submitted annually, and a request must be submitted on or before February 1st of the year for which the reduction is requested. Supporting documentation may be requested. Denial of a reduction request is not appealable.

68. License Fee Referendum

XI. SECTIONS

...

C. MEMBERSHIP

...

4. Sections may adopt bylaw provisions authorizing inactive members to be voting members of the section. Article III.B.2.b of these Bylaws defines inactive WSBA members to include inactive, disability inactive, and ~~honorary~~ **emeritus** members. Sections may adopt bylaw provisions authorizing inactive members, and/or others not eligible for section membership as voting members, to be nonvoting members or “subscribers” of the section.

III. MEMBERSHIP

...

B. STATUS CLASSIFICATIONS

Membership status classifications have the qualifications, privileges, and restrictions specified.

1. Active

[No Changes]

2. Inactive

Inactive members must not practice law in Washington, nor engage in employment or duties that constitute the practice of law. Inactive members are not eligible to vote in Bar matters or hold office therein, except an inactive member may vote and hold office in a Bar section if a section's bylaws permit.

a. Inactive members may:

- 1) Join Bar sections,
- 2) Continue their affiliation with the Bar;
- 3) Change their membership status to Active pursuant to these Bylaws and any applicable court rule;
- 4) Request a free subscription to the Bar's official publication; and
- 5) Receive member benefits available to Inactive members.

b. Types of Inactive membership:

- 1) **Inactive Member:** Inactive members must pay an annual license fee in an amount established by the BOG and approved by the Supreme Court. They are not required to earn or report MCLE credits while Inactive, but may choose to do so, and may be required to do so to return to Active membership. Inactive members may be appointed to serve on any committee, board, panel, council, task force, or other Bar entity, as deemed appropriate.
- 2) **Disability:** Disability inactive members are not required to pay a license fee, or earn or report MCLE credits while in this status, but they may choose to do so, and they may be required to earn and report MCLE credits to return to Active membership.
- 3) **Emeritus:** All members who have been Active or Judicial, or a combination of Active and Judicial, members of the WSBA or the bar of any other United States jurisdiction for 40 years or more may elect to become Emeritus members of the Bar. Emeritus members are not required to pay a license fee. A member who otherwise qualifies for Emeritus membership but wants to continue to practice law in any manner must be an Active member or, if applicable, a Pro Bono member. Emeritus members may be appointed to serve on any committee, board, panel, council, task force, or other Bar entity as deemed appropriate.

3. Judicial

- ###### **a.**
- A member may qualify to become a Judicial member if the member is one of the following:

- 1) A current judge, commissioner, or magistrate judge of the courts of record in the State of Washington, or the courts of the United States, including Bankruptcy courts;
 - 2) A current judge, commissioner, or magistrate in the district or municipal courts in the State of Washington, provided that such position requires the person to be a lawyer;
 - 3) A current senior status or recall judge in the courts of the United States;
 - 4) An administrative law judge, which is defined as either:
 - (a) Current federal judges created under Article I and Article II of the United States Constitution, excluding Bankruptcy court judges, or created by the Code of Federal Regulations, who by virtue of their position are prohibited by the United States Code and/or the Code of Federal Regulations from practicing law; or
 - (b) Full-time Washington State administrative law judges in positions created by either the Revised Code of Washington or the Washington Administrative Code; or
 - 5) A current Tribal Court judge in the State of Washington.
- b. Members not otherwise qualified for Judicial membership under (1) through (5) above and who serve full-time, part-time or ad hoc as pro tempore judges, commissioners or magistrates are not eligible for Judicial membership unless the member is at least age 65 or has been a member of the WSBA for at least 40 years.
 - c. Judicial members, whether serving as a judicial officer full-time or part-time, must not engage in the practice of law and must not engage in mediation or arbitration for remuneration outside of their judicial duties.
 - d. Judicial members:
 - 1) May practice law only where permitted by the then current Washington State Code of Judicial Conduct as applied to full-time judicial officers;
 - 2) May be appointed to serve on any task force, council or Institute of the Bar;
 - 3) May receive member benefits provided to Judicial members; and
 - 4) May be non-voting members in Bar sections, if allowed under the section's bylaws.
 - 5) Judicial members are not eligible to vote in Bar matters or to hold office therein.
 - e. Nothing in these Bylaws will be deemed to prohibit Judicial members from carrying out their judicial duties.
 - f. Judicial members who wish to preserve eligibility to transfer to another membership status upon leaving service as a judicial officer:
 - 1) must provide the member registry information required of other members each year unless otherwise specified herein, and provide the Bar with any changes to such information within 10 days of any change; and
 - 2) must annually pay any required license fee that may be established by the Bar, subject to approval by the Supreme Court, for this membership status. Notices, deadlines, and late fees will be consistent with those established for Active members.
 - g. Judicial members must inform the Bar within 10 days when they retire or when their employment situation has otherwise changed so as to cause them to be ineligible for Judicial membership, and must apply to change to another membership status or to resign.
 - 1) Failure to apply to change membership status or to resign within ten days of becoming ineligible for Judicial membership, when a Judicial member has annually maintained

eligibility to transfer to another membership status, is cause for administrative suspension of the member.

- 2) A Judicial member who has not annually complied with the requirements to maintain eligibility to transfer to another membership status and who is no longer eligible for Judicial membership who fails to change to another membership status will be deemed to have voluntarily resigned.
- h. Administrative law judges who are judicial members must continue to comply with APR 11 regarding MCLE. Either judicial continuing education credits or lawyer continuing legal education credits may be applied to the credit requirement for judicial members; if judicial continuing education credits are applied, the standards for determining accreditation for judicial continuing education courses will be accepted as establishing compliance.
- i. Legal, legislative, and policy positions and resolutions taken by the BOG are not taken on behalf of Judicial members, are not considered to be those of Judicial members, and are not binding on Judicial members.
- j. The Bar's disciplinary authority over Judicial members is governed exclusively by ELC 1.2 and RPC 8.5.

4. Pro Bono

A member may become a Pro Bono member by complying with the requirements of APR 3(g), including payment of any required license fee and passing a character and fitness review.

Pro Bono members must not engage in the practice of law except as permitted under APR 3(g), but may:

- a. Be appointed to serve on any committee, board, panel, council, task force, or other Bar entity as deemed appropriate. In addition, up to two Pro Bono members are permitted to serve on the Pro Bono and Public Service Committee (PBPS) and may be appointed to serve as Chair, Co-Chair, or Vice-Chair of that committee;
- b. Join Bar sections;
- c. Request a free subscription to the Bar's official publication; and
- d. Receive member benefits available to Pro Bono members.

5. Suspended

[Unchanged.]

...

D. CHANGE OF MEMBERSHIP STATUS TO ACTIVE

1. Members may change membership status as provided below.

1. **Transfer from Inactive to Active.**

1. An Inactive member or Emeritus member may transfer to Active by:

E. CHANGE OF MEMBERSHIP STATUS TO INACTIVE

...

3. All members who have been Active or Judicial, or a combination of Active and Judicial, members for 50 years may qualify for Emeritus status. A qualified member may request to change to Emeritus status by submitting a written request and any required application.

H. VOLUNTARY RESIGNATION

Voluntary resignation may apply in any situation in which a member does not want to continue practicing law in Washington for any reason (including retirement from practice) and for that reason does not want to continue membership in the Bar. A member may voluntarily resign from the Bar by submitting a written request for voluntary resignation to the Bar in such form and manner as the Bar may require. If there is a disciplinary investigation or proceeding then pending against the member, or if at the time the member submits the written request the member has knowledge that the filing of a grievance of substance against such member is imminent, resignation is permitted only under the provisions of the ELC, ELPOC, or ELLTC. A member who resigns from the Bar cannot practice law in Washington in any manner. For official purposes the former member's status will be voluntarily resigned. The former member may choose to be designated either voluntarily resigned or retired as the status in the WSBA legal directory. A member seeking readmission after resignation must comply with these Bylaws.

...

I. ANNUAL LICENSE FEES AND ASSESSMENTS

1. License Fees

...

b. Inactive Members

- 1) The annual license fee for Inactive members will be as established by resolution of the BOG and as approved by the Washington Supreme Court. Except for the amount of the license fee itself, the annual license fee payment requirements, including deadlines and late payment fees, for Active members will apply to Inactive members.
- 2) Emeritus and Disability Inactive status members will be exempt from license fees and assessments, unless otherwise provided by Supreme Court order.

...

7. License Fee Reduction Due to Hardship for Senior Members

In case of financial hardship, which must entail an annual household income equal to or less than 400% of the federal poverty level as determined based on the member's gross annual household income for the calendar year immediately preceding the calendar year for which the member is seeking the fee

reduction, the Executive Director may grant a reduction of the annual license fee by any Active member who is at least age 65 or has been admitted to practice law in Washington for at least 40 years. If granted, the annual license fee will be reduced to the amount of that of the inactive license fee. Each hardship request that is granted is for one calendar year only. Hardship reduction requests can be submitted annually, and a request must be submitted on or before February 1st of the year for which the reduction is requested. Supporting documentation may be requested. Denial of a reduction request is not appealable.

8. License Fee Referendum

XI. SECTIONS

...

C. MEMBERSHIP

...

4. Sections may adopt bylaw provisions authorizing inactive members to be voting members of the section. Article III.B.2.b of these Bylaws defines inactive WSBA members to include inactive, disability inactive, and emeritus members. Sections may adopt bylaw provisions authorizing inactive members, and/or others not eligible for section membership as voting members, to be nonvoting members or “subscribers” of the section.

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Kari Petrasek, Chair, Member Status Workgroup
Renata Garcia, Chief Regulatory Counsel
DATE: August 13, 2024
RE: Recommendations and Proposed Amendments to WSBA Bylaws from the Member Status Workgroup

DISCUSSION/FIRST READ: A discussion of recommendations from the Member Status Workgroup and a first read of proposed amendments to the WSBA Bylaws to implement the recommended changes to member license statuses.

Over the last several years, WSBA members have raised concerns about the license status options available to them when leaving the practice of law. Primarily, the concerns have focused on voluntary resignation as the final status for someone who no longer wants to be a member of the Bar. Some members believe it has negative connotations and suggest a retired status instead. Other members believe inactive status is too limiting in regards to participation in Bar activities, and still others believe 50 years is too many years to attain honorary status. In order to fully address these concerns, the Board of Governors formed the Member Status Workgroup “to evaluate license status options currently available to WSBA members who are leaving the legal profession and to propose revisions to current license status options... ” The Member Status Workgroup charter is attached.

The Member Status Workgroup (“Workgroup”) presents its recommendations to address member concerns which include:

1. Giving members the option to have their voluntary resignation from the WSBA displayed on the legal directory as either voluntarily resigned or retired;
2. Decreasing the number of years on active or judicial status to qualify for honorary status from 50 to 40;
3. Allowing members to include years licensed as active or judicial in another jurisdiction to count toward the 40 years required for honorary status;
4. Allowing inactive and honorary members to volunteer on WSBA committees, boards, panels, councils, and task forces;
5. Allowing members who are age 65 or more, or who have been licensed for 40 years or more in any U.S. jurisdiction, to be on judicial status for pro tempore judicial positions;
6. Providing a hardship reduction of the active license fee for members who are age 65 or more, or who have been licensed for 40 years or more in any U.S. jurisdiction, and have a gross annual household income equal to or less than 400% of the federal poverty level.

The Workgroup believes these recommendations:

1. address the most common concerns of members retiring or otherwise leaving the practice of law;
2. have a small financial impact year-over-year on the WSBA budget despite a somewhat sizeable but acceptable one-time impact upon implementation;
3. create less confusion for members by essentially maintaining the current license status options;

4. protect the public and, as is currently the case, make clear only active or pro bono members may practice law.

Background

The issue of member license status options came to the Board of Governor's attention through largely anecdotal communications from members to governors, WSBA staff, and others. Members regularly seek information about the status options available to them when they retire or when they otherwise are leaving the practice of law. Members comments generally reflect that the current license status options do not adequately meet their needs or recognize their long careers or contributions to the legal profession or the state of Washington.

To better understand member concerns it is important to understand the current license status options available to members.

Current License Status Options

- **Active:** Generally, only active members are allowed to engage in the practice of law. In addition, only active members enjoy all the benefits and privileges of Bar membership.
- **Pro Bono:** The one exception for engaging in the practice of law is for pro bono members who are allowed to practice law as a volunteer for a Qualified Legal Services Provider (QLSP) only.

In contrast, members in the following statuses are not permitted to practice law:

- **Inactive:** Briefly, inactive status is intended for members who are either taking a break from the practice of law with the intention to return to active status or they are no longer practicing in Washington but want to remain a member of the WSBA. Inactive members pay a \$200 annual license fee.
- **Honorary:** Honorary status is the same as inactive status except there is no license fee. Only members who have 50 years of active or judicial status as a WSBA member qualify for honorary status.
- **Judicial:** Judicial status is for members who hold a judicial position (as defined in the Bylaws). Pro tempore positions do not qualify. Members who hold a judicial position are not required to be on judicial status; they may choose to remain on active status which some do either because they are able to practice law in addition to the position they hold or they want to be able to volunteer or serve on WSBA entities or vote on WSBA matters. Judicial members pay a \$50 annual license fee.

A simplified summary of the current license status options is listed in the table below.

CURRENT LICENSE STATUSES	ACTIVE	PRO BONO	JUDICIAL	INACTIVE	HONORARY	RESIGNED
License Fee	\$458 +CPF	\$200/\$0*	\$50	\$200	\$0	Not a Member
Eligibility Criteria, if any		Volunteer	Not Pro Tempore		50+ Active/Judicial	
MCLE Requirements	✓	x	x	x	x	x
Licensed to Practice Law	✓	✓QLSP Only	As permitted under CJC	x	x	x
Ethics Line	✓	✓				
Bar News	✓	if requested	✓	if requested	if requested	
Join sections as a voting member	✓	✓	x	when allowed	when allowed	
Join sections as a non-voting member	✓	✓	when allowed	when allowed	when allowed	
Serve on WSBA Committees, Boards, Panels, Councils and Task Forces	✓	Task force, council, institute of the bar, PBPSC	Task force, council, institute of the bar			
Serve on Supreme Court Boards and Task Forces	✓	when allowed	when allowed			
Serve on the Board of Governors	✓					
Vote for governors and on referenda	✓					

* The license fee will be waived for pro bono status members who completed at least 30 hours of pro bono service with one or more Qualified Legal Services Provider(s) in the prior year.

When a member no longer wishes to be a member of the WSBA they may voluntarily resign.¹

Other Mandatory Bar Associations

The Workgroup gathered information about license status options available in other U.S. jurisdictions with mandatory bar associations. Most jurisdictions had a similar basic structure with statuses similar to active, inactive, pro bono, honorary and resigned. However, the eligibility for the different statuses, the amount of the license fees, and the names of the statuses vary greatly among jurisdictions. In the end, the Workgroup did not find the information from other jurisdictions particularly helpful. In light of the great variety in member statuses across U.S. mandatory bar associations, the Workgroup did, however, come to the conclusion that it should focus on what would best benefit WSBA members.

To best determine whether the current license status options available to members leaving the profession meet their needs, the Workgroup sought input from the WSBA membership via an online survey. Responses to the member survey clearly supported the creation of a “retired” license status. Over 60% of the 805 respondents indicated they would like an alternative to “voluntary resignation” that best describes and dignifies those who are exiting the profession after a long career. A subset of the respondents who advocated for a “retired” status wanted to be able to practice law while on a “retired” status. More specifically, about 20% of respondents indicated they would like the ability to retire while being able to engage in bar activities, provide pro bono services, and give legal advice to family and friends. The Workgroup also heard from several members that 50 years was too long for honorary status, retirement age lawyers should qualify for judicial status for pro tempore judicial positions, and, finally, there should be a senior member discount.

Evaluation of Options Rejected by Workgroup

The Workgroup identified significant risks, financial impacts, and other issues arising from the various ideas and suggestions when evaluating different options. Options the Workgroup considered but rejected are discussed briefly below.

¹ Other statuses, which members cannot choose but may be imposed on their license under the APR or ELC, are: disability inactive, suspended, resigned in lieu of discipline, and disbarred. These statuses are outside the scope of the Workgroup.

Retired with Limited Practice. One of the first options the Workgroup considered was having some kind of retired status that would allow retired members to give legal advice to their family or friends. Giving legal advice is the practice of law even if the recipients are family or friends which means they deserve the same protections all other members of the public are entitled to. That might include maintaining competence by completing MCLE, maintaining professional liability insurance, or paying assessments to support the Client Protection Fund. In addition, the Workgroup believes that a member who wants or needs to practice law should be on active status and pay the active license fee for that privilege and to cover the necessary costs associated with operating a mandatory bar association. In the end, the Workgroup decided most retired members would not be interested in maintaining continuing license requirements to provide limited legal advice to family and friends and that the risk to the public was too great.

Senior Member Discount. Another popular suggestion was to have a reduced license fee for senior members, based solely on age or years licensed. Some other jurisdictions have a reduced license fee for senior members; however, the qualifications to receive the reduction, the privileges the member is able to engage in, and the name of the status vary greatly across jurisdictions. For purposes of this evaluation, the Workgroup considered a reduced license fee for all active lawyers based on a certain age or years licensed. The financial impact of this option was considerable. As an example, there are currently about 2,926 lawyers aged 70+ or licensed 45+ years. If the license fee were reduced to \$200 for all of these members, the financial impact would be \$754,908 ($\$258 \times 2,926$). Although the Workgroup rejected this option, the Workgroup believes a license fee reduction is appropriate in certain situations and that recognition of a long career in the law is also appropriate. See recommendations below for the hardship license fee reduction and changes to honorary status.

Evaluation of Recommendations

Retired Status Label. The primary impetus for this Workgroup was requests by members for a retired status. As noted above, some members shared that “voluntarily resigned” has a negative connotation or does not appropriately describe their situation when they retire from practice. When a member voluntarily resigns from the WSBA, the individual is no longer a member of the Bar. Although retired is appropriate in many cases when someone is retiring from a long career in the law, it might not be appropriate in cases where a member is moving out-of-state to practice elsewhere and they do not want to appear as retired because they are practicing elsewhere. It would be problematic to have two statuses that mean the same thing, especially considering status information is also provided to the Administrative Office of the Courts for entry into the various state court computer databases. Accordingly, the Workgroup believes the best option is to maintain voluntarily resigned as the official status but allow members to choose how they would like that status to be displayed on the online legal directory: Voluntarily Resigned or Retired. This is a fairly insignificant change administratively for the WSBA, but will have a large positive impact on its members. No expected financial impact as we do not expect members to resign simply because they can now display the status as retired.

Allow Volunteering by Inactive and Honorary Members. Another fairly insignificant change administratively for the WSBA but with a positive member impact is to allow members on inactive or honorary status to volunteer for WSBA committees, boards, panels, councils, and task forces. We heard from members who would like to stay active in Bar business and volunteer but do not want to pay the active license fee and comply with MCLE for the privilege. The Workgroup believes it would be valuable to have highly experienced professionals serve as volunteers on WSBA committees and boards. All volunteers need to submit applications for consideration thereby allowing WSBA entities to evaluate whether an inactive or honorary member would be a viable candidate based on its needs at that time. Any financial impact from this change would be fairly nominal. If, for example, ten active

members who are not practicing decided to go to inactive because all they want to do is volunteer, then the impact would be \$2,580 ($\258×10).

Pro Tempore Judicial Status. Yet another fairly insignificant change administratively for the WSBA but with a positive member impact is to allow retirement age members to qualify for judicial status when holding a pro tempore judicial position. Currently, under the WSBA Bylaws, members cannot choose judicial status if their judicial position is pro tempore. The recommendation is to allow pro tempore judicial positions to qualify when the member is age 65+ or licensed 40+ years. This has the added benefit of providing the courts in our state with more judicial officers to cover absences and vacancies. Members are more likely to do a part-time or even full-time pro tempore position if they can be on judicial status with a lower license fee and no MCLE requirements. It is hard to estimate how many members might take advantage of this or what the demand is for pro tempore judges. We know 132 active members currently age 65+ or licensed 40+ years were on judicial status prior to returning to active status. If, for example, 10% (or 13) of these members chose judicial status for pro tempore positions, the financial impact would be \$5,304 ($\408×13).

Honorary Status – From 50 Years to 40 Years to Be Eligible. There are some members who are of retirement age and who are in fact retired but still want to remain members. They also seek respect and appreciation for a long, distinguished career in the law without maintaining continuing licensing requirements. Currently, WSBA members who have been on active or judicial status for 50 years or more are eligible for honorary status². As noted above, honorary status is the same as inactive status but there is no license fee. It essentially allows a longtime member to “retire” but remain a WSBA member for no fee. The Workgroup considered this option together with those who suggested a reduced license fee for senior members and decided it would be appropriate to let members choose honorary status after 40 years instead of 50 years. After all, most members after 40 years of practice will be in the 65-70 age range. This will recognize their years of service, maintain their membership, and allow them to stay involved with the Bar.

There are currently 427 inactive members who would qualify for honorary status if this recommendation were adopted. All of them would clearly change to honorary status. Therefore, the initial financial impact of this recommendation would be \$85,400 ($\200×427). Thereafter, we estimate approximately 30 members who would've otherwise chosen inactive status each year would qualify for honorary status. This is based on identifying that there are currently 329 members on inactive status who have 40-49 years of active or judicial status. Given it is a ten-year range, approximately 30 members would become eligible each year. This results in an annual financial impact of \$6,000 ($\200×30). One unknown financial impact we have for this recommendation is the number of active members who might be on active status solely to reach the current 50-year mark. The Workgroup believes it is a relatively small number.

Active License Fee Hardship Reduction. As discussed above, the Workgroup advocates for paying a license fee for the privilege to practice law. However, the Workgroup acknowledges there may be senior members who must continue to practice law to support their household and due to life circumstances are in need of assistance. The Workgroup believes it is appropriate to offer a hardship reduction of the active license fee to members who are age 65+ or licensed for 40+ years, and whose household adjusted gross income is equal to or less than 400% of the federal poverty level (currently \$60,240 for a household of one, or \$81,760 for a household of two). The Workgroup recommends the fee be reduced to that of the inactive license fee (currently \$200). In reaching these

² Note that the eligibility requirements for honorary status are different from the 50-year member award and luncheon. The 50-year member award is for all members licensed for 50 years regardless of status.

standards, the Workgroup looked to the hardship exemption for the active license fee (which can only be used twice per lifetime). The hardship exemption is based on income at or less than 200% of the federal poverty level. Because this is a reduction, not an exemption, it seems appropriate to raise the income threshold. In addition, according to 2022 data from the U.S. Census Bureau, the average income for people over the age of 65 in the U.S., is \$50,290 per year.³ The Workgroup recommends the hardship reduction be available annually to all members who qualify.

In order to determine the estimated financial impact we again look to the hardship exemption for guidance. Approximately 90 members take advantage of the hardship exemption annually. Because the income threshold is double, we can estimate slightly more than double the number of members might then qualify; let's say 200. There are currently about 33,830 active members. Applying this ratio (200 of 33,830) to the 5,406 members who are age 65+ or licensed 40+ years, we get 32 members who might qualify for a hardship reduction. The estimated financial impact, therefore, is approximately \$8,256 (\$258*32) annually.

Include Years Licensed in Other Jurisdictions.

Finally, the Workgroup recommends including years licensed in another U.S. jurisdiction when determining the number of years licensed, so long as they are not overlapping with years licensed in Washington. Accordingly, this would apply to the 40 years of active or judicial status to qualify for honorary status, the hardship license fee reduction, and the pro tempore judicial position. Members would be required to provide a certificate of good standing or other status history certificate from the jurisdiction to establish the years licensed there. It is difficult to predict the fiscal impact of this recommendation since we do not know how many members have reached 40 years of active or judicial status when combining years licensed in another U.S. jurisdiction. However, the Workgroup does not believe this would apply to a large number of members.

Estimated Total Cost of Recommendations

It is estimated that the recommendations will result in a decrease of about \$101,540 in license fee revenue in the first year of implementation. The Workgroup suggests that the WSBA Budget and Audit Committee review the fiscal impact of these changes from time to time.

Conclusion

These recommendations primarily focus on options for members who have reached the end of their careers. Under the proposal, many active members retiring from practice would most likely be able to choose honorary status. There would be no need to choose a retired status because many will have reached the 40 years of active or judicial status. This would recognize members for their careers and dedication to the legal profession, allowing them to remain members until death at no cost to them. In addition, they would be able to volunteer and stay engaged if they so choose. For members who cannot or do not want to make it to the honorary threshold, they could choose inactive status and stay engaged or they could resign and choose to have it displayed to the public as retired. Senior members with judicial experience could more easily work as a judge pro tempore, and finally, for those senior members facing challenges, an active license fee reduction would be available. The significant changes to the statuses are highlighted in red in the table below.

³ United States Census Bureau. (2023, August 9). HINC-02. Age of Householder-Households, by Total Money Income, Type of Household, Race and Hispanic Origin of Householder. Retrieved from <https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-hinc/hinc-02.2022.html#list-tab-99567878>

PROPOSED CHANGES TO LICENSE STATUSES	ACTIVE	PRO BONO	JUDICIAL	INACTIVE	HONORARY	RESIGNED/RETIRED
License Fee	\$458 +CPF	\$200/\$0*	\$50	\$200	\$0	Not a Member
Eligibility Criteria, if any		Volunteer	Include Pro Tempore for Seniors		40+ Active/Judicial	
MCLE Requirements	✓	x	x	x	x	x
Licensed to Practice Law	✓	✓QLSP Only	As permitted under CJC	x	x	x
Ethics Line	✓	✓				
Bar News	✓	if requested	✓	if requested	if requested	
Join sections as a voting member	✓	✓	x	when allowed	when allowed	
Join sections as a non-voting member	✓	✓	when allowed	when allowed	when allowed	
Serve on WSBA Committees, Boards, Panels, Councils and Task Forces	✓	✓	Task force, council, institute of the bar	✓	✓	
Serve on Supreme Court Boards and Task Forces	✓	when allowed	when allowed			
Serve on the Board of Governors	✓					
Vote for governors and on referenda	✓					
Active License Fee Hardship Reduction for Seniors	✓\$200+CPF					

* The license fee will be waived for pro bono status members who completed at least 30 hours of pro bono service with one or more Qualified Legal Services Provider(s) in the prior year.

The Workgroup and WSBA staff look forward to the feedback from the governors and members on this issue.

WSBA RISK ANALYSIS: *This section is to be completed by the Office of General Counsel, with input from the proposing entity or individual.*

To be provided separately as confidential materials.

WSBA FISCAL ANALYSIS: *This section is to be completed by the Finance Department, with input from the proposing entity or individual.*

The fiscal impact of these proposals includes the amount of staff time used to develop recommendations, create processes and implement changes to existing workflows based on the approved recommendations, update WSBA records, and perform outreach to communicate the changes. The staff time that would be allocated to this work is included in the overall duties of existing WSBA staff and would not require additional staff or allocation of resources from other internal sources. Additionally, the non-staffing impact of these proposals is incorporated throughout the memo and data gathered and costs calculated were developed in conjunction with the Finance department.

While the fiscal analysis is based on current data, it is our best estimate at this time and we acknowledge that predicting figures such as rates of membership resignation and status elections (active, inactive, etc.) is challenging and actual results are to some extent unpredictable.

Summarized below are the amounts estimated for recommendations 2, 4, 5, and 6:

2) Decreasing the number of years on active or judicial status to qualify for honorary status from 50 to 40- Estimated annual total of \$91,400, and \$85,400 for the first year of implementation only. This includes estimates of \$85,400 for inactive members who would immediately qualify for and switch to honorary status and \$6,000 for those in inactive status who have 40-49 years of active or judicial status who will qualify each year after the first year of implementation. The number of members included in the estimate of people who are between 40-49 years currently will reduce as each year progresses so the \$6,000 is like to reduce over time.

4) Allowing inactive and honorary members to volunteer on WSBA committees, boards, panels, councils, and task forces- Estimated annual cost of \$2,580

5) Allowing members who are age 65 or more, or who have been licensed for 40 years or more in any U.S. jurisdiction, to be on judicial status for pro tempore judicial positions- Estimated annual cost of \$5,304

6) Providing a hardship reduction of the active license fee for members who are age 65 or more, or who have been licensed for 40 years or more in any U.S. jurisdiction, and have a gross annual household income equal to or less than 400% of the federal poverty level- Estimated annual cost of \$8,256

The estimated annual expense for these recommendations is \$101,540 in the first year of implementation and \$107,540 per year afterwards.

The remaining two recommendations (numbers 1 and 3) require staff time and little to no identified expenses based on the current data.

WSBA EQUITY ANALYSIS: *This section is to be completed by the Equity and Justice Team, with input from the proposing entity or individual.*

The purpose of the equity analyses is to understand how entities incorporated an equity lens into the action items presented to the Board of Governors. An equity lens is 1) identifying and centering people and communities most impacted decisions and/or 2) meeting people and communities according to their specific needs to produce fair and equal outcomes for all. It appears that the workgroup identified that the people most impacted by these proposed changes are members who are age 65+ or licensed for 40+ years. The workgroup member makeup included representatives from the Senior Lawyers Section, a member with inactive status, a member with pro bono status, an At-Large member as well as a BOG member and the Treasurer. They appear to have sought input from the Senior Lawyers Section and broadly from the membership through a survey. The proposed changes appear to create more equitable outcomes like offering a hardship reduction and expanding the eligibility to volunteer for WSBA entities. As the workgroup seeks feedback between the first and second reading, it should consider seeking input from the judiciary including the District and Municipal Court Judges Association who has been working to diversify the bench by collaborating with the WSBA CLE team to offer regular Pro Tem trainings and with the DEI Council to offer diversity scholarships. This input may help inform the proposal regarding the Pro Tempore Judicial Status. The workgroup might also consider adding other mechanisms for evaluation to measure impacts other than having the Budget & Audit Committee occasionally review financial impacts (e.g., seeking input

from the Senior Lawyers Section, judiciary, etc. in X number of years; reviewing future demographic data of volunteers).

Attachments

Member Status Workgroup Charter

Proposed Bylaws Amendments from Member Status Workgroup

Member Status Workgroup Survey Summary and Member Comments

TO: WSBA Board of Governors
FROM: Terra Nevitt, Executive Director
Diana Singleton, Chief Equity and Justice Officer
DATE: October 15, 2024
RE: Proposed Lived Experience Expert (LEE) Policy

SECOND READING: Request for Board of Governors to approve the proposed Lived Experience Expert Stipend Policy.

At the September BOG meeting, we presented the proposed Lived Experience Expert Stipend Policy for a First Reading. Some BOG members expressed agreement with the proposed policy and other BOG members asked for more information. Below is information in response to the questions posed at the September meeting.

Did we seek input about the Lived Experience Expert Stipend Policy?

We reviewed the input that the Access to Justice (ATJ) Board solicited and received when they began researching best practices for removing barriers for people with lived experience. About a year ago, the ATJ Board sent a survey to all WSBA entities (including chairs and staff from all WSBA boards, councils, sections, and committees), Supreme Court created entities, and the larger legal community.

A total of 273 number of people took the survey. 85% identified as WSBA members and 15% as members of the public (non-WSBA members). Survey takers from 23 different counties disclosed diverse social identities including Black (15.5%), Indigenous (2.28%), Native American (11.8%) East Asian (9.59%), South Asian (4.11%), Southeast Asian (5.48%), Latinx (12.33%), Middle Eastern (7.31%), Pacific Islander (4.11%), Mixed Race (16.89%), LGBTQIA2S+ (24.66%), and people with disabilities (33.79%). Survey takers also shared various lived experiences: housing instability (12.79%), immigration (8.68%), mental health (33.79%), low-income (35.62%), experience in the criminal legal system (e.g., victim, defendant, witness) (18.26%), and civil legal system (36.19%).

When asked about the benefits of having people with lived experience volunteer, 235 people responded. Fifteen people said there are no benefits and shared skepticism about the effectiveness of including people with lived experience, including concerns that they would be subjective, not objective in their contributions. There was also concern about the potential for commodification of lived experience. The majority of respondents (212) did identify benefits, sharing that people with lived experience provide critical perspectives that are often overlooked by those without direct experience. Empowerment and self-determination, especially for people who are marginalized, was also identified as an important benefit. Finally, survey takers emphasized WSBA's call for inclusive environments where diverse experiences are valued and commented that compensating people with lived experience would promote inclusion and lead to more effective and relevant policy changes.

When asked what barriers people with lived experience face when volunteering, the following were the top reasons: time and location of volunteer meetings (31%), lack of financial resources (29%), the feeling of not belonging or being respected (16%), childcare (12%), and time off work (9%).

Our proposed policy is informed by the input from this survey.

Would the Washington State Bar Foundation be a better option for funding the LEE stipends?

We do not recommend funding the LEE stipends with grants from the Washington State Bar Foundation (nor grant from other funders) because grant funding can be inconsistent, unsustainable, and labor intensive.

Applying for grants to fund LEE stipends would require staff time to research grants, apply for grants and meet grant reporting obligations. This time would take away from staff's capacity to support the entity in other ways. If the WSBF Board of Trustees were to consider directing some of its funding for LEE stipends, it would take away from the funding it donates to WSBA for its current portfolio of public service and diversity, equity and inclusion programming.

Further, if funding for LEE stipends discontinued due to a lack of funding we might expect volunteers with lived experience to leave their post, disrupting the work of the entity. Our research on the impacts of paying people with lived experience shows the best practice is to invest and pay stipends from reliable funding (see e.g., Office of Assistant Secretary for Planning and Evaluation for US Department of Health and Human Services' [Methods and Emerging Strategies to Engage People with Lived Experience](#), toolkits from the [Urban Institute](#) and [Center for Health Care Strategies](#)).

Should we pilot the LEE stipend policy before approving it?

We do not recommend that we pilot the policy by selecting a handful of entities to test out the policy nor piloting the policy for a certain period of time. A pilot could take years to fully understand the impact of the policy as it takes time to recruit (e.g., 1-2 years) plus the length of a volunteer's term (e.g., 2-4 years). If only a handful of entities piloted the policy, this would mean that entities not piloting the policy would miss out on potential impacts for a significant period of time. If the policy applied to everyone and we piloted it for a limited period of time (e.g., 4-6 years), it would be the same effect to just institute the policy and then decide to terminate the policy after reviewing data and impacts.

If approved, how would the stipends be funded?

As noted in the proposed procedures, WSBA follows Generally Accepted Accounting Principles (GAAP), which includes a method of accounting by fund. There are four funds: 1) General Fund- primary fund used for majority of operations, 2) Continuing Legal Education Fund (CLE)- funds support CLE seminars, products, and desk books, 3) Client Protection Fund (CPF)- fund supports operations specifically for the purposes outlined for the CPF which is WSBA's only legally restricted fund, and 4) Sections Fund- supports operations of each individual section (29 in total). Separating financial activity by fund means that expenses for LEE stipends are being supported by the

revenue earned in each of the funds. The proposed policy and procedures reflect our historical accounting practices of separation between the different funds and no change to policy with regards to financial support of activities between funds. This means that activities funded by license fees all reside in the General Fund while other non-license fee funded activities reside in the other three funds. Alternatively, if the General Fund and license fees were to be used to support the LEE stipends across all funds, consideration of how this change would set precedent going forward for any other funding initiatives impacting all funds should be discussed and a policy would need to be established.

Should we change the name of the proposed policy?

Some BOG members expressed confusion or concern about the term, “lived experience.” Our research shows that “lived experience” is used widely, ranging from federal government agencies to our state’s Administrative Office of the Courts. However, if the BOG prefers to use another name, here are some alternative names: “Volunteer Expert Stipend Policy,” “Removing Barriers for Expertise Policy,” and “Stipends for Expert Volunteers Policy.”

Attachments

- *BOG Cover Memo for September 2024 Meeting*
- *Proposed Lived Experience Expert Policy*
- *Proposed Lived Experience Expert Procedure*

TO: WSBA Board of Governors
FROM: Terra Nevitt, Executive Director
Diana Singleton, Chief Equity and Justice Officer
DATE: August 26, 2024
RE: Proposed Lived Experience Expert (LEE) Policy

FIRST READING: Request for Board of Governors to review proposed Lived Experience Expert Stipend Policy and give input to inform draft policy for a Second Reading.

Background

About a year ago, the Access to Justice (ATJ) Board submitted a proposed FY24 budget which included funding for stipends for ATJ Board members who have lived experience of systemic oppression and were low-income. The Budget and Audit Committee advised that before such stipends could be administered, WSBA would need to develop a policy and recommended that the ATJ Board propose such a policy.

The ATJ Board is still working on a comprehensive policy that will allow people with lived expertise to fully participate as volunteers on entities staffed by WSBA. In the meantime, WSBA staff have identified that not being able to pay low-income volunteers with lived experience limits WSBA's ability to recruit and support their participation.

For that reason, we propose that WSBA adopt the attached Lived Experience Expertise (LEE) Stipend Policy as the ATJ Board continues to work on a more comprehensive policy. The ATJ Board endorses this proposed policy and are available to share their perspectives at the Board of Governors meeting. In addition to the ATJ Board, the DEI Council recently reviewed the proposed policy and also voted in favor of endorsing the policy.

Previous drafts of the proposed policy were reviewed by the Budget and Audit Committee and refined in response to the Committee's input.

Purpose of the Proposed LEE Policy

The purpose of the proposed policy is to remove financial barriers for low-income people who have expertise that would inform policy and programs of entities staffed by WSBA. We are proposing to follow suit with the Washington State Executive Branch agencies and Judicial Branch who have adopted policies that remove financial barriers for people with lived experience so they can participate in public policy discussion and decisions.

The Washington State Legislature passed [Second Substitute Senate Bill \(2SSB\) 5793](#) in 2022, to establish guidance for Executive Branch agencies in working with lived experts, which states:

"The legislature finds that equitable public policy discussions should include individuals directly impacted by that policy. In order to do so, the legislature supports removing barriers to that participation. The legislature finds that asking community members with lower financial means to volunteer their time and

expertise while state employees and representatives of advocacy organizations receive compensation from their respective agency or organization for their time and experience ultimately hinders full and open public participation. As a result, the legislature finds that removing financial barriers for those individuals fosters increased access to government and enriches public policy discussions and decisions, ultimately leading to more equitable and sustainable policy outcomes.”

“Subject to available funding, agencies may provide a stipend to individuals who are low income OR have lived experience to support their participation...when the agency determines such participation is desirable...provided that the individuals are not otherwise compensated for their attendance at meetings.”

The bill was codified in [RCW 43.03.220](#) and the Washington State Office of Equity established [guidelines](#) both of which have informed our proposed policy and procedures for working with lived experience experts. The draft policy and procedures are also informed by the Administrative Office of the Court’s [Lived Experience Stipend guidelines](#). As you’ll see in AOC’s Lived Experience Expert Contracting [document](#), the people who are Lived Experience Experts (LEEs) are considered as contractors and can provide their expertise as contractors in three different ways: Single Instance LEE (for people whose work is limited to one-time engagements that cost \$600 or less in a calendar year), Individual LEE (for people whose work goes beyond one-time engagements and cost more than \$600 in a calendar year) and Multiple LEE Under One Contract (for multiple LEEs under one contract). The proposed WSBA LEE Stipend Policy is most similar to AOC’s Individual LEE engagement and Single Instance LEE.

Summary of Proposed Policy

Subject to available funding, WSBA may offer LEE stipends to individuals who provide their expertise in lived experience that directly informs WSBA policies, programs, and the work of the entities administered by WSBA. LEEs will be considered as independent contractors with the WSBA. Nothing in the policy shall create an employee/employer relationship between WSBA and individuals receiving LEE stipends.

WSBA may offer a LEE stipend to an individual who:

1. Volunteers for a one-time engagement (e.g., speaker at a CLE) and/or an ongoing engagement (e.g., member of a WSBA entity or entity administered by WSBA like a Supreme Court-created board);
2. Is low-income (household income is less than 400% of federal poverty level);
3. Has lived experience that will inform WSBA programs, policies, events, CLEs or work of an entity administered by the WSBA; and
4. Is not otherwise compensated for their volunteer work with WSBA.

The policy shall not be used to favor one viewpoint over another or to make classifications based on race, national origin, religion, or gender.

Procedures to Implement Policy

The procedure for determining who is eligible for a LEE stipend, what are LEEs paid for, how are the LEE stipends calculated and paid is included in “WSBA Procedure on Lived Experience Expert Stipends.” The calculation of the LEE stipends will be based on a flat amount as opposed to an hourly rate. We propose that the LEE stipends be budgeted and paid using Generally Accepted Accounting Principles as outlined in the WSBA Procedure on Lived Experience Expert Stipends.

WSBA RISK ANALYSIS: This section is to be completed by the Office of General Counsel, with input from the proposing entity or individual.

See Box for confidential legal analysis.

WSBA FISCAL ANALYSIS: This section is to be completed by the Finance Department, with input from the proposing entity or individual.

See attached fiscal analysis memo.

WSBA EQUITY ANALYSIS: This section is to be completed by the Equity and Justice Team, with input from the proposing entity or individual.

The purpose of this proposed policy is create more equitable policies and programs. The proposed policy and procedures were informed by input from WSBA staff who serve as liaisons to volunteer groups, research from the Access to Justice Board, legal analysis from the General Counsel and input from the Budget and Audit Committee.

Attachments

List any attachments here.

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors

From: Tiffany Lynch, Director of Finance

Date: August 13, 2024

Re: Fiscal Analysis for Proposed Lived Experience Expertise Policy and Procedure

BACKGROUND

The proposed policy language allows for volunteers who meet four criteria to be eligible for an LEE stipend. The procedure outlines guidance regarding the stipend format (one-time engagement or ongoing engagement) and recommends that the stipend amounts be set at \$100 for a half-day meeting (defined as less than four hours), \$200 for a full-day meeting (defined as four hours or more), and \$300 for a one-time engagement. The stipend amounts are based on estimated participation and engagement in volunteer activities and the procedure references using RCW 43.03.220 "*Compensation of members of part-time boards and commissions*" limit of \$200 per day and the [Washington State Community Compensation Guidelines](#) (see pages 19-20).

ANALYSIS

To determine the estimated fiscal impact of this proposal, we gathered information from an internal team comprised of all staff liaisons to WSBA entities, with a focus on estimating the number of eligible LEE volunteers and annual hours contributed to address the potential ongoing engagement LEE stipends. We asked the team to provide estimates for the number of volunteers per group, number of meetings per year, amount of time per meeting, and any other routine time spent on entity work. This data also included volunteer work associated with subcommittees and workgroups of the primary entity. WSBA has some entities that are prohibited from receiving financial compensation; those groups were excluded from the calculations.

The estimated annual fiscal impact of this proposal is based on the following data and assumptions:

- Average number of volunteer meetings per year: 15
- Average number of volunteers per group: 18
- Average number of one-time engagements per year: 15 to 18. This is based on a combination of data collected for potential volunteer opportunities and existing honorariums applied to the FY24 budgeted based on current WSBA guidance which is included in the CLE Seminars, Diversity and Legal Lunchbox cost centers.
- Assume that volunteers of entities that have subcommittees and workgroups will participate in these subgroups and estimated hours are inclusive of primary meeting/work and subgroup time.
- Assume a range of 15-30% of Sections could have one member eligible for an ongoing engagement LEE stipend. This equates to 5 to 10 people annually.

- Assume that approximately 10% of the total number of members are eligible for an LEE stipend. This equates to an average of 14 volunteers per year. It was unclear in the data gathered whether any volunteers are currently eligible, so this is possibly a conservative estimate.

Based on the information collected, we calculated the fiscal impact based on a range of meeting lengths as some entities reported meeting lengths ranging between a half and full day stipend rate, in addition to the estimated varying number of one-time engagements as follows:

Range	One-Time Engagements (\$300 each)	Ongoing Engagements (\$100-\$200 per meeting)	Estimated Total Cost
LOW	\$4,500	\$29,400	\$33,900
HIGH	\$5,400	\$35,800	\$41,200

The annual stipend that a volunteer could earn for ongoing engagements ranges from \$200 to \$2,700, depending on the estimated number of meetings for their designated entity.

The estimates provided for ongoing engagements assume that 10% of the volunteers on each identified eligible entity is also eligible for an LEE stipend. For most entities that equates to one volunteer. However, this is based on the current makeup of volunteers. If the proposal is approved, we anticipate that the number of eligible volunteers may increase over time as individuals become aware of the opportunity to volunteer with stipend support, resulting in higher costs in the future.

PROPOSED – Lived Experience Expert (LEE) Stipends Policy

Adopted: Month D, YYYY

A. Purpose

In its efforts to create effective and equitable policies and programs, the WSBA recognizes that it is crucial to have the participation of people who have been or will be impacted by such policies and programs. The wisdom of people with direct lived experience of the legal system and legal profession is integral to WSBA's understanding and ability to develop policy and programs that improve the legal profession and the quality of legal services. Ensuring WSBA's work is informed by people with direct lived experience helps WSBA deliver on its mission to serve the public and its members, ensure the integrity of the legal profession, and to champion justice.

Economic realities, however, frequently prevent individuals with lived experience from participating in volunteer opportunities, such as service on WSBA entities. Offering Lived Experience Expert (LEE) stipends helps remove financial barriers to participation, which, in turn, helps dismantle systemic inequities. This policy sets forth the criteria for awarding LEE stipends.

B. Definitions

As used in this policy, the terms below are defined as follows:

- **Lived Experience:** Personal experience that is directly related to a relevant WSBA program, policy, event, CLE or work of an entity administered by the WSBA. **Lived Experience Expert (LEE):** A person who has direct lived experience that will assist with effecting more equitable outcomes in the work of the WSBA entity, program, policy development, event, CLE, or work of any entity administered by WSBA. LEEs may include licensed legal professionals or members of the public.
- **Entity:** Any body, no matter how named, working under the authority of, or administered by, the Bar, pursuant to the WSBA Bylaws, court rules or court order.
- **Income:** Money received on a regular basis before payments of taxes, social security, etc. Income does not reflect noncash benefits (www.census.gov/topics/income-poverty.html)
- **Low-Income:** An individual whose household income is not more than 400% of the federal poverty level (<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>). The person's household income is reviewed by X on an annual basis.
- **Otherwise Compensated:** The individual is already being paid for their participation by another party (e.g., the individual's employer allows them to use work time to attend a WSBA entity meeting). An LEE is not considered otherwise compensated due to reimbursement for any reimbursable expenses allowed by WSBA Fiscal Policies (e.g., mileage, lodging).

C. Policy

Subject to available funding, WSBA may offer LEE stipends to individuals who provide their expertise in lived experience that directly informs WSBA policies, programs, and the work of the entities administered by WSBA. LEEs will be considered as independent contractors with the WSBA. Nothing in this policy shall create an employee/employer relationship between WSBA and individuals receiving LEE stipends.

WSBA may offer a LEE stipend to an individual who:

- 1) Volunteers for a one-time engagement (e.g., speaker at a CLE) and/or an ongoing engagement (e.g., member of a WSBA entity or entity administered by WSBA like a Supreme Court-created board);
- 2) Is low-income, as defined in Section B of the Lived Experience Expert Stipend policy;
- 3) Has lived experience that will inform WSBA programs, policies, events, CLEs or work of an entity administered by the WSBA; and
- 4) Is not otherwise compensated for their volunteer work with WSBA.

The policy will not be used to favor one viewpoint over another or to make classifications based on race, national origin, religion, or gender.

D. Procedure

The procedure for determining who is eligible for a LEE stipend, what are LEEs paid for, how are the LEE stipends calculated and paid is included in the document, “WSBA Procedure on Lived Experience Expert Stipends.”

E. Funding

The amount of funding available for LEE Stipends will be set annually as an estimate of need in the budget process but may be modified during the fiscal year using the methods outlined in WSBA Fiscal Policies and Procedures which include budget reallocations, amendments, and reforecast. In the event that the approved annual budget needs modification, Department Directors shall work with the Director of Finance to determine the appropriate methodology for requesting a budget modification.

PROPOSED – WSBA Procedure on Lived Experience Expert (LEE) Stipends

Subject to available funding, WSBA may offer stipends to individuals who provide their expertise in lived experience that directly informs WSBA policies and programs, and the work of the entities administered by WSBA. The LEE Stipend Policy will not be used to favor one viewpoint over another or to make classifications based on race, national origin, religion, or gender. Nothing in this procedure shall create an employee/employer relationship between the person paid a LEE stipend and WSBA.

Why LEE stipends?

In its efforts to create effective and equitable policies and programs, the WSBA recognizes that it is crucial to have the participation of people who have been or will be impacted by such policies and programs. The wisdom of people with direct lived experience of navigating the legal system and legal professional is integral to WSBA's understanding and ability to develop policy and programs that improve the legal profession and the quality of legal services. Ensuring our work is informed by people with direct lived experience helps WSBA deliver on its mission to serve the public and its members, ensure the integrity of the legal profession and to champion justice. Offering stipends helps to remove financial barriers to participation and dismantle systemic inequities.

Who is eligible for a LEE stipend?

WSBA may offer a LEE stipend to an individual who:

- 1) Volunteers for a one-time engagement (e.g., speaker at a CLE) and/or an ongoing engagement (e.g., member of a WSBA entity or entity administered by WSBA like a Supreme Court-created board;
- 2) Is low-income, as defined in Section B of the Lived Experience Expert Stipend policy;
- 3) Has lived experience that will inform WSBA programs, policies, events, CLEs or work of an entity administered by the WSBA; and
- 4) Is not otherwise compensated for their volunteer work with WSBA.

Definitions:

- **Lived Experience:** Personal experience that is directly related to a relevant WSBA program, policy, event, CLE or work of an entity administered by the WSBA. An example of what could constitute personal experience is a person who has utilized pro bono services to address housing instability and domestic violence. This person's first-hand experience with pro bono services could provide insight for the Pro Bono and Public Service Committee to improve pro bono trainings and resources.
- **Lived Experience Expert (LEE):** A person who has direct lived experience that will assist with effecting more equitable outcomes in the work of the WSBA entity, program, policy development, event, CLE, or work of any entity administered by WSBA. LEEs may include licensed legal professionals or members of the public.
- **Entity:** Any body, no matter how named, working under the authority of, or administered by, the Bar, pursuant to the WSBA Bylaws, court rules or court order.
- **Income:** Money received on a regular basis before payments of taxes, social security, etc. Income does not reflect noncash benefits (www.census.gov/topics/income-poverty.html)

- **Low-Income:** An individual whose household income is not more than 400% of the federal poverty level (<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>). The person's household income is reviewed by X on an annual basis.
- **Otherwise Compensated:** The individual is already being paid for their participation by another party (e.g., the individual's employer allows them to use work time to attend a WSBA entity meeting). An LEE is not considered otherwise compensated due to reimbursement for any reimbursable expenses allowed by WSBA Fiscal Policies (e.g., mileage, lodging).

What are LEEs paid for?

LEEs will be considered as independent contractors with the WSBA and can be paid for one-time engagements and/or for ongoing engagements.

- **One-Time Engagement:** These types of engagements are short-term and often in a single instance. Examples include an LEE speaking or writing about their personal lived experience which is related to program content at a CLE, training, meeting or event, or an LEE serving on a focus group or selection committee where they are asked to give input or perspectives based on personal lived experience or a LEE writing an article for WSBA publications. LEE Stipends for one-time engagements are different from speaker fees. Speakers may charge a speaker's fee for any speaking engagements or trainings they do. If a speaker/trainer does not charge a speaker's fee and the speaker is being asked to speak from lived experience, they should be offered a LEE Stipend.
- **Ongoing Engagement:** These types of engagements require a longer-term commitment where the LEE is sharing their expertise on an ongoing basis. Examples include a LEE providing their perspectives as a member of an entity administered by WSBA.

The stipend is separate from any reimbursable expenses allowed by WSBA Fiscal Policies (e.g., mileage, lodging).

How are stipend amounts calculated?

The stipend amounts should be budgeted based on their participation and engagement in volunteer activities. The stipends help remove financial barriers for low-income volunteers so they can participate but are not meant to offer compensation for every hour worked, amounting to a part-time job. Here is a non-exhaustive list of activities and how much they are compensated for:

- Half-Day Meeting (less than four hours): \$100
- Full-Day Meeting (four hours or more): \$200
- One-Time Engagements (includes all activities associated with the engagement like presentation, preparation, travel time, reviewing materials, and drafting articles): \$300

Stipend amounts should be based on amounts stated in [RCW 43.03.220](#) (which provides for compensation for members of part-time boards and commissions) and amounts used by the Washington State Office of Equity. RCW 43.03.220 provides that "stipends shall not exceed \$200 for each day during which the member attends an official meeting or performs statutorily prescribed duties approved by the chairperson of the group," as well as the Office of Equity's [Community Compensation Guidelines](#) (see pages 19-20) which provides that attending meetings over four hours should be paid

\$200 and meetings less than four hours ranges from \$45-180 depending on the length of the meeting). Further, the guidelines provide that one-time engagement activities, which are low-barrier, low-intensity opportunities such as surveys, interviews are paid between \$25-\$200. One-time engagements at WSBA are more involved as they include activities like speaking at CLEs or drafting *Bar News* articles so should be paid a higher amount than the Office of Equity's Community Compensation Guidelines. Staff should budget for LEE stipends based on how many activities are estimated for the fiscal year and disbursement of stipends should be capped based on the budget. These amounts shall be reviewed on an annual basis by staff and the Procedures should be updated.

How are stipends paid?

WSBA should offer to LEEs different options on how they would like to receive payment to ensure they can select the option most equitable to them. Each option has equity considerations staff can communicate to LEEs to ensure they understand what is needed to process payment. It is also important for staff to understand what information is needed from the individual to abide by federal tax requirements, such as collecting a completed W-9 form. Options include but are not limited to: direct deposit/electronic bank deposit, paper check by mail, or money orders. The payments shall be disbursed quarterly.

If the stipend will amount to more than \$600/year, the LEE will need to submit a W-9 to WSBA in order to be paid. If a LEE receives \$600 or more in a calendar year¹, the Internal Revenue Service (IRS) requires a 1099-MISC form to be sent to the volunteer. People who are low-income, are unhoused, are limited English language proficient, and/or have disabilities may qualify for free tax-filing support through the IRS's Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs. LEEs should be given any information about this free support. LEEs should also be informed that receiving stipends could affect their eligibility for public benefits and be advised that they may want to consult with Northwest Justice Project's CLEAR legal aid [hotline](#) or a public benefits agency before receiving any stipends (see also page 8-13 on Office of Equity's compensation [guidelines](#) for information on public benefits eligibility).

How are LEE stipends budgeted?

WSBA follows Generally Accepted Accounting Principles (GAAP), which includes a method of accounting by fund. There are four funds: 1) General Fund- primary fund used for majority of operations, 2) Continuing Legal Education Fund (CLE)- funds support CLE seminars, products, and desk books, 3) Client Protection Fund (CPF)- fund supports operations specifically for the purposes outlined for the CPF which is WSBA's only legally restricted fund, and 4) Sections Fund- supports operations of each individual section (29 in total). Separating financial activity by fund means that expenses for LEE stipends are being supported by the revenue earned in each of the funds. After determining the calculation for stipend amounts, the funds will be included as part of the annual budget and separated by fund and budgeted as follows:

- General Fund: stipends will be budgeted in the Volunteer Engagement cost center
- CLE Fund: stipends will be budgeted in the CLE Seminars cost center

¹ The \$600 limit does not include funds received as a reimbursement from the WSBA. Examples include mileage, parking, and meals.

- CPF Fund: stipends will be budgeted in the Client Protection Fund cost center
- Sections Funds: stipends will be budgeted in each Section's annual budget which is proposed by Section leadership and approved by the Board of Governors.

What is the process for application and setting expectations?

People who are asked for their lived experience expertise should be informed of the WSBA Policy and Procedures for LEE Stipends. If a person believes they may be eligible, they may submit a confidential application to X (X = one centralized staff team/person TBD). The application will ask the person to confirm the number of people in their household, their household income and their lived expertise is directly related to a relevant program, policy, event, CLE, or work of an entity administered by WSBA. Any personal information submitted will be immediately returned to the person and not subject to public records requests. Once X confirms the application is complete, the individual will sign an agreement that affirms their eligibility and outlines the expectations that the volunteer must meet to receive the stipend.

What is the step-by-step process that staff should follow?

1. Staff working with potential LEEs should inform them of the LEE Stipend Policy, the option to apply for LEE stipends, the budgeted capped amount of the stipend and the process required including submitting an application and entering into a contract as an independent contractor.
2. Applications for a LEE stipend will be submitted to X (X = one centralized staff team/person TBD). X will review the application to ensure it is complete and the person meets the LEE criteria. If the person meets the LEE criteria, X will send the person an agreement that outlines the expectations the LEE must meet to receive the stipend and the capped budgeted amount the LEE could be paid during the term of the contract. If the estimated amount is more than \$600, X should also request the LEE to complete a W-9.
3. Staff should track attendance of the volunteers throughout the year. At the end of each quarter, the staff should process payment of the LEE stipend for the eligible volunteer based on the LEE meeting the expectations outlined in the agreement.

WSBA Board of Governors

2024

ANTI- harassment **TRAINING**

Presented by:

Jeremy Wood

jwood@fisherphillips.com

WHY

It


matters.

 Washington State | Office of the Attorney General

AG Ferguson files lawsuit against O'Reilly Auto Parts for discrimination and retaliation against pregnant employees ...

AG Ferguson files lawsuit against O'Reilly Auto Parts for discrimination and retaliation against pregnant employees AG accuses national...

Aug 16, 2023

 The Seattle Times

\$3.4 million fine resolves lawsuit against WA mushroom farm

Ostrom Mushroom Farms, a major producer in the Pacific Northwest, will pay a \$3.4 million fine for gender discrimination and other unfair...


May 17, 2023

 NEWStalk 870

White Seattle City Worker Files 'Reverse' Discrimination Lawsuit

The man, who worked for the city since 2013, will have his suit go to trial, accusing the city of discrimination because he is white.

Aug 30, 2023

 Oregon Public Broadcasting

Clark County ordered to pay \$600,000 over racist slurs, discrimination in the workplace

A federal jury found Tuesday that Clark County owes \$600,000 to three Latino public works employees following years of discrimination at...

Jun 21, 2023



**In your career and tenure on the B.O.G., you will
leave a legacy.**

What will you be remembered for?

Today's Agenda:

1. **Why Do This?** One Reason + Seven Other Reasons

2. **Getting On The Same Page** – Legal Definitions of:

- *Protected Class*
- *Discrimination*
- *Harassment*
- *Retaliation*



3. **Five-Step Plan** For Governors

4. **Pop Quiz**

#1

The Most Important Reason

Sexual harassment harms victims.

- It should not be tolerated by any entity.
- WSBA's mission includes "serv[ing] the public," "ensur[ing] integrity," and "champion[ing] justice."

2. **Lawsuits are costly, time-consuming, embarrassing, and stressful for all involved**



3. **Lawsuits hurt the reputation of those involved and the organization**

4. Professionalism leads to higher productivity and higher morale



5. Maintaining high morale means lower turnover



- 6. You could be named in a lawsuit**
- 7. You could be held liable under WA law**
- 8. You could be held accountable under WSBA policy**

Taking appropriate steps before and after a complaint may offer the Bar Association a legal defense



LEGAL DEFINITIONS YOU NEED TO KNOW ABOUT



“protected class”

- Groups protected by law from **discrimination**, including **harassment**
- Characteristics that may not be considered when making employment decisions or you will commit **discrimination**
- If offensive behavior is targeted at an employee because of a protected class, it may become **harassment**

What are the protected classes?

FEDERAL LAW includes...

- Race
- Color
- Gender/sex (*includes pregnancy*)
- Sexual orientation
- Age (*if 40 or above*)
- Disability (*mental/physical*)
- Veteran status
- Family leave
- Religion
- National origin

STATE/LOCAL LAW adds others such as...

- Gender identity
- Transgender people
- Marital status
- Family relationships
- Injured workers
- Workers' compensation
- People taking domestic violence leave
- Crime victims
- People with expunged juvenile record

“discrimination”

Making an employment decision because of an employee or applicant’s protected class status

- | | | |
|----------------|---------------|--------------------------|
| > Hiring | > Promotion | > Training |
| > Firing | > Demotion | > Benefits |
| > Compensation | > Layoff | > Resources |
| > Assignments | > Evaluations | > Other terms and |
| > Transfers | > Discipline | conditions... |

“harassment”

- **Offensive, intimidating, or hostile behavior related to any protected characteristic**
- **Unreasonably interferes with work performance (i.e., severe or pervasive)**
- **Objectively offensive behavior (to a reasonable person) that subjectively offends the victim**

Your Policy

WSBA Board of Governors Anti-Harassment Policy and Procedure

“Engaging in any act that discriminates against an employee because of sex...will not be tolerated.”

“No one will suffer retaliation for reporting workplace concerns, including, but not limited to that an employee who believes that the work environment has become a hostile or offensive place to work....”

“This policy applies during normal working hours, at work related or sponsored functions, and while travelling on work related business.”

Harassment can come in many forms...

QUID PRO QUO BEHAVIOR

When someone in a position of Power:

- **Offers a job benefit in exchange for sexual favors**
- **Threatens job detriment if employee refuses**



PHYSICAL BEHAVIOR

Unwarranted physical contact, such as:

- **Touching**
- **Pinching**
- **Patting**
- **Grabbing**
- **Poking**
- **Brushing against**
- **Hugs**
- **Kisses**
- **Neck/shoulder rubs**
- **Blocking movement**
- **Standing too close**
- **Intimidating behavior**

VERBAL BEHAVIOR

- **Derogatory comments**
- **Slurs or nicknames**
- **Name-calling**
- **Jokes or mocking**
- **Profanity**
- **Sexual innuendo**
- **Sexual comments**
- **Repeated requests for dates**
- **Asking about sexual history or experience**
- **Talking about your own sexual history**
- **Whistling, cat-calls**

VISUAL BEHAVIOR

Inappropriate images, such as:

- **Photographs**
- **Posters, pin-ups**
- **Cartoons**
- **Drawings**
- **GIFs, emojis**
- **Texts or emails**
- **Notes or writings**
- **Staring at or directing attention at a person's body**
- **Gestures**
- **Adult toys or props**

“Because of . . .”

Treating someone differently because they don't conform to a **stereotype** may be unlawful harassment.

- “He just needs to ‘man up’ and be tougher.”
- “She needs to be softer and gentler in her management style.”
- All _____ are _____.



Where can harassment occur?

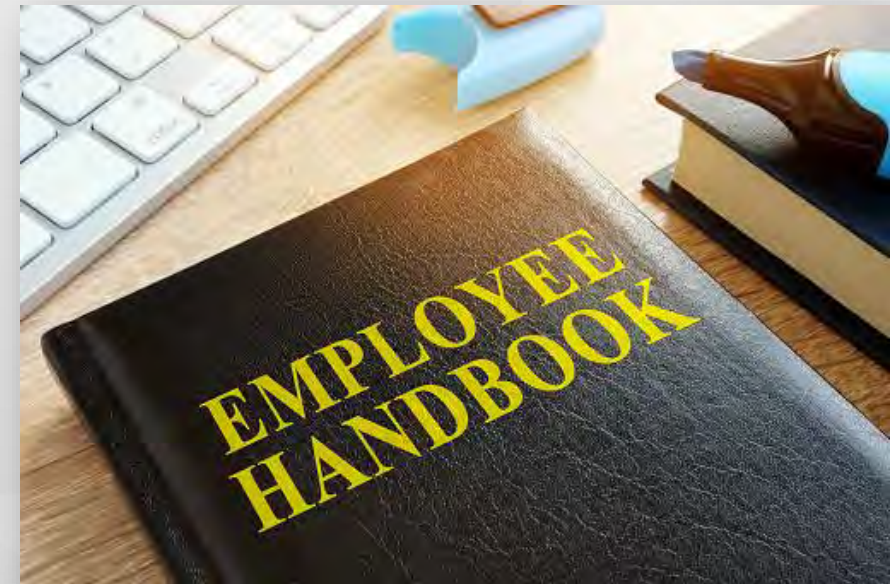
- At the workplace
- Off-premises at employer-sponsored social events
- Off-premises at **non**-employer-sponsored events (e.g. after-work drinks)
- In emails, voice messages, or text messages
- ANYWHERE



Harassment is not necessarily *unlawful*.

One minor remark or inappropriate joke will not violate the law, but it may violate our expectations for appropriate workplace conduct.

WSBA BOG Policy: “Harassing behavior does not need to be *illegal* harassment in order for corrective action to be considered...”



NO USE EXCUSES



- I didn't know
- I was just joking
- **I didn't mean to harass anyone**
- The employee never complained
- I'm a good person
- I didn't intend for the comment to be sexual or offensive
- The employee laughed
- I thought it was consensual
- I have First Amendment rights to express my views
- I treat everyone the same (Equal Opportunity Harassment)

**WHAT WOULD
YOU DO?**

You overhear two employees on break calling each other culturally insensitive names. You know they are friends, and they are joking. Neither of the employees complains to anyone.

- **Is this unlawful harassment?**
- **Is it a violation of your policy?**
- **What should you do, if anything?**



Same fact pattern, but this happens at a restaurant outside of work

- Is this unlawful harassment?
- Is it a violation of your policy?
- What should you do, if anything?



Retaliation is Prohibited by Law

***No Employee May
Be Subjected to Retaliation
for Making a Good Faith
Complaint of Harassment/
Discrimination, Participating in an
Investigation, Supporting Another Employee's
Complaint, or Other Protected Activities***

Examples of protected activity

- Threatening to file or filing a complaint or charge alleging harassment
- Participating in an interview, investigation, hearing, trial, or other proceeding (as a witness or complaining person)
- Complaining to anyone about alleged harassment
- Requesting a reasonable accommodation for religion or disability
- Pregnancy
- Complaining about wages
- Taking protected leave



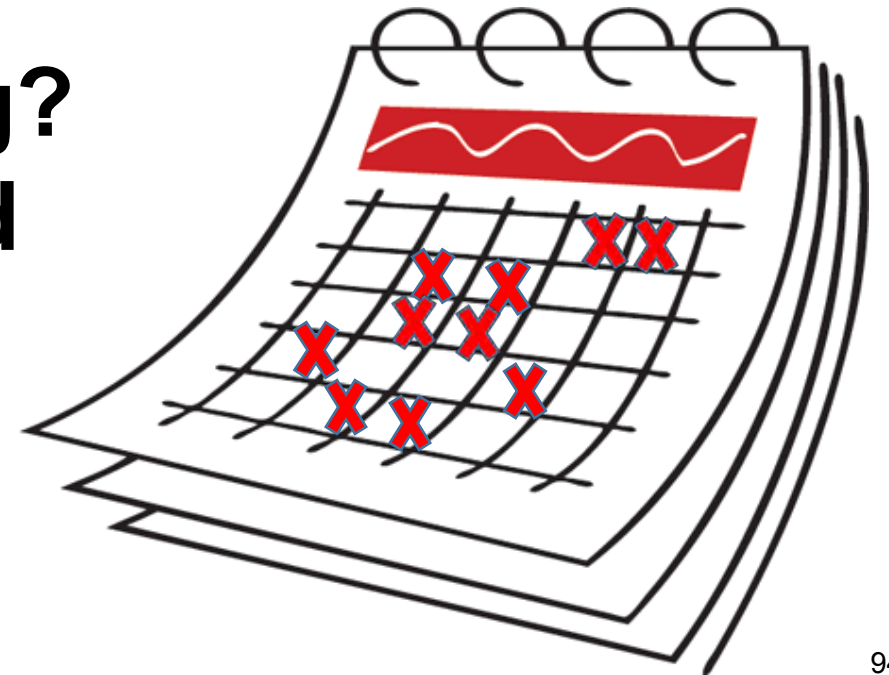
Forms of Retaliation

- An “adverse employment action”
 - “Materially adverse,” or enough to discourage the protected activity
 - BUT- the employer may still take action for legitimate, non-discriminatory reasons
 - Retaliation cannot be a “substantial factor” in the adverse decision
- A “hostile work environment”
 - Severe, pervasive, offensive
- **Bottom line: You must refrain from retaliation, immediately report potential retaliation, and actively monitor for retaliation**

**WHAT WOULD
YOU DO?**

Bob complains that Alf has been using sexually explicit language and stories during team meetings, which Alf leads. HR takes appropriate corrective action with respect to Alf and informs Bob that the issue has been addressed. Alf stops inviting Bob to the team meetings to avoid offending him and because Bob didn't really need to be there anyway.

- What should you do, if anything?**
- What if you review the team and determine that Bob really shouldn't be in the team meetings?**



Your Role: Protecting Employees/Volunteers, the Board, Yourself, and the WSBA



Know the policy

Look for warning
signs

You're always a
leader

Handle complaints

Report



Step 1: Know Your Policy

- **Demonstrates Your Commitment to Values**
- **Includes examples of harassing conduct**
- **Reporting policy encourages complaints**
- **Makes your decisions easier regarding reporting**
- **Prohibits retaliation**
- **Violation of your policy will subject an employee to disciplinary action, up to and including immediate termination**

Step 2: Look for warning signs

- **Diminished participation in group activities**
- **Expressing strong dislike for certain people**
- **Decrease in work performance**
- **Attendance problems**
- **Stress-related problems (headaches, nausea)**



You are always a leader

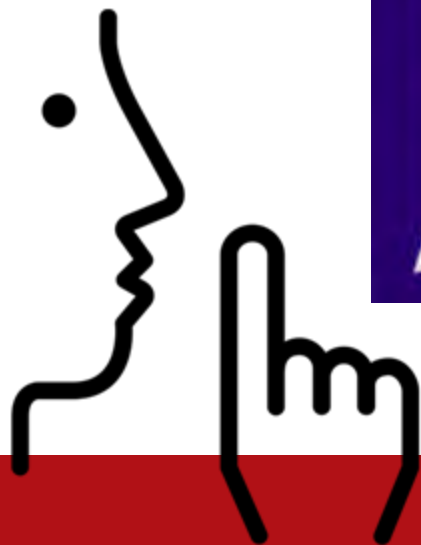
- You are never off-duty, even while not at work (consider texts, social media, after-hours events)
- Model good behavior
 - *Focus on work*
 - *Avoid excessively personal or intimate interactions*
 - *No gossip or bad-mouthing others*
 - *Practice acceptance and inclusion*
 - *Set the right tone*
 - *Interfere openly where appropriate*

Handle Complaints

Employees/volunteers might come to you

- Need to take **immediate** action
- Delays send the wrong signal and can be exploited in subsequent legal proceedings
- Listen carefully and impartially
- Assure them you will take their report seriously and there will be no retaliation

- **Conclude by telling them that you will protect their privacy, but that you must report**
- **There can never be an “off-the-record” discussion, it can’t be “just between the two of us”**
- **A complaint to you is a complaint to the WSBA**
- **Remind them that the WSBA does not tolerate retaliation**



Report

- **Immediately report any potential violation of EEO or anti-retaliation policy to HR**
- **Be discreet! Do not tell anyone else unless instructed to do so**
- **Provide any notes you took or relevant emails/texts (and understand they could be discoverable)**
 - **Take notes! Even just a calendar entry can be important**

WASHINGTON STATE BAR ASSOCIATION

Office of the Executive Director

MEMO

TO: Board of Governors
FROM: Executive Director Terra Nevitt
DATE: October 24, 2024
RE: Kicking Off the Process for Developing the FY26-29 Strategic Plan

This year, WSBA will begin the process of developing a three-year strategic plan for the FY26-29 timeframe. The process for developing that plan is set forth in the attached policy, which was adopted by the Board on May 2, 2024.

The heavy lifting of developing the plan will be carried out by a Strategic Planning Committee, which is co-chaired by the President-Elect and the Executive Director and comprised of four members of the Long Range Strategic Planning Council appointed by Council Chair, President Anjilvel and three Executive Staff members appointed by the Executive Director. The Strategic Planning Committee roster is as follows:

President-Elect Francis Adewale, Co-Chair	Gov. Kristina Larry, LRSPC Member
Executive Director Terra Nevitt, Co-Chair	Gov. Nam Nguyen, LRSPC Member
Deputy Executive Director Dua Abudiab, Executive Staff	Gov. Kari Petrusek, LRSPC Member
Gov. Jordan Couch, LRSPC Member	Advancement Director Kevin Plachy, Executive Staff
Chief Regulatory Counsel Renata Garcia, Executive Staff	

To support us with the facilitation of this process we have identified Chris Newbold. Chris is the Chief Operating Officer of ALPS Corporation and in that role has developed extensive expertise in bar association strategic planning, having worked with State Bars in Alaska, Kansas, Idaho, Maine, Montana, Nevada, South Dakota, North Dakota, Vermont, Virginia, Wyoming and the U.S. Virgin Islands, as well as the National Conference of Women's Bar Associations, the National Conference of Bar Presidents and the Institute for Well-Being in Law.

During our November meeting we will review the strategic planning process and kick-it off with an exercise that Chris will facilitate to begin to identify key themes that should drive the planning process.

Attachments

WSBA Strategic Planning Process, adopted May 2, 2024

WSBA Strategic Planning Process

Adopted: May 2, 2024.

Purpose of Strategic Planning

The purpose of WSBA's strategic plan is to establish and communicate a roadmap for the future of the organization as a means of moving towards and ultimately achieving WSBA's long-term goals. The strategic plan will provide direction to the Executive Director, inform prioritization of resources, align volunteers and staff, and communicate WSBA's priorities to members, the public, and other stakeholders.

Strategic Planning Roles

President-Elect. The President-Elect collaborates with the Executive Director to lead strategic planning activities. The activities undertaken will vary each year depending on what stage of the cycle the organization is in.

Executive Director. The Executive Director collaborates with the President-Elect to lead strategic planning activities. The Executive Director is responsible for implementation of the strategic plan; any action to be taken under the strategic plan that would ordinarily require approval of the Board will be taken to the Board for approval following regular procedures. The Executive Director is also responsible for reporting progress on the strategic plan to the Board of Governors.

Board of Governors. The Board of Governors is the decision-maker with respect to the adoption of the strategic plan, as well as any revisions to the plan.

Long-Range Strategic Planning Council. The Long-Range Strategic Planning Council will monitor and provide high-level input during the strategic planning process, which will vary by strategic planning phase. During the years in which a new strategic plan is being developed, the Council receives reports from and provides input to the Strategic Planning Steering Committee. During years in which a plan is being implemented, the Council receives progress reports from the Executive Director and makes reports to the Board of Governors.

Strategic Planning Steering Committee. During years in which a new strategic plan is being developed, a Strategic Planning Steering Committee is formed as a subcommittee of the Long-Range Strategic Planning Council. It will consist of four Council members designated by the Chair of the Council and three Executive Staff members designated by the Executive Director. Every effort should be made by the Steering Committee to make decisions by consensus. In the event that consensus cannot be reached, the Steering Committee may—to minimize the influence of power dynamics—act through a secret ballot vote.

Chief Communications Officer. The Chief Communications Officer is responsible for leading stakeholder outreach and engagement. The activities undertaken by the Chief Communications Officer will vary depending on what stage of the cycle the organization is in.

Strategic Planning Cycle

Year 0 refers to the phase during which the organization develops its first strategic plan. Once the initial Plan is adopted, strategic planning is conducted on a perpetual three-year cycle. The cycle consists of (1) three years of implementation and (2) revision and refinement of the Strategic Plan in the third year in anticipation of the next three-year cycle.

Year 0 (Initial Development and Adoption of Strategic Plan)

Co-Chaired by the President-Elect and the Executive Director, in year one of each strategic planning cycle, the Steering Committee:

- Reviews data and learns about threats and opportunities for WSBA, the profession, and the public's access to the legal system.
- Identifies preliminary areas of focus and engages in activities designed to (1) understand the root causes of problems, (2) envision/identify what success looks like, (3) determine how success can be measured.
- Determines what additional information is needed and, with support from the Chief Communications Officer, actually and meaningfully involves key stakeholders.
- Reports to and gathers input from the Long-Range Strategic Planning Council.
- Proposes a three-year strategic plan for adoption by the Board of Governors.
- Ensures the three-year strategic plan informs the forthcoming budget.

Year 1 (Initial Implementation)

During Year 1, the Executive Director drives communication and implementation of the Strategic Plan adopted by the Board, including sharing the strategic plan with WSBA staff, volunteers, and entities, as well as requesting assistance in carrying out the strategic plan where appropriate. The Executive Director provides a report on how the plan is being operationalized to the Long-Range Strategic Planning Council, which reports to the Board of Governors.

Year 2 (Continued Implementation, Initial Evaluation)

In Year 2, implementation continues. The Executive Director provides a report to the Long-Range Strategic Planning Council on the Year 1 implementation, and the Council reports to the Board of Governors. At this time, the Council and Board should determine whether the plan is in need of revisions in light of preliminary results, available resources, or evolving threats and opportunities.

Year 3 (Continued Implementation, Continued Evaluation, Update Strategic Plan)

This is the final year of implementing the three-year strategic plan. The Executive Director provides a report to the Long-Range Strategic Planning Council on the Year 2 implementation, and a Steering Committee is formed to prepare a strategic plan for the next three years, following the same steps as outlined in Year 0.

WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors

CC: Terra Nevitt, Executive Director

FROM: Monte Jewell, Chair, Committee on Professional Ethics
Jeanne Marie Clavere, Senior Professional Responsibility Counsel

DATE: October 1, 2024

RE: Addressing a Need to Update Comment [6] to RPC 1.5 addressing Contingent Fees in Domestic Relations Matters

Committee on Professional Ethics Recommendation that the WSBA Board of Governors suggest to the Washington State Supreme Court an Amendment to Comment [6] to RPC 1.5 on Contingent Fees to Address Domestic Partnerships and Committed Intimate Relationships.

Recommendation that the Board of Governors suggest, to the Washington State Supreme Court, an amendment to RPC 1.5 Comment [6] to address a broader range of domestic relation matters for which contingent fees should be banned. Attached at the end of this memorandum is a suggested amendment to RPC 1.5 Comment [6].

Background

RPC 1.5(d) provides, in part: “A lawyer shall not enter into an arrangement for, charge, or collect: (1) any fee in a domestic relations matter, the payment or amount of which is contingent upon the securing of a dissolution or annulment of marriage or upon the amount of maintenance or support, or property settlement in lieu thereof....”

Comment [6] [Washington Revision] currently states: “Paragraph (d) prohibits a lawyer from charging a contingent fee in a domestic relations matter when payment is contingent upon the securing of a dissolution or annulment of marriage or upon the amount of maintenance or support or property settlement to be obtained. This provision does not preclude a contract for a contingent fee for legal representation in connection with the recovery of post-judgment balances due under support, maintenance, or other financial orders because such contracts do not implicate the same policy concerns.”

The rationale for RPC 1.5(d) is provided in the Annotated Model Rules of Professional Conduct, p.116 of the 10th edition, which states that the purpose of prohibiting contingency fee agreements in domestic relations matters is to protect “against overreaching in highly emotional situations and [reflecting] a policy of promoting reconciliation.”

Washington State Bar Association Ethics Advisory Opinion 1900, issued in 2000, addressed contingent fees in property disputes between individuals who were not married and had not been married when the property was acquired. Advisory Opinion 1900 concluded that RPC 1.5(d) did not prohibit a lawyer’s use of a contingent fee arrangement in a dispute concerning the division of property acquired by parties who were not married and who had not been married during the time the property was acquired. Advisory Opinion 1900 was written before the enactment of Washington’s Domestic Partnership (DP) statute (Chap. 26.60 RCW) and before the Washington courts’ development of the legal concept of “committed intimate relationships” (CIRs) and thus is not consistent with current statutory and case law.

The legislature established domestic partnerships for older persons and same-sex couples when it enacted chapter 156, Laws of 2007 (codified at Chap. 26.60 RCW). When Chapter 3, Laws of 2012, established same-sex marriage in Washington, the domestic partnership law was revised to cover only persons of 62 years or older. Domestic Partnerships provide a way for couples to receive the legal rights and responsibilities accorded to married under state law. RCW 26.60.010, the Domestic Partnership statute’s intent section, states that after the 2012 revision, Domestic Partnerships were continued as an option when one of the individuals was 62 years or older because, while “couples are entitled to marry under the state’s marriage statutes, some social security and pension laws nevertheless make it impractical for these couples to marry.”

Recognized in caselaw, Committed Intimate Relationships are recognized in a series of Washington court decisions that treated unmarried couples like married persons for property division and other purposes, based on several factors, including: continuity of cohabitation; duration of the relationship; purpose of the relationship, pooling of resources and services for joint projects; and intent of the parties. See, e.g., *Connell v. Francisco*, 127 Wn.2d 339, 346, 898 P.2d 831 (1995); *In re Pennington*, 142 Wn.2d 592, 14 P.3d 764 (2000). The facts involved in each relationship are different, and courts ultimately must decide whether a Committed Intimate Relationship existed and, if so, how property should be divided.

Recommendation

Advisory Opinion 1900 has been withdrawn as a member resource because it did not take Domestic Partnerships and Committed Intimate Relationships into account. The Committee on Professional Ethics recommends that instead of the CPE promulgating a new advisory opinion, the Board of Governors recommend that the State Supreme Court adopt a suggested amendment to Comment [6] to RPC 1.5 clarifying that contingent fees are inappropriate in connection with a broader range of domestic relations matters, including child custody and child guardianships, the dissolution of Domestic Partnerships, or the dissolution of Committed Intimate Relationships (including instances where one party asserts that a Committed Intimate Relationship has existed).

Community Input

In developing its recommendation, the Committee on Professional Ethics consulted and circulated a draft amendment to RPC Comment [6] among WSBA staff and various stakeholders, including:

- WSBA Family Law Section
- DRAW, Domestic Relations Attorneys of Washington
- QLaw Foundation
- Family Violence Appellate Project
- King County Bar Association Family Law Section

The Committee on Professional Ethics also consulted and circulated the draft amendment among several law professors in the state who focus on family law and related matters:

- Professors Terry Price and Karen Boxx at the University of Washington Law School
- Professors Kim Hai Pearson and Mary Pat Treuthart at Gonzaga University Law School
- Professor Deirdre M. Bowen at Seattle University Law School

Equity Analysis

There appear to be no factors associated with this issue that could affect underrepresented or marginalized individuals or communities differently from other persons or groups. To the extent there are any such impacts, they are likely to be positive.

Fiscal Analysis

The Committee on Professional Ethics is unaware of any potential fiscal impacts for the WSBA.

Attachment

Attached is recommended language amending RPC 1.5 Comment [6].

WSBA RISK ANALYSIS: <i>This section is to be completed by the Office of General Counsel, with input from the proposing entity or individual.</i>
--

To be provided as confidential materials.

WSBA FISCAL ANALYSIS: This section is to be completed by the Finance Department, with input from the proposing entity or individual.

The fiscal impact to WSBA resulting from the proposed action is limited to the amount of staff time used to assist developing and presenting the recommendation and to incorporate any approved amendments to the relevant WSBA records. The staff time that has been and would be allocated to this work is included in the overall duties of existing WSBA staff and does not require additional staff or allocation of resources from other internal sources.

WSBA EQUITY ANALYSIS: This section is to be completed by the Equity and Justice Team, with input from the proposing entity or individual.

The purpose of the equity analyses is to understand how entities incorporated an equity lens into the action items presented to the Board of Governors. Applying an equity lens includes 1) identifying and centering people and communities most impacted decisions and/or 2) meeting people and communities according to their specific needs to produce fair and equal outcomes for all. It appears that CPE sought input from people and communities who are impacted or who work with those who are impacted including QLA Foundation and organizations serving marginalized communities. It is not clear what input they submitted, but the proposed amendments appear to promote inclusion in our legal system by including people who are in Domestic Partnerships or Committed Intimate Relationships. Based on our review, there do not appear to be any concerns about inequitable outcomes.

Attachment

Suggested Amendment to RPC 1.5 Comment [6]

Prohibited Contingent Fees

[6] [**Washington revision**] Paragraph (d) prohibits a lawyer from charging a contingent fee in a domestic relations matter when payment is contingent upon the securing of a dissolution or annulment of marriage or upon the amount of maintenance or support or property settlement to be obtained. Paragraph (d) is equally applicable to fees in other domestic relations matters, including (1) resolution of parenting issues, (2) establishment or maintenance of a guardianship of a minor, (3) dissolving a state-registered domestic partnership, and (4) ending a committed intimate relationship under Washington law. This provision does not preclude a contract for a contingent fee for legal representation in connection with the recovery of post-judgment balances due under support, maintenance or other financial orders because such contracts do not implicate the same policy concerns.

WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Kevin Fay, BOG Legislative Committee Chair; Sanjay Walvekar, WSBA Legislative Affairs Manager
DATE: October 24, 2024
RE: 2025 WSBA Legislative Priorities

ACTION: Approve the 2025 Legislative Priorities for the upcoming legislative session, including a proclamation supporting a study of the impacts of disparate local court rules, funding, and technology.

Background

Each year, the BOG Legislative Committee (BLC) Chair and the WSBA Legislative Affairs team propose legislative priorities for consideration and approval by the BOG. Most of these priorities are longstanding, and the priorities document is primarily used to inform legislators of the WSBA's focus areas during the legislative session.

The WSBA and its entities are allowed to engage in the legislative process if issues are related to the practice of law and/or the administration of justice (GR 12.2). The 2025 WSBA Legislative Priorities seek to make improvements to the practice of law and administration of justice that ultimately benefit both members of the public as well as legal professionals across the state.

The 2025 Priorities also seek to study the inefficiencies and inequities created by disparate local court rules, funding, and technology. The reasons and urgency for this particular priority are contained in a proclamation, included in these materials for your consideration and approval. The BLC unanimously approved the proclamation and legislative priority, which will authorize the WSBA to support stakeholders queuing up a bill to study the impacts of disparate local court rules, funding, and technology.

The genesis of these priorities is tied directly to the WSBA Guiding Principles and GR 12.2. These include supporting access to justice and a fair and impartial judiciary as well as increasing public understanding of Washington's justice system.

WSBA FISCAL ANALYSIS: *This section is to be completed by the Finance Team, with input from the proposing entity or individual.*

The fiscal impact to WSBA resulting from the proposed recommendation is primarily limited to the amount of staff time used to support approved priorities. The staff time that would be allocated to this work is included in the overall duties of existing WSBA staff and would not require additional staff or allocation of resources from other internal sources. It is possible that future proposed legislation resulting from the 2025 legislative priorities (if approved) could have additional fiscal impact on the WSBA, however we are unable to determine the extent of the impact at this point without additional information that is unavailable at this time.

WSBA EQUITY ANALYSIS: *This section is to be completed by the Equity and Justice Team, with input from the proposing entity or individual.*

The purpose of the equity analyses is to understand how entities incorporated an equity lens into the action items presented to the Board of Governors. Applying an equity lens includes 1) identifying and centering people and communities most impacted decisions and/or 2) meeting people and communities according to their specific needs to produce fair and equal outcomes for all. Some of the legislative priorities appear to address inequities in the legal system (e.g., supporting funding for the courts and legal aid, monitoring court user fees and court rule changes, supporting a study about court inequities) but without having more specific information about what people or communities would be most impacted, or input from marginalized communities who might be ultimately impacted by this change, it is difficult to do an equity analysis.

Attachments

2025 WSBA Legislative Priorities

Proposed WSBA Proclamation

Attorney Client Privileged and Confidential Memo from General Counsel (available in WSBA cloud-sharing service)

2025 WSBA Legislative Priorities

- Support Bar-request legislative proposals initiated by WSBA Sections that are approved by the Board.
- Support non-Bar request legislative proposals approved by the Board under GR 12, that seek to:
 - Create and promote access to justice for all Washington residents;
 - Enhance statewide civics education;
 - Provide funding for the state’s court system; and
 - Provide funding for civil legal aid and public defense services.
- Monitor and take appropriate action on legislative proposals that would:
 - Increase existing court user fees;
 - Alter court rules and/or the structure of the state’s judicial branch; and
 - Other items of significance to the practice of law and administration of justice.
- Study the inefficiencies and inequities created by local court rules, funding, and technology as outlined in the October 2024 WSBA Proclamation adopted by the Board of Governors.

WASHINGTON STATE BAR ASSOCIATION

Proclamation: Study Needed to Learn More about Inefficiencies and Inequities Created by Local Court Rules, Funding, and Technology

WHEREAS, WSBA leaders have received and considered direct feedback from members across the state who want the WSBA to take action to address inefficiencies and inequities resulting from disparate local court rules, funding, and technology in Washington state;

WHEREAS, these testimonies relay occurrences of harm to Washingtonians seeking legal help who encounter barriers navigating disparate local court rules or incur increased costs for legal practitioners to navigate these systems;

WHEREAS, these testimonies relay occurrences of harm to specific groups of Washingtonians, such as those living in rural areas or in poverty, who may be inequitably impacted by courts' disparate adoption of technology to create remote filing, record sharing, processes, procedures, and hearings;

WHEREAS, these testimonies relay occurrences of harm to Washingtonians seeking legal help because disparate local rules and adoption of technology make it difficult for lawyers—including those engaging in pro bono and legal aid work—to practice in multiple jurisdictions, exacerbating Washington's "legal deserts;"

WHEREAS, these testimonies relay occurrences of harm to Washingtonians seeking legal help, who may encounter inequitable outcomes due to disparate funding levels and standards from jurisdiction to jurisdiction;

WHEREAS, WSBA leaders seek to understand and support city and county leaders, who have expressed significant and urgent concerns with their ability to fund and implement the WSBA's new Standards for Indigent Defense, which derive from a Constitutional mandate;

WHEREAS, WSBA leaders recognize that disparate funding between the state's court systems can cause inequitable and inconsistent means for jurisdictions to implement and uphold best legal practices and standards, in general;

WHEREAS, potential solutions to these issues warrant further study, including data-collection from WSBA members to better understand the impact to the public and profession of disparate local rules, technology, and funding between Washington's court systems;

WHEREAS, one of the express purposes of the WSBA is to promote an effective legal system, accessible to all, and to serve as a statewide voice to the public and to the branches of government on matters relating to the legal profession;

WHEREAS, through its stated purpose, the WSBA is uniquely suited to convene stakeholders statewide and promote effective solutions to benefit the legal profession, the justice system, and the public;

NOW, THEREFORE, we, the WSBA Board of Governors, advocate for a comprehensive approach to study and understand the inefficiencies and inequities created by local court rules, technology, and funding, which will include convening many stakeholders across Washington state; and we stand ready to support solutions resulting from the study.

Sunitha Anjilvel, President, WSBA Board of Governors

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Matt LeMaster, WSBA Legislative Review Committee Chair; Sanjay Walvekar, WSBA Legislative Affairs Manager
DATE: October 16, 2024
RE: 2025 WSBA Legislative Review Committee Recommendations

ACTION: Sponsor one proposal for 2025 Bar-request legislation as recommended by the WSBA Legislative Review Committee.

Background

The WSBA Legislative Review Committee serves as the vetting ground for legislative proposals that are presented to the Board of Governors each November. The Committee is composed of up to 35 members of the WSBA and includes representation of members' practice areas, and diversity in, among other things, age, gender, race, and geography. The Committee represents the interests of the broader bar membership, not any one perspective or practice area within the bar. The WSBA Legislative Review Committee does not propose legislation of its own; rather, these proposals typically come from a WSBA entity, mainly Sections. The Committee's primary task is to determine that a proposal (1) is allowable work for the Bar under the scope of GR 12, and (2) has been appropriately vetted both internally and externally of the WSBA.

The Committee met on October 2, 2024 to discuss one legislative proposal from the Business Law Section's Corporate Act Revision Committee (CARC). First, the Committee voted unanimously that proposed amendments regarding committees of the board of directors in Washington's Business Corporation Act (WBCA) were allowable under GR 12. Next, the Committee voted unanimously that the proposed amendments were vetted appropriately both internally and externally of the WSBA. Then, the Committee voted unanimously to recommend sponsorship of this proposal to the Board of Governors.

Overview:

The WSBA Legislative Review Committee (Committee) recommends the Board of Governors (BOG) sponsor the following proposals for Bar-request legislation during the 2025 legislative session.

Returning and new legislation - Action Requested

- Proposed amendments regarding committees of the board of directors in the WBCA. (Committee approved unanimously)

Proposed amendments to Washington's Business Corporation Act.

Section draft development:

The proposed amendments to the WBCA were drafted by CARC. CARC is a committee of the WSBA's Business Law Section with approximately 15 members consisting of corporate attorneys practicing at large and smaller local law firms in the state, in-house counsel at Washington corporations, professors of law at both local law schools, and

representatives of the Washington Secretary of State's office. CARC was instrumental in the development of the WBCA adopted in 1989. CARC is primarily responsible for ensuring that the WBCA remains up to date, and continuously considers the need for changes to the WBCA in light of developments in corporate and securities laws and practices, judicial decisions and regulatory actions.

The proposed amendments were drafted by CARC members and presented to the committee for its consideration beginning in 2022. After deliberations and multiple revisions over the course of several months, CARC approved the proposed changes in the summer of 2024. The Executive Committee of the Business Law Section approved the proposed changes in its meeting held on September 23, 2024.

Background and Summary:

The current WBCA provision regarding committees of the board of directors (RCW 23B.08.250) is based on the 1989 version of the MBCA and has remained largely untouched for more than 30 years. CARC believes the provision should be updated in light of developments in the MBCA and the Delaware General Corporation Law (DGCL), which would also more closely align with evolved corporate practices. The principal proposed changes would permit boards more flexibility when constituting board committees and permit more flexibility for board committees to act under delegated authority.

The current version of the WBCA includes several limitations to the authority of the board of directors regarding the establishment and governance of board committees. Some of these limitations, which are based on the 1989 version of the MBCA, have been revised or eliminated over time as reflected in the current version of the MBCA. These limitations include the following:

- Each committee must consist of two or more directors;
- The board may not enable a committee to replace absent or disqualified members; and
- The board may not delegate to a committee the authority to take certain specified actions (i.e., filling committee vacancies, approving technical amendments to articles of incorporation, or approving a plan of merger not requiring shareholder approval).

CARC believes the WBCA should be updated to align more closely with the MBCA and the DGCL with respect to the limitations to the authority of the board of directors regarding the establishment and governance of board committees. Specifically, the WBCA should be amended to provide the following:

- A board committee must consist of one or more directors;
- The board and, if authorized, committee members, may replace absent or disqualified committee members; and
- The limitations on board committees include only those actions that substantially affect the rights of shareholders or are fundamental to the governance of the corporation.

These proposed changes are consistent with both the current version of the MBCA and the DGCL.

The proposed changes would also make other non-substantial revisions intended to align the WBCA more closely with the current version of the MBCA and technical "clean-up" changes to the WBCA to address oversights in connection with the changes to the WBCA adopted in 2024.

Stakeholder Input

Stakeholder response to CARC Proposal

Senator Jamie Pedersen, Senate Majority Floor Leader – Support

WA Secretary of State's office – Support

Association of Washington Business – No comments

WA Department of Financial Institutions – No comments

WA Department of Commerce – No comments

WA Department of Licensing – No comments

WSBA Corporate Counsel Section – No comments

WSBA RISK ANALYSIS: *This section is to be completed by the General Counsel, with input from the proposing entity or individual.*

The legal analysis for this action is provided as an attorney client privileged document.

WSBA FISCAL ANALYSIS: *This section is to be completed by the Finance Department, with input from the proposing entity or individual.*

The fiscal impact to WSBA resulting from the proposed recommendations are limited to the amount of staff time used to support bringing the proposal forward to the Board of Governors and administrative execution of approved sponsored proposals. The staff time that would be allocated to this work is included in the overall duties of existing WSBA staff and would not require additional staff or allocation of resources from other internal sources.

WSBA EQUITY ANALYSIS: *This section is to be completed by the Equity and Justice Team, with input from the proposing entity or individual.*

The purpose of the equity analyses is to understand how entities incorporated an equity lens into the action items presented to the Board of Governors. Applying an equity lens includes 1) identifying and centering people and communities most impacted decisions and/or 2) meeting people and communities according to their specific needs to produce fair and equal outcomes for all. Without having more specific information about what people or communities would be most impacted, or input from marginalized communities who might be ultimately impacted by this change, it is difficult to do an equity analysis.

Attachments

CARC Cover Sheet and Proposal

<p>Short title of proposal: Proposed revisions to Washington Business Corporation Act (RCW 23B) principally to update provisions regarding committees of the board of directors</p>
<p>Submitted by (Section¹): Corporate Act Revisions Committee (CARC) of the Business Law Section</p>
<p>Designated Section representative and contact information (phone and email):</p> <p>Michael Hutchings, CARC chair (michael.hutchings@us.dlapiper.com)</p>
<p>Brief summary of bill and anticipated fiscal impact:</p> <p>The proposed changes would update provisions regarding committees of the board of directors to align more closely with the current version of the Model Business Corporation Act (MBCA) and the Delaware General Corporation Law (DGCL) principally with respect to the limitations to the authority of the board of directors regarding the establishment and governance of board committees. Specifically, the WBCA should be amended to provide the following:</p> <ul style="list-style-type: none"> • A board committee may consist of one or more directors; • The board and, if authorized, committee members, may replace absent or disqualified committee members; and • The limitations on board committees include only those actions that substantially affect the rights of shareholders or are fundamental to the governance of the corporation. <p>The proposed changes also include some technical corrections to sections of the WBCA recently adopted or revised.</p> <p>More detail on the proposed changes is included in CARC’s memo to the Committee.</p> <p>CARC believes there will be no fiscal impact resulting from the proposed changes.</p>
<p>Brief statement of need:</p> <p>The current WBCA provision regarding committees of the board of directors (RCW 23B.08.250) is based on the 1989 version of the MBCA and has remain largely untouched for more than 30 years. CARC believes the provision should be updated in light of developments in the MBCA and the DGCL, which would also more closely align with evolved corporate practices.</p> <p>For example, one policy reason for the proposed change to allow board committees to consist of one or more directors is to accommodate situations in which only one director may be present or available to make a decision on short notice, as well as situations in which it is unnecessary or inconvenient to have more than one member on a board committee or where only one board member is disinterested or independent with respect to a matter. We specify elsewhere in the WSBA when it is necessary to have at</p>

¹ For purposes of this document, “Section” means any WSBA Section, Committee, Division, or Council.

least two qualified directors in order for the decision of the board or committee to have effect (i.e., 08.550 (determination that indemnification is permissible), 08.720 (approval of a director's conflicting interest transaction), and section 08.735 (disclaimer of the corporation's interest in a business opportunity)). It's notable that not only the MBCA, but DE as well provides this committee structure flexibility.

Description of draft development: (please provide detail)

The proposed amendments were drafted by CARC members and presented to the committee for its consideration beginning in 2022. After deliberations and multiple revisions over the course of several months, CARC approved the proposed changes in the summer of 2024. The Executive Committee of the Business Law Section approved the proposed changes in its meeting held on [September 11, 2024].

How does the proposal relate to [GR 12.2](#)? (please explain)

CARC believes the proposal contributes to the WSBA's objective of promoting an effective legal system and allows the Bar to maintain a legislative presence to ensure that the WBCA continues to effectively serve the needs of the state's business community. By aligning more closely with the most current version of the MBCA, Washington business law practitioners and judges can better take advantage of extensive knowledge about how to practice an interpret provisions of the MBCA, as expressed in the official comment to the MBCA, as well as many years of the practical experience, judicial interpretations and commentary from other MBCA jurisdictions.

All proposals must be submitted for comment to your Section's entire membership. Please attach a summary of any feedback received from your Section.

Submittal Status:

1. Has this proposal been submitted to the Committee before? Yes ☐ No ☒

(If no, skip the remainder of this section, and move to the Stakeholder Work on the next page.)

2. If yes, when was this proposal initially submitted to the Committee?

3. Briefly, please provide the following:

(a) What concerns or questions were raised (including requests for additional information) by the Committee previously?

(b) How this proposal addresses those concerns, questions, or additional information requests made by the Committee?

(d) Is there additional information relevant to the status of the proposal?

Summary of Stakeholder Work

*Please describe completed and ongoing activity with internal and external partners

Referred to:	Feedback: Please include stakeholder positions on the proposal (e.g. support; oppose; concerns; neutral; or no response) and explain.
WA Department of Financial Institutions	No concerns
WA Department of Commerce	No response
Association of Washington Business	No response
WA Department of Licensing	No response
WA Secretary of State's Office Corporations Division	No concerns
WSBA Corporate Counsel Section	No response
WSBA Business Law Section membership	Feedback attached

Summary of Additional Stakeholder Input

*Please describe other anticipated stakeholder feedback regarding the proposal.

See attached feedback from the WSBA Business Law Section membership.

From: [Sanjay Walvekar](#)
To: [Sanjay Walvekar](#)
Subject: FW: [External]Fwd: [business-law-section] Request for Feedback by September 10, 2024
Date: Wednesday, September 18, 2024 1:17:54 PM
Attachments: [image001.png](#)

----- Forwarded message -----

From: **Steen, Andrew** <AndrewSteen@dwt.com>
Date: Tue, Aug 27, 2024 at 11:59 AM
Subject: RE: [business-law-section] Request for Feedback by September 10, 2024
To: Kelly Lawton-Abbott <kelly@ssm.legal>
Cc: michael.hutchings@us.dlapiper.com <michael.hutchings@us.dlapiper.com>

Hi Kelly, thanks for your service! As a former WSBA Business Law Section Chair, I know the drill. I reviewed the doc and noted a typo on the last full paragraph of the summary. Just wanted to call that out. Thanks.

Best,

Drew Steen

Partner, Davis Wright Tremaine LLP

Co-Chair, Corporate and Business Transactions Practice

P 206.757.8081 **E** andrewsteen@dwt.com

A 920 5th Avenue, Suite 3300, Seattle, WA 98104-1610

DWT.COM

From: Lawton-Abbott <kelly@smithshapourian.com>
Sent: Tuesday, August 27, 2024 11:47 AM
To: Business Law Section <business-law-section@list.wsba.org>
Subject: [business-law-section] Request for Feedback by September 10, 2024

[EXTERNAL]

Hello Business Law Members,

I'm writing to you as the Chair of the WSBA Business Law Section. Your feedback is greatly appreciated on an upcoming proposal that we will consider at our September 11, 2024 meeting.

The WSBA Business Law Section will consider a legislative proposal to amend the Washington Business Corporation Act. The feedback received will be shared with the WSBA Legislative Review Committee as they consider this proposal.

More information about each proposal and the WSBA legislative process can be found [here](#).

All feedback is welcome and can be sent to Hutchings, Michael Michael.Hutchings@us.dlapiper.com. Comments are also welcome during the Board meeting on September 11th, which will be held on zoom at noon. Email me at kelly@ssm.legal for the invite. For questions about the Bar-sponsorship process, please reach out to WSBA Legislative Affairs Manager Sanjay Walvekar, sanjayw@wsba.org.

Attached is a redlined version showing the changes compared to the earlier version.

Some of the changes are non-substantive (e.g., grammatical, etc.). But the substantive changes mainly adding a few “clean-up” changes to some other sections along with these proposed changes. They all deal with the changes approved during this year’s legislative session, including (1) specifying that a conversion to a non-corporate entity will trigger dissenters’ rights (which is necessary as the 2024 changes reduced the approval threshold from unanimous to a majority), (2) moving the approval threshold default for dissolutions from 2/3 to majority (which we did for all other fundamental changes in the 2024 changes (e.g., amendments to articles, asset sales, mergers, etc.) but somehow left this one off the list), and (3) fixed some confusing language regarding the effect of a share exchange. We were thinking of dealing with these clean-up changes separately, but after further discussion we think it might be best to deal with them in this same proposal.

Best,
Kelly

Kelly Lawton-Abbott
Partner



Seattle Office - Working Remote
Direct/Cell: (310) 903-6010
Email: kelly@ssm.legal

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If you wish to unsubscribe, please contact the [WSBA List Administrator](#).

From: [Sanjay Walvekar](#)
To: [Sanjay Walvekar](#)
Subject: FW: [External]Fwd: [business-law-section] Request for Feedback by September 10, 2024
Date: Wednesday, September 18, 2024 1:18:17 PM

----- Forwarded message -----

From: David W. Meyer <david.meyer@dwmeyer.com>
Date: Tue, Aug 27, 2024 at 11:57 AM
Subject: RE: [business-law-section] Request for Feedback by September 10, 2024
To: Kelly Lawton-Abbott <kelly@ssm.legal>

The proposed amendments seem prudent and reasonable in light of trends loosening default control thresholds. Good housekeeping.

David W. Meyer, Attorney at Law
900 Washington Street, Suite 800
Vancouver, WA 98660
Phone: (360)952-8033
Fax: (503)459-0516

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From: Lawton-Abbott <kelly@smithshapourian.com>
Sent: Tuesday, August 27, 2024 11:47 AM
To: Business Law Section <business-law-section@list.wsba.org>
Subject: [business-law-section] Request for Feedback by September 10, 2024

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is greatly appreciated on an upcoming proposal that we will consider at our September 11, 2024 meeting.

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Best,
Kelly

Kelly Lawton-Abbott
Partner

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Seattle Office - Working Remote
Direct/Cell: (310) 903-6010
Email: kelly@ssm.legal

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TO: WSBA Board of Governors

FROM: Corporate Act Revision Committee (CARC)

DATE: October 22, 2024

RE: Proposed changes to Washington Business Corporation Act (RCW 23B): Updates to Provisions Regarding Committees of the Board of Directors

This memorandum summarizes changes to the Washington Business Corporation Act, Title 23B of the Revised Code of Washington (WBCA), proposed by the WSBA Business Law Section's Corporate Act Revision Committee (CARC).

CARC is a committee of the WSBA's Business Law Section consisting of corporate attorneys practicing at large and smaller local law firms, in-house counsel at Washington corporations, and representatives of the Secretary of State's office. CARC was instrumental in the development of the Washington Business Corporation Act (WBCA) adopted in 1989, and regularly considers the need for changes to the WBCA in light of developments in the Model Business Corporation Act (MBCA)¹ overseen by the Corporate Laws Committee of the American Bar Association's Business Law Section, corporate laws and practices, judicial decisions and regulatory actions.

CARC has prepared the proposed changes described in this memorandum, which have been unanimously approved by the Business Law Section's Executive Committee and the WSBA's Legislative Review Committee.

The proposed changes would update provisions regarding committees of the board of directors to align more closely with the current version of the MBCA and the Delaware General Corporation Law (DGCL).² The proposed changes also include some technical corrections to sections of the WBCA recently adopted or revised.

¹ The WBCA was, and remains, closely based on the MBCA, which was promulgated by the ABA Business Law Section first in the mid-1980s. The MBCA is the foundation of the corporation law of more than 30 states and the source of many provisions of the general corporation statutes of states that have not adopted the MBCA in its entirety. Because Washington is a Model Act state, Washington lawyers and business owners save many hours of detailed explanation and reassurance to their out-of-state colleagues and clients. More importantly, being a Model Act state makes it easier to find persuasive authority on interpretive issues that have not yet been addressed by Washington courts and to keep up with future developments in the law. Although Delaware continues to be the most important corporate law jurisdiction, being a Model Act state and continuing to update the WBCA to harmonize with the MBCA where appropriate puts Washington on a more equal footing with Delaware as a meaningful and influential corporate jurisdiction.

² The ABA adopted a new version of the MBCA in 2016. As part of CARC's ongoing mission to keep the WBCA up-to-date and responsive to the needs of Washington businesses and business lawyers, CARC has taken on the responsibility, among others, of reviewing the current version of the MBCA in a methodical fashion over multiple years and periodically recommending appropriate changes to the WBCA.

CARC has prepared this memorandum describing the proposed changes to the WBCA and ***requests the Board of Governors consider the proposed changes to the WBCA as WSBA-request legislation.***

A. Overview

The current WBCA provision regarding committees of the board of directors (RCW 23B.08.250) is based on the 1989 version of the MBCA and has remain largely untouched for more than 30 years. CARC believes the provision should be updated in light of developments in the MBCA and the DGCL, which would also more closely align with evolved corporate practices.

The principal proposed changes include the following:

- To permit boards more flexibility when constituting board committees; and
- To permit more flexibility for board committees to act under delegated authority.

The proposed changes would also make other non-substantial revisions intended to align the WBCA more closely with the current version of the MBCA.

B. Board flexibility when constituting board committees

The current version of the WBCA includes several limitations to the authority of the board of directors regarding the establishment and governance of board committees. Some of these limitations, which are based on the 1989 version of the MBCA, have been revised or eliminated over time as reflected in the current version of the MBCA. These limitations include the following:

- Each committee must consist of two or more directors;
- The board may not enable a committee to replace absent or disqualified members; and
- The board may not delegate to a committee the authority to take certain specified actions (i.e., filling committee vacancies, approving technical amendments to articles of incorporation, or approving a plan of merger not requiring shareholder approval).

CARC believes the WBCA should be updated to algin more closely with the MBCA and the DGCL with respect to the limitations to the authority of the board of directors regarding the establishment and governance of board committees. Specifically, the WBCA should be amended to provide the following:

- A board committee must consist of one or more directors;
- The board and, if authorized, committee members, may replace absent or disqualified committee members; and
- The limitations on board committees include only those actions that substantially affect the rights of shareholders or are fundamental to the governance of the corporation.

These proposed changes, which are reflected in the attached [Appendix A](#), are consistent with both the current version of the MBCA and the DGCL.

C. Other proposed changes

In connection with the proposed changes described above, CARC is proposing some other technical changes to the WBCA, all of which are reflected in the attached [Appendix A](#). These proposed changes largely align the language of the WBCA to the language in the current version of the MBCA. These proposed changes would also move the provision regarding the board's authority to delegate to officers the authority to issue shares (e.g., stock options, warrants, etc.) from the board committee section (23B.08.250) to the share options section (23B.06.240). These proposed changes are not only consistent with the current version of the MBCA, but are likely much more intuitive for users of the WBCA. These proposed changes are also reflected in [Appendix A](#).

In addition, CARC is proposing three technical "clean-up" changes to the WBCA to address oversights in connection with the changes to the WBCA adopted in 2024.

The first proposed change, to the language in the 23B.11A.070 (effect of a merger or share exchange), would clarify rights of former holders of shares exchanged in a share exchange transaction.

The second proposed change, to 23B.13.020 (right to dissent), would expressly provide that the conversion of a Washington corporation to a non-corporate entity (e.g., LLC, partnership, etc.) would trigger dissenters' rights to appraisal. Prior to the 2024 WBCA changes, such a conversion would have required unanimous approval of the shareholders of the converting corporation. The 2024 changes reduced the shareholder approval threshold for such a transaction from unanimous to a majority of outstanding shares, consistent with the approval threshold for other transactions that would result in a fundamental change to the corporation. In connection with lowering the statutory approval threshold, CARC had intended to include the conversion transaction among the express list of transactions triggering dissenters' rights included in 23B.13.020, which is consistent with the current version of the MBCA. This proposed change would rectify that oversight.

The third proposed change, to 23B.14.020 (dissolution by board of directors and shareholders), would amend this provision to adopt a majority of outstanding shares threshold as the default approval requirements for approval of a dissolution. The voting threshold change would only apply to corporations formed before August 1, 2024. For corporations formed before August 1, 2024, the 2024 WBCA changes implemented the majority of outstanding shares voting threshold to the other fundamental changes provisions (e.g., approval of amendments to articles of incorporation, approval of mergers, approval of a sale of assets, approval of conversions, etc.), but the provision on approval of dissolutions was inadvertently omitted from those changes.

These proposed changes are reflected in [Appendix B](#).

APPENDIX A

Proposed changes to the WBCA related to committees of the board of directors.

The specific amendments proposed by CARC are shown below, marked to show changes compared to the WBCA as currently in effect.

[Proposed new language is indicated by underscoring and proposed deletions are shown by ~~strikeout~~]

RCW 23B.06.240. SHARE RIGHTS, OPTIONS, WARRANTS AND AWARDS

(1) Unless the articles of incorporation provide otherwise, a corporation may issue rights, options, or warrants for the purchase of shares or other securities of the corporation. The board of directors must ~~shall~~ determine the terms and conditions upon which the rights, options, or warrants are issued; and may become exercisable, exchangeable or convertible, their including form and content, and the terms and conditions relating to their exercise, including the time or times, the conditions precedent, and the consideration for which ~~the shares or other securities are to be issued, and the holders by whom the rights, options, or warrants may be exercised.~~ The authorization by the board of directors for the corporation to issue such rights, options, or warrants constitutes authorization of the issuance of the shares or other securities for which the rights, options or warrants are exercisable.

(2) The terms and conditions of such rights, options, or warrants ~~including the time or times, the conditions precedent, and the consideration for which~~ and the holders by whom the rights, options, or warrants may be exercised, as well as their duration may include restrictions or conditions that:

(a) ~~may preclude~~ Preclude or limit the exercise, transfer, or receipt of such rights, options, or warrants by any person or persons owning or offering to acquire any number or percentage of the outstanding shares or other securities of the corporation or by any transferee or transferees of any such person or persons;

(b) ~~or invalidate~~ Invalidate or void any rights, options, or warrants and ~~(b) may be made~~ held by any person or persons or any transferee or transferees; or

(c) Are dependent upon facts ascertainable outside the documents evidencing them or outside the resolution or resolutions adopted by the board of directors creating such rights, options, or warrants if the manner in which those facts operate on the rights, options, or warrants or the holders thereof is clearly set forth in the documents or the resolutions. For purposes of this section, "facts ascertainable outside the documents evidencing them or outside the resolution or resolutions adopted by the board of directors creating such rights, options, or warrants" includes, but is not limited to, the existence of any condition or the occurrence of any event, including, without limitation, a determination or action by any person or body, including the corporation, its board of directors, or an officer, employee, or agent of the corporation.

(d) The board of directors may authorize one or more officers to (i) designate the recipients of rights, options, warrants, or other equity awards that involve the issuance of shares of the corporation; and (ii) determine, within an amount and subject to any other limitations established by the board of directors and, if applicable, the shareholders, the number of such rights, options, warrants or other equity awards, and the terms and conditions of such rights, options, warrants or other equity awards to be received by the recipients. An officer may not use such authority to designate himself or herself or any

other persons as the board of directors may specify as a recipient of such rights, options, warrants, or other equity awards.

RCW 23B.08.250. COMMITTEES OF THE BOARD

(1) Unless this title, the articles of incorporation or the bylaws provide otherwise, a board of directors may establish ~~create~~ one or more board committees composed exclusively of one or more directors to perform functions. Each committee must have two or more members, who serve at the pleasure of the board of directors.

(2) The establishment ~~creation~~ of a board committee and appointment of members to it must be approved by the greater of (a) a majority of all the directors in office when the this corporate action ~~creation of the committee is taken~~ approved or (b) the number of directors required by the articles of incorporation or bylaws to take corporate action ~~approve the creation of the committee under RCW 23B.08.240, unless, in either case, this title or the articles of incorporation provide otherwise.~~

(3) RCW 23B.08.200 through 23B.08.240, ~~which govern meetings, approval of corporate action without meetings, notice and waiver of notice, and quorum and voting requirements of the board of directors,~~ apply to board committees and their members as well.

(4) A board committee ~~To the extent specified by the board of directors or in the articles of incorporation or bylaws, each committee may exercise the powers~~ authority of the board of directors under RCW 23B.08.010, to the extent specified by the board of directors or in the articles of incorporation or bylaws, except that a board committee may not:-

(5) ~~A committee may not, however:~~

(a) Authorize or approve ~~Approve~~ a distributions, except according to a general formula or method, or within limits prescribed by the board of directors;

(b) Approve or propose to shareholders corporate action that this title requires be approved by shareholders;

(c) Fill vacancies on the board of directors or, subject to Section (5), on any of its board committees; or

(d) ~~Amend articles of incorporation pursuant to RCW 23B.10.020;~~

(de) Adopt, amend, or repeal bylaws;

(f) ~~Approve a plan of merger not requiring shareholder approval; or~~

(g) ~~Approve the issuance or sale or contract for sale of shares, or determine the designation and relative rights, preferences, and limitations of a class or series of shares, except that the board of directors may authorize a committee, or a senior executive officer of the corporation to do so within limits specifically prescribed by the board of directors.~~

~~(6) The creation of, delegation of authority to, or approval of corporate action by a committee does not alone constitute compliance by a director with the standards of conduct described in RCW 23B.08.300.~~

(5) The board of directors may appoint one or more directors as alternate members of any board committee to replace any absent or disqualified member during the member's absence or disqualification. If the articles of incorporation, the bylaws, or the resolution creating the board committee so provide, the member or members present at any board committee meeting and not disqualified from voting may, by unanimous action, appoint another director to act in place of an absent or disqualified member during that member's absence or disqualification.

APPENDIX B

Proposed technical changes to the WBCA.

The specific amendments proposed by CARC are shown below, marked to show changes compared to the WBCA as currently in effect.

[Proposed new language is indicated by underscoring and proposed deletions are shown by ~~strikeout~~]

RCW 23B.11A.070. EFFECT OF MERGER OR SHARE EXCHANGE

(2) When a share exchange becomes effective, the shares in the acquired entity that are to be exchanged for shares or other securities, obligations, rights to acquire shares, other securities, cash, other property, or any combination of the foregoing, are exchanged, and the former holders of such shares are entitled only to the rights provided to them in the plan of share exchange or to any rights they may have under chapter 23B.13 RCW.

RCW 23B.13.020. RIGHT TO DISSENT

(1) A shareholder is entitled to dissent from, and obtain payment of the fair value of the shareholder's shares in the event of, any of the following corporation actions:

(h) Consummation of a conversion of the corporation to an other entity which is not a foreign corporation pursuant to RCW 23B.09.010.

RCW 23B.14.020. DISSOLUTION BY BOARD OF DIRECTORS AND SHAREHOLDERS

(5) (a) With respect to a corporation formed before August 1, 2024:

(i) ~~In addition to any other voting conditions imposed by~~ Unless the articles of incorporation, or the board of directors acting in accordance with ~~under subsection (3) of this section, requires a different vote, shareholder approval of the proposed dissolution requires must be approved by (a) the approval of two-thirds of the votes entitled to be cast on the proposed dissolution, and (b) the approval of two-thirds of the voting group comprising all the votes entitled to be cast on the proposed dissolution by , and of each other voting group entitled under the articles of incorporation to vote separately on the proposed dissolution.~~

(ii) The articles of incorporation may require a different ~~greater or lesser~~ vote than that ~~provided~~ in this subsection, or a different ~~greater or lesser~~ vote by ~~any~~ separate voting groups ~~provided for in the~~

articles of incorporation, so long as the required vote is not less than a majority of all the votes entitled to be cast on the proposed dissolution and of each other voting group entitled to vote separately on the proposed dissolution.

(b) With respect to a corporation formed on or after August 1, 2024, unless the articles of incorporation, or the board of directors acting in accordance with subsection (3) of this section, requires a greater vote, shareholder approval of the proposed dissolution requires (a) the approval of a majority of the votes entitled to be cast on the proposed dissolution, and (b) the approval of a majority of the votes entitled to be cast on the proposed dissolution by each other voting group entitled under the articles of incorporation to vote separately on the proposed dissolution.

TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Jeanne Marie Clavere, Senior Professional Responsibility Counsel
Monte Jewell, Chair, Committee on Professional Ethics
DATE: September 25, 2024
RE: Committee on Professional Ethics New Advisory Opinion – For Information Only

Committee on Professional Ethics New Advisory Opinion 202402 – For Information Only

INFORMATION ONLY: New Advisory Opinion 202402 addresses issues surrounding reporting client data to legal aid funders. The RPCs that are contained in this opinion are 1.6, 1.0A, 1.1, 1.7, 1.8, 2.1, 5.1, 5.3, 5.4, 8.4(a).

Background

The CPE subcommittee on reporting client data composed of Monte Jewell, Pamela Anderson, and Sara Ayoubi (and previous CPE members Brooks Holland and Cinda Fernald) took on this project based on a specific request from multiple stakeholders and other various questions that come to the WSBA on questions regarding the reporting of client data to legal aid funders.

This advisory opinion was prepared to answer an October 8th, 2021, request from a group of 8 civil legal aid organizations, *“regarding the extent to which data about a client may be disclosed for . . . reporting purposes.”*

The requesting organizations included the Northwest Justice Project, the Northwest Immigrant Rights Project, the Eastside Legal Assistance Program, the Benefits Law Center, the Legal Counsel for Youth and Children, the Housing Justice Project, the West African Community Council, and Solid Ground Benefits Legal Assistance. Funders of legal aid programs also contacted the CPE to state an interest in the issue, including the Washington Office of Civil Legal Aid (OCLA), the Office of Public Defense (OPD), and the King County Department of Community Health Services.

Upon review of the request, the CPE found that previous WSBA Advisory Opinion 183 (1990) (amended 2009) was insufficient to interpret RPC 1.6 in the context of digital reporting of legal aid client data. A subcommittee of the CPE was appointed to consult with stakeholders, research the issue presented, and consult with subject matter experts before preparing a discussion draft of an advisory opinion for review and comment by stakeholders.

The Committee on Professional Ethics (CPE) approved this advisory opinion at their August 23, 2024, meeting. We believe that this opinion will be a very helpful resource to attorneys and their staff in issues related to disclosure of client data.

Community Input

Over a period of approximately three years, two discussion draft advisory opinions were prepared and circulated to stakeholders for review and comment. Following each comment period, the CPE carefully revised the draft advisory opinion based on consideration of the comments received.

Discussion drafts were circulated for review and comment to the original group of 8 civil legal aid service providers and to legal aid funders OCLA, OPD, and the King County Department of Community Health Services.

The CPE also invited comment from law professors at all three Washington law schools, including Kim Ambrose, Ryan Calo, and Paul Holland; legal aid funders including the City of Seattle, the Washington State Office of Refugee & Immigrant Assistance, and the Legal Foundation of Washington; and additional legal aid organizations, including the Pro Bono Council, Legal Voice, the Sexual Violence Law Center, Kids In Need of Defense, the Pro Bono Services Program of the King County Bar Association, and the Washington Defender Association.

The resulting advisory opinion addresses the factual concerns raised by various stakeholders while providing practical guidance under RPC 1.6 for protection of confidential client information in this dynamic period of rapidly changing data transmission and storage technologies.

Attachments

WSBA Ethics Advisory Opinion 202402

WASHINGTON STATE BAR ASSOCIATION

Advisory Opinion: 202402

Year Issued: 2024

RPCs: 1.6 and 1.0A, 1.1, 1.7, 1.8, 2.1, 5.1, 5.3, 5.4, 8.4(a)

Subject: Reporting Client Data to Legal Aid Funders

ISSUE

What factors should a lawyer consider when deciding whether or how to report anonymized client data to a funder of legal aid services in a disaggregated format?

SHORT ANSWER

Under RPC 1.6, a lawyer shall not reveal information relating to representation of a client without client consent, other authority under the RPCs, or a court order. When considering a request for client data from a funder, the reporting lawyer should not rely solely on anonymization to report client data in a disaggregated format (defined below). The lawyer's reporting of information relating to representation of a client should instead be reasonably calculated to prevent reidentification of clients. The lawyer should consider relevant factors to assess the risk that data submitted to a funder could identify a client without authorization. Such factors may include, but are not limited to, the number of data fields requested, the degree of specificity requested, and the demographic characteristics of the clients served by the program.

When a reporting lawyer reasonably believes that data requested by a funder could lead to discovery of confidential client information, RPC 1.6 requires the reporting lawyer to act competently to safeguard that information. The reporting lawyer should provide the requested data only consistent with a funding agreement between the funder and the reporting lawyer, or funded legal aid organization, that contains provisions reasonably likely to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client.

A lawyer who is advising a funding organization should be mindful of RPC 8.4(a).[n.1] The funding agreement between the funder and the legal aid organization must prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client. The reporting lawyer may not share client data that the lawyer reasonably believes will reveal confidential information solely to obtain or maintain a funding agreement.

TERMINOLOGY

“Aggregated data” refers to data that is combined across clients. In other words, data is aggregated when it is reported as a percentage (or total number) of client characteristics that fall into a particular category (such as geographic area, age, ethnic group, or gender identification).

“Anonymized data” refers to a client data set that omits, redacts, or otherwise suppresses explicitly identifying client data such as name, birthdate, or social security number while leaving other client data intact which are not generally regarded as identifying, such as age range, partial ZIP code, or gender. Due to the potential for even an anonymized data set to be combined with public or other available data to reidentify a client, as explained below, anonymization may not be sufficient by itself to protect client confidentiality.

“Disaggregated data” refers to data that is provided on a client-by-client or individualized basis – for example, in a row in a spreadsheet where each column tracks a unique data field for the same client. The facts considered in this advisory opinion do not involve requests for direct identification of the clients served. Therefore, all references in this opinion to disaggregated data assume the client data requested have been anonymized in some manner.

“Funder” refers to a source of funding for legal aid, which might be a government entity, a non-profit organization, or any other donor of funds earmarked for legal services. A funder is a third-party payer under RPC 1.8(f).

The phrase “information relating to representation of a client” for purposes of data transmission and storage is defined at Comment [19] to RPC 1.6; Comment [17] to RPC 1.0A.

The term “legal aid organization” refers broadly to a “legal service office,” which was defined in WSBA Advisory Op. 183 (1990, amended 2009) as lawyers who provide legal services at reduced or no cost to indigent clients, and to other common uses in Washington such as a “qualified legal services provider” that provides not-for-profit legal services primarily for low-income clients. See Washington Admission and Practice Rule 1(e)(8).

The term “reasonable belief” and factors pertaining to reasonability are interpreted in RPC 1.0A (h), (i), (j) and RPC 1.6 Comments [18] and [19].

“Reidentification” refers to a process of identifying the client subjects of anonymized disaggregated data sets by combining and analyzing anonymized client data sets and publicly or otherwise available data sets.

The term “reporting lawyer” refers to a lawyer who provides anonymized client information to a funder, including lawyers in a supervisory role in a legal services organization, lawyers involved in direct representation at a legal services organization, and lawyers in private practice who contract with funders of legal aid services.

FACTS

Eight Washington legal services organizations (“Group”) ask whether they are permitted under RPC 1.6 to comply with a request for an increased volume of disaggregated client data from a funder. All of the Group members provide nonprofit civil legal aid to

indigent clients, and their funders are generally government entities, including counties, municipalities, the Office of Civil Legal Aid and the Legal Services Corporation, or nonprofit foundations, such as the Legal Foundation of Washington.

In past years, Group members typically reported between ten and fifteen substantive datapoints per client. Characteristic examples of these datapoints have included: Year of Service; Legal Problem; Date Case Closed; Level of Service Provided; County of Residence; County of Dispute; Language; Race and Ethnicity; Gender; and Citizenship Status. The Group members believe that RPC 1.6 permits them to provide aggregated data about their clients, such as the percentage of clients who identify as members of a particular racial or ethnic group. They also acknowledge that some funders are subject to legislatively assigned functions, which may include specific data collection for specific programs or studies. To ensure quality control, effective and efficient delivery of legal representation, and accountability of contractors to applicable standards of professional service, some funders have historically required Group members to report anonymized client data on a disaggregated basis in addition to or in lieu of aggregated reporting.

This advisory opinion was requested after a funder asked the Group members for a significantly increased amount of client data, including nearly thirty datapoints, many involving deeply personal client information. Some of the new requests are similar to the normally requested information, like the types and timing of services provided to clients. Some, like residential data, are similar but more specific, including ZIP code and household size. Some are more personal, such as the client's sexual orientation or the client's gender identify or expression. Some relate to medical conditions, such as whether a client has a disabling medical condition and, if so, what type of disability.

The Group members expressed a concern that disclosing such a large amount of very specific anonymized data could possibly lead to re-identification of a particular client and, as such, violate RPC 1.6.

ANALYSIS

I. Duty of Confidentiality

RPC 1.6(a) prohibits a lawyer from disclosing confidential client information except under specified circumstances. Following substantial amendments to the RPCs in 2006, “confidential information” includes all information relating to the representation of the client, regardless of the source of that information, whether that information is publicly available, or whether that information constitutes a “confidence” or “secret.” See RPC 1.6, Comment [3] and [21].

When a lawyer shares anonymized data, the lawyer must take care in how that information is reported. Comment [4] precludes a lawyer from sharing information that “could reasonably lead to the discovery of [confidential] information by a third person.” See RPC 1.6

and Comment [4]. The duty of confidentiality further includes a duty to safeguard confidential information from inadvertent disclosure or unauthorized access to that information. See RPC 1.6(c) and Comment [18].

Moreover, "[w]hen retaining or directing a nonlawyer outside the firm, a lawyer should communicate directions appropriate under the circumstances to give reasonable assurance that the nonlawyer's conduct is compatible with the professional obligations of the lawyer." See RPC 5.3 and Comment [3]. This responsibility applies even if the outside non-legal services are provided by a lawyer. *Id.* The extent of this obligation will "depend upon the circumstances," such as the experience and reputation of the outside non-service provider. *Id.*

In 1990 and 2009, we considered whether a legal aid organization may disclose information relating to the representation of a client to a funder. See WSBA Advisory Op. 1990-183 (amended 2009); and see RPC 1.6, Comment [21] ("The phrase "information relating to the representation" should be interpreted broadly") In WSBA Advisory Op. 1990-183, we interpreted RPC 1.6 to require lawyers to obtain informed consent from clients prior to disclosure of "information to third-parties that would disclose or lead to disclosure of information relating to the representation of a client" *Id.* at 1. See also WSBA Advisory Op. 1999-195 (considering disclosure of confidential client information in detailed billing statements to persons other than the client); and see ABA Formal Op. 95-393 (disclosure of client files to non-lawyer supervisors).

The guidance in our prior amended opinion remains generally accurate, as the opinion was amended subsequent to the 2006 amendments to the Washington RPCs. The Washington Supreme Court, however, has subsequently clarified the duty of care lawyers owe regarding confidential client information, especially in the context of evolving technologies. Updated guidance about proper data reporting to funders under RPC 1.6 thus is important for the practicing bar. This advisory opinion is intended to further guide lawyers who work for or advise both legal aid organizations and funders. See, e.g.s, RPC 1.1 comment [8]; RPC 1.6(c) and comments [18] and [19]; RPC 5.3 comment [3]; and see *State of Washington v. Johnson & Johnson, et al.*, Washington State Court of Appeals, Div. I, No. 84140-8-I [*appeal to Washington State Supreme Court pending*].

New technologies and practices for digital data storage and transmission are adopted rapidly in the legal profession.[n.2] In addition, the databases maintained by legal aid organizations and their funders --- and the relationships between them --- are enveloped by a diverse, shifting, and often opaque tangle of contracts, donors, private vendors, local, state, and federal disclosure rules, complex departmental structures, litigation, audits, news reporting, and external oversight, including oversight by voters and their elected representatives. Numerous local, state and federal regulations rely heavily on anonymization of data as the key to balancing the social utility of open access to data with privacy protections for sensitive data.[n.3]

Nevertheless, there is growing consensus that anonymized data are less protective of privacy than commonly assumed, because anonymized data can be combined with publicly or otherwise available databases to "reidentify" anonymized individuals for a range of benign and less benign purposes, including marketing, digital harassment, criminal investigation, or to alleviate boredom. Lawyers must therefore avoid the assumption that the process of anonymizing data is by itself sufficient under RPC 1.6, particularly for long-term protection of

client confidentiality.

When deciding how to respond to a client data request, a lawyer should thoroughly and thoughtfully evaluate the potential pitfalls of reporting client data in a disaggregated format, even when the data are otherwise anonymized. In this regard, it is important to acknowledge two principles from computer science and privacy research.

First, certain combinations of anonymized and commonly recorded data are often unique to a single person. For example, studies of U.S. census data have reported that a majority of the population is uniquely identified by the following combination: ZIP code, sex, and date of birth (including year).[n.4] Even these widely known empirical findings are somewhat dated, and the data science field has continued to develop new reidentification threats to client confidentiality. Lawyers who disclose client ZIP code, sex, and date of birth would presumptively violate RPC 1.6.

Second, it is possible to combine anonymized data with a publicly available database to discover unique patterns useful for reidentification of some of the subjects referenced in the anonymized data.[n.5] In general, as data are accreted with other data in larger and larger amounts over time, a corresponding risk of reidentification also increases. Such risk increases if a funder maintains such data without time limit or restrictions or from multiple, overlapping reporting sources. When a funder maintains such data, the reporting lawyer should consider how the client data being reported might be combined with other data because, once released, the reporting lawyer has little if any control over what the funder does with data in their possession.

In deciding what format to use in reporting information relating to the representation of a client, lawyers should consider engaging in dialogue with the funder about the nature and context of how the funder will protect the client data during transmission and storage. Data disclosure that poses a reasonable risk of reidentification of a client to a third party, discloses personal information about the client, or reveals the nature of legal representation of a client constitutes disclosure of confidential information under RPC 1.6. There is no exception that permits a lawyer to disclose confidential client information to a third party who is paying for the representation of the client. See RPC 1.8(f)(3).

Moreover, a lawyer should not routinely seek consent from a client to disclose disaggregated data to funders in a representation agreement as a condition of providing legal aid services. To obtain informed consent from the client to disclose confidential information, a lawyer must first present the risks and benefits of disclosure and advise the client about disclosure candidly and with independent, unconflicted judgment. See RPC 1.0A(e), 2.1, 1.7, and 5.4(c); and see RPC 1.6 Comment [26] "The decision to waive confidentiality should only be made by a fully informed client after consultation with the client's lawyer or by a court of competent jurisdiction." It is difficult to obtain informed consent to this type of disclosure before a representation is underway, particularly in the case of vulnerable clients who face, for example, risks to personal safety, immigration consequences (for undocumented persons), or potential liability in another jurisdiction from pursuing reproductive health care.

The effectiveness of such a consent ought generally to be determined by the extent to which a prospective client reasonably understands the material risks that the consent entails. The more comprehensive the explanation of the types of risks that might arise and the actual

and reasonably foreseeable adverse consequences of the disclosures, the greater the likelihood that the prospective client will have the requisite understanding. Thus, if a prospective client consents to a particular type of data disclosure with which she is already familiar, then the consent ordinarily will be effective with regard to that type of disclosure. If the consent is general and open-ended, then the consent ordinarily will be ineffective, because it is not reasonably likely that the prospective client will have understood the material risks involved. See RPC 1.7 Comment [22]. In addition, the lawyer should explain when a disclosure benefits the legal aid organization to facilitate continuity of funding, rather than directly benefiting the individual client.

For example, a legal aid program might represent clients who are in government custody or otherwise subject to government authority. Some of these clients' demographic information may already be in the possession of a government funder as a result of the custody or other relationship. If the prospective client receives a thorough explanation of (i) the actual and reasonably foreseeable adverse consequences of disclosing (a) client information already in the possession of the funder and (b) additional information, if any, requested by the funder together with (2) an acknowledgement that the benefits of disclosure accrue to the legal aid organization, then the prospective client may have the requisite understanding to provide informed consent to disclosure of anonymized demographic information.

In reporting client representation data to funders, therefore, a lawyer must report those data in a manner that ensures the lawyer is neither disclosing confidential information of individual clients nor disclosing information that reasonably could lead to the discovery of confidential information. See RPC 1.6(a) and RPC 1.6(c). The lawyer must also act reasonably to ensure that the conduct of subordinate lawyers and staff and other non-lawyer assistants comports with the lawyer's duties. See RPC 5.1 and 5.3.

II. Ethical Considerations in Reporting Anonymized Data

Whether a reporting lawyer would be considered to have acted reasonably in providing anonymized data to a funder will necessarily depend on the circumstances. In general, a lawyer should consider at least three factors relating to whether anonymized client data may be disclosed to a funder in a disaggregated format. The reporting lawyer should also consider information gained through dialogue with the funder about the reporting format and security of anonymized client data.

A. Presentation of Anonymized Data in a Disaggregated Format

The likelihood that clients could be reidentified from anonymized data presented in a disaggregated format depends on a variety of factors, including the following:

The number of fields reported. The larger the number of disaggregated client data fields that are reported to a funder, the greater the risk that the data may be combined with publicly or otherwise available data to reidentify clients.

Whether disaggregated data is reported in a specific or generalized format. Some client data fields may be reported with a greater or lesser degree of specificity. For example, if

a funder requests the clients' dates of birth, that information – when combined with other information – could potentially lead to reidentification. Other methods of providing age-related information, in order of increasing protection of client privacy, include: reporting the year of birth without month or day, reporting the client's age, or reporting an age bracket (such as younger than 18 years, 18 to 64 years, 65 years or older). Similarly, there are ways to generalize geographic information, such as by reporting only the initial two or three digits of the client's ZIP code or reporting the client's county of residence.

The demographic characteristics of the clients served by the program. The reporting lawyer should consider the foregoing factors in the context of the demographic characteristics of the program subject to the reporting requirements. For example, if the program serves a demographic population that is relatively narrow when compared to the broader service population, the qualifying characteristics for inclusion in the program may present an elevated risk. For example, if a program serves only transgender youth or only undocumented immigrants, those sensitive qualifying characteristics will automatically be associated with other client data reported in a disaggregated format and may facilitate reidentification.

When providing client data for clients who are members of much smaller demographic populations within the overall population of clients served, then the reporting lawyer should consider further limiting the number of fields (if any) that are reported in a disaggregated format. On the other hand, a lawyer reporting for a program that serves a large, diverse population might reasonably provide more data fields in a disaggregated format. In either case, the reporting lawyer may also choose to use an aggregated format to provide whatever demographic information is not submitted in a disaggregated format, resulting in a hybrid report that contains disaggregated data for some data fields and aggregated data for others.

A lawyer reporting for a legal aid organization that receives funding for multiple programs may also conclude that application of the above factors (and any other factors considered relevant under the circumstances) requires a different reporting format for different programs, even if those programs receive financial support from the same funder.

B. Dialogue with the Funder

When a reporting lawyer has concerns about providing the disaggregated data sought by the funder, the reporting lawyer should engage in dialogue with the funder to gather information about data formats and data transmission and storage practices of the funder. It may also be helpful for the reporting lawyer to understand the funder's goals and requirements which are met by gathering demographic data clients served by the reporting lawyer.

A lawyer advising a funder should remain mindful of RPC 8.4(a) and respect a reporting lawyer's obligation of confidentiality under RPC 1.6.[n.6] In many instances dialogue with the funder may inform substantive provisions of the agreement between the funder and the legal aid organization that employs the reporting lawyer, such as the format of the report – disaggregated data, aggregated data, or a hybrid format.

Comment [3] [Washington Revision] to RPC 5.3 may provide additional relevant guidance by analogy for evaluation of the terms of an agreement between the legal aid

organization and the funder. When a lawyer shares client information with a retained or associated nonlawyer outside the lawyer's firm – for example, by using an Internet-based service to store client information – RPC 5.3 and Comment [3] require the lawyer to ensure that the nonlawyer's participation is compatible with the lawyer's professional obligations.

Ethics opinions from other jurisdictions that apply Comment [3] to externally stored client data generally require the lawyer to take "reasonable care" to protect client data before engaging the outside service, and they typically describe "reasonable care" as including investigation of the outside nonlawyer's data security measures.^[n.7] While enumeration of the precise terms of agreements between legal aid firms and funders to protect client data exceeds the scope of an advisory opinion, the reporting lawyer should minimally include consideration of the following issues:

- How many and which representatives, vendors, or other entities associated with the funder might have access to client data reported in a disaggregated format?
- What precautions will the funder take to protect the disaggregated client data against access by unauthorized internal actors and external actors in a manner consistent with the reporting lawyer's obligations under RPC 1.6?
- Will the reporting lawyer or clients of reporting lawyers be notified promptly by the funder of any breaches that result in access to the reporting lawyer's disaggregated data?
- How long will the funder retain client data in a disaggregated format, and how will destruction of the data be confirmed?
- Are there explicit limits on the purposes for which data may be used and a means for confirming that the data has been destroyed after use?

Endnotes:

N.1 "It is professional misconduct for a lawyer to . . . violate or attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another." RPC. 8.4(a).

N.2 Matt Reynolds, *How ChatGPT and other AI Platforms Could Dramatically Reshape the Legal Industry*, ABA Journal (06/01/2023) ("Experts have warned AI can insert bias and discrimination into the justice system, raise security concerns for law firms, and bad actors could use it to spread misinformation.") accessed on 07/05/2023 at <https://www.americanbar.org/groups/journal/articles/2023/how-chatgpt-and-other-ai-platforms-could-dramatically-reshape-the-legal-industry/>.

N.3 See generally Paul Ohm, *Broken Promises of Privacy: Responding to the Surprising Failure of Anonymization*, 57 UCLA L. REV. 1701, 1730, 1743 (2010).

N.4 See Ohm at 1705, 1719 and FN 81. The studies discussed in this article calculated the percentage of the population uniquely identified by this combination of attributes to range from

61% to 87%.

N.5 Id. In the example discussed at page 1719 of this article, a government agency in Massachusetts, intending to support medical research, released anonymized records of state employees' hospital visits to any researcher who requested them. Although the agency anonymized the records by removing names, addresses, social security numbers, and other fields it considered to be explicit identifiers, a researcher demonstrated that by combining the anonymized records with publicly available voter rolls, the subjects of the records could be reidentified.

N.6 The duty of confidentiality aligns with statutorily imposed duties of confidentiality. Lawyers for legal aid funders may be subject to additional legislative duties, including confidentiality. In the child welfare context, compare the Washington State Office of Public Defense at RCW 13.50.010(13) ("The Washington state office of public defense shall maintain the confidentiality of all confidential information included in the records."); and the Washington State Office of Civil Legal Aid at RCW 13.50.(14) ("The Washington state office of civil legal aid shall maintain the confidentiality of all confidential information included in the records, and shall, as soon as possible, destroy any retained notes or records obtained under this section that are not necessary for its functions related to RCW [2.53.045](#)"). See also RCW 2.53.030(7)(b) (requiring legal aid programs to have a system allowing for production of case-specific information with the exception of confidential information protected by the United States Constitution, the state Constitution, the attorney-client privilege, and applicable rules of attorney conduct.). See also GR 31.1(f), (l)(5) (recognizing right of review of records disclosure decisions and an exemption for personal identifying information, including individuals' home contact information, Social Security numbers, date of birth, driver's license numbers, and identification/security photographs from public access requests.). Regarding reidentification risk in the context of government records, see generally *State of Washington v. Johnson & Johnson, et al.*, Washington State Court of Appeals, Div. I, No. 84140-8-I [*appeal to Washington State Supreme Court pending*].

N.7 For example, New York Opinion 842 (Sept. 10, 2010) identifies several steps, including: investigating and periodically reconfirming the third party's security measures, ensuring that the third party has an enforceable obligation to protect confidentiality and security, and staying current with legal developments and technological advances relating to confidentiality.

Advisory Opinions are provided for the education of the Bar and reflect the opinion of the Committee on Professional Ethics (CPE) or its predecessors. Advisory Opinions are provided pursuant to the authorization granted by the Board of Governors, but are not individually approved by the Board and do not reflect the official position of the Bar association. Laws other than the Washington State Rules of Professional Conduct may apply to the inquiry. The Committee's answer does not include or opine about any other applicable law other than the meaning of the Rules of Professional Conduct.

2024 ANNUAL CHIEF HEARING OFFICER REPORT TO THE BOARD OF GOVERNORS

I. INTRODUCTION

The Washington Supreme Court appointed¹ me to serve as chief hearing officer for a two-year term beginning October 1, 2021. WSBA compensates the chief hearing officer \$40,000.00 per year through an independent contractor contract. This report, required by the contract, covers the period October 1, 2023, through September 30, 2024.

II. DUTIES OF THE CHIEF HEARING OFFICER

Rules for Enforcement of Lawyer Conduct Rule 2.5(e)(2) sets out the chief hearing officer's duties and authority. The chief hearing officer also attends the Discipline Advisory Round Table Meetings and participates as an ex-officio member of the Disciplinary Selection Panel. This report summarizes the chief hearing officer's ELC 2.5 duties.

A. HEAR MATTERS

The chief hearing officer can hear matters. I conducted one hearing and one settlement conference during this fiscal year.

B. ASSIGN CASES

The chief hearing officer assigns hearing officers and settlement hearing officers to individual proceedings from those the Washington Supreme Court appoints to the list. I have appointed 26 hearing officers and 12 settlement hearing officers between October 1, 2023, and September 30, 2024. There are 2 proceedings currently waiting for hearing officer appointments.

I receive a weekly report listing the cases needing hearing officer and settlement hearing officer assignments. The Formal Complaints are placed in a Box folder so I can access them as needed. I review the information and contact hearing officers who do not have current assignments. I have not had any difficulty finding hearing officers willing to accept new assignments. In fact, several consistently volunteer for more work. I have attempted to broaden the experience of all hearing officers by assigning them equally to settlement conferences, as well as to disciplinary and disability proceedings. To this extent I feel I have been successful. Fortunately, most disciplinary hearings only require 2-3 days, which is easier for hearing officers to accommodate. I will be challenged finding and assigning hearing officers to longer proceedings (in excess of one week), and often appoint myself to such matters. I may need to explore bifurcating proceedings, so as to not create an undue hardship on the hearing officer. (This is

¹ The Supreme Court, upon recommendation of the Board of Governors in consultation with the Disciplinary Selection Panel, appoints a chief hearing officer for a renewable term of two years. ELC 2.5(e)(1).

something commonly done in workers' compensation cases at the administrative level with the Board of Industrial Insurance Appeals).

- C. **MONITOR AND EVALUATE HEARING OFFICER PERFORMANCE**
I monitor and evaluate hearing officer performance through frequent contact with the hearing officers and through review of written orders and decisions. Hearing officers frequently contact me with questions about hearing procedures, including questions about photographing and recording proceedings and controlling participant behavior.
- D. **HEAR MOTIONS FOR HEARING OFFICER DISQUALIFICATION**
The parties can request hearing officer removal without cause once in each proceeding.² In addition, the parties may move to disqualify a hearing officer for cause.³ I have appointed a new hearing officer 5 time(s) when a party requested removal without cause. I decided 2 motion(s) requesting for cause removal.
- E. **HEAR PRE-HEARING MOTIONS WHEN NO HEARING OFFICER ASSIGNED**
I have decided motions for orders of default, motions deferring discipline proceedings, motions objecting to investigative inquiries and investigative subpoenas, and approved stipulations. I have entered approximately 3 of these orders.
- F. **HEAR MOTIONS FOR PROTECTIVE ORDERS UNDER RULE 3.2(e)**
I have decided 1 motion for protective order this year.
- G. **HEAR MOTIONS PRIOR TO MATTER BEING ORDERED TO HEARING, INCLUDING WHILE A GRIEVANCE IS BEING INVESTIGATED**
I decided 0 of these motions this fiscal year.
- H. **HEAR REQUESTS FOR AMENDMENT OF FORMAL COMPLAINT UNDER RULE 10.7(b)**
I decided 0 motions under this rule.
- I. **APPROVE STIPULATIONS TO DISCIPLINE NOT INVOLVING SUSPENSION OR DISBARMENT AS PROVIDED BY RULE 9.1(d)(2)**
The chief hearing officer approves stipulations when a hearing officer has not been appointed. I approved approximately 5 stipulations during this fiscal year.
- J. **RESPOND TO HEARING OFFICER REQUESTS FOR INFORMATION OR ADVICE RELATED TO THEIR DUTIES.**
I responded to frequent requests for hearing officer information or advice relating to their duties. Many of the questions lead to topics for next year's training.

² ELC 10.2(b)(1).

³ ELC 10.2(b)(2).

K. SUPERVISE HEARING OFFICER TRAINING IN ACCORDANCE WITH ESTABLISHED POLICIES

In January 2024, we conducted an orientation training for our new hearing officers. The hearing officer panel is scheduled to attend Regulatory School on October 28, 2024, which is a training targeted for all regulatory volunteers. We will assess whether additional training is necessary after the Regulatory School.

III. HEARING OFFICERS

In fiscal year 2024, we had 23 hearing officers. Hearing officers are appointed by the Supreme Court of Washington for initial two-year terms, followed by four-year terms. There is no limit on the number of four-year terms. Hearing officer initial and re-appointment applications are reviewed by the Discipline Selection Panel (DSP), which may include receiving input from the chief hearing officer, the Office of Disciplinary Counsel, and a representative from the respondent's counsel community. The DSP makes a recommendation to the WSBA Board of Governors. The Board forwards a recommendation to the Court.

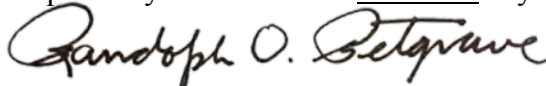
IV. STAFF

Allison Sato and Thea Jennings assist the chief hearing officer with his duties when needed.

V. CONCLUSION

I thank you all for the support I have received during my term as chief hearing officer. Please let me know if you have any specific questions.

Respectfully submitted this 4th day of October, 2024.



Randolph O. Petgrave III
Chief Hearing Officer



To: WSBA Board of Governors

From: Brian Anderson, President

Date: October 11, 2024

Re: Foundation Annual Report of Activities for FY24

The mission of the Washington State Bar Foundation (WSBF, or Foundation) is to provide financial support for the programs of the Washington State Bar Association (WSBA) that promote diversity within the legal profession and enhance the public's access to, and understanding of, the justice system. The Foundation is separately incorporated as a Washington state nonprofit and is recognized as a public charity under section 501(c)(3) of the Internal Revenue Service Code.

The Foundation is a membership organization comprised solely of the sitting members of the Washington State Bar Association Board of Governors. The Foundation Bylaws require that the Foundation President present an annual report to the Members within ninety days after the close of each fiscal year, which ends September 30. This report is an opportunity for the members to learn about the Foundation's activities, priorities and direction.

Highlights

- The Foundation hosted several **Powerful Communities** grantees at its Board meetings, where they shared details of their experiences with the grant and outcomes of their programs.
- The Foundation hosted a **reception** in Centralia in **September** with members of the legal community, Powerful Communities grantee Families Shoulder to Shoulder, and several members of the Board of Governors.
- Outreach efforts include being spotlighted at **Feria Viva Latinoamerica** in Lake Forest Park (a community event organized by Trustee Isabel Vicuña), establishing a LinkedIn page, and being represented on the Board of the National Conference of Bar Foundations.
- With the **WSBA Justice & Diversity Opportunities Fund**, which is intended to enhance WSBA's credibility and visibility in access to justice and diversity communities, the Foundation supported:
 - **Spokane County Bar Association** in support of the Carl Maxey Scholarship
 - Washington **YMCA Youth & Government** mock trial program
 - **University of Washington School of Law** PILA Reception and Auction
 - **National Indigenous Women's Resource Center** in support of its Missing and Murdered Indigenous Women efforts
 - **Seattle University School of Law** in support of the Black Law Students Association Epoch Symposium, which will provide historical context for the current moment, highlight race equity efforts across the legal field, and reimagine a future where the legal landscape is centered around race equity and anti-racism.

Fundraising Highlights

- **5,573** Washington legal professionals (approximately 13.5%) made a voluntary contribution to the Foundation on their license forms, indicating their support for WSBA's equity and justice efforts.
- The Foundation assisted the WSBA Diversity Council with fundraising for the inaugural **Pathways to Diversity in the Legal Profession Summit**, securing \$8,000 in sponsorships.
- The WSBF continued to assist the **Access to Justice Board** with administration of a \$40,000 Race Equity Grant in support of its Community Advisory Panel, received from the Legal Foundation of Washington in FY22.

Program Highlights

The following program achievements were made possible in part with support from the Foundation. The Foundation has designated \$265,000 for WSBA Equity & Justice Programs, with remaining available funds to be used for Powerful Communities grants for FY25 (final amount to be determined after the fiscal year books are officially closed).

- The WSBA **Powerful Communities Project** completed its sixth year, bringing the total amount awarded to \$219,000 and the number of grantees to 66. This critical program provides grants to organizations across Washington to ensure people from underserved and underrepresented communities are able to get legal assistance. These grants are paid directly by the WSBF.
- The WSBF helped fundraise and administered scholarships for the WSBA Taxation and Elder Law Sections.

Conclusion and Look Ahead

The WSBF enters FY25 with a strong Board of Trustees representing a diverse cross-section of the profession and the community at large, as two of our Trustee seats are designated for non-attorneys. We are always looking for ways to connect with supporters using a community-centric fundraising lens. WSBA members and other private donors continue to be generous to the Foundation, for which we are very grateful. Connecting the impacts of WSBA programs with donations to WSBF will continue to help us increase support for WSBA's equity and justice goals.

WASHINGTON STATE
B A R A S S O C I A T I O N

Financial Reports

(Unaudited)

Year to Date August 31, 2024

Prepared by
Maggie Yu, Controller

Submitted by
Tiffany Lynch, Director of Finance
September 18, 2024

Washington State Bar Association Financial Summary
Compared to Fiscal Year 2024 Budget
For the Period from August 1, 2024 to August 31, 2024

Category	Actual Revenues	Reforecasted Revenues	Actual Indirect Expenses	Reforecasted Indirect Expenses	Actual Direct Expenses	Reforecasted Direct Expenses	Actual Total Expenses	Reforecasted Total Expenses	Actual Net Result	Reforecasted Net Result
Access to Justice	-	-	208,193	246,721	46,747	94,100	254,939	340,821	(254,939)	(340,821)
Admissions/Bar Exam	1,292,105	1,300,740	810,845	892,601	481,500	449,245	1,292,345	1,341,846	(240)	(41,106)
Advancement FTE	-	-	334,915	369,375	5,845	8,424	340,761	377,799	(340,761)	(377,799)
Bar News	500,588	610,100	310,455	348,179	296,225	364,960	606,680	713,139	(106,091)	(103,039)
Board of Governors	-	-	157,350	186,679	243,826	385,800	401,176	572,479	(401,176)	(572,479)
Character & Fitness Board	-	-	131,443	146,219	2,750	33,000	134,193	179,219	(134,193)	(179,219)
Communications Strategies	4,314	500	554,029	688,499	87,686	134,015	641,714	822,514	(637,400)	(822,014)
Communications Strategies FTE	-	-	225,554	247,980	-	-	225,554	247,980	(225,554)	(247,980)
Discipline	66,587	119,000	5,355,460	6,045,036	157,565	184,630	5,513,025	6,229,667	(5,446,437)	(6,110,667)
Diversity	135,000	135,000	238,838	362,337	66,526	117,700	305,364	480,037	(170,364)	(345,037)
Finance	932,906	650,000	1,015,614	1,151,069	4,605	2,640	1,020,220	1,153,709	(87,313)	(503,709)
Foundation	-	-	152,009	169,428	8,033	10,650	160,043	180,078	(160,043)	(180,078)
Human Resources	-	-	711,029	625,154	-	-	711,029	625,154	(711,029)	(625,154)
Law Clerk Program	203,968	207,200	149,715	168,171	10,153	19,735	159,868	187,907	44,100	19,293
Legislative	-	-	227,989	255,640	17,094	25,735	245,083	281,375	(245,083)	(281,375)
Legal Lunchbox	34,970	29,000	45,529	48,255	6,067	7,675	51,596	55,930	(16,626)	(26,930)
Licensing and Membership Records	522,835	450,900	602,630	652,394	35,393	44,777	638,023	697,171	(115,187)	(246,271)
Licensing Fees	15,699,174	17,320,499	-	-	-	-	0	-	15,699,174	17,320,499
Limited License Legal Technician	15,947	20,712	72,796	81,130	1,118	14,240	73,914	95,370	(57,967)	(74,658)
Limited Practice Officers	172,798	202,000	99,908	112,079	20,446	24,625	120,353	136,704	52,445	65,296
Mandatory CLE	1,359,197	1,113,800	688,619	783,630	116,792	139,999	805,411	923,629	553,786	190,171
Member Wellness Program	11,050	7,500	215,550	236,881	2,007	3,612	217,557	240,493	(206,507)	(232,993)
Member Services & Engagement	17,313	10,800	255,340	297,790	34,155	94,395	289,495	392,185	(272,182)	(381,385)
Mini CLE	-	-	103,589	116,330	-	-	103,589	116,330	(103,589)	(116,330)
New Member Education	132,489	67,000	92,291	106,078	1,254	1,750	93,545	107,828	38,944	(40,828)
Office of General Counsel	502	-	958,174	1,083,147	4,979	25,824	963,153	1,108,971	(962,652)	(1,108,971)
Office of the Executive Director	-	-	644,530	702,850	113,047	114,622	757,577	817,472	(757,577)	(817,472)
OGC-Disciplinary Board	-	-	190,467	205,120	123,633	98,000	314,100	303,120	(314,100)	(303,120)
Practice of Law Board	-	-	75,493	84,860	1,157	12,000	76,651	96,860	(76,651)	(96,860)
Practice Management Assistance	69,406	62,000	122,402	136,963	1,157	75,760	206,830	212,723	(137,424)	(150,723)
Professional Responsibility Program	-	-	211,428	234,403	2,346	3,000	213,775	237,403	(213,775)	(237,403)
Public Service Programs	130,000	130,000	180,008	219,330	159,324	297,409	339,332	516,739	(209,332)	(386,739)
Publication and Design Services	-	-	114,183	122,320	4,840	4,300	119,023	126,620	(119,023)	(126,620)
Regulatory Services FTE	-	-	481,107	539,250	6,539	8,500	487,646	547,750	(487,646)	(547,750)
Sections Administration	365,728	297,786	269,340	300,288	470	3,050	269,810	303,338	95,918	(15,552)
Service Center	-	-	651,127	724,952	2,188	4,560	653,315	729,512	(653,315)	(729,512)
Volunteer Engagement	-	-	89,537	99,534	17,331	17,800	106,869	117,333	(106,869)	(117,334)
Technology	-	-	1,939,033	2,087,445	-	-	1,939,033	2,087,445	(1,939,033)	(2,087,445)
Subtotal General Fund	21,666,879	22,734,537	18,686,518	20,878,112	2,166,071	2,826,533	20,852,589	23,704,645	814,289	(970,108)
Expenses using reserve funds	(153,245)	-	(153,245)	-	-	-	(153,245)	(311,547)	153,245	311,547
Total General Fund - Net Result from Operations	95%		18,839,763		77%		18,839,763	23,393,098	661,044	(658,561)
Percentage of Budget			90%				88%			
CLE-Seminars and Products	1,601,910	1,605,300	926,688	1,050,884	239,682	295,117	1,166,369	1,346,001	435,540	259,299
CLE - Deskbooks	97,862	136,500	230,042	256,391	9,350	26,375	239,391	282,766	(141,529)	(146,266)
Total CLE	1,699,772	1,741,800	1,156,729	1,307,275	249,031	321,492	1,405,761	1,628,767	294,011	113,033
Percentage of Budget	98%		88%		77%		86%		(22,225)	10,932
Expenses using reserve funds	(10,932)	-	(10,932)	-	-	-	(10,932)	1,606,542	283,079	135,258
Total CLE Fund - Net Result from Operations			1,167,662				1,167,662			
Percentage of Budget	96%		89%		66%		85%			
Total All Sections	632,013	688,964	-	-	645,136	1,017,566	645,136	1,017,566	(13,124)	(328,603)
Client Protection Fund-Restricted	814,576	715,930	168,007	188,214	27,285	505,200	195,292	693,414	619,284	22,516
Expenses using reserve funds	(1,409)	-	(1,409)	-	-	-	(1,409)	(2,865)	1,409	2,865
Total CPF Fund - Net Result from Operations			169,417				169,417	690,549	617,874	25,381
Totals	24,813,239	25,881,231	20,011,255	22,373,601	3,087,524	4,670,791	23,098,779	27,044,392	1,714,461	(1,163,162)
Totals Net of Use of Facilities Reserve Funds			(165,587)				(165,587)	26,707,755	165,587	(826,525)
Percentage of Budget	96%		89%		66%		85%			

Summary of Fund Balances:	Fund Balances Sept. 30, 2023	2024 Reforecasted Fund Balances	Fund Balances Year to date
Restricted Funds:			
Client Protection Fund	4,513,398	4,535,914	5,131,272
Board-Designated Funds (Non-General Fund):			
CLE Fund Balance	1,177,163	1,290,196	1,460,242
Section Funds	1,970,404	1,641,801	1,957,280
Board-Designated Funds (General Fund):			
Operating Reserve Fund	2,000,000	2,000,000	2,000,000
Facilities Reserve Fund	2,700,000	2,700,000	2,865,587
Unrestricted Funds (General Fund):			
Unrestricted General Fund	5,149,490	4,490,929	5,810,534
Total General Fund Balance	9,849,490	9,502,476	10,676,121
Net Change in Unrestricted General Fund Balance		(347,014)	814,289
Total Fund Balance	17,510,455	16,658,840	19,224,915
Net Change In Fund Balance		(851,615)	1,714,461

**Washington State Bar Association
Analysis of Cash Investments
As of August 31, 2024**

Checking & Savings Accounts

General Fund

Checking

<u>Bank</u>	<u>Account</u>	<u>Amount</u>
Wells Fargo	General	1,336,264

Total

<u>Investments</u>	<u>Rate (yield)</u>	<u>Amount</u>
Wells Fargo Money Market	5.23%	80,662
UBS Financial Money Market	5.27%	908,207
Merrill Lynch Money Market	5.41%	2,191,593
CDs/Treasuries	see list	14,450,790

General Fund Total 18,967,516

Client Protection Fund

Checking

<u>Bank</u>	<u>Amount</u>
Wells Fargo	193,249

<u>Investments</u>	<u>Rate (yield)</u>	<u>Amount</u>
Wells Fargo Money Market	5.23%	2,351,729
CDs/Treasuries	see list	2,979,853

Client Protection Fund Total 5,524,831

Grand Total Cash & Investments 24,492,347

Washington State Bar Association
Analysis of Cash Investments
As of August 31, 2024

General Fund

<u>Bank</u>	<u>Yield</u>	<u>Term</u> <u>Months</u>	<u>Trade</u> <u>Date</u>	<u>Settle</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Amount</u>
<i>From WF</i>						
Wells Fargo CD	5.36.%	12	9/25/2023	9/26/2023	9/9/2024	249,330
Stearns Bank NA CD	5.10%	7	2/21/2024	2/27/2024	9/27/2024	250,000
Leader Bank CD	4.90%	9	12/21/2023	12/29/2023	9/30/2024	250,000
US Treasury Bill	5.20%	6	4/4/2024	4/5/2024	10/3/2024	243,731
US Bank NA CD	5.00%	9	12/21/2023	1/4/2024	10/4/2024	250,000
BMO bank NA CD	5.45%	12	10/4/2023	10/11/2023	10/11/2024	250,000
Bank of Hope CD	4.65%	9	1/4/2024	1/12/2024	10/15/2024	250,000
Bank of India CD	4.70%	9	1/10/2024	1/18/2024	10/16/2024	250,000
Independent bank CD	4.85%	9	1/10/2024	1/19/2024	10/18/2024	250,000
First Central Saving CD	4.75%	9	1/10/2024	1/19/2024	10/19/2024	250,000
Premier Bank Diubuque CD	4.85%	9	1/16/2024	1/23/2024	10/23/2024	250,000
Bank of Houston CD	4.70%	9	1/10/2024	1/26/2024	10/25/2024	250,000
AvidBank CD	4.90%	9	1/16/2024	1/25/2024	10/25/2024	250,000
Promiseone Bank CD	4.90%	9	2/12/2024	2/23/2024	11/25/2024	250,000
Banc of California Inc CD	5.15%	9	2/21/2024	2/28/2024	11/29/2024	250,000
Barrington BK & TR CO CD	5.15%	9	2/21/2024	2/29/2024	11/29/2024	250,000
US Treasury Bill	5.15%	7	4/26/2024	4/29/2024	11/29/2024	242,666
Fulton Bank NA Lancaster PA CD	5.20%	10	2/23/2024	2/23/2024	12/6/2024	250,000
BankUnited NATL CD	5.20%	10	2/27/2024	2/27/2024	12/9/2024	250,000
Renasant BK CD	5.15%	10	2/27/2024	2/27/2024	12/9/2024	250,000
Washington Financial BK CD	5.15%	8	3/26/2024	4/12/2024	12/12/2024	250,000
Associated BK Green CD	5.15%	9	3/12/2024	3/15/2024	12/16/2024	250,000
Simmons Bank Pine Bluff CD	5.20%	9	3/12/2024	3/18/2024	12/18/2024	250,000
Regions Bank CD	4.85%	12	12/15/2023	12/22/2023	12/20/2024	250,000
Eagle Bank CD	5.20%	9	3/12/2024	3/22/2024	12/20/2024	250,000
Citizens BK	5.25%	9	3/26/2024	3/27/2024	12/27/2024	250,000
Crossfirst BK	5.20%	9	3/26/2024	4/5/2024	1/6/2025	250,000
WebBank CD	4.80%	12	1/4/2024	1/8/2024	1/7/2025	250,000
Valley NatL BK	5.15%	9	4/4/2024	4/9/2024	1/9/2025	250,000
Zions Bancorp CD	5.10%	9	4/4/2024	4/10/2024	1/10/2025	250,000
Truist Bank Charlotte CD	5.10%	9	4/9/2024	4/17/2024	1/13/2025	250,000
American COML BK CD	4.60%	12	1/4/2024	1/17/2024	1/16/2025	250,000
Northern Bank & Trust CD	4.80%	12	1/10/2024	1/17/2024	1/16/2025	250,000
Live Oak Banking CD	4.70%	12	1/4/2024	1/17/2024	1/17/2025	250,000
Bank of China CD	5.10%	9	4/9/2024	4/17/2024	1/17/2025	250,000
Royal Business Bank CD	5.10%	9	4/9/2024	4/17/2024	1/17/2025	250,000
Bank of New York Mellon CD	5.10%	9	4/16/2024	4/18/2024	1/21/2025	250,000
US Treasury Bill	4.80%	12	2/12/2024	2/13/2024	1/23/2025	239,063
Bank of Utah CD	4.70%	12	1/12/2024	1/26/2024	1/24/2025	250,000
Open Bank CD	4.75%	12	1/12/2024	1/26/2024	1/24/2025	250,000
Bank of Baroda CD	5.15%	9	4/16/2024	4/29/2024	1/29/2025	250,000
Preferred Bank LA CD	5.10%	9	4/26/2024	5/3/2024	2/3/2025	250,000
Israel discount BK CD	5.25%	9	5/2/2024	5/8/2024	2/10/2025	250,000
Synovus BK CD	5.20%	9	5/2/2024	5/10/2024	2/10/2025	250,000
Northeast Bank CD	4.90%	13	2/12/2024	2/14/2024	2/23/2025	250,000
Beal Bank USA CD	5.00%	12	3/12/2024	3/20/2024	3/19/2025	250,000
Beal Bank Plano TX CD	5.00%	12	3/26/2024	4/3/2024	4/2/2025	250,000
Old National BK CD	5.00%	12	3/26/2024	4/4/2024	4/4/2025	250,000
Exchange Bank CD	5.00%	12	4/16/2024	4/24/2024	4/23/2025	250,000
Northside Community Bank CD	5.00%	12	4/16/2024	4/24/2024	4/24/2025	250,000

Washington State Bar Association
Analysis of Cash Investments
As of August 31, 2024

CF Bank CD	5.05%	12	4/26/2024	5/3/2024	5/2/2025	250,000
Morgan Stanley bank CD	5.10%	12	5/2/2024	5/8/2024	5/8/2025	250,000
Meridian Bank CD	5.10%	12	5/9/2024	5/15/2024	5/15/2025	250,000
Morgan Stanley PVT Bank CD	5.15%	12	5/9/2024	5/15/2024	5/15/2025	250,000

Total from WF **13,474,790**

From ML

Bank hapoalim B.M CD	5.20%	18	6/6/2023	6/12/2023	12/9/2024	243,000
MIZUHO Bank CD	5.35%	6	6/21/2024	6/21/2024	12/26/2024	243,000
Cambridge saving bank CD	5.35%	9	6/11/2024	6/20/2024	3/17/2025	240,000

Total from ML **726,000**

From UBS

US Treasury Bill	4.50%		12/20/2023	12/21/2023	11/30/2024	250,000
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Total from UBS **250,000**

Total **14,450,790**

Client Fund Protection Fund

<u>Bank</u>	<u>Yield</u>	<u>Term</u> <u>Months</u>	<u>Trade</u> <u>Date</u>	<u>Settle</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Amount</u>
US Treasury Bill	5.15%	6	3/12/2024	3/14/2024	9/12/2024	243,737
DMB community bank CD	5.30%	12	9/11/2023	9/25/2023	9/24/2024	250,000
Everbank CD	5.45%	12	9/25/2023	9/29/2023	9/27/2024	250,000
Citibank CD	5.50%	12	9/25/2023	9/29/2023	9/27/2024	250,000
Triad Business Bank CD	4.80%	9	1/11/2024	1/24/2024	10/24/2024	250,000
FlagStar Bank NA CD	5.00%	10	1/12/2024	1/19/2024	11/19/2024	250,000
Charles Schwab Bank CD	5.10%	12	12/4/2023	12/8/2023	12/10/2024	250,000
Fifth Third Bank CD	4.70%	12	1/11/2024	1/16/2024	1/15/2025	250,000
US Treasury Bill	4.70%	6	8/27/2024	8/28/2024	2/20/2025	244,476
Goldman Sachs Bank	5.00%	9	7/12/2024	7/23/2024	4/23/2025	250,000
FirstBank Nashville CD	5.15%	12	5/14/2024	5/17/2024	5/16/2025	250,000
US Treasury Bill	4.35%	10	8/27/2024	8/28/2024	6/12/2025	241,640

Total **2,979,853**

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors
Budget and Audit Committee

From: Terra Nevitt, Executive Director; Tiffany Lynch, Director of Finance; Maggie Yu, Controller

Re: Key Financial Benchmarks for the Preliminary Fiscal Year to Date (YTD) through August 31, 2024
As % of Completion to Annual Reforecast

	% of Year	Current Year % YTD	Current Year \$ Difference Favorable/(Unfavorable)	Prior Year YTD	Comments
Total Salaries & Benefits	92%	91%	\$41,007	90%	Favorable to reforecast due to lower payroll taxes, medical costs, and retirement rates.
Other Indirect Expenses*	92%	81%	\$456,873	81%	Favorable to reforecast due to timing of payments for technology costs and facilities costs related to the office space downsizing project and lower than budgeted legal fees.
Total Indirect Expenses	92%	89%	\$497,880	88%	Favorable to reforecast resulting from other indirect net savings described above.

General Fund Revenues	92%	95%	\$826,887	96%	Favorable to reforecast from higher than budgeted interest income, product sales for new member and legal lunch box, pro hac vice, and MCLE fees; and timing of collection for donations, bar exam, and law clerk fees.
General Fund Indirect Expenses	92%	90%	\$451,750	88%	Favorable to reforecast resulting from net other indirect expenses savings.
General Fund Direct Expenses	92%	77%	\$424,918	70%	Favorable to reforecast due to timing of program activities and meetings/events and anticipated underspending for the year.
General Fund Net	92%	184%	\$1,703,555	286%	Favorable to reforecast for the reasons described above.

CLE Revenue	92%	98%	\$103,122	89%	Favorable to reforecast due to higher product sales and seminar sponsor revenue than expected.
CLE Direct Expenses	92%	77%	\$45,670	54%	Favorable to reforecast due to timing of expenses for seminar activities and lower than budgeted cost for obsolete deskbook inventory.
CLE Indirect Expenses	92%	88%	\$41,606	88%	Favorable to reforecast mainly due to other indirect savings.
CLE Net	92%	260%	\$190,397	158%	Favorable to reforecast primarily due to timing of product sales.

*Workplace benefits, Human Resources, meeting support, rent, taxes, furniture & maintenance, office supplies, depreciation, insurance, equipment, professional fees (legal & audit), internet & telephone, postage, storage, bank fees, Technology

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LICENSE FEES						
REVENUE:						
LICENSE FEES	17,320,499	1,401,283	15,699,174	1,621,325	91%	(177,950)
TOTAL REVENUE:	17,320,499	1,401,283	15,699,174	1,621,325	91%	(177,950)

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ADMISSIONS						
REVENUE:						
EXAM SOFTWARE REVENUE	27,500	-	7,450	20,050	27%	(17,758)
BAR EXAM FEES	1,215,000	42,970	1,232,915	(17,915)	101%	119,165
RULE 9/LEGAL INTERN FEES	12,000	1,300	16,150	(4,150)	135%	5,150
SPECIAL ADMISSIONS	46,240	2,745	35,590	10,650	77%	(6,797)
TOTAL REVENUE:	1,300,740	47,015	1,292,105	8,635	99%	99,760
DIRECT EXPENSES:						
POSTAGE	1,000	100	1,831	(831)	183%	(915)
STAFF TRAVEL/PARKING	20,000	10,797	20,367	(367)	102%	(2,034)
STAFF MEMBERSHIP DUES	400	-	555	(155)	139%	(188)
SUPPLIES	1,500	19	1,824	(324)	122%	(449)
FACILITY, PARKING, FOOD	94,000	(1,412)	125,601	(31,601)	134%	(39,435)
EXAMINER FEES	34,000	-	31,500	2,500	93%	(333)
UBE EXMINATIONS	113,000	97,020	134,108	(21,108)	119%	(30,525)
BOARD OF BAR EXAMINERS	39,000	12,460	20,041	18,959	51%	15,709
BAR EXAM PROCTORS	21,000	8,243	13,737	7,263	65%	5,513
DISABILITY ACCOMMODATIONS	55,967	46,170	73,578	(17,611)	131%	(22,275)
CHARACTER & FITNESS INVESTIGATIONS	1,000	-	(59)	1,059	-6%	976
LAW SCHOOL VISITS	1,700	722	1,133	567	67%	426
DEPRECIATION-SOFTWARE	11,038	411	10,697	341	97%	(578)
SOFTWARE HOSTING	41,140	3,848	40,239	901	98%	(2,528)
EQUIPMENT, HARDWARE & SOFTWARE	1,000	-	-	1,000	0%	917
STAFF CONFERENCE & TRAINING	13,500	-	6,348	7,152	47%	6,027
TOTAL DIRECT EXPENSES:	449,245	178,378	481,500	(32,255)	107%	(69,692)
INDIRECT EXPENSES:						
SALARY EXPENSE (6.75 FTE)	522,057	45,118	494,746	27,311	95%	(16,193)
BENEFITS EXPENSE	171,676	15,710	155,190	16,486	90%	2,180
OTHER INDIRECT EXPENSE	198,867	10,635	160,909	37,958	81%	21,386
TOTAL INDIRECT EXPENSES:	892,601	71,463	810,845	81,756	91%	7,372
TOTAL ALL EXPENSES:	1,341,846	249,841	1,292,345	49,501	96%	(62,320)
NET INCOME (LOSS):	(41,106)	(202,826)	(240)	(40,866)	1%	37,440

Washington State Bar Association

Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ADVANCEMENT FTE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF CONFERENCE & TRAINING	8,424	1,915	5,845	2,579	69%	1,877
TOTAL DIRECT EXPENSES:	8,424	1,915	5,845	2,579	69%	1,877
INDIRECT EXPENSES:						
SALARY EXPENSE (1.89 FTE)	244,054	20,703	227,001	17,053	93%	(3,285)
BENEFITS EXPENSE	69,638	5,672	62,777	6,861	90%	1,058
OTHER INDIRECT EXPENSE	55,683	2,983	45,137	10,546	81%	5,905
TOTAL INDIRECT EXPENSES:	369,375	29,358	334,915	34,460	91%	3,678
TOTAL ALL EXPENSES:	377,799	31,272	340,761	37,038	90%	5,555
NET INCOME (LOSS):	(377,799)	(31,272)	(340,761)	(37,038)	90%	5,555

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2024 to August 31, 2024

92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ACCESS TO JUSTICE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
ATJ BOARD RETREAT	4,000	-	2,718	1,282	68%	948
LEADERSHIP TRAINING	4,000	-	3,506	494	88%	160
ATJ BOARD EXPENSE	65,000	6,875	30,253	34,747	47%	29,330
STAFF TRAVEL/PARKING	2,800	79	616	2,184	22%	1,951
STAFF CONFERENCE & TRAINING	3,300	-	1,082	2,218	33%	1,943
PUBLIC DEFENSE	4,000	-	2,043	1,957	51%	1,624
CONFERENCE/INSTITUTE EXPENSE	-	-	(135)	135		135
RECEPTION/FORUM EXPENSE	11,000	-	6,663	4,337	61%	3,420
TOTAL DIRECT EXPENSES:	94,100	6,954	46,747	47,353	50%	39,512
INDIRECT EXPENSES:						
SALARY EXPENSE (1.64 FTE)	145,500	11,406	125,808	19,692	86%	7,567
BENEFITS EXPENSE	52,903	3,828	43,450	9,453	82%	5,045
OTHER INDIRECT EXPENSE	48,317	2,573	38,935	9,382	81%	5,356
TOTAL INDIRECT EXPENSES:	246,721	17,808	208,193	38,528	84%	17,968
TOTAL ALL EXPENSES:	340,821	24,762	254,939	85,881	75%	57,480
NET INCOME (LOSS):	(340,821)	(24,762)	(254,939)	(85,881)	75%	57,480

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2024 to August 31, 2024

92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
BAR NEWS						
REVENUE:						
ROYALTIES	2,500	-	-	2,500	0%	(2,292)
DISPLAY ADVERTISING	400,000	-	372,264	27,736	93%	5,598
SUBSCRIPT/SINGLE ISSUES	100	-	108	(8)	108%	16
CLASSIFIED ADVERTISING	7,500	150	2,359	5,141	31%	(4,516)
JOB TARGET ADVERTISING	200,000	10,380	125,857	74,143	63%	(57,476)
TOTAL REVENUE:	610,100	10,530	500,588	109,512	82%	(58,670)
DIRECT EXPENSES:						
POSTAGE	110,000	-	107,709	2,291	98%	(6,876)
PRINTING, COPYING & MAILING	250,000	-	186,534	63,466	75%	42,633
DIGITAL/ONLINE DEVELOPMENT	2,000	-	522	1,478	26%	1,312
GRAPHICS/ARTWORK	100	-	1,103	(1,003)	1103%	(1,011)
EDITORIAL ADVISORY COMMITTEE	-	-	20	(20)		(20)
STAFF CONFERENCE & TRAINING	2,500	-	-	2,500	0%	2,292
STAFF MEMBERSHIP DUES	135	-	135	-	100%	(11)
SUBSCRIPTIONS	225	-	203	22	90%	3
TOTAL DIRECT EXPENSES:	364,960	-	296,225	68,735	81%	38,322
INDIRECT EXPENSES:						
SALARY EXPENSE (2.23 FTE)	213,007	9,697	193,756	19,251	91%	1,500
BENEFITS EXPENSE	69,472	6,422	63,636	5,835	92%	46
OTHER INDIRECT EXPENSE	65,700	3,507	53,062	12,638	81%	7,163
TOTAL INDIRECT EXPENSES:	348,179	19,626	310,455	37,724	89%	8,709
TOTAL ALL EXPENSES:	713,139	19,626	606,680	106,459	85%	47,031
NET INCOME (LOSS):	(103,039)	(9,096)	(106,091)	3,053	103%	(11,639)

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2024 to August 31, 2024

92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
BOARD OF GOVERNORS						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
BOG MEETINGS	190,000	5,988	120,477	69,523	63%	53,690
BOG COMMITTEES' EXPENSES	2,500	-	18	2,482	1%	2,273
BOG RETREAT	35,000	-	23,917	11,083	68%	8,167
BOG CONFERENCE ATTENDANCE	60,000	3,327	54,325	5,675	91%	675
BOG TRAVEL & OUTREACH	22,000	99	25,395	(3,395)	115%	(5,228)
LEADERSHIP TRAINING	20,000	1,336	1,681	18,319	8%	16,653
BOG ELECTIONS	26,900	-	12,545	14,355	47%	12,113
PRESIDENT'S DINNER	15,000	118	637	14,363	4%	13,113
NEW GOVERNOR ORIENTATION	10,000	-	2,570	7,430	26%	6,597
PRESIDENT'S PHOTO	3,300	1,164	1,652	1,648	50%	1,373
LONG RANGE STRATEGIC PLANNING						
COUNCIL	600	-	-	600	0%	550
SUPPLIES	500	479	610	(110)	122%	(151)
TOTAL DIRECT EXPENSES:	385,800	12,512	243,826	141,974	63%	109,824
INDIRECT EXPENSES:						
SALARY EXPENSE (1.50 FTE)	104,320	9,851	94,281	10,039	90%	1,346
BENEFITS EXPENSE	38,166	2,785	27,235	10,931	71%	7,750
OTHER INDIRECT EXPENSE	44,193	2,368	35,834	8,359	81%	4,676
TOTAL INDIRECT EXPENSES:	186,679	15,004	157,350	29,329	84%	13,772
TOTAL ALL EXPENSES:	572,479	27,517	401,176	171,302	70%	123,596
NET INCOME (LOSS):	(572,479)	(27,517)	(401,176)	(171,302)	70%	123,596

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2024 to August 31, 2024

92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CHARACTER & FITNESS BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CHARACTER & FITNESS BOARD EXP	18,000	-	2,064	15,936	11%	14,436
COURT REPORTERS	15,000	-	687	14,313	5%	13,063
TOTAL DIRECT EXPENSES:	33,000	-	2,750.45	30,250	8%	27,500
INDIRECT EXPENSES:						
SALARY EXPENSE (0.75 FTE)	93,739	7,666	87,952	5,787	94%	(2,024)
BENEFITS EXPENSE	30,383	2,241	25,573	4,810	84%	2,278
OTHER INDIRECT EXPENSE	22,096	1,184	17,917	4,179	81%	2,338
TOTAL INDIRECT EXPENSES:	146,219	11,091	131,443	14,776	90%	2,591
TOTAL ALL EXPENSES:	179,219	11,091	134,193	45,026	75%	30,091
NET INCOME (LOSS):	(179,219)	(11,091)	(134,193)	(45,026)	75%	30,091

Washington State Bar Association
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92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CONTINUING LEGAL EDUCATION (CLE)						
(CLES - CLEP)						
REVENUE:						
SEMINAR REGISTRATIONS	825,000	29,966	560,818	264,182	68%	(195,432)
SEMINAR REVENUE-OTHER	20,000	-	43,902	(23,902)	220%	25,569
SEMINAR SPLITS W/ CLE	(150,000)	-	-	(150,000)	0%	137,500
SHIPPING & HANDLING	300	9	72	228	24%	(203)
COURSEBOOK SALES	10,000	280	850	9,150	9%	(8,317)
MP3 AND VIDEO SALES	900,000	28,178	996,267	(96,267)	111%	171,267
TOTAL REVENUE:	1,605,300	58,433	1,601,910	3,390	100%	(32,363)
DIRECT EXPENSES:						
COURSEBOOK PRODUCTION	500	-	-	500	0%	458
DEPRECIATION	2,040	170	1,870	170	92%	-
ONLINE EXPENSES	53,000	4,331	45,128	7,872	85%	3,455
ACCREDITATION FEES	3,000	(48)	1,746	1,254	58%	1,004
EQUIPMENT, HARD.& SOFTWARE **	-	-	2,596	(2,596)		(2,596)
FACILITIES **	160,500	45,509	143,566	16,934	89%	3,559
DISABILITY ACCOMMODATIONS	7,000	-	3,803	3,197	54%	2,614
SPEAKERS & PROGRAM DEVELOP	45,000	5,390	25,969	19,031	58%	15,281
HONORARIA	3,000	-	-	3,000	0%	2,750
CLE SEMINAR COMMITTEE	200	-	-	200	0%	183
STAFF TRAVEL/PARKING	15,000	3,861	11,365	3,635	76%	2,385
STAFF CONFERENCE & TRAINING	2,777	941	2,092	685	75%	454
STAFF MEMBERSHIP DUES	1,000	(1,091)	1,091	(91)	109%	(174)
SUPPLIES	500	-	379	121	76%	79
COST OF SALES - COURSEBOOKS	1,100	16	52	1,048	5%	957
POSTAGE & DELIVERY-COURSEBOOKS	500	-	25	475	5%	434
TOTAL DIRECT EXPENSES:	295,117	59,079	239,682	55,435	81%	30,842
INDIRECT EXPENSES:						
SALARY EXPENSE (7.89 FTE)	583,378	49,658	535,620	47,758	92%	(857)
BENEFITS EXPENSE	235,053	18,038	202,939	32,114	86%	12,526
OTHER INDIRECT EXPENSE	232,454	12,434	188,129	44,324	81%	24,953
TOTAL INDIRECT EXPENSES:	1,050,884	80,130	926,688	124,196	88%	36,623
TOTAL ALL EXPENSES:	1,346,001	139,209	1,166,369	179,632	87%	67,465
NET INCOME (LOSS):	259,299	(80,776)	435,540	(176,241)	168%	197,849

**Budget reallocations apply to this line item. For details, see FY24 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CLIENT PROTECTION FUND						
REVENUE:						
CPF RESTITUTION	10,000	909	25,493	(15,493)	255%	16,326
CPF MEMBER ASSESSMENTS	525,930	2,860	543,240	(17,310)	103%	61,138
INTEREST INCOME	180,000	12,795	245,843	(65,843)	137%	80,843
TOTAL REVENUE:	715,930	16,565	814,576	(98,646)	114%	158,307
DIRECT EXPENSES:						
BANK FEES	3,000	(232)	(2,675)	5,675	-89%	5,425
GIFTS TO INJURED CLIENTS	500,000	-	28,975	471,025	6%	429,358
CPF BOARD EXPENSES	2,000	286	785	1,215	39%	1,048
STAFF MEMBERSHIP DUES	200	-	200	-	100%	(17)
TOTAL DIRECT EXPENSES:	505,200	54	27,285	477,915	5%	435,815
INDIRECT EXPENSES:						
SALARY EXPENSE (1.23 FTE)	110,717	9,184	101,928	8,789	92%	(438)
BENEFITS EXPENSE	41,259	3,303	36,791	4,468	89%	1,029
OTHER INDIRECT EXPENSE	36,238	1,936	29,288	6,950	81%	3,931
TOTAL INDIRECT EXPENSES:	188,214	14,423	168,007	20,207	89%	4,522
TOTAL ALL EXPENSES:	693,414	14,477	195,292	498,122	28%	440,337
NET INCOME (LOSS):	22,516	2,088	619,284	(596,768)	2750%	598,644

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92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
COMMUNICATION STRATEGIES						
REVENUE:						
50 YEAR MEMBER TRIBUTE LUNCH	500	-	4,314	(3,814)	863%	3,856
TOTAL REVENUE:	500	-	4,314	(3,814)	863%	3,856
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	5,895	198	3,015	2,880	51%	2,389
STAFF MEMBERSHIP DUES	1,120	170	1,164	(44)	104%	(137)
SUBSCRIPTIONS	4,000	103	2,133	1,867	53%	1,533
APEX	50,000	17,169	38,893	11,107	78%	6,940
50 YEAR MEMBER TRIBUTE LUNCH	30,000	-	25,289	4,711	84%	2,211
BAR OUTREACH	18,000	1,118	4,492	13,508	25%	12,008
COMMUNICATIONS OUTREACH	15,000	53	3,499	11,501	23%	10,251
EQUIPMENT, HARDWARE & SOFTWARE	2,500	-	1	2,499	0%	2,291
STAFF CONFERENCE & TRAINING	7,500	-	9,199	(1,699)	123%	(2,324)
TOTAL DIRECT EXPENSES:	134,015	18,812	87,686	46,329	65%	35,162
INDIRECT EXPENSES:						
SALARY EXPENSE (5.20 FTE)	398,702	26,976	320,277	78,424	80%	45,199
BENEFITS EXPENSE	136,595	8,881	109,710	26,885	80%	15,502
OTHER INDIRECT EXPENSE	153,201	8,198	124,041	29,160	81%	16,393
TOTAL INDIRECT EXPENSES:	688,499	44,055	554,029	134,470	80%	77,095
TOTAL ALL EXPENSES:	822,514	62,867	641,714	180,799	78%	112,257
NET INCOME (LOSS):	(822,014)	(62,867)	(637,400)	(184,613)	78%	116,112

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COMMUNICATION STRATEGIES FTE						
INDIRECT EXPENSES:						
SALARY EXPENSE (1.00 FTE)	171,146	14,262	158,472	12,674	93%	(1,588)
BENEFITS EXPENSE	47,372	3,853	43,308	4,065	91%	117
OTHER INDIRECT EXPENSE	29,462	1,571	23,775	5,687	81%	3,232
TOTAL INDIRECT EXPENSES:	<u>247,980</u>	<u>19,686</u>	<u>225,554</u>	<u>22,426</u>	<u>91%</u>	<u>1,761</u>
NET INCOME (LOSS):	<u>(247,980)</u>	<u>(19,686)</u>	<u>(225,554)</u>	<u>(22,426)</u>	<u>91%</u>	<u>1,761</u>

Washington State Bar Association
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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
DESKBOOKS						
REVENUE:						
DESKBOOK SALES	30,000	5,351	13,432	16,568	45%	(14,068)
LEXIS/NEXIS ROYALTIES	75,000	17,282	56,748	18,252	76%	(12,002)
SECTION PUBLICATION SALES	1,500	45	630	870	42%	(745)
FASTCASE ROYALTIES	30,000	9,923	27,053	2,947	90%	(447)
TOTAL REVENUE:	136,500	32,601	97,862	38,638	72%	(27,263)
DIRECT EXPENSES:						
COST OF SALES - DESKBOOKS	4,000	1,587	4,251	(251)	106%	(584)
COST OF SALES - SECTION PUBLICATION	500	37	392	108	78%	66
SPLITS TO SECTIONS	300	-	96	204	32%	179
DESKBOOK ROYALTIES	300	-	198	102	66%	77
OBSOLETE INVENTORY	21,000	-	4,122	16,878	20%	15,128
STAFF MEMBERSHIP DUES	225	(218)	248	(23)	110%	(42)
SUBSCRIPTIONS	50	-	43	7	86%	3
TOTAL DIRECT EXPENSES:	26,375	1,405	9,350	17,025	35%	14,827
INDIRECT EXPENSES:						
SALARY EXPENSE (1.65 FTE)	155,883	12,990	144,338	11,545	93%	(1,445)
BENEFITS EXPENSE	51,896	4,153	46,424	5,472	89%	1,148
OTHER INDIRECT EXPENSE	48,612	2,596	39,280	9,332	81%	5,281
TOTAL INDIRECT EXPENSES:	256,391	19,739	230,042	26,349	90%	4,983
TOTAL ALL EXPENSES:	282,766	21,145	239,391	43,375	85%	19,811
NET INCOME (LOSS):	(146,266)	11,456	(141,529)	(4,737)	97%	(7,452)

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DISCIPLINE						
REVENUE:						
AUDIT REVENUE	1,000	-	170	830	17%	(747)
RECOVERY OF DISCIPLINE COSTS	100,000	8,043	49,467	50,533	49%	(42,200)
DISCIPLINE HISTORY SUMMARY	18,000	1,560	16,950	1,050	94%	450
TOTAL REVENUE:	119,000	9,603	66,587	52,413	56%	(42,496)
DIRECT EXPENSES:						
DEPRECIATION-SOFTWARE	11,539	-	-	11,539	0%	10,577
PUBLICATIONS PRODUCTION	300	-	-	300	0%	275
STAFF TRAVEL/PARKING	15,000	1,947	11,606	3,394	77%	2,144
STAFF MEMBERSHIP DUES	7,365	-	6,418	947	87%	333
TELEPHONE	4,800	181	2,559	2,241	53%	1,841
COURT REPORTERS	60,000	3,557	57,916	2,084	97%	(2,916)
OUTSIDE COUNSEL/AIC	1,000	-	250	750	25%	667
LITIGATION EXPENSES	40,000	1,702	41,633	(1,633)	104%	(4,966)
DISABILITY EXPENSES	9,000	-	4,301	4,699	48%	3,949
TRANSLATION SERVICES	1,000	350	8,888	(7,888)	889%	(7,972)
STAFF CONFERENCE & TRAINING	34,627	4,241	23,993	10,634	69%	7,748
TOTAL DIRECT EXPENSES:	184,630	11,979	157,565	27,066	85%	11,680
INDIRECT EXPENSES:						
SALARY EXPENSE (38.00 FTE)	3,795,327	322,608	3,433,140	362,187	90%	45,910
BENEFITS EXPENSE	1,130,160	93,037	1,017,164	112,997	90%	18,817
OTHER INDIRECT EXPENSE	1,119,549	59,823	905,156	214,392	81%	121,097
TOTAL INDIRECT EXPENSES:	6,045,036	475,468	5,355,460	689,576	89%	185,823
TOTAL ALL EXPENSES:	6,229,667	487,446	5,513,025	716,642	88%	197,503
NET INCOME (LOSS):	(6,110,667)	(477,843)	(5,446,437)	(664,229)	89%	155,007

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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
DIVERSITY						
REVENUE:						
DONATIONS	135,000	-	135,000	-	100%	11,250
TOTAL REVENUE:	135,000	-	135,000	-	100%	11,250
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,500	-	285	1,215	19%	1,090
STAFF MEMBERSHIP DUES	550	-	90	460	16%	414
COMMITTEE FOR DIVERSITY	3,800	812	2,754	1,046	72%	729
DIVERSITY EVENTS & PROJECTS	31,800	-	2,468	29,332	8%	26,682
SURVEYS	17,500	-	17,500	-	100%	(1,458)
STAFF CONFERENCE & TRAINING	2,000	154	2,154	(154)	108%	(321)
CONSULTING SERVICES	60,550	-	41,275	19,275	68%	14,230
TOTAL DIRECT EXPENSE:	117,700	966	66,526	51,174	57%	41,366
INDIRECT EXPENSES:						
SALARY EXPENSE (2.69 FTE)	212,559	16,966	133,629	78,931	63%	61,217
BENEFITS EXPENSE	70,525	5,136	41,122	29,404	58%	23,527
OTHER INDIRECT EXPENSE	79,252	4,236	64,088	15,164	81%	8,560
TOTAL INDIRECT EXPENSES:	362,337	26,338	238,838	123,499	66%	93,304
TOTAL ALL EXPENSES:	480,037	27,304	305,364	174,673	64%	134,670
NET INCOME (LOSS):	(345,037)	(27,304)	(170,364)	(174,673)	49%	145,920

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ETHICS, WELLNESS, & PRACTICE						
(MWP-PMA-PRP)						
REVENUE:						
DIVERSIONS	7,500	-	11,050	(3,550)	147%	4,175
ROYALTIES	62,000	12,689	69,406	(7,406)	112%	12,573
TOTAL REVENUE:	69,500	12,689	80,456	(10,956)	116%	16,748
DIRECT EXPENSES:						
STAFF MEMBERSHIP DUES	1,350	-	517	833	38%	721
MEMBER WELLNESS COUNCIL	1,000	-	-	1,000	0%	917
STAFF TRAVEL/PARKING	2,250	128	2,096	154	93%	(34)
STAFF CONFERENCE & TRAINING	572	-	527	45	92%	(2)
SUBSCRIPTIONS	1,200	110	1,213	(13)	101%	(113)
CPE COMMITTEE	1,000	-	386	614	39%	531
FASTCASE	75,000	-	84,042	(9,042)	112%	(15,292)
TOTAL DIRECT EXPENSES:	82,372	239	88,781	(6,409)	108%	(13,274)
INDIRECT EXPENSES:						
SALARY EXPENSE (3.53 FTE)	355,322	30,217	331,234	24,088	93%	(5,522)
BENEFITS EXPENSE	148,925	12,096	133,730	15,195	90%	2,785
OTHER INDIRECT EXPENSE	104,000	5,579	84,417	19,583	81%	10,916
TOTAL INDIRECT EXPENSES:	608,247	47,892	549,381	58,866	90%	8,179
TOTAL ALL EXPENSES:	690,619	48,131	638,162	52,457	92%	(5,095)
NET INCOME (LOSS):	(621,119)	(35,442)	(557,706)	(63,413)	90%	11,653

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FINANCE						
REVENUE:						
INTEREST INCOME	650,000	48,274	932,906	(282,906)	144%	337,073
MISCELLANEOUS	-	(30)	-	-		-
TOTAL REVENUE:	650,000	48,244	932,906	(282,906)	144%	337,073
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,500	54	3,729	(2,229)	249%	(2,354)
STAFF CONFERENCE & TRAINING	520	-	263	257	51%	214
STAFF MEMBERSHIP DUES	620	-	613	7	99%	(45)
TOTAL DIRECT EXPENSES:	2,640	54	4,605	(1,965)	174%	(2,185)
INDIRECT EXPENSES:						
SALARY EXPENSE (6.92 FTE)	714,291	57,649	649,344	64,947	91%	5,423
BENEFITS EXPENSE	232,902	18,945	201,227	31,675	86%	12,267
OTHER INDIRECT EXPENSE	203,876	10,908	165,044	38,832	81%	21,842
TOTAL INDIRECT EXPENSES:	1,151,069	87,502	1,015,614	135,454	88%	39,532
TOTAL ALL EXPENSES:	1,153,709	87,556	1,020,220	133,489	88%	37,346
NET INCOME (LOSS):	(503,709)	(39,312)	(87,313)	(416,395)	17%	374,420

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FOUNDATION						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CONSULTING SERVICES	3,000	-	3,000	-	100%	(250)
PRINTING & COPYING	700	9	452	248	65%	190
STAFF TRAVEL/PARKING	900	16	16	884	2%	809
SUPPLIES	150	81	81	69	54%	56
BOARD OF TRUSTEES	3,250	544	1,018	2,232	31%	1,961
EQUIPMENT/HARDWARE/SOFTWARE	-	220	1,955	(1,955)		(1,955)
POSTAGE	350	-	38	312	11%	282
STAFF CONFERENCE & TRAINING	2,300	-	1,473	827	64%	636
TOTAL DIRECT EXPENSES:	10,650	870	8,033	2,617	75%	1,729
INDIRECT EXPENSES:						
SALARY EXPENSE (1.05 FTE)	100,026	8,531	92,409	7,617	92%	(719)
BENEFITS EXPENSE	38,468	3,135	34,447	4,020	90%	815
OTHER INDIRECT EXPENSE	30,935	1,662	25,153	5,782	81%	3,204
TOTAL INDIRECT EXPENSES:	169,428	13,328	152,009	17,419	90%	3,300
TOTAL ALL EXPENSES:	180,078	14,198	160,043	20,036	89%	5,029
NET INCOME (LOSS):	(180,078)	(14,198)	(160,043)	(20,036)	89%	5,029

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HUMAN RESOURCES						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	700	-	44	656	6%	598
STAFF MEMBERSHIP DUES	1,000	-	1,036	(36)	104%	(119)
SUBSCRIPTIONS	1,000	86	1,904	(904)	190%	(988)
STAFF TRAINING- GENERAL	12,912	194	7,426	5,486	58%	4,410
RECRUITING AND ADVERTISING	8,000	1,137	5,931	2,069	74%	1,403
PAYROLL PROCESSING	50,000	8,262	43,909	6,091	88%	1,925
SALARY SURVEYS	1,500	-	1,973	(473)	132%	(598)
CONSULTING SERVICES	2,000	-	-	2,000	0%	1,833
TRANSFER TO INDIRECT EXPENSE	(77,112)	(9,680)	(62,223)	(14,889)	81%	(8,463)
TOTAL DIRECT EXPENSES:	-	-	-	-		-
INDIRECT EXPENSES:						
SALARY EXPENSE (4.00 FTE)	608,465	65,506	482,827	125,638	79%	74,933
ALLOWANCE FOR OPEN POSITIONS	(200,000)	-	-	(200,000)	0%	(183,333)
BENEFITS EXPENSE	98,842	13,795	132,759	(33,917)	134%	(42,154)
OTHER INDIRECT EXPENSE	117,847	6,308	95,443	22,404	81%	12,584
TOTAL INDIRECT EXPENSES:	625,154	85,610	711,029	(85,875)	114%	(137,971)
TOTAL ALL EXPENSES:	625,154	85,610	711,029	(85,875)	114%	(137,971)
NET INCOME (LOSS):	(625,154)	(85,610)	(711,029)	85,875	114%	(137,971)

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LAW CLERK PROGRAM						
REVENUE:						
LAW CLERK FEES	204,000	7,500	199,068	4,932	98%	12,068
LAW CLERK APPLICATION FEES	3,200	400	4,900	(1,700)	153%	1,967
TOTAL REVENUE:	207,200	7,900	203,968	3,232	98%	14,035
DIRECT EXPENSES:						
SUBSCRIPTIONS	250	276	276	(26)	110%	(47)
DEPRECIATION	4,675	-	-	4,675	0%	4,286
CHARACTER & FITNESS INVESTIGATIONS	100	-	-	100	0%	92
LAW CLERK BOARD EXPENSE	8,000	822	5,716	2,284	71%	1,617
STAFF TRAVEL/PARKING	500	-	24	476	5%	434
SOFTWARE HOSTING	1,210	113	1,184	27	98%	(74)
LAW CLERK OUTREACH	5,000	2,881	2,953	2,047	59%	1,630
TOTAL DIRECT EXPENSES:	19,735	4,092	10,153	9,583	51%	7,938
INDIRECT EXPENSES:						
SALARY EXPENSE (1.23 FTE)	100,677	8,425	92,948	7,729	92%	(661)
BENEFITS EXPENSE	31,257	2,471	27,480	3,777	88%	1,172
OTHER INDIRECT EXPENSE	36,238	1,936	29,287	6,951	81%	3,931
TOTAL INDIRECT EXPENSES:	168,171	12,832	149,715	18,456	89%	4,442
TOTAL ALL EXPENSES:	187,907	16,923	159,868	28,039	85%	12,380
NET INCOME (LOSS):	19,293	(9,023)	44,100	(24,807)	229%	26,415

Washington State Bar Association
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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LEGISLATIVE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	2,500	-	83	2,417	3%	2,209
STAFF MEMBERSHIP DUES	450	130	260	190	58%	153
JUD RECOMMEND COMMITTEE	2,250	-	-	2,250	0%	2,063
SUBSCRIPTIONS	2,000	-	1,985	16	99%	(151)
TELEPHONE	485	48	529	(44)	109%	(84)
OLYMPIA RENT	1,500	-	-	1,500	0%	1,375
CONTRACT LOBBYIST	12,500	-	12,500	-	100%	(1,042)
LEGISLATIVE COMMITTEE	1,250	-	2	1,248	0%	1,144
BOG LEGISLATIVE COMMITTEE	300	-	-	300	0%	275
STAFF CONFERENCE & TRAINING	2,500	-	1,736	764	69%	555
TOTAL DIRECT EXPENSES:	25,735	178	17,094	8,641	66%	6,496
INDIRECT EXPENSES:						
SALARY EXPENSE (1.70 FTE)	152,783	12,752	140,343	12,441	92%	(291)
BENEFITS EXPENSE	52,771	4,227	46,988	5,783	89%	1,386
OTHER INDIRECT EXPENSE	50,085	2,687	40,658	9,427	81%	5,253
TOTAL INDIRECT EXPENSES:	255,640	19,667	227,989	27,651	89%	6,348
TOTAL ALL EXPENSES:	281,375	19,845	245,083	36,292	87%	12,844
NET INCOME (LOSS):	(281,375)	(19,845)	(245,083)	(36,292)	87%	12,844

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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LICENSING & MEMBERSHIP RECORDS						
REVENUE:						
STATUS CERTIFICATE FEES	27,000	2,450	26,900	100	100%	2,150
INVESTIGATION FEES	20,000	1,800	26,000	(6,000)	130%	7,667
PRO HAC VICE	400,000	43,057	463,989	(63,989)	116%	97,322
MEMBER CONTACT INFORMATION	3,700	-	5,706	(2,006)	154%	2,315
PHOTO BAR CARD SALES	200	12	240	(40)	120%	57
TOTAL REVENUE:	450,900	47,319	522,835	(71,935)	116%	109,510
DIRECT EXPENSES:						
POSTAGE	17,652	-	14,599	3,053	83%	1,582
CONSULTING SERVICES **	12,000	-	6,000	6,000	50%	5,000
SOFTWARE HOSTING	15,125	1,415	14,794	331	98%	(929)
TOTAL DIRECT EXPENSES:	44,777	1,415	35,393	9,384	79%	5,652
INDIRECT EXPENSES:						
SALARY EXPENSE (3.83 FTE)	401,688	38,563	385,568	16,121	96%	(17,353)
BENEFITS EXPENSE	137,867	12,045	125,754	12,113	91%	624
OTHER INDIRECT EXPENSE	112,839	6,035	91,308	21,530	81%	12,127
TOTAL INDIRECT EXPENSES:	652,394	56,643	602,630	49,765	92%	(4,602)
TOTAL ALL EXPENSES:	697,171	58,058	638,023	59,148	92%	1,051
NET INCOME (LOSS):	(246,271)	(10,739)	(115,187)	(131,084)	47%	110,561

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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LIMITED LICENSE LEGAL TECHNICIAN PROGRAM						
REVENUE:						
SEMINAR REGISTRATIONS	2,000	-	1,045	955	52%	(788)
LLLT LICENSE FEES	18,562	1,316	13,948	4,614	75%	(3,067)
LLLT LATE LICENSE FEES	-	-	404	(404)		404
INVESTIGATION FEES	-	-	100	(100)		100
MCLE LATE FEES	150	-	450	(300)	300%	313
TOTAL REVENUE:	20,712	1,316	15,947	4,765	77%	(3,039)
DIRECT EXPENSES:						
LLLT BOARD	14,240	-	1,118	13,122	8%	11,935
TOTAL DIRECT EXPENSES:	14,240	-	1,118	13,122	8%	11,935
INDIRECT EXPENSES:						
SALARY EXPENSE (0.53 FTE)	51,460	4,379	47,535	3,925	92%	(364)
BENEFITS EXPENSE	14,055	1,127	12,512	1,543	89%	372
OTHER INDIRECT EXPENSE	15,615	843	12,749	2,866	82%	1,565
TOTAL INDIRECT EXPENSES:	81,130	6,349	72,796	8,334	90%	1,573
TOTAL ALL EXPENSES:	95,370	6,349	73,914	21,456	78%	13,508
NET INCOME (LOSS):	(74,658)	(5,033)	(57,967)	(16,691)	78%	10,469

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LIMITED PRACTICE OFFICERS						
REVENUE:						
INVESTIGATION FEES	200	-	1,100	(900)	550%	917
MCLE LATE FEES	4,000	-	3,150	850	79%	(517)
LPO EXAMINATION FEES	25,300	-	20,900	4,400	83%	(2,292)
LPO LICENSE FEES	170,000	12,764	144,048	25,952	85%	(11,785)
LPO LATE LICENSE FEES	2,500	-	3,600	(1,100)	144%	1,308
TOTAL REVENUE:	202,000	12,764	172,798	29,202	86%	(12,369)
DIRECT EXPENSES:						
FACILITY, PARKING, FOOD	6,300	-	7,333	(1,033)	116%	(1,558)
EXAM WRITING	9,000	-	8,400	600	93%	(150)
LPO BOARD	4,000	-	278	3,722	7%	3,389
LPO OUTREACH	1,000	-	-	1,000	0%	917
EQUIPMENT, HARDWARE & SOFTWARE	1,000	-	1,240	(240)	124%	(324)
PRINTING & COPYING	200	-	123	77	62%	60
SUPPLIES	100	-	113	(13)	113%	(21)
SOFTWARE HOSTING	3,025	283	2,959	66	98%	(186)
TOTAL DIRECT EXPENSES:	24,625	283	20,446	4,179	83%	2,127
INDIRECT EXPENSES:						
SALARY EXPENSE (0.78 FTE)	69,420	5,815	64,012	5,408	92%	(377)
BENEFITS EXPENSE	19,678	1,554	17,289	2,389	88%	749
OTHER INDIRECT EXPENSE	22,980	1,230	18,606	4,374	81%	2,459
TOTAL INDIRECT EXPENSES:	112,079	8,598	99,908	12,172	89%	2,832
TOTAL ALL EXPENSES:	136,704	8,881	120,353	16,351	88%	4,959
NET INCOME (LOSS):	65,296	3,883	52,445	12,851	80%	(7,410)

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MEMBER SERVICES & ENGAGEMENT						
TEAM						
(LLB-MINI-MSE-NME)						
REVENUE:						
ROYALTIES	10,800	1,200	12,767	(1,967)	118%	2,867
NMP PRODUCT SALES	40,000	3,391	103,936	(63,936)	260%	67,269
DIGITAL VIDEO SALES	20,000	931	25,970	(5,970)	130%	7,637
SPONSORSHIPS	9,000	-	11,566	(2,566)	129%	3,316
SEMINAR REGISTRATIONS	15,000	-	18,435	(3,435)	123%	4,685
TRIAL ADVOCACY PROGRAM	12,000	-	12,098	(98)	101%	1,098
TOTAL REVENUE:	106,800	5,522	184,772	(77,972)	173%	86,872
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	2,500	-	20	2,480	1%	2,272
STAFF CONFERENCE & TRAINING	250	-	339	(89)	136%	(110)
SMALL TOWN AND RURAL COMMITTEE	5,000	50	50	4,950	1%	4,533
PRINTING & COPYING	1,300	-	-	1,300	0%	1,192
NEW LAWYER OUTREACH	1,000	-	-	1,000	0%	917
DISABILITY ACCOMMODATIONS	2,000	-	-	2,000	0%	1,833
HONORARIUM	1,500	-	-	1,500	0%	1,375
YLL SECTION PROGRAM	1,500	-	-	1,500	0%	1,375
SMALL TOWN AND RURAL COMMITTEE OUTREACH AND ACTIVITIES	55,000	2,151	28,656	26,344	52%	21,760
ON24 OVERAGE CHARGE	4,500	-	6,067	(1,567)	135%	(1,942)
MEMBER ENGAGEMENT COUNCIL	1,000	-	-	1,000	0%	917
WYLC CLE COMPS	1,000	-	-	1,000	0%	917
WYLC OUTREACH EVENTS **	3,500	1,088	2,029	1,471	58%	1,180
SPEAKERS & PROGRAM DEVELOP	100	-	-	100	0%	92
WYL COMMITTEE	13,500	-	2,584	10,916	19%	9,791
TRIAL ADVOCACY EXPENSES	1,500	-	1,254	246	84%	121
RECEPTION/FORUM EXPENSE	1,000	-	149	851	15%	768
INSURANCE REBATE	(425)	-	-	(425)	0%	(390)
WYLC SCHOLARSHIPS/DONATIONS/GRANT **	3,000	-	-	3,000	0%	2,750
STAFF MEMBERSHIP DUES	845	-	150	695	18%	625
LENDING LIBRARY	4,000	11	178	3,822	4%	3,488
NMP SPEAKERS & PROGRAM DEVELOPMENT	250	-	-	250	0%	229
TOTAL DIRECT EXPENSES:	103,820	3,300	41,476	62,344	40%	53,693
INDIRECT EXPENSES:						
SALARY EXPENSE (4.64 FTE)	322,883	26,034	290,605	32,278	90%	5,371
BENEFITS EXPENSE	112,926	9,509	95,540	17,386	85%	7,975
OTHER INDIRECT EXPENSE	136,703	7,310	110,603	26,099	81%	14,707
INSURANCE REBATE	(4,060)	-	-	(4,060)	0%	(3,722)
TOTAL INDIRECT EXPENSES:	568,452	42,853	496,749	71,703	87%	24,332
TOTAL ALL EXPENSES:	672,272	46,152	538,224	134,047	80%	78,025
NET INCOME (LOSS):	(565,472)	(40,630)	(353,453)	(212,019)	63%	164,897

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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF THE EXECUTIVE DIRECTOR						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
LEADERSHIP TRAINING	15,000	69	16,016	(1,016)	107%	(2,266)
WASHINGTON LEADERSHIP INSTITUTE	80,000	-	80,000	-	100%	(6,667)
ED TRAVEL & OUTREACH	4,000	474	5,069	(1,069)	127%	(1,403)
STAFF TRAVEL/PARKING	4,450	198	2,285	2,165	51%	1,794
STAFF CONFERENCE & TRAINING	9,282	1,753	8,837	445	95%	(329)
STAFF MEMBERSHIP DUES	1,890	-	840	1,050	44%	893
TOTAL DIRECT EXPENSES:	114,622	2,494	113,047	1,575	99%	(7,977)
INDIRECT EXPENSES:						
SALARY EXPENSE (2.90 FTE)	491,121	41,447	452,850	38,271	92%	(2,655)
BENEFITS EXPENSE	126,289	11,350	122,424	3,865	97%	(6,659)
OTHER INDIRECT EXPENSE	85,439	4,577	69,256	16,183	81%	9,063
TOTAL INDIRECT EXPENSES:	702,850	57,375	644,530	58,320	92%	(251)
TOTAL ALL EXPENSES:	817,472	59,869	757,577	59,894	93%	(8,228)
NET INCOME (LOSS):	(817,472)	(59,869)	(757,577)	(59,894)	93%	(8,228)

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	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF GENERAL COUNSEL						
REVENUE:						
COPY FEES	-	-	427	(427)		427
RECORDS REQUEST FEES	-	75	75	(75)		75
TOTAL REVENUE:	-	75	502	(502)		502
DIRECT EXPENSES:						
STAFF MEMBERSHIP DUES	2,868	-	1,225	1,643	43%	1,404
COURT RULES COMMITTEE	1,000	-	-	1,000	0%	917
CUSTODIANSHIPS	5,000	-	125	4,875	2%	4,458
WILLS	2,000	-	-	2,000	0%	1,833
LITIGATION EXPENSES	200	3	3	197	2%	180
TRANSCRIPTION SERVICES	2,100	-	-	2,100	0%	1,925
DISABILITY ACCOMMODATIONS	6,000	-	532	5,468	9%	4,968
STAFF CONFERENCE & TRAINING	6,656	2,344	3,094	3,562	46%	3,007
TOTAL DIRECT EXPENSES:	25,824	2,347	4,979	20,845	19%	18,693
INDIRECT EXPENSES:						
SALARY EXPENSE (6.07 FTE)	682,914	65,021	649,217	33,697	95%	(23,212)
BENEFITS EXPENSE	221,400	14,866	164,242	57,157	74%	38,707
OTHER INDIRECT EXPENSE	178,833	9,564	144,715	34,118	81%	19,215
TOTAL INDIRECT EXPENSES:	1,083,147	89,451	958,174	124,973	88%	34,711
TOTAL ALL EXPENSES:	1,108,971	91,799	963,153	145,817	87%	53,403
NET INCOME (LOSS):	(1,108,971)	(91,724)	(962,652)	(146,319)	87%	53,905

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OFFICE OF GENERAL COUNSEL - DISCIPLINARY BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSE:						
STAFF MEMBERSHIP DUES	100	-	-	100	0%	92
DISCIPLINARY BOARD EXPENSES	4,000	-	797	3,203	20%	2,870
CHIEF HEARING OFFICER	40,000	3,333	36,663	3,337	92%	4
COURT REPORTERS **	500	3,150	40,611	(40,111)	8122%	(40,152)
HEARING OFFICER EXPENSES	4,000	-	163	3,837	4%	3,504
HEARING OFFICER TRAINING	400	-	-	400	0%	367
APPOINTED COUNSEL	48,000	4,200	45,400	2,600	95%	(1,400)
DISCIPLINARY SELECTION PANEL	1,000	-	-	1,000	0%	917
TOTAL DIRECT EXPENSES:	98,000	10,683	123,633	(25,633)	126%	(33,800)
INDIRECT EXPENSES:						
SALARY EXPENSE (1.40 FTE)	129,192	10,864	123,282	5,909	95%	(4,857)
BENEFITS EXPENSE	34,681	2,736	33,762	919	97%	(1,971)
OTHER INDIRECT EXPENSE	41,247	2,209	33,422	7,824	81%	4,387
TOTAL INDIRECT EXPENSES:	205,120	15,808	190,467	14,653	93%	(2,441)
TOTAL ALL EXPENSES:	303,120	26,492	314,100	(10,981)	104%	(36,241)
NET INCOME (LOSS):	(303,120)	(26,492)	(314,100)	10,981	104%	(36,241)

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PRACTICE OF LAW BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
PRACTICE OF LAW BOARD	12,000	-	1,157	10,843	10%	9,843
TOTAL DIRECT EXPENSES:	12,000	-	1,157	10,843	10%	9,843
INDIRECT EXPENSES:						
SALARY EXPENSE (0.55 FTE)	47,419	3,700	45,166	2,253	95%	(1,699)
BENEFITS EXPENSE	21,236	1,493	17,234	4,003	81%	2,233
OTHER INDIRECT EXPENSE	16,204	865	13,093	3,111	81%	1,760
TOTAL INDIRECT EXPENSES:	84,860	6,058	75,493	9,366	89%	2,295
TOTAL ALL EXPENSES:	96,860	6,058	76,651	20,209	79%	12,137
NET INCOME (LOSS):	(96,860)	(6,058)	(76,651)	(20,209)	79%	12,137

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PUBLIC SERVICE PROGRAMS						
REVENUE:						
DONATIONS & GRANTS	130,000	-	130,000	-	100%	10,833
TOTAL REVENUE:	130,000	-	130,000	-	100%	10,833
DIRECT EXPENSES:						
CONSULTING SERVICES **	12,221	-	-	12,221	0%	11,203
DONATIONS/SPONSORSHIPS/GRANTS **	280,088	-	158,134	121,954	56%	98,613
STAFF TRAVEL/PARKING	500	-	333	167	67%	125
SURVEYS	100	-	-	100	0%	92
PRO BONO & PUBLIC SERVICE COMMITTEE	2,500	-	782	1,718	31%	1,509
PRO BONO CERTIFICATES	2,000	-	75	1,925	4%	1,758
TOTAL DIRECT EXPENSES:	297,409	-	159,324	138,085	54%	113,301
INDIRECT EXPENSES:						
SALARY EXPENSE (1.62 FTE)	128,379	10,132	107,191	21,189	83%	10,490
BENEFITS EXPENSE	43,223	3,072	34,227	8,996	79%	5,394
OTHER INDIRECT EXPENSE	47,728	2,551	38,590	9,138	81%	5,160
TOTAL INDIRECT EXPENSES:	219,330	15,755	180,008	39,322	82%	21,044
TOTAL ALL EXPENSES:	516,739	15,755	339,332	177,407	66%	134,345
NET INCOME (LOSS):	(386,739)	(15,755)	(209,332)	(177,407)	54%	145,179

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PUBLICATION & DESIGN SERVICES						
REVENUE:						
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
DIRECT EXPENSES:						
SUBSCRIPTIONS	200	-	88	112	44%	95
IMAGE LIBRARY	4,100	-	4,752	(652)	116%	(993)
TOTAL DIRECT EXPENSES:	<u>4,300</u>	<u>-</u>	<u>4,840</u>	<u>(540)</u>	<u>113%</u>	<u>(898)</u>
INDIRECT EXPENSES:						
SALARY EXPENSE (0.89 FTE)	72,960	10,882	72,893	67	100%	(6,013)
BENEFITS EXPENSE	23,139	1,711	19,928	3,212	86%	1,283
OTHER INDIRECT EXPENSE	26,221	1,412	21,363	4,858	81%	2,673
TOTAL INDIRECT EXPENSES:	<u>122,320</u>	<u>14,005</u>	<u>114,183</u>	<u>8,137</u>	<u>93%</u>	<u>(2,056)</u>
TOTAL ALL EXPENSES:	<u>126,620</u>	<u>14,005</u>	<u>119,023</u>	<u>7,597</u>	<u>94%</u>	<u>(2,955)</u>
NET INCOME (LOSS):	<u>(126,620)</u>	<u>(14,005)</u>	<u>(119,023)</u>	<u>(7,597)</u>	<u>94%</u>	<u>(2,955)</u>

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REGULATORY SERVICES FTE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF MEMBERSHIP DUES	350	-	350	-	100%	(29)
STAFF CONFERENCE & TRAINING **	7,500	-	5,913	1,587	79%	962
STAFF TRAVEL/PARKING	650	-	276	374	42%	320
TOTAL DIRECT EXPENSES:	8,500	-	6,539	1,961	77%	1,282
INDIRECT EXPENSES:						
SALARY EXPENSE (2.60 FTE)	357,120	29,406	325,599	31,522	91%	1,762
BENEFITS EXPENSE	105,529	8,284	93,488	12,041	89%	3,247
OTHER INDIRECT EXPENSE	76,601	4,099	62,021	14,580	81%	8,197
TOTAL INDIRECT EXPENSES:	539,250	41,789	481,107	58,143	89%	13,205
TOTAL ALL EXPENSES:	547,750	41,789	487,646	60,104	89%	14,488
NET INCOME (LOSS):	(547,750)	(41,789)	(487,646)	(60,104)	89%	14,458

**Budget reallocations apply to this line item. For details, see FY24 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2024 to August 31, 2024

92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SERVICE CENTER						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	2,376	198	2,178	198	92%	-
STAFF CONFERENCE & TRAINING	2,184	10	10	2,174	0%	1,992
TOTAL DIRECT EXPENSES:	4,560	208	2,188	2,372	48%	1,992
INDIRECT EXPENSES:						
SALARY EXPENSE (5.78 FTE)	394,527	32,975	370,824	23,703	94%	(9,175)
BENEFITS EXPENSE	160,136	12,788	142,479	17,657	89%	4,313
OTHER INDIRECT EXPENSE	170,289	9,109	137,824	32,466	81%	18,275
TOTAL INDIRECT EXPENSES:	724,952	54,872	651,127	73,826	90%	13,413
TOTAL ALL EXPENSES:	729,512	55,080	653,315	76,198	90%	15,405
NET INCOME (LOSS):	(729,512)	(55,080)	(653,315)	(76,198)	90%	15,405

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SECTIONS ADMINISTRATION						
REVENUE:						
REIMBURSEMENTS FROM SECTIONS	297,786	674	365,728	(67,942)	123%	92,758
TOTAL REVENUE:	297,786	674	365,728	(67,942)	123%	92,758
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,000	-	59	941	6%	858
SUBSCRIPTIONS	350	-	331	19	95%	(10)
SECTION/COMMITTEE CHAIR MTGS	1,000	-	80	920	8%	836
STAFF CONFERENCE & TRAINING	500	-	-	500	0%	458
STAFF MEMBERSHIP DUES	200	-	-	200	0%	183
TOTAL DIRECT EXPENSES:	3,050	-	470	2,580	15%	2,326
INDIRECT EXPENSES:						
SALARY EXPENSE (2.58 FTE)	159,053	13,673	146,862	12,191	92%	(1,063)
BENEFITS EXPENSE	65,223	6,387	60,802	4,421	93%	(1,014)
OTHER INDIRECT EXPENSE	76,011	4,076	61,676	14,335	81%	8,001
TOTAL INDIRECT EXPENSES:	300,288	24,136	269,340	30,948	90%	5,924
TOTAL ALL EXPENSES:	303,338	24,136	269,810	33,528	89%	8,250
NET INCOME (LOSS):	(5,552)	(23,462)	95,918	(101,470)	-1728%	101,008

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SECTIONS OPERATIONS						
REVENUE:						
SECTION DUES	438,431	1,135	564,716	(126,284)	129%	162,820
SEMINAR PROFIT SHARE	153,875	-	23,241	130,634	15%	(117,811)
INTEREST INCOME	17,147	-	-	17,147	0%	(15,718)
PUBLICATIONS REVENUE	1,500	889	1,861	(361)	124%	486
OTHER	78,010	4,295	42,195	35,815	54%	(29,314)
TOTAL REVENUE:	688,964	6,319	632,013	56,951	92%	463
DIRECT EXPENSES:						
DIRECT EXPENSES OF SECTION ACTIVITIES	733,096	11,065	279,446	453,651	38%	392,559
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	284,470	674	365,691	(81,221)	129%	(104,926)
TOTAL DIRECT EXPENSES:	1,017,566	11,740	645,136	372,430	63%	287,633
NET INCOME (LOSS):	(328,603)	(5,420.56)	(13,124)	(315,479)	4%	288,096

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
TECHNOLOGY						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CONSULTING SERVICES	165,000	23,946	88,743	76,257	54%	62,507
STAFF TRAVEL/PARKING	1,000	54	732	268	73%	185
STAFF MEMBERSHIP DUES	200	120	120	80	60%	63
TELEPHONE	95,000	6,650	80,477	14,523	85%	6,606
COMPUTER HARDWARE	66,200	7,781	60,781	5,419	92%	(98)
COMPUTER SOFTWARE	330,000	476	268,064	61,936	81%	34,436
HARDWARE SERVICE & WARRANTIES	50,000	-	30,498	19,502	61%	15,335
SOFTWARE MAINTENANCE & LICENSING	380,000	4,772	333,333	46,667	88%	15,000
THIRD PARTY SERVICES **	10,000	1,699	37,691	(27,691)	377%	(28,524)
CLOUD INFRASTRUCTURE	82,000	3,231	36,357	45,643	44%	38,810
STAFF CONFERENCE & TRAINING	6,000	-	823	5,177	14%	4,677
TRANSFER TO INDIRECT EXPENSES	(1,185,400)	(48,728)	(937,619)	(247,781)	79%	(148,998)
TOTAL DIRECT EXPENSES:	-	-	-	-		-
INDIRECT EXPENSES:						
SALARY EXPENSE (13.00 FTE) **	1,434,388	118,133	1,311,244	123,143	91%	3,611
BENEFITS EXPENSE	480,054	32,530	393,241	86,812	82%	46,808
CAPITAL LABOR & OVERHEAD	(210,000)	(2,590)	(75,555)	(134,445)	36%	116,945
OTHER INDIRECT EXPENSE	383,003	20,495	310,103	72,900	81%	40,984
TOTAL INDIRECT EXPENSES:	2,087,445	168,568	1,939,033	148,412	93%	208,347
TOTAL ALL EXPENSES:	2,087,445	168,568	1,939,033	148,412	93%	208,347
NET INCOME (LOSS):	(2,087,445)	(168,568)	(1,939,033)	(148,412)	93%	(25,542)

**Budget reallocations apply to this line item. For details, see FY24 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
VOLUNTEER ENGAGEMENT						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
POSTAGE	-	-	571	(571)		(571)
STAFF MEMBERSHIP DUES	450	-	300	150	67%	113
STAFF CONFERENCE & TRAINING	2,600	-	1,749	851	67%	634
SUBSCRIPTIONS	750	-	815	(65)	109%	(127)
ABA DELEGATES	14,000	6,409	13,896	104	99%	(1,063)
TOTAL DIRECT EXPENSES:	17,800	6,409	17,331	469	97%	(1,015)
INDIRECT EXPENSES:						
SALARY EXPENSE (0.60 FTE)	60,485	5,111	55,932	4,553	92%	(487)
BENEFITS EXPENSE	21,371	1,733	19,134	2,237	90%	456
OTHER INDIRECT EXPENSE	17,677	956	14,471	3,206	82%	1,733
TOTAL INDIRECT EXPENSES:	99,534	7,801	89,537	9,996	90%	1,702
TOTAL ALL EXPENSES:	117,334	14,210	106,869	10,465	91%	1,702
NET INCOME (LOSS):	(117,334)	(14,210)	(106,869)	(10,465)	91%	687

Washington State Bar Association
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92% OF YEAR COMPLETE

	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
INDIRECT EXPENSES:						
SALARIES	13,743,352	1,119,182	12,235,583	1,507,770	89%	362,491
TEMPORARY SALARIES	296,112	65,844	470,269	(174,157)	159%	(198,833)
CAPITAL LABOR & OVERHEAD	(210,000)	(2,590)	(75,555)	(134,445)	36%	(116,945)
ALLOWANCE FOR OPEN POSITIONS	(200,000)	-	-	(200,000)	0%	(183,333)
INSURANCE REBATE	(4,060)	-	-	(4,060)	0%	(3,722)
EMPLOYEE ASSISTANCE PLAN	4,800	1,200	4,800	-	100%	(400)
EMPLOYEE SERVICE AWARDS	1,680	60	1,420	260	85%	120
FICA (EMPLOYER PORTION)	1,027,685	88,379	914,158	113,527	89%	27,887
L&I INSURANCE	73,611	-	44,493	29,119	60%	22,984
WA STATE FAMILY MEDICAL LEAVE (F	29,686	2,487	26,004	3,682	88%	1,208
MEDICAL (EMPLOYER PORTION)	1,944,108	161,441	1,717,619	226,488	88%	64,479
RETIREMENT (EMPLOYER PORTION)	1,292,648	100,996	1,135,124	157,524	88%	49,803
TRANSPORTATION ALLOWANCE	34,000	280	28,527	5,473	84%	2,640
UNEMPLOYMENT INSURANCE	82,748	5,385	63,225	19,523	76%	12,627
TOTAL SALARY & BENEFITS EXPENS	18,116,370	1,542,663	16,565,666	1,550,704	91%	41,007
WORKPLACE BENEFITS	52,710	9,266	40,202	12,508	76%	8,116
HUMAN RESOURCES POOLED EXP	77,112	9,680	62,223	14,889	81%	8,463
MEETING SUPPORT EXPENSES	7,500	1,509	7,463	37	100%	(588)
RENT	1,753,325	91,119	1,614,241	139,084	92%	(7,027)
MOVE / DOWNSIZE EXPENSES	98,400	-	36,887	61,513	37%	53,313
PERSONAL PROP TAXES-WSBA	6,650	541	5,654	996	85%	441
FURNITURE, MAINT, LH IMP	73,832	1,921	27,443	46,389	37%	40,237
OFFICE SUPPLIES & EQUIPMENT	22,564	629	14,382	8,183	64%	6,302
FURN & OFFICE EQUIP DEPRECIATION	111,192	9,562	106,572	4,621	96%	(4,646)
COMPUTER HARDWARE DEPRECIATIO	49,926	3,190	36,122	13,804	72%	9,644
COMPUTER SOFTWARE DEPRECIATION	71,787	1,609	36,750	35,037	51%	29,054
INSURANCE	272,643	21,552	243,873	28,770	89%	6,050
WORK HOME FURNITURE & EQUIP	14,000	460	3,191	10,809	23%	9,642
PROFESSIONAL FEES-AUDIT	35,000	-	38,400	(3,400)	110%	(6,317)
PROFESSIONAL FEES-LEGAL	200,000	17,770	81,112	118,888	41%	102,222
ONLINE LEGAL RESEARCH	24,359	2,306	24,746	(387)	102%	(2,417)
ACCOMODATIONS FUND	6,500	-	-	6,500	0%	5,958
TRANSLATION SERVICES	12,000	510	6,229	5,771	52%	4,771
TELEPHONE & INTERNET	33,000	2,740	29,530	3,470	89%	720
POSTAGE - GENERAL	18,300	448	8,251	10,049	45%	8,524
RECORDS STORAGE	68,531	3,383	53,022	15,509	77%	9,798
BANK FEES	50,000	818	22,539	27,461	45%	23,294
PRODUCTION MAINTENANCE & SUPPL	12,500	(16)	9,140	3,360	73%	2,318
COMPUTER POOLED EXPENSES	1,185,400	48,728	937,619	247,781	79%	148,998
TOTAL OTHER INDIRECT EXPENSES:	4,257,231	227,725	3,445,589	811,642	81%	456,873
TOTAL INDIRECT EXPENSES:	22,373,601	1,770,388	20,011,255	2,362,346	89%	497,880

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2024 to August 31, 2024
92% OF YEAR COMPLETE

SUMMARY PAGE	FISCAL 2024 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE
ACCESS TO JUSTICE	(340,821)	(24,762)	(254,939)	(85,881)
ADMISSIONS/BAR EXAM	(41,106)	(202,826)	(240)	(40,866)
ADVANCEMENT FTE	(377,799)	(31,272)	(340,761)	(37,038)
BAR NEWS	(103,039)	(9,096)	(106,091)	3,053
BOARD OF GOVERNORS	(572,479)	(27,517)	(401,176)	(171,302)
CLE - PRODUCTS	670,916	10,450	791,520	(120,604)
CLE - SEMINARS	(411,617)	(91,226)	(355,980)	(55,637)
CLIENT PROTECTION FUND	22,516	2,088	619,284	(596,768)
CHARACTER & FITNESS BOARD	(179,219)	(11,091)	(134,193)	(45,026)
COMMUNICATIONS	(822,014)	(62,867)	(637,400)	(184,613)
COMMUNICATIONS FTE	(247,980)	(19,686)	(225,554)	(22,426)
DESKBOOKS	(146,266)	11,456	(141,529)	(4,737)
DISCIPLINE	(6,110,667)	(477,843)	(5,446,437)	(664,229)
DIVERSITY	(345,037)	(27,304)	(170,364)	(174,673)
FINANCE	(503,709)	(39,312)	(87,313)	(416,395)
FOUNDATION	(180,078)	(14,198)	(160,043)	(20,036)
HUMAN RESOURCES	(625,154)	(85,610)	(711,029)	85,875
LAW CLERK PROGRAM	19,293	(9,023)	44,100	(24,807)
LEGISLATIVE	(281,375)	(19,845)	(245,083)	(36,292)
LEGAL LUNCHBOX	(26,930)	(3,021)	(16,626)	(10,303)
LICENSE FEES	17,320,499	1,401,283	15,699,174	1,621,325
LICENSING AND MEMBERSHIP	(246,271)	(10,739)	(115,187)	(131,084)
LIMITED LICENSE LEGAL TECHNICIAN	(74,658)	(5,033)	(57,967)	(16,691)
LIMITED PRACTICE OFFICERS	65,296	3,883	52,445	12,851
MANDATORY CLE ADMINISTRATION	190,171	20,293	553,786	(363,615)
MEMBER WELLNESS PROGRAM	(232,993)	(18,774)	(206,507)	(26,486)
MINI CLE	(116,330)	(8,955)	(103,589)	(12,741)
MEMBER SERVICES & ENGAGEMENT	(381,385)	(24,051)	(272,182)	(109,203)
NEW MEMBER EDUCATION	(40,828)	(4,603)	38,944	(79,772)
OFFICE OF GENERAL COUNSEL	(1,108,971)	(91,724)	(962,652)	(146,319)
OFFICE OF THE EXECUTIVE DIRECTOR	(817,472)	(59,869)	(757,577)	(59,894)
OGC-DISCIPLINARY BOARD	(303,120)	(26,492)	(314,100)	10,981
PRACTICE OF LAW BOARD	(96,860)	(6,058)	(76,651)	(20,209)
PRACTICE MANAGEMENT ASSISTANCE	(150,723)	1,796	(137,424)	(13,299)
PROFESSIONAL RESPONSIBILITY PROGRAM	(237,403)	(18,464)	(213,775)	(23,628)
PUBLIC SERVICE PROGRAMS	(386,739)	(15,755)	(209,332)	(177,407)
PUBLICATION & DESIGN SERVICES	(126,620)	(14,005)	(119,023)	(7,597)
REGULATORY SERVICES FTE	(547,750)	(41,789)	(487,646)	(60,104)
SECTIONS ADMINISTRATION	(5,552)	(23,462)	95,918	(101,470)
SECTIONS OPERATIONS	(328,603)	(5,421)	(13,124)	(315,479)
SERVICE CENTER	(729,512)	(55,080)	(653,315)	(76,198)
TECHNOLOGY	(2,087,445)	(168,568)	(1,939,033)	(148,412)
VOLUNTEER EDUCATION	(117,334)	(14,210)	(106,869)	(10,465)
INDIRECT EXPENSES	22,373,601	1,770,388	20,011,255	2,362,346
TOTAL OF ALL	(21,210,440)	(1,452,087)	(21,725,716)	515,276
NET INCOME (LOSS)	(1,163,162)	(318,301)	1,714,461	(2,877,622)

WASHINGTON STATE BAR ASSOCIATION

WSBA MISSION

The Washington State Bar Association's mission is to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

WSBA GUIDING PRINCIPLES

The WSBA will operate a well-managed association that supports its members and advances and promotes:

- **Access to the justice system.**
Focus: Provide training and leverage community partnerships in order to enhance a culture of service for legal professionals to give back to their communities, with a particular focus on services to underserved low and moderate income people.
- **Diversity, equality, and cultural understanding throughout the legal community.**
Focus: Work to understand the lay of the land of our legal community and provide tools to members and employers in order to enhance the retention of minority legal professionals in our community.
- **The public's understanding of the rule of law and its confidence in the legal system.**
Focus: Educate youth and adult audiences about the importance of the three branches of government and how they work together.
- **A fair and impartial judiciary.**
- **The ethics, civility, professionalism, and competence of the Bar.**

MISSION FOCUS AREAS

Ensuring Competent and Qualified Legal Professionals

- Cradle to Grave
- Regulation and Assistance

Promoting the Role of Legal Professionals in Society

- Service
- Professionalism

PROGRAM CRITERIA

- Does the Program further either or both of WSBA's mission-focus areas?
- Does WSBA have the competency to operate the Program?
- As the mandatory bar, how is WSBA uniquely positioned to successfully operate the Program?
- Is statewide leadership required in order to achieve the mission of the Program?
- Does the Program's design optimize the expenditure of WSBA resources devoted to the Program, including the balance between volunteer and staff involvement, the number of people served, the cost per person, etc?

2016 – 2018 STRATEGIC GOALS

- Equip members with skills for the changing profession
- Promote equitable conditions for members from historically marginalized or underrepresented backgrounds to enter, stay and thrive in the profession
- Explore and pursue regulatory innovation and advocate to enhance the public's access to legal services

GR 12
REGULATION OF THE PRACTICE OF LAW

The Washington Supreme Court has inherent and plenary authority to regulate the practice of law in Washington. The legal profession serves clients, courts, and the public, and has special responsibilities for the quality of justice administered in our legal system. The Court ensures the integrity of the legal profession and protects the public by adopting rules for the regulation of the practice of law and actively supervising persons and entities acting under the Supreme Court's authority.

[Adopted effective September 1, 2017.]

GR 12.1
REGULATORY OBJECTIVES

Legal services providers must be regulated in the public interest. In regulating the practice of law in Washington, the Washington Supreme Court's objectives include: protection of the public; advancement of the administration of justice and the rule of law; meaningful access to justice and information about the law, legal issues, and the civil and criminal justice systems;

- (a) transparency regarding the nature and scope of legal services To be provided, the credentials of those who provide them, and the availability of regulatory protections;
- (b) delivery of affordable and accessible legal services;
- (c) efficient, competent, and ethical delivery of legal services;
- (d) protection of privileged and confidential information;
- (e) independence of professional judgment;
- (f) Accessible civil remedies for negligence and breach of other duties owed, disciplinary sanctions for misconduct, and advancement of appropriate preventive or wellness programs;
- (g) Diversity and inclusion among legal services providers and freedom from discrimination for those receiving legal services and in the justice system.

[Adopted effective September 1, 2017.]

GR 12.2
**WASHINGTON STATE BAR ASSOCIATION: PURPOSES, AUTHORIZED
ACTIVITIES, AND PROHIBITED ACTIVITIES**

In the exercise of its inherent and plenary authority to regulate the practice of law in Washington, the Supreme Court authorizes and supervises the Washington State Bar Association's activities. The Washington State Bar Association carries out the administrative responsibilities and functions expressly delegated to it by this rule and other Supreme Court rules and orders enacted or adopted to regulate the practice of law, including the purposes and authorized activities set forth below.

- (a) Purposes: In General. In general, the Washington State Bar Association strives to:

- (1) Promote independence of the judiciary and the legal profession.
- (2) Promote an effective legal system, accessible to all.
- (3) Provide services to its members and the public.
- (4) Foster and maintain high standards of competence, professionalism, and ethics among its members.
- (5) Foster collegiality among its members and goodwill between the legal profession and the public.
- (6) Promote diversity and equality in the courts and the legal profession.
- (7) Administer admission, regulation, and discipline of its members in a manner that protects the public and respects the rights of the applicant or member.
- (8) Administer programs of legal education.
- (9) Promote understanding of and respect for our legal system and the law.
- (10) Operate a well-managed and financially sound association, with a positive work environment for its employees.
- (11) Serve as a statewide voice to the public and to the branches of government on matters relating to these purposes and the activities of the association and the legal profession.

(b) Specific Activities Authorized. In pursuit of these purposes, the Washington State Bar Association may:

- (1) Sponsor and maintain committees and sections, whose activities further these purposes;
- (2) Support the judiciary in maintaining the integrity and fiscal stability of an independent and effective judicial system;
- (3) Provide periodic reviews and recommendations concerning court rules and procedures;
- (4) Administer examinations and review applicants' character and fitness to practice law;
- (5) Inform and advise its members regarding their ethical obligations;
- (6) Administer an effective system of discipline of its members, including receiving and investigating complaints of misconduct by legal professionals, taking and recommending appropriate punitive and remedial measures, and diverting less serious misconduct to alternatives outside the formal discipline system;
- (7) Maintain a program, pursuant to court rule, requiring members to submit fee disputes to arbitration;
- (8) Maintain a program for mediation of disputes between members and others;
- (9) Maintain a program for legal professional practice assistance;
- (10) Sponsor, conduct, and assist in producing programs and products of continuing legal education;

- (11) Maintain a system for accrediting programs of continuing legal education;
- (12) Conduct examinations of legal professionals' trust accounts;
- (13) Maintain a fund for client protection in accordance with the Admission and Practice Rules;
- (14) Maintain a program for the aid and rehabilitation of impaired members;
- (15) Disseminate information about the organization's activities, interests, and positions;
- (16) Monitor, report on, and advise public officials about matters of interest to the organization and the legal profession;
- (17) Maintain a legislative presence to inform members of new and proposed laws and to inform public officials about the organization's positions and concerns;
- (18) Encourage public service by members and support programs providing legal services to those in need;
- (19) Maintain and foster programs of public information and education about the law and the legal system;
- (20) Provide, sponsor, and participate in services to its members;
- (21) Hire and retain employees to facilitate and support its mission, purposes, and activities, including in the organization's discretion, authorizing collective bargaining;
- (22) Establish the amount of all license, application, investigation, and other related fees, as well as charges for services provided by the Washington State Bar Association, and collect, allocate, invest, and disburse funds so that its mission, purposes, and activities may be effectively and efficiently discharged. The amount of any license fee is subject to review by the Supreme Court for reasonableness and may be modified by order of the Court if the Court determines that it is not reasonable;
- (23) Administer Supreme-Court-created boards in accordance with General Rule 12.3.

(c) Activities Not Authorized. The Washington State Bar Association will not:

- (1) Take positions on issues concerning the politics or social positions of foreign nations;
- (2) Take positions on political or social issues which do not relate to or affect the practice of law or the administration of justice; or
- (3) Support or oppose, in an election, candidates for public office.

[Adopted effective July 17, 1987; amended effective December 10, 1993; September 1, 1997; September 1, 2007; September 1, 2013; September 1, 2017.]

GR 12.3
WASHINGTON STATE BAR ASSOCIATION ADMINISTRATION
OF SUPREME COURT-CREATED BOARDS AND COMMITTEES

The Supreme Court has delegated to the Washington State Bar Association the authority and responsibility to administer certain boards and committees established by court rule or order. This delegation of authority includes providing and managing staff, overseeing the boards and committees to monitor their compliance with the rules and orders that authorize and regulate them, paying expenses reasonably and necessarily incurred pursuant to a budget approved by the Board of Governors, performing other functions and taking other actions as provided in court rule or order or delegated by the Supreme Court, or taking other actions as are necessary and proper to enable the board or committee to carry out its duties or functions.

[Adopted effective September 1, 2007; amended effective September 1, 2017.]

GR 12.4
WASHINGTON STATE BAR ASSOCIATION ACCESS TO
RECORDS

(a) Policy and Purpose. It is the policy of the Washington State Bar Association to facilitate access to Bar records. A presumption of public access exists for Bar records, but public access to Bar records is not absolute and shall be consistent with reasonable expectations of personal privacy, restrictions in statutes, restrictions in court rules, or as provided in court orders or protective orders issued under court rules. Access shall not unduly burden the business of the Bar.

(b) Scope. This rule governs the right of public access to Bar records. This rule applies to the Washington State Bar Association and its subgroups operated by the Bar including the Board of Governors, committees, task forces, commissions, boards, offices, councils, divisions, sections, and departments. This rule also applies to boards and committees under GR 12.3 administered by the Bar. A person or entity entrusted by the Bar with the storage and maintenance of Bar records is not subject to this rule and may not respond to a request for access to Bar records, absent express written authority from the Bar or separate authority in rule or statute to grant access to the documents.

(c) Definitions.

(1) "Access" means the ability to view or obtain a copy of a Bar record.

(2) "Bar record" means any writing containing information relating to the conduct of any Bar function prepared, owned, used, or retained by the Bar regardless of physical form or characteristics. Bar records include only those records in the possession of the Bar and its staff or stored under Bar ownership and control in facilities or servers. Records solely in the possession of hearing officers, non-Bar staff members of boards, committees, task forces, commissions, sections, councils, or divisions that were prepared by the hearing officers or the members and in their sole possession, including private notes and working papers, are not Bar records and are not subject to public access under this rule. Nothing in this rule requires the Bar to create a record that is not currently in possession of the Bar at the time of the request.

(3) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation in paper, digital, or other format.

(d) Bar Records--Right of Access.

(1) The Bar shall make available for inspection and copying all Bar records, unless the record falls within the specific exemptions of this rule, or any other state statute (including the Public Records Act, chapter 42.56 RCW) or federal statute or rule as they would be applied to a public agency, or is made confidential by the Rules of Professional Conduct, the Rules for Enforcement of Lawyer Conduct, the Admission to Practice Rules and associated regulations, the Rules for Enforcement of Limited Practice Officer Conduct, General Rule 25, court orders or protective orders issued under those rules, or any other state or federal statute or rule. To the extent required to prevent an unreasonable invasion of personal privacy interests or threat to safety or by the above-referenced rules, statutes, or orders, the Bar shall delete identifying details in a manner consistent with those rules, statutes, or orders when it makes available or publishes any Bar record; however, in each case, the justification for the deletion shall be explained in writing.

(2) In addition to exemptions referenced above, the following categories of Bar records are exempt from public access except as may expressly be made public by court rule:

(A) Records of the personnel committee, and personal information in Bar records for employees, appointees, members, or volunteers of the Bar to the extent that disclosure would violate their right to privacy, including home contact information (unless such information is their address of record), Social Security numbers, driver's license numbers, identification or security photographs held in Bar records, and personal data including ethnicity, race, disability status, gender, and sexual orientation. Membership class and status, bar number, dates of admission or licensing, addresses of record, and business telephone numbers, facsimile numbers, and electronic mail addresses (unless there has been a request that electronic mail addresses not be made public) shall not be exempt, provided that any such information shall be exempt if the Executive Director approves the confidentiality of that information for reasons of personal security or other compelling reason, which approval must be reviewed annually.

(B) Specific information and records regarding

(i) internal policies, guidelines, procedures, or techniques, the disclosure of which would reasonably be expected to compromise the conduct of disciplinary or regulatory functions, investigations, or examinations;

(ii) application, investigation, and hearing or proceeding records relating to lawyer, Limited Practice Officer, or Limited License Legal Technician admissions, licensing, or discipline, or that relate to the work of ELC 2.5 hearing officers, the Board of Bar Examiners, the Character and Fitness Board, the Law Clerk

Board, the Limited Practice Board, the MCLE Board, the Limited License Legal Technician Board, the Practice of Law Board, or the Disciplinary Board in conducting investigations, hearings or proceedings; and

(iii) the work of the Judicial Recommendation Committee and the Hearing Officer selection panel, unless such records are expressly categorized as public information by court rule.

(C) Valuable formulae, designs, drawings, computer source code or object code, and research data created or obtained by the Bar.

(D) Information regarding the infrastructure, integrity, and security of computer and telecommunication networks, databases, and systems.

(E) Applications for licensure by the Bar and annual licensing forms and related records, including applications for license fee hardship waivers and any decision or determinations on the hardship waiver applications.

(F) Requests by members for ethics opinions to the extent that they contain information identifying the member or a party to the inquiry.

Information covered by exemptions will be redacted from the specific records sought. Statistical information not descriptive of any readily identifiable person or persons may be disclosed.

(3) Persons Who Are Subjects of Records.

(A) Unless otherwise required or prohibited by law, the Bar has the option to give notice of any records request to any member or third party whose records would be included in the Bar's response.

(B) Any person who is named in a record, or to whom a record specifically pertains, may present information opposing the disclosure to the applicable decision maker.

(C) If the Bar decides to allow access to a requested record, a person who is named in that record, or to whom the records specifically pertains, has a right to initiate review or to participate as a party to any review initiated by a requester. The deadlines that apply to a requester apply as well to a person who is a subject of a record.

(e) Bar Records--Procedures for Access.

(1) General Procedures. The Bar Executive Director shall appoint a Bar staff member to serve as the public records officer to whom all records requests shall be submitted. Records requests must be in writing and delivered to the Bar public records officer, who shall respond to such requests within 30 days of receipt. The Washington State Bar Association must implement this rule and adopt and publish on its website the public records officer's work mailing address, telephone number, fax number, and e-mail address, and the procedures and fee schedules for accepting and responding to records requests by the effective date of this rule. The Bar shall acknowledge receipt of the request within 14 days of receipt, and shall communicate with the requester as necessary to clarify any ambiguities as to the records being requested. Records requests shall not be directed to other Bar staff or to volunteers serving on boards, committees, task forces, commissions, sections, councils, or divisions.

(2) Charging of Fees.

(A) A fee may not be charged to view Bar records.

(B) A fee may be charged for the photocopying or scanning of Bar records according to the fee schedule established by the Bar and published on its web site.

(C) A fee not to exceed \$30 per hour may be charged for research services required to fulfill a request taking longer than one hour. The fee shall be assessed from the second hour onward.

(f) Extraordinary Requests Limited by Resource Constraints. If a particular request is of a magnitude or burden on resources that the Bar cannot fully comply within 30 days due to constraints on time, resources, and personnel, the Bar shall communicate this information to the requester along with a good faith estimate of the time needed to complete the Bar's response. The Bar must attempt to reach

agreement with the requester as to narrowing the request to a more manageable scope and as to a timeframe for the Bar's response, which may include a schedule of installment responses. If the Bar and requester are unable to reach agreement, the Bar shall respond to the extent practicable, clarify how and why the response differs from the request, and inform the requester that it has completed its response.

(g) Denials. Denials must be in writing and shall identify the applicable exemptions or other bases for denial as well as a written summary of the procedures under which the requesting party may seek further review.

(h) Review of Records Decisions.

(1) Internal Review. A person who objects to a record decision or other action by the Bar's public records officer may request review by the Bar's Executive Director.

(A) A record requester's petition for internal review must be submitted within 90 days of the Bar's public records officer's decision, on such form as the Bar shall designate and make available.

(B) The review proceeding is informal, summary, and on the record.

(C) The review proceeding shall be held within five working days. If that is not reasonably possible, then within five working days the review shall be scheduled for the earliest practical date.

(2) External Review. A person who objects to a records review decision by the Bar's Executive Director may request review by the Records Request Appeals Officer (RRAO) for the Bar.

(A) The requesting party's request for review of the Executive Director's decision must be deposited in the mail and postmarked or delivered to the Bar not later than 30 days after the issuance of the decision, and must be on such form as the Bar shall designate and make available.

(B)) The review will be informal and summary, but in the sole discretion of the RRAO may include the submission of briefs no more than 20 pages long and of oral arguments no more than 15 minutes long.

(C) Decisions of the RRAO are final unless, within 30 days of the issuance of the decision, a request for discretionary review of the decision is filed with the Supreme Court. If review is granted, review is conducted by the Chief Justice of the Washington Supreme Court or his or her designee in accordance with procedures established by the Supreme Court. A designee of the Chief Justice shall be a current or former elected judge. The review proceeding shall be on the record, without additional briefing or argument unless such is ordered by the Chief Justice or his or her designee.

(D) The RRAO shall be appointed by the Board of Governors. The Bar may reimburse the RRAO for all necessary and reasonable expenses incurred in the completion of these duties, and may provide compensation for the time necessary for these reviews at a level established by the Board of Governors.

(i) Monetary Awards Not Allowed. Attorney fees, costs, civil penalties, or fines may not be awarded under this rule.

(j) Effective Date of Rule.

(1) This rule goes into effect on July 1, 2014, and applies to records that are created on or after that date.

(2) Public access to records that are created before that date are to be analyzed according to other court rules, applicable statutes, and the common law balancing test; the Public Records Act, chapter 42.56 RCW, does not apply to such Bar records, but it may be used for nonbinding guidance.

[Adopted effective July 1, 2014; amended effective September 1, 2017.]

GR 12.5 IMMUNITY

All boards, committees, or other entities, and their members and personnel, and all personnel and employees of the Washington State Bar Association, acting on behalf of the Supreme Court under the Admission and Practice Rules, the Rules for Enforcement of Lawyer Conduct, or the disciplinary rules for limited practice officers and limited license legal technicians, shall enjoy quasi-judicial immunity if the Supreme Court would have immunity in performing the same functions.

[Adopted effective January 2, 2008; amended effective September 1, 2017.]

2024-2025 WSBA BOARD OF GOVERNORS MEETING SCHEDULE

MEETING DATE	LOCATION	DESCRIPTION	EXECUTIVE COMMITTEE MEETING	MATERIALS DEADLINE
October 18-19, 2024	Semiahmoo Resort Blaine, WA	Team Building Retreat		n/a
November 7-8, 2024	WSBA Conference Center Seattle, WA	BOG Meeting	October 16, 2024	October 8, 2024
January 17-18, 2025	WSBA Conference Center Seattle, WA	BOG Meeting KCBA MLK Luncheon Jan. 17	December 18, 2024	December 10, 2024
March 21-22, 2025	Great Wolf Lodge Conference Center Grand Mound, WA	BOG Meeting	February 26, 2025	February 18, 2025
May 2-3, 2025	Red Lion Hotel Port Angeles Harbor Port Angeles, WA	BOG Meeting	April 16, 2025	April 8, 2025
July 17 - 18, 2025 July 19, 2025	The Marcus Whitman Hotel and Conference Center Walla Walla, WA	BOG Meeting BOG Planning Retreat	June 25, 2025	June 17, 2025
September 26-27, 2025	WSBA Offices Seattle, WA	BOG Meeting	September 3, 2025	August 26, 2025

All proposed agenda items and materials must be submitted by the deadline stated above. Materials can be submitted through 1) a staff liaison, 2) staff supervisor or department director, 3) staff member identified by the Office of the Executive Director or, if none of those are applicable, 4) directly to the Executive Director (terran@wsba.org). Submitters will be notified of the status of their request after the materials deadline. All meeting materials will be published appx. two weeks prior to the meeting.

Materials should include: 1) a cover memo, 2) additional/supplemental materials, 3) be inclusive of all WSBA analyses, if relevant and, 4) be in final form suitable for publication. Click [here](#) for more information.

BASIC CHARACTERISTICS OF MOTIONS

From: *The Complete Idiot's Guide to Robert's Rules*
The Guerilla Guide to Robert's Rules

MOTION	PURPOSE	INTERRUPT SPEAKER?	SECOND NEEDED?	DEBATABLE?	AMENDABLE?	VOTE NEEDED
1. Fix the time to which to adjourn	Sets the time for a continued meeting	No	Yes	No ¹	Yes	Majority
2. Adjourn	Closes the meeting	No	Yes	No	No	Majority
3. Recess	Establishes a brief break	No	Yes	No ²	Yes	Majority
4. Raise a Question of Privilege	Asks urgent question regarding to rights	Yes	No	No	No	Rules by Chair
5. Call for orders of the day	Requires that the meeting follow the agenda	Yes	No	No	No	One member
6. Lay on the table	Puts the motion aside for later consideration	No	Yes	No	No	Majority
7. Previous question	Ends debate and moves directly to the vote	No	Yes	No	No	Two-thirds
8. Limit or extend limits of debate	Changes the debate limits	No	Yes	No	Yes	Two-thirds
9. Postpone to a certain time	Puts off the motion to a specific time	No	Yes	Yes	Yes	Majority ³
10. Commit or refer	Refers the motion to a committee	No	Yes	Yes	Yes	Majority
11. Amend an amendment (secondary amendment)	Proposes a change to an amendments	No	Yes	Yes ⁴	No	Majority
12. Amend a motion or resolution (primary amendment)	Proposes a change to a main motion	No	Yes	Yes ⁴	Yes	Majority
13. Postpone indefinitely	Kills the motion	No	Yes	Yes	No	Majority
14. Main motion	Brings business before the assembly	No	Yes	Yes	Yes	Majority

1 Is debatable when another meeting is scheduled for the same or next day, or if the motion is made while no question is pending

2 Unless no question is pending

3 Majority, unless it makes question a special order

4 If the motion it is being applied to is debatable



Discussion Protocols Board of Governors Meetings

Philosophical Statement:

"We take serious our representational responsibilities and will try to inform ourselves on the subject matter before us by contact with constituents, stakeholders, WSBA staff and committees when possible and appropriate. In all deliberations and actions we will be courageous and keep in mind the need to represent and lead our membership and safeguard the public. In our actions, we will be mindful of both the call to action and the constraints placed upon the WSBA by GR 12 and other standards."

Governor's Commitments:

1. Tackle the problems presented; don't make up new ones.
2. Keep perspective on long-term goals.
3. Actively listen to understand the issues and perspective of others before making the final decision or lobbying for an absolute.
4. Respect the speaker, the input and the Board's decision.
5. Collect your thoughts and speak to the point – sparingly!
6. Foster interpersonal relationships between Board members outside Board events.
7. Listen and be courteous to speakers.
8. Speak only if you can shed light on the subject, don't be repetitive.
9. Consider, respect and trust committee work but exercise the Board's obligation to establish policy and insure that the committee work is consistent with that policy and the Board's responsibility to the WSBA's mission.
10. Seek the best decision through quality discussion and ample time (listen, don't make assumptions, avoid sidebars, speak frankly, allow time before and during meetings to discuss important matters).
11. Don't repeat points already made.
12. Everyone should have a chance to weigh in on discussion topics before persons are given a second opportunity.
13. No governor should commit the board to actions, opinions, or projects without consultation with the whole Board.
14. Use caution with e-mail: it can be a useful tool for debating, but e-mail is not confidential and does not easily involve all interests.
15. Maintain the strict confidentiality of executive session discussions and matters.



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BOARD OF GOVERNORS

WSBA VALUES

Through a collaborative process, the WSBA Board of Governors and Staff have identified these core values that shall be considered by the Board, Staff, and WSBA volunteers (collectively, the “WSBA Community”) in all that we do.

To serve the public and our members and to promote justice, the WSBA Community values the following:

- Trust and respect between and among Board, Staff, Volunteers, Members, and the public
- Open and effective communication
- Individual responsibility, initiative, and creativity
- Teamwork and cooperation
- Ethical and moral principles
- Quality customer-service, with member and public focus
- Confidentiality, where required
- Diversity and inclusion
- Organizational history, knowledge, and context
- Open exchanges of information



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BOARD OF GOVERNORS

GUIDING COMMUNICATION PRINCIPLES

In each communication, I will assume the good intent of my fellow colleagues; earnestly and actively listen; encourage the expression of and seek to affirm the value of their differing perspectives, even where I may disagree; share my ideas and thoughts with compassion, clarity, and where appropriate confidentiality; and commit myself to the unwavering recognition, appreciation, and celebration of the humanity, skills, and talents that each of my fellow colleagues bring in the spirit and effort to work for the mission of the WSBA. Therefore, I commit myself to operating with the following norms:

- ◆ I will treat each person with courtesy and respect, valuing each individual.
- ◆ I will strive to be nonjudgmental, open-minded, and receptive to the ideas of others.
- ◆ I will assume the good intent of others.
- ◆ I will speak in ways that encourage others to speak.
- ◆ I will respect others' time, workload, and priorities.
- ◆ I will aspire to be honest and open in all communications.
- ◆ I will aim for clarity; be complete, yet concise.
- ◆ I will practice "active" listening and ask questions if I don't understand.
- ◆ I will use the appropriate communication method (face-to-face, email, phone, voicemail) for the message and situation.
- ◆ When dealing with material of a sensitive or confidential nature, I will seek and confirm that there is mutual agreement to the ground rules of confidentiality at the outset of the communication.
- ◆ I will avoid triangulation and go directly to the person with whom I need to communicate. (If there is a problem, I will go to the source for resolution rather than discussing it with or complaining to others.)
- ◆ I will focus on reaching understanding and finding solutions to problems.
- ◆ I will be mindful of information that affects, or might be of interest or value to, others, and pass it along; err on the side of over-communication.
- ◆ I will maintain a sense of perspective and respectful humor.



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BOARD OF GOVERNORS

Anthony David Gipe
President

phone: 206.386.4721
e-mail: adgipeWSBA@gmail.com

November 2014

BEST PRACTICES AND EXPECTATIONS

❖ Attributes of the Board

- Competence
- Respect
- Trust
- Commitment
- Humor

❖ Accountability by Individual Governors

- Assume Good Intent
- Participation/Preparation
- Communication
- Relevancy and Reporting

❖ Team of Professionals

- Foster an atmosphere of teamwork
 - Between Board Members
 - The Board with the Officers
 - The Board and Officers with the Staff
 - The Board, Officers, and Staff with the Volunteers
- We all have common loyalty to the success of WSBA

❖ Work Hard and Have Fun Doing It



BOARD OF GOVERNORS

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❖ Work Hard and Have Fun Doing It

TO: WSBA Board of Governors

CC: Terra Nevitt, Executive Director

FROM: Kari Petrasek, Chair, Member Status Workgroup
Renata Garcia, Chief Regulatory Counsel

DATE: November 1, 2024

RE: Technical Proposed Amendments to the WSBA Bylaws to Supplement the Proposed Amendments from the Member Status Workgroup

ACTION: We ask the Board of Governors to adopt the recommendations of the Workgroup and approve the proposed amendments to the WSBA Bylaws with an additional technical amendment to avoid ambiguity.

This memo supplements the memo in the materials for this meeting from the Member Status Workgroup dated October 8, 2024. We ask that the Board of Governors approve the Workgroup's proposed amendments to the WSBA Bylaws with this technical amendment.

Approving the proposed amendments to the Bylaws could lead to ambiguity about whether inactive members can be voting members of the entities for which they are volunteering because there is additional language in the Bylaws prohibiting inactive members from voting on Bar matters.

The term "Bar matters" in the inactive member section of the Bylaws might be intended to refer to referenda and BOG elections only, but the term is not defined anywhere in the Bylaws. The Bylaws, however, say that committees/councils/entities are created to study "matters relating to . . . purposes and business of the Bar."

To remove the ambiguity so it is clear inactive members could be voting members of the entities for which they volunteer, we propose removing the portion about voting in bar matters from the inactive section all together as well as adding language clarifying that inactive, emeritus (honorary), and pro bono members could be voting or nonvoting entity members. Article VII on member referenda already limits petitions and voting to active members, and voting in BOG elections is also limited to active members in Article VI.

Attachments

Proposed Bylaws Amendments with Technical Amendment from Member Status Workgroup – Markup Version
Proposed Bylaws Amendments with Technical Amendment from Member Status Workgroup – Clean Version

III. MEMBERSHIP

...

B. STATUS CLASSIFICATIONS

Membership status classifications have the qualifications, privileges, and restrictions specified.

1. Active

[No Changes]

2. Inactive

Inactive members must not practice law in Washington, nor engage in employment or duties that constitute the practice of law. Inactive members are not eligible to ~~vote in Bar matters or hold Bar office therein, or serve on any committee or board~~, except an inactive member may vote and hold office in a Bar section if a section's bylaws permit.

a. Inactive members may:

- 1) Join Bar sections,
- 2) Continue their affiliation with the Bar;
- 3) Change their membership status to Active pursuant to these Bylaws and any applicable court rule;
- 4) Request a free subscription to the Bar's official publication; and
- 5) Receive member benefits available to Inactive members.

b. Types of Inactive membership:

- 1) Inactive Member: Inactive members must pay an annual license fee in an amount established by the BOG and approved by the Supreme Court. They are not required to earn or report MCLE credits while Inactive, but may choose to do so, and may be required to do so to return to Active membership. Inactive members may be appointed to serve as voting or nonvoting members on any committee, board, panel, council, task force, or other Bar entity, as deemed appropriate.
- 2) Disability: Disability inactive members are not required to pay a license fee, or earn or report MCLE credits while in this status, but they may choose to do so, and they may be required to earn and report MCLE credits to return to Active membership.
- 3) ~~Honorary Emeritus~~: All members who have been Active or Judicial, or a combination of Active and Judicial, members of the WSBA or the bar of any other United States jurisdiction for 50 40 years or more may elect to become ~~Honorary Emeritus~~ members of the Bar. ~~Honorary Emeritus~~ members are not required to pay a license fee. A member who otherwise qualifies for ~~Honorary Emeritus~~ membership but wants to continue to practice law in any manner must be an Active member or, if applicable, a Pro Bono member. Emeritus members may be appointed to serve as voting or nonvoting members on any committee, board, panel, council, task force, or other Bar entity, as deemed appropriate.

3. Judicial

- a. A member may qualify to become a Judicial member if the member is one of the following:
 - 1) A current judge, commissioner, or magistrate judge of the courts of record in the State of Washington, or the courts of the United States, including Bankruptcy courts;
 - 2) A current judge, commissioner, or magistrate in the district or municipal courts in the State of Washington, provided that such position requires the person to be a lawyer;
 - 3) A current senior status or recall judge in the courts of the United States;
 - 4) An administrative law judge, which is defined as either:
 - (a) Current federal judges created under Article I and Article II of the United States Constitution, excluding Bankruptcy court judges, or created by the Code of Federal Regulations, who by virtue of their position are prohibited by the United States Code and/or the Code of Federal Regulations from practicing law; or
 - (b) Full-time Washington State administrative law judges in positions created by either the Revised Code of Washington or the Washington Administrative Code; or
 - 5) A current Tribal Court judge in the State of Washington.
- b. Members not otherwise qualified for Judicial membership under (1) through (5) above and who serve full-time, part-time or ad hoc as pro tempore judges, commissioners or magistrates are not eligible for Judicial membership unless the member is at least age 65 or has been a member of the WSBA for at least 40 years.
- c. Judicial members, whether serving as a judicial officer full-time or part-time, must not engage in the practice of law and must not engage in mediation or arbitration for remuneration outside of their judicial duties.
- d. Judicial members:
 - 1) May practice law only where permitted by the then current Washington State Code of Judicial Conduct as applied to full-time judicial officers;
 - 2) May be appointed to serve on any task force, council or Institute of the Bar;
 - 3) May receive member benefits provided to Judicial members; and
 - 4) May be non-voting members in Bar sections, if allowed under the section's bylaws.
 - 5) Judicial members are not eligible to vote in Bar matters or to hold office therein.
- e. Nothing in these Bylaws will be deemed to prohibit Judicial members from carrying out their judicial duties.
- f. Judicial members who wish to preserve eligibility to transfer to another membership status upon leaving service as a judicial officer:
 - 1) must provide the member registry information required of other members each year unless otherwise specified herein, and provide the Bar with any changes to such information within 10 days of any change; and
 - 2) must annually pay any required license fee that may be established by the Bar, subject to approval by the Supreme Court, for this membership status. Notices, deadlines, and late fees will be consistent with those established for Active members.
- g. Judicial members must inform the Bar within 10 days when they retire or when their employment situation has otherwise changed so as to cause them to be ineligible for Judicial membership, and must apply to change to another membership status or to resign.

- 1) Failure to apply to change membership status or to resign within ten days of becoming ineligible for Judicial membership, when a Judicial member has annually maintained eligibility to transfer to another membership status, is cause for administrative suspension of the member.
 - 2) A Judicial member who has not annually complied with the requirements to maintain eligibility to transfer to another membership status and who is no longer eligible for Judicial membership who fails to change to another membership status will be deemed to have voluntarily resigned.
- h. Administrative law judges who are judicial members must continue to comply with APR 11 regarding MCLE. Either judicial continuing education credits or lawyer continuing legal education credits may be applied to the credit requirement for judicial members; if judicial continuing education credits are applied, the standards for determining accreditation for judicial continuing education courses will be accepted as establishing compliance.
 - i. Legal, legislative, and policy positions and resolutions taken by the BOG are not taken on behalf of Judicial members, are not considered to be those of Judicial members, and are not binding on Judicial members.
 - j. The Bar's disciplinary authority over Judicial members is governed exclusively by ELC 1.2 and RPC 8.5.

4. Pro Bono

A member may become a Pro Bono member by complying with the requirements of APR 3(g), including payment of any required license fee and passing a character and fitness review.

Pro Bono members must not engage in the practice of law except as permitted under APR 3(g), but may:

- a. Be appointed to serve as voting or nonvoting members on any task force, council, or Institute of the Bar, committee, board, panel, council, task force, or other Bar entity, as deemed appropriate. In addition, up to two Pro Bono members are permitted to serve on the Pro Bono and Public Service Committee (PBPSC) and may be appointed to serve as Chair, Co-Chair, or Vice-Chair of that committee;
- b. Join Bar sections;
- c. Request a free subscription to the Bar's official publication; and
- d. Receive member benefits available to Pro Bono members.

5. Suspended

[Unchanged.]

...

D. CHANGE OF MEMBERSHIP STATUS TO ACTIVE

1. Members may change membership status as provided below.

1. **Transfer from Inactive to Active.**

1. An Inactive member or ~~Honorary~~ Emeritus member may transfer to Active by:

E. CHANGE OF MEMBERSHIP STATUS TO INACTIVE

...

3. All members who have been Active or Judicial, or a combination of Active and Judicial, members for 50 years may qualify for ~~Honorary~~ Emeritus status. A qualified member may request to change to ~~Honorary~~ Emeritus status by submitting a written request and any required application.

H. VOLUNTARY RESIGNATION

Voluntary resignation may apply in any situation in which a member does not want to continue practicing law in Washington for any reason (including retirement from practice) and for that reason does not want to continue membership in the Bar. A member may voluntarily resign from the Bar by submitting a written request for voluntary resignation to the Bar in such form and manner as the Bar may require. If there is a disciplinary investigation or proceeding then pending against the member, or if at the time the member submits the written request the member has knowledge that the filing of a grievance of substance against such member is imminent, resignation is permitted only under the provisions of the ELC, ELPOC, or ELLTTC. A member who resigns from the Bar cannot practice law in Washington in any manner. For official purposes the former member's status will be voluntarily resigned. The former member may choose to be designated either voluntarily resigned or retired as the status in the WSBA legal directory. A member seeking readmission after resignation must comply with these Bylaws.

...

I. ANNUAL LICENSE FEES AND ASSESSMENTS

1. License Fees

...

b. Inactive Members

- 1) The annual license fee for Inactive members will be as established by resolution of the BOG and as approved by the Washington Supreme Court. Except for the amount of the license fee itself, the annual license fee payment requirements, including deadlines and late payment fees, for Active members will apply to Inactive members.
- 2) ~~Honorary~~ Emeritus and Disability Inactive status members will be exempt from license fees and assessments, unless otherwise provided by Supreme Court order.

...

7. License Fee Reduction Due to Hardship for Senior Members

In case of financial hardship , which must entail an annual household income equal to or less than 400% of the federal poverty level as determined based on the member’s gross annual household income for the calendar year immediately preceding the calendar year for which the member is seeking the fee reduction, the Executive Director may grant a reduction of the annual license fee by any Active member who is at least age 65 or has been admitted to practice law in Washington for at least 40 years. If granted, the annual license fee will be reduced to the amount of that of the inactive license fee. Each hardship request that is granted is for one calendar year only. Hardship reduction requests can be submitted annually, and a request must be submitted on or before February 1st of the year for which the reduction is requested. Supporting documentation may be requested. Denial of a reduction request is not appealable.

68. License Fee Referendum

XI. SECTIONS

...

C. MEMBERSHIP

...

4. Sections may adopt bylaw provisions authorizing inactive members to be voting members of the section. Article III.B.2.b of these Bylaws defines inactive WSBA members to include inactive, disability inactive, and ~~honorary~~ emeritus members. Sections may adopt bylaw provisions authorizing inactive members, and/or others not eligible for section membership as voting members, to be nonvoting members or “subscribers” of the section.

III. MEMBERSHIP

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B. STATUS CLASSIFICATIONS

Membership status classifications have the qualifications, privileges, and restrictions specified.

1. Active

[No Changes]

2. Inactive

Inactive members must not practice law in Washington, nor engage in employment or duties that constitute the practice of law. Inactive members are not eligible to hold Bar office except an inactive member may vote and hold office in a Bar section if a section's bylaws permit.

a. Inactive members may:

- 1) Join Bar sections,
- 2) Continue their affiliation with the Bar;
- 3) Change their membership status to Active pursuant to these Bylaws and any applicable court rule;
- 4) Request a free subscription to the Bar's official publication; and
- 5) Receive member benefits available to Inactive members.

b. Types of Inactive membership:

- 1) Inactive Member: Inactive members must pay an annual license fee in an amount established by the BOG and approved by the Supreme Court. They are not required to earn or report MCLE credits while Inactive, but may choose to do so, and may be required to do so to return to Active membership. Inactive members may be appointed to serve as voting or nonvoting members on any committee, board, panel, council, task force, or other Bar entity, as deemed appropriate.
- 2) Disability: Disability inactive members are not required to pay a license fee, or earn or report MCLE credits while in this status, but they may choose to do so, and they may be required to earn and report MCLE credits to return to Active membership.
- 3) Emeritus: All members who have been Active or Judicial, or a combination of Active and Judicial, members of the WSBA or the bar of any other United States jurisdiction for 40 years or more may elect to become Emeritus members of the Bar. Emeritus members are not required to pay a license fee. A member who otherwise qualifies for Emeritus membership but wants to continue to practice law in any manner must be an Active member or, if applicable, a Pro Bono member. Emeritus members may be appointed to serve as voting or nonvoting members on any committee, board, panel, council, task force, or other Bar entity, as deemed appropriate.

3. Judicial

- a. A member may qualify to become a Judicial member if the member is one of the following:

- 1) A current judge, commissioner, or magistrate judge of the courts of record in the State of Washington, or the courts of the United States, including Bankruptcy courts;
 - 2) A current judge, commissioner, or magistrate in the district or municipal courts in the State of Washington, provided that such position requires the person to be a lawyer;
 - 3) A current senior status or recall judge in the courts of the United States;
 - 4) An administrative law judge, which is defined as either:
 - (a) Current federal judges created under Article I and Article II of the United States Constitution, excluding Bankruptcy court judges, or created by the Code of Federal Regulations, who by virtue of their position are prohibited by the United States Code and/or the Code of Federal Regulations from practicing law; or
 - (b) Full-time Washington State administrative law judges in positions created by either the Revised Code of Washington or the Washington Administrative Code; or
 - 5) A current Tribal Court judge in the State of Washington.
- b. Members not otherwise qualified for Judicial membership under (1) through (5) above and who serve full-time, part-time or ad hoc as pro tempore judges, commissioners or magistrates are not eligible for Judicial membership unless the member is at least age 65 or has been a member of the WSBA for at least 40 years.
 - c. Judicial members, whether serving as a judicial officer full-time or part-time, must not engage in the practice of law and must not engage in mediation or arbitration for remuneration outside of their judicial duties.
 - d. Judicial members:
 - 1) May practice law only where permitted by the then current Washington State Code of Judicial Conduct as applied to full-time judicial officers;
 - 2) May be appointed to serve on any task force, council or Institute of the Bar;
 - 3) May receive member benefits provided to Judicial members; and
 - 4) May be non-voting members in Bar sections, if allowed under the section's bylaws.
 - 5) Judicial members are not eligible to vote in Bar matters or to hold office therein.
 - e. Nothing in these Bylaws will be deemed to prohibit Judicial members from carrying out their judicial duties.
 - f. Judicial members who wish to preserve eligibility to transfer to another membership status upon leaving service as a judicial officer:
 - 1) must provide the member registry information required of other members each year unless otherwise specified herein, and provide the Bar with any changes to such information within 10 days of any change; and
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eligibility to transfer to another membership status, is cause for administrative suspension of the member.

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8. License Fee Referendum

XI. SECTIONS

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C. MEMBERSHIP

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WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors

FROM: Terra Nevitt, WSBA Executive Director
Laurie Powers, WSBA General Counsel
Paris Eriksen, WSBA Volunteer Engagement Advisor

RE: Process for Governor At Large Position

DATE: November 4, 2024

Action: Determine the process for the Board of Governors to fill the At-Large Governor position following the resignation of Governor Williams-Ruth.

Context:

Governor Williams-Ruth serves as a Member At Large. His resignation will take effect at the end of the Board of Governors meeting on November 8, 2024. To address this vacancy proactively and efficiently, we have outlined the following options for the Board's consideration.

There will be less than 12 months remaining in Governor Williams-Ruth's elected term, ending at the conclusion of the September 2025 meeting of the Board of Governors. According to Article IV.A.4b(1) of the WSBA Bylaws, "If a vacancy occurs for any reason and 12 months or less remain in that Governor's term, in the BOG's sole discretion the position may remain vacant until the next regularly scheduled election for that Governor position. In that event, no interim governor will be elected or appointed to the position."

During the regular recruitment and election timeline for the two Member at Large Governor positions, Article VI.C.3(a) of the WSBA Bylaws sets forth this process:

"Member At Large Governors: After notice of the position has been adequately provided to all members, the Diversity, Equity and Inclusion (DEI) Council shall forward at least three candidates who have a lived experience and knowledge of the needs of those members whose membership is or may be historically underrepresented in governance to the end that the BOG will be a more diverse and representative body than the results of the election of Governors based solely on Congressional Districts may allow. Diversity refers to meaningful representation of, and equal opportunities for, individuals who have a lived experience as a member from one or more historically underrepresented communities in the legal profession. Underrepresentation encompasses and is not limited to, race, disability, age, ethnicity, religion, sexual orientation, gender identity, and gender expression. The Executive Director shall then place all candidates forwarded by the DEI Council on the ballot to be elected by all eligible voting members. If the DEI Council forwards less than three candidates by May 1, the Executive Director shall notify the BOG, which may, at its option, select additional qualifying candidates on its own or place only those candidates forwarded by the DEI Council on the ballot to be elected by all eligible voting members."

The typical timeline to fill the Member At Large positions is:

- February – April: recruitment
- April 15: applications due
- Election: May 15 – June 1

Discussion:

1. The Board of Governors should first determine whether or not to fill the position for the remaining term.
2. Because there is no specific provision for how to fill a vacant position of less than 12 months, should the Board decide to fill the position, it is recommended that the Board follow one of the two below options, which model the process for filling long-term vacancies:
 - a. Appointment: appoint the new Member at Large Governor at the January 17-18, 2025 meeting. To prepare for this appointment, WSBA staff would recruit for the position with a stated deadline of December 20. If desired by the Board of Governors, the WSBA Diversity, Equity and Inclusion Council can discuss and/or interview the applicants to make a nomination of the Board consistent with the usual election process for this role. Nominated applicants can be interviewed and the appointment can take place at the January meeting.
 - b. Special Election: Conduct a special election amongst eligible voters after the above stated December 20 deadline. As stated in the Bylaws, all active members are eligible to vote. WSBA staff would work with our vendor to set up the special election to begin on or around January 13 (with the ballot containing the names of those nominated by the DEI Council). The election would conclude on or around Friday, January 31. A special election with this voter size would cost approximately \$12,000.

The Board may want to consider the impact that/filling this position for the remainder of the term may have on the recruitment and election efforts during the regular election. The above timing precedes the regular recruitment and election processes that begin in earnest a few months later. Option (a) may avoid recruitment and voter confusion by creating a distinct and separate process.