
SUBSTITUTE HOUSE BILL 2691

State of Washington 63rd Legislature 2014 Regular Session

By House Judiciary (originally sponsored by Representative Kirby)

READ FIRST TIME 02/05/14.

1 AN ACT Relating to the regulation of legal service contractors; and
2 adding a new section to chapter 48.01 RCW.

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

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

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

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

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

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

18 (a) Retainer, fee, engagement, or representation agreements made by

1 an attorney or firm of attorneys with any person or group other than a
2 legal service contractor;

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

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

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

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

19 (5) For the purposes of this section:

20 (a) "Legal service contractor" means any person, entity, or group
21 of persons, including associations, who is not engaged in the practice
22 of law or the business of insurance and who, for consideration,
23 provides enrolled participants with legal services through agreements
24 with providing attorneys.

25 (b) "Legal service plan" or "plan" means an arrangement between a
26 legal service contractor and an individual or person or group of
27 individuals or persons, whereby specified legal services are to be
28 provided to enrolled participants in consideration of a specified
29 payment for a specified period of time.

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

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

37 (e) "Providing attorney agreement" means a written contract or

1 agreement between a legal service contractor and a providing attorney
2 under which the providing attorney renders and provides legal services
3 to an enrolled participant of a legal service plan.

--- END ---