# WASHINGTON STATE BAR ASSOCIATION

Week 30: August 4, 2017

The third special session concluded July 20, 2017. The legislature has not yet reached an agreement to pass the capital budget.

Week 26: July 3, 2017

<u>Late on June 30</u>, the legislature avoided a partial government shutdown by passing, and **Gov. Inslee** signing, an <u>operating budget</u>. The budget appropriates \$43.7 billion over the next biennium.

In relation to WSBA's legislative priorities and interests:

**Civil Legal Aid**: The budget appropriates \$32.808 million to the Office of Civil Legal Aid (OCLA) during FY2018-FY2019. This provides OCLA with a \$5.817 million increase in appropriations from the previous (FY2016-FY2017) biennium. \$3.675 million of the \$32.808 million is provided solely for OCLA to partially implement the Civil Justice Reinvestment Plan.

**Public Defense**: The budget appropriates \$87.807 million to the Office of Public Defense (OPD) during FY2018-FY2019. This provides OPD with a \$9.699 million increase in appropriations from the previous (FY2016-FY2017) biennium.

A capital budget has yet to be passed as the third special legislative session continues. The third special session is scheduled to conclude on July 20, 2017.

Week 15: April 21, 2017

The Legislature entered the **final week of the regular session**. **Gov. Inslee** has called the Legislature into its **first special session**, beginning at 10 a.m. April 24.

# The Bar-Request Bills

On April 17, Gov. Inslee signed into law both WSBA-request bills, <u>Senate Bill 5011</u> and <u>Substitute Senate Bill 5012</u>.

Watch bill signing.

#### **Bills of Interest**

<u>Senate Bill 5040</u>, sponsored by **Sen. Pedersen**, (D-43), which makes technical corrections to the Uniform Business Organizations Code to clarify recent statutory changes, was also signed



into law by the governor April 17. **WSBA's Business Law Section** previously testified in support of this bill.

Watch bill signing.

Week 13: April 7, 2017

The Legislature is finished with policy and fiscal committee hearings and will be taking floor votes on bills until April 12. Budget negotiations will need to be finished before **the end of the regular session**, **April 23**; otherwise there will need to be at least one special session.

# The Bar-Request Bills

<u>Senate Bill 5011</u> passed the Legislature with unanimous votes in both the Senate and the House, and is now awaiting the Governor's consideration. Prime-sponsored by **Sen. Jamie Pedersen**, D-43, SB 5011 modernizes the state's Corporate Act to make Washington more business friendly. SB 5011 is **Washington State Bar Association** request legislation and originates from the **Corporate Act Revisions Committee** within the **WSBA Business Law Section**.

# Watch floor debate.

Similarly, <u>Substitute Senate Bill 5012</u> also passed the Legislature with unanimous votes in both the Senate and the House, and is now awaiting the Governor's consideration. Prime-sponsored by **Sen. Pedersen**, SSB 5012 creates a nonjudicial process for amending irrevocable trusts. SSB 5012 is joint request legislation by the **Washington State Bar Association** and the **Uniform Law Commission**.

## Watch floor debate.

#### Bills of Interest

<u>Senate Bill 5040</u>, also sponsored by **Sen. Pedersen**, which makes technical corrections to the Uniform Business Organizations Code to clarify recent statutory changes, has now passed the Legislature and awaits the Governor's consideration. **WSBA's Business Law Section** previously testified in support of this bill.

<u>Second Substitute Senate Bill 5236</u>, prime sponsored by **Sen. Hans Zeiger**, R-25, which creates the civic learning public-private partnership, failed to pass the policy committee cutoff. The **BOG Legislative Committee** had approved support of this bill.

Also this week, the Senate passed its transportation budget, and the House unveiled its capital budget proposal, <u>PSHB 1075</u>, sponsored by **Rep. Tharinger**, D-24. The House Finance



Committee held a hearing on a revenue bill, <u>HB 2186</u>, prime-sponsored by **Rep. Lytton**, D-40, which calls for about \$2.6 billion in new revenue.

Watch public hearing.

#### **Bill Action**

For a list of the bills that have been referred by WSBA's Office of Legislative Affairs thus far, please see the Bill Referrals List.

The next cutoff, **Opposite House Cutoff, is April 12, 2017**. For additional session dates, please see the 2017 Session Cutoff Calendar.

# Week 10: March 17, 2017

Legislators were back in committee this week hearing a number of bills from the opposite chamber. With only a few weeks before the next legislative cutoff date, bills need to be heard and voted out of committee in a relatively short time frame.

# House committee hears Bar-request bill

<u>Substitute Senate Bill 5012</u> was heard in the **House Judiciary Committee** on Tuesday, March 14. Prime-sponsored by Sen. Jamie Pedersen, D-43, SSB 5012 creates a nonjudicial process for amending irrevocable trusts.

**Michael Carrico**, representing WSBA's **Real Property, Probate and Trust Section** testified in support of the bill and explained how this proposal will create a cost-effective way for Washingtonians to update outdated trust documents in the future.

SSB 5012 is joint request legislation by the **Washington State Bar Association** and **Uniform Law Commission**.

Watch committee testimony.

# Creditor Debtor Rights and Business Law sections testify before House committee

Also heard in the House Judiciary Committee that day were two other bills supported by WSBA Sections.

<u>SB 5040</u>, sponsored by Sen. Pedersen, makes technical corrections to the Uniform Business Organizations Code to clarify recent statutory changes. **Brian Hulse**, representing WSBA's **Business Law Section**, testified in support of the bill and explained the importance of consistency within the code.



<u>SSB 5085</u>, also sponsored by Sen. Pedersen, creates the Uniform Voidable Transactions Act. **Bruce Borrus**, representing WSBA's **Creditor Debtor Rights Section**, testified in support of the bill and explained the significance of removing the term "fraudulent" and replacing with "voidable" among other aspects of the proposal.

Both bills must be voted out of committee before the March 29 cutoff deadline.

Watch committee testimony.

# Civics education bill gets public hearing

The **House Education Committee** heard <u>2SSB 5236</u> on Tuesday, March 14. Prime-sponsored by **Sen. Hans Zeiger**, R-25 creates the civic learning public-private partnership.

Supported by WSBA, the Administrative Office of the Courts, the Council on Public Legal Education and many others, this bill creates an advisory council to ensure students in grades K-12 are given an adequate civics education to successfully engage in government.

This bill must be voted out of committee before the March 29 cutoff deadline.

Watch committee testimony.

Week 9: March 10, 2017

# WSBA-Sponsored Bills Still in Motion as Cut-Offs Near

Long days and late nights marked this week in Washington's Legislature. Wednesday's House of Origin cutoff meant lawmakers had to vote bills out of their respective chambers by 5 p.m. to be eligible for further consideration.

## House Committee Hears Bar-request Bill

The **House Judiciary Committee** heard Bar-request bill <u>SB 5011</u> on Thurs., March 9. Eric DeJong, representing the Corporate Act Revisions Committee within WSBA's **Business Law Section**, testified in support and explained how the measure seeks to modernize Washington law to make our state more business friendly.

Prime-sponsored by **Sen. Jamie Pedersen**, D-43, SB 5011 has no fiscal impact.

Watch committee testimony.



# **Section-supported Notarial Acts Bill Heard**

In the same hearing, the **House Judiciary Committee** also heard <u>SSB 5081</u>. Supported by WSBA's **Elder Law Section**, this bill creates a uniform process for notaries, replaces outdated notary laws, and encourages notaries to keep a journal of all notarial acts.

SSB 5081 is also prime-sponsored by Sen. Pedersen and is by request of the Uniform Law Commission.

Watch committee testimony.

#### **Bill Action**

Since the beginning of session, WSBA's Office of Legislative Affairs has referred more than 665 bills to various Bar entities. A number of these bills are still in play this session. For a list of these measures, please see the Bill Referrals List.

For additional session dates, please see the 2017 Session Cutoff Calendar.

# Week 8: March 3, 2017

The Legislature closes week eight with bills, bills, and more bills. Lawmakers in both chambers have been working late to pass legislation out of the House and Senate before next week's critical cutoff date. Bills still moving include legal financial obligation reform, the Voting Rights Act, pro bono services for military service members, and many others.

#### Senate passes WSBA-request bill

WSBA-request bill <u>SSB 5012</u> was passed unanimously by the Senate, 49-0, on Wed., March 1. Originating from the **WSBA Real Property, Probate and Trust Section**, the bill creates a nonjudicial process for updating or amending irrevocable trusts.

Prime-sponsored by **Sen. Jamie Pedersen**, D-43 and by request of the Washington State Bar Association and Uniform Law Commission, SSB 5012 has been referred to the **House Judiciary Committee** for further action.

# House schedules another WSBA-request bill for hearing

WSBA-request bill <u>SB 5011</u> has been scheduled for a public hearing in the **House Judiciary Committee** on Thurs., March 9, at 1:30 p.m. This bill modernizes the state's Corporate Act to make Washington more business friendly and originates from the **Corporate Act Revisions Committee** within the **WSBA Business Law Section**.



Also prime-sponsored by Sen. Pedersen and by request of the Washington State Bar Association, SB 5011 previously passed the Senate, 49-0, on Feb. 1.

# Another session milestone approaches

The House of Origin cutoff date is fast approaching. By 5 p.m. on Wed., March 8, all House bills must be voted out of the House and all Senate bills must be voted out of the Senate in order to be eligible for further consideration this session.

For additional session dates, please see the 2017 Session Cutoff Calendar.

# Week 6: Feb. 17, 2017

The Legislature reached its first session milestone this week – policy committee cutoff. All policy bills in the House and Senate are required to be voted out of their policy committee by end of day Feb. 17. Many bills relevant to the Washington State Bar Association were heard and voted on this week.

# Bar leadership testifies before Senate committee

WSBA Board of Governors Treasurer **Jill Karmy**, principal at Karmy Law, and WSBA Executive Director **Paula Littlewood** testified before the **Senate Law and Justice Committee** on Tuesday, Feb. 14, regarding <u>Senate Bill 5721</u>.

Sponsored by **Sen. Mike Padden**, R-4, the bill would require any license fee increase approved by the WSBA Board of Governors be voted on by active WSBA members. The Bar did not take a position on the bill, rather it answered questions from committee members.

SB 5721 was voted out of committee and referred to the Senate Rules Committee for further action.

## Watch committee action on TVW

## LAMP Section-supported bill passes Senate committee

The **Senate Law and Justice Committee** passed <u>SB 5041</u> out of committee on Thursday, Feb. 16. Prime-sponsored by **Sen. Michael Baumgartner**, R-6, the bill provides consumer protection for military service members as it relates to the Washington Service Members' Civil Relief Act.

Supported by WSBA's **Legal Assistance to Military Personnel (LAMP) Section**, SB 5041 is request legislation by the attorney general and has been referred to the Senate Rules Committee for further action.



# Watch committee action on TVW.

# House committee passes Animal Law Section-supported bill

The **House Judiciary Committee** passed <u>House Bill 1676</u> out of committee on Thursday, Feb. 16. Prime-sponsored by **Rep. Pat Sullivan**, D- 47, the bill expands the definition of dog guides and service animals within the criminal code.

HB 1676 is supported by WSBA's **Animal Law Section** and has been referred to the House Rules Committee for further action.

Watch committee action on TVW.

#### Another session cutoff date around the corner

The next session milestone is fiscal committee cutoff Feb. 24. All bills with a fiscal impact must be voted out of their respective fiscal committees in both the House and Senate to be eligible for further consideration.

For additional session dates, please see the 2017 Session Cutoff Calendar.

# Week 5: Feb. 10, 2017

The Legislature wraps up a busy week five with a flurry of activity regarding bills and budget proposals related to basic education. Legislative committees held public hearings regarding guardianships, open public meetings, the voting rights act, and other proposals relevant to WSBA members.

# Senate committee passes uniform act bill

The **Senate Law and Justice Committee** passed <u>Senate Bill 5085</u> the Uniform Voidable Transactions Act (UVTA) out of committee on Feb. 8.

Prime-sponsored by **Sen. Jamie Pedersen**, D-43, and supported by WSBA's **Creditor Debtor Rights Section**, UVTA makes significant changes to the current Uniform Fraudulent Transfer Act including clarifying when a transaction is fraudulent.

SB 5085 has been referred to the **Senate Rules Committee** for further action.

Watch committee action on TVW.

## Legal financial obligation bill heard

House Bill 1783 was heard in the House Judiciary Committee on Feb. 8.



Prime-sponsored by **Rep. Jeff Holy**, R-6, HB 1783 seeks to make changes to the state law related to legal financial obligations (LFOs). These changes include eliminating interest accrual on non-restitution LFOs; prohibiting courts from imposing costs on defendants found to be indigent at the time of sentencing; and establishing payment plans and priority payment of LFOs.

This bill has been referred to WSBA's **Civil Rights**, **Criminal**, and **Juvenile Law Sections** as well as the **Council on Public Defense** for review.

HB 1783 is scheduled to be voted out of committee on Feb. 16.

Watch committee action on TVW.

# House committee hears homeless youth bill

The **House Early Learning and Human Services Committee** heard public testimony regarding <u>HB 1630</u> on Feb. 8.

Prime-sponsored by **Rep. Vandana Slatter**, D-48, the bill would allow unaccompanied youth aged 13 and older to give consent for collection of their personal information to the Washington Homeless Client Management Information System.

HB 1630 is request legislation by the Washington State Department of Commerce and is supported by WSBA's **Juvenile Law Section**.

Watch committee action on TVW.

## **Key session dates approaching**

The first of many session cutoff dates is just around the corner. Friday, Feb. 17, is the first policy committee cutoff date this legislative session. This means all policy bills must be voted out of their respective policy committees in both the House and Senate to be eligible for further consideration.

For additional session dates, please see the <u>2017 Session Cutoff Calendar</u>.

# Week 4: Feb. 3, 2017

Week four of the legislative session included House and Senate floor action on bills related to dental health, basic education, and Washington's Corporate Act. Legislative committees also held public hearings regarding police use of deadly force, firearm safety, and removing the criminal background checkbox on employment applications.

## Pres. Haynes goes to Olympia



**WSBA President Robin Haynes**, principal at GIANT Legal, visited the state's capitol on Monday, Jan. 30. Along with **WSBA's Legislative Affairs Manager Alison Phelan**, Pres. Haynes met with leaders in the Senate and House to advocate for Bar-request legislation, court funding, and state funding for civil legal aid.

# Senate passes Bar-request bill

<u>Senate Bill 5011</u>, one of the two Bar-request bills, unanimously passed (49-0) out of the Senate Chamber on Feb. 1.

Prime-sponsor **Sen. Jamie Pedersen**, D-43, spoke in favor of the bill and praised the **Corporate Act Revisions Committee** within the **WSBA Business Law Section** for their continued attention to this statute. Co-sponsor **Sen. Mike Padden**, R-4, also spoke in favor and noted this could be a best practice for state government in keeping statutes updated.

SB 5011 modifies the state's Corporate Act and is now referred to the House for further action.

Watch Senate Floor action on TVW (34:00).

# Trust decanting bill voted out of committee

<u>SB 5012</u>, the other Bar-request bill, was unanimously voted out of the Senate Law and Justice Committee on Feb. 1.

Originating from the **WSBA Real Property, Probate and Trust Section**, the bill creates a nonjudicial process for updating or amending irrevocable trusts. It was amended in committee to ensure the Attorney General maintains current authority under the law.

SSB 5012 has been referred to the Senate Rules Committee for further action.

Watch committee action on TVW.

## Elder Law Section testifies on notary bill

**Rochelle Haller**, owner at Garvey Schubert Barer, represented the **WSBA Elder Law Section** before the **Senate Law and Justice Committee** on Tuesday, Jan. 31 by testifying in support of <u>SB 5081</u>.

The bill, prime-sponsored by Sen. Pedersen and requested by the Uniform Law Commission, seeks to update the state's notary laws by creating minimum standards, electronic record keeping, and other changes. The Washington State Department of Licensing is also supportive of SB 5081.

#### Watch committee action on TVW.



Week 3: Jan. 27, 2017

The third week of the legislative session included early floor action to address basic education issues, committee hearings involving property crimes, and bill proposals to change Washington's public records laws.

The state Senate also experienced some changes to its membership with two appointments to positions within the new presidential administration. Sen. Brian Dansel, R-7, resigned his seat immediately thereby creating a virtual tie in the state Senate (24 Republicans; 24 Democrats).

# Litigation Section-supported bill heard in the House

**Rep. Paul Graves**, R-5 introduced <u>House Bill 1378</u> that was heard in the **House Judiciary Committee** on Jan. 24. If passed, HB 1378 would replace all references to a motion and affidavit of prejudice and replace with a notification of disqualification.

The WSBA **Litigation Section** supports this proposal as well as the Washington Defenders Association and the Washington Association for Justice.

Watch committee action on TVW.

# Bar-request bill voted out of committee

SB 5011, as requested by WSBA, was voted out of the **Senate Law and Justice Committee** on Jan. 25. Originating from the Corporate Act Revisions Committee of WSBA's **Business Law Section**, this bill seeks to modernize Washington's Corporate Act (RCW 23B) by allowing forum selection, eliminating the 10-year limit on voting trusts, and other technical changes to make Washington more business friendly.

SB 5011 was voted out of committee unanimously and delivered to the Senate Rules Committee for further action.

Watch committee action on TVW.

## Guardianship bill heard in the House

# WASHINGTON STATE BAR ASSOCIATION

<u>HB 1402</u>, prime sponsored by **Rep. Laurie Jinkins**, D-27, was heard in the House Judiciary Committee on Thursday, Jan. 26. This bill relates to the visitation of incapacitated persons, communication surrounding vulnerable adults, and targeted training for legal professionals and long-term care providers.

WSBA's **Elder Law Section** supports HB 1402 and is working with Rep. Jinkins on amendment language to ensure consistency with current state law.

Watch committee action on TVW.

Week 2: Jan. 20, 2017

The Legislature entered into the second week of the 105-day session with new bill introductions, committee hearings, and budget press conferences. Both fiscal and policy committees continued to hold hearings regarding issues such as increasing penalties for driving under the influence, legal financial obligation changes, the voting rights act, and matters related to cyber security.

The Washington State Bar Association continues to monitor relevant legislation and provide subject-matter expertise regarding policy proposals impacting practitioners, clients, and the public. Below are details regarding relevant legislative action this week in Olympia.

# Real property bill heard

Annie Fitzsimmons, an attorney with Washington REALTORS, testified on behalf of WSBA's Real Property, Probate and Trust Section before the Senate Law and Justice Committee on Jan. 18. Fitzsimmons shared concerns regarding Senate Bill 5080, stating that as currently drafted the bill may have unintended consequences for residential property owners who suffer damage from neighboring construction. SB 5080 is sponsored by Sen. Mike Padden, R-4, and Sen. Jamie Pedersen, D-43.

Watch the testimony on TVW.

## WSBA Business Law, Creditor Debtor Rights sections testify

Seattle University Law School Professor **Diane Dick**, representing the Corporate Act Revisions Committee (CARC) of WSBA's **Business Law Section**, testified in support of <u>SB 5040</u> before the Senate Law and Justice Committee on Thursday, Jan. 19.

Requested by the Secretary of State's office, SB 5040 makes technical corrections to the Uniform Business Organizations Code and clarifies the content in certain certificates of registration. This bill is sponsored by senators Pedersen and Padden.

# WASHINGTON STATE BAR ASSOCIATION

During the same hearing, **Bruce Borris**, a principal at Riddell Williams, represented WSBA's **Creditor Debtor Rights Section** and testified in support of <u>SB 5085</u>, the Uniform Voidable Transactions Act (UVTA). SB 5085 makes significant changes to the current Uniform Fraudulent Transfer Act, most notably clarifying when a transaction is fraudulent providing that a creditor making a claim has the burden of proof by a preponderance of the evidence.

Watch the testimony on TVW.

For additional legislative information, please visit WSBA Legislative Affairs

Week 1: Jan. 13, 2017

The 2017 legislative session began this week with a flurry of activity. Fiscal committees held hearings on <u>Gov. Inslee's proposed 2017-19 budget</u>; policy committees held work sessions on issues such as statewide civil legal aid services; and legislators introduced bills dealing with issues ranging from administrative hearings to water rights. In addition, those newly-elected to the Legislature, statewide office, and the Supreme Court were sworn in.

# Governor begins second term, welcomes Legislature

**Gov. Jay Inslee** (D) gave his second inaugural address on Wednesday, Jan. 11. Inslee focused his remarks on basic education funding and urged lawmakers to work together to address critical statewide issues including mental health and homelessness.

Watch the governor's address on TVW.

#### Senate hears Bar-request bills

The **Senate Law and Justice Committee** heard public testimony regarding two Bar-requested bills on Tuesday, Jan. 10.

**Michael Hutchings**, representing the Corporate Act Revisions Committee (CARC) of WSBA's **Business Law Section**, testified in support of <u>Senate Bill 5011</u>. Prime-sponsored by **Sen. Jamie Pedersen**, D-43 this bill seeks to amend <u>Washington's Business Corporation Act</u> to make our state more business-friendly through process efficiencies and modernization of outdated statutory provisions.

**Michael Carrico**, representing WSBA's **Real Property**, **Probate and Trust Section** (RPPT), testified in support of <u>SB 5012</u>. Also prime-sponsored by Sen. Pedersen, this bill seeks to create a nonjudicial process for amending or replacing irrevocable trust documents.

Other sponsors of these bills include Senate Law and Justice Committee **Chair Mike Padden**, R-4, and Senators **David Frockt**, D-46 and **Joe Fain**, R-47.



Watch the testimony on TVW.

# WSBA LAMP Section-supported bills heard

Two proposals regarding military service members and their families were heard in both the House and Senate judiciary committees this week.

Supported by WSBA's **Legal Assistance to Military Personnel Section** (LAMP), <u>House Bill 1055</u> creates an office of pro bono legal services within the Attorney General's office dedicated to military service members and their families. HB 1055 is prime-sponsored by **Rep. Christine Kilduff**, D-28; the Senate companion, <u>SB 5021</u>, is prime-sponsored by **Sen. Steve O'Ban**, R-28.

Watch the House testimony on TVW.

Watch the Senate testimony on TVW.

For additional legislative information, please visit WSBA Legislative Affairs.

# Pre-Session Review: Jan. 6, 2017

The 2017 legislative session begins Monday, Jan. 9, and is scheduled to last 105 days. Lawmakers have significant issues to tackle this year, including closing a budget deficit upwards of \$5 billion that encompasses fully funding basic education under the McCleary decision, mental health obligations, and other emergent public policy needs.

Adopted by the Board of Governors in November 2016, the Washington State Bar Association's legislative agenda includes the following priorities:

- SB 5011: Modernizing Washington's Corporate Act
- SB 5012: Concerning the distribution of a Washington trust's assets to another trust
- Providing adequate state funding for Washington's court system
- Allocating necessary state funding for civil legal aid services

2017 Session Cutoff Calendar