WASHINGTON DISCIPLINE SYSTEM
2019 Annual Report

The Washington State Bar Association
1325 4th Avenue, Suite 600 | Seattle, WA 98101-2539 | 206-727-8207
www.wsba.org

Editorial Staff
Thea Jennings, Disciplinary Program Manager
Rachel Agent, Discipline Systems Analyst Paralegal
# TABLE OF CONTENTS

## EXECUTIVE SUMMARY

1

## THE DISCIPLINE SYSTEM

2

- Structure of the Lawyer Discipline System .................................................. 2
- The Office of Disciplinary Counsel ................................................................. 3
- Review Committees of the Disciplinary Board ............................................ 3
- Hearing Officers ............................................................................................... 3
- Disciplinary Board .......................................................................................... 3
- Washington Supreme Court ........................................................................... 4
- 2019 by the Numbers ....................................................................................... 4

## LAWYER GRIEVANCE AND ODC STATISTICS

5

- Disciplinary Grievance Statistics .................................................................... 5 - 7
- Diversion ........................................................................................................... 7
- Auditor Activities ............................................................................................. 7

## LAWYER HEARINGS AND APPEALS

8

- Review Committees ......................................................................................... 8
- Hearing Officers ............................................................................................... 8
- Disciplinary Board .......................................................................................... 9
- Washington Supreme Court .......................................................................... 9

## FINAL OUTCOMES IN LAWYER DISCIPLINE CASES

10

- Disciplinary Actions ....................................................................................... 10
- Ethics Rules Violations .................................................................................. 11
- Lawyers Disciplined ....................................................................................... 12

## OTHER COMPONENTS OF THE DISCIPLINE SYSTEM

13

- Probation and Other Conditions of Discipline ............................................ 13
- Lawyer Disability Matters ............................................................................. 13
- Client Protection Fund ................................................................................... 14
- Funding the Lawyer Discipline System ....................................................... 14

## OTHER LICENSED LEGAL PROFESSIONALS AND THE DISCIPLINE SYSTEM

15

- Statistical Information .................................................................................... 15

## NEW DRAFT DISCIPLINARY PROCEDURAL RULES: RULES FOR DISCIPLINE AND INCAPACITY

16

- Work on Revised Disciplinary Procedural Rules Continues ....................... 16
EXECUTIVE SUMMARY

The Washington State Bar Association (WSBA, Bar) is pleased to present the 2019 Discipline System Annual Report. This report is published to share publicly available information about the operations of Washington’s lawyer and limited license practitioner discipline system.

The Washington Supreme Court has exclusive governmental responsibility over the discipline system, many aspects of which are delegated by court rule to be administered by the WSBA. Consistent with the Supreme Court’s mandate in General Rule (GR) 12.2, the WSBA administers an effective system of discipline to fulfill its obligations to protect the public and ensure the integrity of the profession. The WSBA’s lawyer discipline functions are discharged primarily by the WSBA’s Office of Disciplinary Counsel (ODC), the WSBA’s Office of General Counsel (OGC), the Disciplinary Board, and Washington Supreme Court-appointed hearing officers. The WSBA discipline functions for limited licenses to practice law are discharged by ODC and the WSBA’s Regulatory Services Department (RSD), each license’s respective Supreme Court regulatory board, OGC, and Washington Supreme Court-appointed hearing officers. Key components include:

- Reviewing and investigating allegations of ethical misconduct and incapacity;
- Prosecuting violations of the applicable ethical rules;
- Seeking and approving the transfer of practitioners to disability inactive status;
- Addressing less serious matters with diversion;
- Informing the public about licensed legal professionals, the legal system, and means to address difficulties involving lawyers and other licensed legal professionals;
- Informally resolving non-communication issues and file disputes (disputes regarding a client’s request for his or her client file);
- Administering a random examination program to assess trust account compliance and to educate practitioners on the proper handling of client funds held in trust;
- Administering the Client Protection Fund;
- Educating practitioners about the discipline system and their ethical responsibilities; and
- Participating in the development and improvement of the law of ethics and discipline.

This report summarizes the WSBA’s efforts in these areas and highlights accomplishments from the 2019 calendar year.

In 2019, ODC lawyers and auditors appeared as speakers in 25 programs around the state, at national conferences, and in webinars and webcasts, educating lawyers, law students, and legal professionals on topics of legal ethics, trust account recordkeeping and compliance, and the discipline system.

The WSBA Professional Responsibility Program—which is distinct from and independent of the discipline system—also provides ethics education and outreach to practitioners. In fiscal year 2019, Professional Responsibility Program staff provided ethics advice to 2,340 callers and educated members at 61 programs around the state, including live, webinar, and webcast events.

1 For purposes of this report, references to “the discipline system” encompass both the discipline and disability systems.
THE DISCIPLINE SYSTEM

The Washington discipline system for lawyers is composed of a number of entities that operate as part of the judicial branch of government under the authority of the Washington Supreme Court. The lawyer discipline system is administered by the WSBA, which operates the investigative and prosecutorial functions separately from the adjudicative functions. ODC oversees the prosecutorial functions. OGC provides administrative and legal support to the hearing officers and the Disciplinary Board, which carry out the adjudicative and decision-making functions. OGC further manages the records for disciplinary proceedings. See Other Licensed Legal Professionals and the Discipline System later in this Report for details about the discipline system for limited license legal professionals.

STRUCTURE OF THE LAWYER DISCIPLINE SYSTEM

| WSBA Office of Disciplinary Counsel (ODC) | ■ Answers public inquiries and informally resolves disputes  
■ Receives, reviews, and may investigate grievances  
■ Recommends disciplinary action or dismissal  
■ Diverts grievances involving less serious misconduct  
■ Recommends disability proceedings  
■ Presents cases to discipline-system adjudicators |
|---|---|
| Hearing Officers | ■ Conduct evidentiary hearings and other proceedings  
■ Conduct settlement conferences  
■ Approve stipulations to admonition and reprimand |
| Disciplinary Board | ■ Reviews recommendations for proceedings and disputed dismissals  
■ Serves as intermediate appellate body  
■ Reviews hearing records and stipulations |
| Washington Supreme Court | ■ Exclusive governmental responsibility for the system  
■ Conducts final appellate review  
■ Orders sanctions, interim suspensions, and reciprocal discipline |
THE OFFICE OF DISCIPLINARY COUNSEL

ODC is responsible for reviewing, investigating, and prosecuting grievances about the ethical conduct of Washington lawyers and allegations of incapacity to practice law.

ODC has one intake unit, three investigation/prosecution units, one unit of investigators, one unit of paralegals, and one unit of auditors. The intake unit receives inquiries and written grievances and conducts the first review of grievances against lawyers. Some grievances are dismissed at the intake stage, while others are referred for further investigation by ODC investigation/prosecution staff, which includes disciplinary counsel, investigators, paralegals, and administrative assistants. After investigation, disciplinary counsel determine whether grievances should be dismissed or reported to a review committee of the Disciplinary Board. Some less serious matters are diverted from discipline. Rule 6.2 of the Rules for Enforcement of Lawyer Conduct (ELC) sets forth criteria for determining what conduct may qualify as “less serious misconduct.”

Disciplinary counsel prosecute matters ordered to hearing by a review committee of the Disciplinary Board. If a hearing-level decision is appealed, disciplinary counsel briefs and argues the appeal to the Disciplinary Board and, in some cases, the Supreme Court.

REVIEW COMMITTEES OF THE DISCIPLINARY BOARD

Administered by OGC

Four review committees, each composed of two lawyer members and one community representative member of the Disciplinary Board, serve an oversight function in the lawyer discipline system, first to consider grievant appeals of disciplinary counsel dismissals, and second to consider disciplinary counsel recommendations for admonitions or public disciplinary hearings. Among other actions, a review committee may dismiss a matter, order further investigation, issue an admonition, or order a hearing. Review committees also have authority to order a hearing regarding a lawyer’s alleged incapacity to practice law. The WSBA’s OGC provides staff for legal and administrative support to the four review committees.

HEARING OFFICERS

Administered by OGC

Volunteer hearing officers preside over hearings for disciplinary and disability cases. They receive evidence and issue findings, conclusions, and a recommendation on the discipline to be imposed, if any. Hearing officers also conduct settlement conferences in many discipline cases. In disability proceedings, hearing officers make recommendations regarding whether a respondent lawyer should be transferred to disability inactive status. They are also authorized to resolve cases by approving stipulations to reprimand, admonition, or dismissal. A Chief Hearing Officer supervises the hearing officers, assigns cases, assists with training, and monitors hearing officer performance. The WSBA’s OGC provides staff for legal and administrative support to hearing officers.

DISCIPLINARY BOARD

Administered by OGC

In addition to its review committee functions, the Disciplinary Board, composed of volunteer lawyers and community representatives, considers appeals of hearing officer decisions. The Disciplinary Board reviews the record when a respondent lawyer or disciplinary counsel has filed an appeal of the hearing officer’s recommendation in a disciplinary matter. The Board also reviews appeals of lawyer disability cases and may review suspension and disbarment recommendations.

If requested, the Board hears oral argument on the cases much like an appellate court, and then issues its decision. The Board also reviews stipulations submitted by the parties, which, if approved, will resolve the proceeding without a hearing. The WSBA’s OGC provides staff for legal and administrative support to the Disciplinary Board in the performance of its adjudicative functions.
WASHINGTON SUPREME COURT

The Washington Supreme Court has inherent and plenary authority to regulate the practice of law, including the power to dispose of individual cases of lawyer discipline. All proceeding resolutions are sent to the Court, except for dismissals. The Court reviews the Disciplinary Board’s suspension and disbarment recommendations, which are appealable as a matter of right. The Court also considers petitions for discretionary review of other dispositions. Disciplinary and disability cases appealed to the Supreme Court, like other Supreme Court appeals, proceed with briefing and oral argument, followed by a written opinion by the Court.

The Supreme Court may order reciprocal discipline of lawyers who have been disciplined in other jurisdictions, and order interim suspension of a lawyer if the Disciplinary Board recommended disbarment or if the lawyer was convicted of a crime, poses a risk of serious harm to the public, fails to cooperate with a disciplinary investigation, or asserts incapacity to defend himself or herself in a disciplinary proceeding.

2019 BY THE NUMBERS

- **32,573** Actively Licensed Lawyers
- **1,681** Grievance Files Opened
- **46** Public Formal Complaints Filed
- **6** Disciplinary Hearings
- **56** Disciplinary Actions Imposed
The following statistics relate to the intake, investigation, and prosecution by ODC of grievances against lawyers in the 2019 calendar year.

### Disciplinary Grievance Statistics

<table>
<thead>
<tr>
<th>Disciplinary Grievances, Informally Resolved Matters, and Public Inquiries</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disciplinary Grievances Received</td>
<td>1,894</td>
<td>1,965</td>
<td>1,681</td>
</tr>
<tr>
<td>Disciplinary Grievances Resolved(^2)</td>
<td>1,967</td>
<td>2,011</td>
<td>1,737</td>
</tr>
<tr>
<td>Non-Communication Matters Informally Resolved</td>
<td>154</td>
<td>142</td>
<td>156</td>
</tr>
<tr>
<td>File Disputes Informally Resolved</td>
<td>65</td>
<td>61</td>
<td>68</td>
</tr>
<tr>
<td>Public Inquiries, Phone Calls, Emails, &amp; Interviews</td>
<td>5,044</td>
<td>4,451</td>
<td>3,986</td>
</tr>
</tbody>
</table>

\(^2\) “Grievances resolved” include all grievances that closed during the calendar year, including, but not limited to, grievances that were dismissed in intake or after investigation and those for which disciplinary action was imposed.

---

### 2015 – 2019 Grievances Received in Relation to Number of Licensed Lawyers

![Chart showing the increase in grievances and number of lawyers from 2015 to 2019](chart.png)
2019 Nature of Grievances

- Unsatisfactory Performance: 40%
- Interference with Justice**: 32%
- Violation of a Duty to Client: 8%
- Trust Account Overdraft: 8%
- Personal Behavior*: 6%
- Lawyer Fees: 4%
- Other: 1%

*Personal behavior—may include criminal law violations and other conduct not necessarily related to the practice of law.

**Interference with Justice—may include improper contacts with represented parties or judicial officers and misrepresentations to the court.

2019 Practice Area of Grievances

- Criminal Law: 29.9%
- Family Law: 20.1%
- Torts: 11.3%
- Unknown*: 6.4%
- Estates/Probates/Wills: 5.4%
- Real Property: 5.1%
- Immigration: 2.8%
- Administrative Law: 2.2%
- Labor Law: 2.0%
- Landlord/Tenant: 1.8%
- Contracts/Consumer Law: 1.8%
- Other**: 1.7%
- Commercial Law: 1.6%
- Guardianships: 1.6%
- Collections: 1.4%
- Juvenile Matter: 1.0%
- Bankruptcy: 0.9%
- Foreclosures: 0.9%
- Workers/Unemployment Comp: 0.8%
- Patent/Trademark: 0.5%
- Corporate/Banking: 0.4%

*Unknown—captures those grievances where there was too little information to determine a practice area.

**Other—reflects those practice areas that arise too infrequently to capture individually.
**DIVERSION**

For less serious misconduct, ODC may divert a grievance from discipline if the lawyer agrees to a diversion contract. A successfully completed diversion results in dismissal of the grievance. If the lawyer fails to complete the diversion contract, the grievance is reinstated and may result in public disciplinary action.²

**AUDITOR ACTIVITIES**

Washington lawyers who maintain client trust accounts must hold those accounts with financial institutions that report any overdraft of funds to the WSBA. Auditors in ODC assist in the investigation and resolution of grievances opened because of overdraft notices.

Auditors also assist in the investigation of grievance files involving trust account issues and conduct random examinations of lawyer trust accounts to ensure compliance with the ethics rules.

---

² Total completed diversions include diversions entered into in the prior reporting year but completed in the reporting year.
LAWYER HEARINGS AND APPEALS

REVIEW COMMITTEES

In 2019, the review committees of the Disciplinary Board met 16 times to consider 449 matters, including review of dismissals; admonition, advisory letter, and hearing recommendations; and other requests, e.g. deferrals of investigation, orders for costs, and other non-routine matters.

<table>
<thead>
<tr>
<th>Review Committee Decisions</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dismissals</td>
<td>527</td>
<td>466</td>
<td>357</td>
</tr>
<tr>
<td>Orders to Hearing</td>
<td>100</td>
<td>51</td>
<td>52</td>
</tr>
<tr>
<td>Other (Deferrals, Costs, etc.)</td>
<td>31</td>
<td>17</td>
<td>22</td>
</tr>
<tr>
<td>More Investigation</td>
<td>35</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>Advisory Letters</td>
<td>5</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Admonitions</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

HEARING OFFICERS

In fiscal year 2019, 36 volunteer lawyers appointed by the Washington Supreme Court served as hearing officers. In calendar year 2019, 46 disciplinary and 12 disability proceeding files were opened.

<table>
<thead>
<tr>
<th>Hearing Officer Work</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hearings Held</td>
<td>17</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Stipulations Approved</td>
<td>12</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>Settlement Conferences Held</td>
<td>13</td>
<td>7</td>
<td>17</td>
</tr>
</tbody>
</table>

* The WSBA’s fiscal year is October 1 through September 30.
DISCIPLINARY BOARD
The Disciplinary Board considered 25 disciplinary and disability matters (excluding denials of sua sponte review) and ordered the transfer of five lawyers to disability inactive status.

WASHINGTON SUPREME COURT
The Supreme Court heard one oral argument on an interim suspension petition. It also reciprocally disciplined 13 lawyers and suspended 13 lawyers on an interim basis.

**Disciplinary Board Matters**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases Reviewed by Appeal</td>
<td>5</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Stipulations Considered</td>
<td>28</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td>Oral Arguments</td>
<td>5</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

**Supreme Court Decisions**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interim Suspensions</td>
<td>19</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td>Reciprocal Discipline Ordered</td>
<td>16</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td>Oral Arguments</td>
<td>4</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Published Opinions</td>
<td>2</td>
<td>4</td>
<td>0</td>
</tr>
</tbody>
</table>
DISCIPLINARY ACTIONS

Disciplinary “actions,” which include both disciplinary sanctions and admonitions, result in a permanent public disciplinary record. In order of increasing severity, disciplinary actions are admonitions, reprimands, suspensions, and disbarments. A suspension from the practice of law may be for any period of time not to exceed three years, and may include conditions to be fulfilled by the lawyer before reinstatement. A disbarment revokes the lawyer’s license to practice law. Disbarred lawyers are precluded from seeking readmission to the Bar for five years after disbarment. Only the Washington Supreme Court may order suspension, disbarment, or reinstatement.

Lawyers may also resign in lieu of discipline if they do not wish to defend against allegations of misconduct. A lawyer who resigns in lieu of discipline may not seek reinstatement to the practice of law in Washington.

Review committees of the Disciplinary Board also have authority to issue an advisory letter when it is determined that a lawyer should be cautioned. Advisory letters are neither a sanction nor a disciplinary action and are not public information. For less serious misconduct, a lawyer may be diverted from discipline.

In 2019, 56 lawyers were disciplined. The following chart reports the number of disciplinary actions imposed over the last five calendar years.
ETHICS RULES VIOLATIONS

In 2019, the most common rule violations in disciplinary proceedings related to professional misconduct (RPC 8.4), safeguarding client property and trust accounting (RPC 1.15A, 1.15B), communication (RPC 1.4), diligence (RPC 1.3), terminating the representation (RPC 1.16), and fees (RPC 1.5).

The following chart details the RPC violations found in 2019 by percentage. To review these and other RPC, visit the Washington Supreme Court’s website at www.courts.wa.gov.

---

1. **RPC 8.4 Professional Misconduct** - 18.42%
2. **RPC 1.4 Communication** - 11.84%
3. **RPC 1.3 Diligence** - 10.53%
4. **RPC 1.15A Safeguarding Property** - 9.21%
5. **RPC 1.16 Declining or Terminating Representation** - 8.55%
6. **RPC 1.5 Fees** - 8.55%
7. **RPC 8.1 Bar Admission and Disciplinary Matters** - 5.92%
8. **RPC 1.15B Required Trust Account Records** - 5.26%
9. **Other** - 3.95%
10. **RPC 3.2 Failure to Expedite Litigation** - 2.63%
11. **RPC 3.3 Candor Toward the Tribunal** - 2.63%
12. **RPC 5.5 Unauthorized Practice; Multijurisdictional Practice** - 2.63%
13. **RPC 1.2 Scope of Representation** - 1.97%
14. **RPC 3.4 Fairness to Opposing Party and Counsel** - 1.97%
15. **RPC 5.8 Misconduct Involving Disbarred, Suspended, etc.** - 1.97%
16. **RPC 1.1 Competence** - 1.32%
17. **RPC 1.6 Confidentiality of Information** - 1.32%
18. **RPC 5.3 Responsibilities Regarding Nonlawyer Assistants** - 1.32%

---

1. RPC 8.4 violations may include, among other misconduct, criminal conduct, dishonesty, and conduct prejudicial to the administration of justice.
2. The Ethics Rules Violations graph does not reflect multiple repeat rule violations in the same proceeding. Additionally, the chart does not reflect reciprocal discipline matters, as the applicable ethics rules vary among jurisdictions.
3. “Other” reflects those RPC that individually amounted to less than .98% of the RPC found in 2019, including RPC 1.18 (duties to prospective clients), RPC 1.7 (current client conflicts), RPC 3.1 (meritorious claims and contentions), RPC 3.5 (impartiality and decorum of the tribunal), RPC 4.1 (truthfulness in statements to others), and RPC 7.1 (communications concerning a lawyer’s services).
**LAWYERS DISCIPLINED**

**Disbarments (12)**
- Allen-Grant, Kendra Nicole – #44080
- Anderson, Julie Ann – #15214
- Border, Teresa Lynn – #19222
- Enriquez, Credo – #28921
- Graeff, Erik J. – #48235
- Henslee, Donald G. – #31428
- Laws, Richard A. – #36654
- Marsh, Samuel Campbell – #43756
- Maryatt, Chris – #40619
- McAuliff, David J. – #40687
- Pitner, Noel James – #36158
- Randall, Gary Evan – #15020

**Resignations in Lieu of Discipline (5)**
- McLaughlin, Michael John – #13367
- Meyers, Robert Grant – #15199
- Rainey, Roy – #9512
- Rood, Karla Elizabeth – #42091
- Wenger, Marlene K. – #35478

**Suspensions (20)**
- Bolliger, John Cameron – #26378
- Boothe, Thomas Stephenson – #21759
- Bounlutay, Souphavady – #30552
- Bruen, Charles James III – #31752
- Caruso, Robert E. – #29338
- Castillo, Emilia Rigor – #14950
- Cleveland, Dana – #40285
- Flindt, Kyle – #37322
- Gazori, James K. – #19900
- Highberg, Erik Eugene – #30589
- Jolley, Dallas William Jr – #22957
- Lowell, David Duane – #22563
- Marsh, Samuel Campbell – #43756
- McAllister, Thomas W. – #35832
- Milkie, Alexander J. – #40525
- Obert, Mark Gene – #27299
- Schlesinger, Andrew M. – #41333
- Smith, Mark E. – #30924
- Sweet, Diane – #35881
- Wade, Theresa M. – #30083

**Reprimands (16)**
- Abel, Gregory Mark – #29268
- Codd, W. Tracy – #16745
- De Alicante, Tony Francis – #18406
- Doyle, Thomas K. – #27897
- Edgar, William John – #46301
- Gates, David B. – #28952
- Guza, Catherine Laura Lee – #49221
- Harvey, Alan Edward – #25785
- Kaufman, Robert Charles – #12543
- Kirby, Cornell – #36829
- Knauerhase, Karen – #38612
- Lucas, Spencer – #54427
- Nguyen, Lan Thi – #36129
- Sherman, Paul F. II – #36091
- Terrillion, Dean – #32869
- Weber, Matthew B. – #31308

**Admonitions (3)**
- Lowell, David Duane – #22563
- Moody, Rodney R. – #17416
- Peale, Walter O. III – #788

*For more information, please visit wsba.org or our webpage on Professional Discipline.*
OTHER COMPONENTS OF THE DISCIPLINE SYSTEM

PROBATION AND OTHER CONDITIONS OF DISCIPLINE

Sanctioned or admonished lawyers may be placed on probation for a fixed time period. Conditions of probation may include alcohol and drug treatment, medical care, psychiatric care, office practice or management counseling, and periodic audits. Other conditions of discipline may include paying restitution to victims and paying the costs of the disciplinary proceeding. A suspension order may also impose conditions that must be complied with prior to reinstatement.

<table>
<thead>
<tr>
<th>Files Opened for Other Conditions Imposed</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probation</td>
<td>36</td>
<td>28</td>
<td>19</td>
</tr>
<tr>
<td>Restitution</td>
<td>21</td>
<td>19</td>
<td>16</td>
</tr>
<tr>
<td>Costs</td>
<td>68</td>
<td>48</td>
<td>43</td>
</tr>
</tbody>
</table>

LAWYER DISABILITY MATTERS

Special procedures apply when there is reasonable cause to believe that a lawyer is incapable of properly defending a disciplinary proceeding or incapable of practicing law due to a mental or physical incapacity. Such matters are handled under a distinct set of procedural rules. In some cases, the lawyer must have counsel appointed at the WSBA’s expense. In disability cases, a determination that the lawyer does not have the capacity to practice law results in a transfer to disability inactive status. It is also possible for a lawyer to stipulate to a transfer to disability inactive status, and a transfer is required following judicial determination of a lawyer’s incapacity, such as involuntary commitment. Although disciplinary procedural rules under the ELC govern disability proceedings, the proceedings are not disciplinary in nature.

<table>
<thead>
<tr>
<th>Transfers to Disability Inactive</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3</td>
<td>8</td>
<td>5</td>
</tr>
</tbody>
</table>
The Client Protection Fund Board was established to promote public confidence in the administration of justice and the integrity of the legal profession. Its purpose is to relieve or mitigate a financial loss sustained by a client resulting from a WSBA member’s dishonesty or failure to account for money or property entrusted to the WSBA member. The dishonesty or failure to account must have been in connection with the member’s practice of law or role as a fiduciary in a matter related to the member’s practice of law. The Fund is financed by a $30 annual WSBA lawyer-member assessment imposed by order of the Washington Supreme Court. In 2019, the Fund gave over $419,000 in gifts.

### FUNDING THE LAWYER DISCIPLINE SYSTEM

License fees fund the lawyer discipline system – there is no public funding.

<table>
<thead>
<tr>
<th>Discipline System Revenue and Expenses(^\text{10})</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recovery of Discipline Costs</td>
<td>$95,491</td>
<td>$84,661</td>
<td>$72,284</td>
</tr>
<tr>
<td>Discipline History Summaries</td>
<td>$12,991</td>
<td>$15,899</td>
<td>$15,952</td>
</tr>
<tr>
<td>Misc(^\text{11})</td>
<td>$2,990</td>
<td>$4,360</td>
<td>$1,851</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$111,472</td>
<td>$104,920</td>
<td>$90,087</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investigation/Prosecution</td>
<td>$5,374,154</td>
<td>$5,607,782</td>
<td>$5,731,477</td>
</tr>
<tr>
<td>Disciplinary Board Expenses</td>
<td>$221,609</td>
<td>$241,434</td>
<td>$215,526</td>
</tr>
<tr>
<td>Hearing Officer Expenses</td>
<td>$34,660</td>
<td>$34,368</td>
<td>$33,868</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$5,630,423</td>
<td>$5,883,584</td>
<td>$5,980,871</td>
</tr>
<tr>
<td><strong>Net Total Expenses</strong></td>
<td>$5,518,951</td>
<td>$5,778,664</td>
<td>$5,890,784</td>
</tr>
</tbody>
</table>

\(^\text{8}\) The Client Protection Board reports on the WSBA fiscal year, which is October 1 to September 30.

\(^\text{9}\) Less than two percent of the discipline system budget is funded from alternative revenue sources, including recovery of discipline costs, issuance of discipline history certificates, and recovery of revenue for auditor review of trust account records.

\(^\text{10}\) Lawyer discipline system expenses are based on the WSBA fiscal year.

\(^\text{11}\) Miscellaneous revenue includes audit revenue.
OTHER LICENSED LEGAL PROFESSIONALS AND THE DISCIPLINE SYSTEM

Limited practice officers (LPOs) and limited license legal technicians (LLLTs) are also licensed to practice law by the Washington Supreme Court through regulatory systems administered by the WSBA. LPOs may select, prepare, and complete forms for use in a loan, extension of credit, sale, or other transfer of real or personal property. LLLTs are licensed to assist clients in certain limited legal matters approved by the Washington Supreme Court. Currently, family law is the only approved practice area, although additional practice areas are being evaluated.

A Washington Supreme Court-mandated regulatory board oversees each limited license: the Limited Practice Board for LPOs and the Limited License Legal Technician Board for LLLTs. Each licensee is subject to license-specific rules of professional conduct and disciplinary procedural rules. The WSBA administers a discipline system for these licenses.

The key differences between the lawyer discipline system and the limited license discipline systems are as follows:

1. Each regulatory board acts as the intermediate appellate body, akin to the Disciplinary Board, to review hearing records and stipulations;
2. A discipline committee of each regulatory board serves the function of a review committee; and
3. RSD staff and the chair of each discipline committee conduct initial review of grievances and make intake decisions.

For both licenses, possible disciplinary actions include revocation, voluntary cancellation in lieu of revocation, suspension, reprimand, and admonition.

To learn more about licensed legal professionals, visit www.wsba.org.

STATISTICAL INFORMATION

<table>
<thead>
<tr>
<th>LPO Disciplinary Statistics</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Active Licensees</td>
<td>792</td>
<td>814</td>
<td>838</td>
</tr>
<tr>
<td>Disciplinary Grievances Received</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Disciplinary Grievances Resolved</td>
<td>4</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Matters Diverted</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Disciplinary Actions Imposed</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LLLT Disciplinary Statistics</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Active Licensees</td>
<td>25</td>
<td>35</td>
<td>38</td>
</tr>
<tr>
<td>Disciplinary Grievances Received</td>
<td>0</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Disciplinary Grievances Resolved</td>
<td>0</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Disciplinary Actions Imposed</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
NEW DRAFT DISCIPLINARY PROCEDURAL RULES:
RULES FOR DISCIPLINE AND INCAPACITY

WORK ON REVISED DISCIPLINARY PROCEDURAL RULES CONTINUES

In July 2017, the Supreme Court approved in concept a proposed model for a substantially modified discipline system. Core objectives of the initiative were development of extensive improvements to the functionality of all discipline and incapacity procedures, merger of the existing systems for the three separate license types, and the creation of a partly professionalized adjudicative system. Since that time, an internal workgroup of WSBA employees from the Office of Disciplinary Counsel, Office of General Counsel, and Regulatory Services Department have focused on creating a comprehensive draft of a new set of disciplinary procedural rules. Drafting was completed in January 2020, at which time representatives of a variety of external stakeholders were convened to review the rules and provide substantive feedback and commentary. Once stakeholder review is complete, it is anticipated the rules will be presented to the BOG in spring 2020, followed by eventual submission of a set of suggested rules to the Supreme Court under GR 9.