

WASHINGTON STATE
BAR ASSOCIATION

BOARD OF GOVERNORS MEETING

NOVEMBER 2-3, 2023

Meeting Materials

University of Washington School of Law
Seattle, WA

Zoom and Teleconference



**Board of Governors Meeting
The University of Washington School of Law, Seattle, WA
November 2-3, 2023 - Honoring Our Criminal Law Practitioners
and Law Enforcement Partners**

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 2nd : Meeting ID: 862 3908 9755 Passcode: 641600

<https://wsba.zoom.us/j/86239089755?pwd=dp-MI4Jxk7XduaE5nKoMXP4SLImNzA.oCT8oLfekTASyp2B>

Friday, November 3rd: Meeting ID: 869 3294 4684 Passcode: 721656

<https://wsba.zoom.us/j/88050744822?pwd=d0VxL1rQ1hSbk1JRGnrWmYwKzdkQT09>

To participate by phone, call 1.888.788.0099

THURSDAY, NOVEMBER 2, 2023

9:00 AM – CALL TO ORDER & WELCOME

- WELCOME FROM UNIVERSITY OF WASHINGTON LAW SCHOOL TONI REMBE DEAN TAMARA LAWSON**

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.

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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- Approve Judicial Recommendation Committee Recommendations..... 11
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- CYBERSECURITY TRAINING**, IT Director Jon Dawson 36

AGENDA ITEMS & UNFINISHED BUSINESS

- FY24 STRATEGIC PRIORITIES**, Executive Director Terra Nevitt.....44

12:00 PM – LUNCH

SPECIAL REPORTS

- UPDATE FROM THE PRACTICE OF LAW BOARD REGARDING RECOMMENDATION TO THE WASHINGTON SUPREME COURT REGARDING LICENSING ENTITIES OFFERING LEGAL SERVICES IN WASHINGTON**, Chair Lesli Ashley and board member Michael Cherry
- REGULATION OF TECHNOLOGY-DRIVEN LEGAL SERVICES**, Prof. Drew Simshaw, Gonzaga University School of Law

EXECUTIVE SESSION

- EXECUTIVE DIRECTOR ANNUAL PERFORMANCE EVALUATION**

4:00 PM – RECESS

FRIDAY, NOVEMBER 3, 2023

9:00 AM – RESUME MEETING

AGENDA ITEMS & UNFINISHED BUSINESS

- COMMITTEE ON PROFESSIONAL ETHICS SUGGESTED CHANGES TO THE RULES OF PROFESSIONAL CONDUCT TO ADDRESS CONFLICTS BETWEEN RPC 1.7(a)(3) AND WASHINGTON COURT DECISIONS ON GOVERNMENT LAW OFFICES REPRESENTING SEPARATE AGENCIES IN ADJUDICATED DISPUTES**, Chair Monte Jewell and member Professor Hugh Spitzer49
- LEGISLATIVE REVIEW COMMITTEE ITEMS**, Chair Matt LeMaster, Business Law Section CARC Co-Chair Mike Hutchings, Business Law Section CARC Co-Chair Eric DeJong, RPPT Immediate Past Chair Devin McComb
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SPECIAL REPORTS

- REPORT ON THE 2023 ACCESS TO JUSTICE CONFERENCE AND OPPORTUNITY FOR CONFERENCE ATTENDEES TO SHARE KEY TAKEAWAYS**, Conference Planning Committee Co-Chair Jenae Ball and Chief Equity and Justice Officer Diana Singleton 98
- CRIMINAL LAW PANEL DISCUSSION**, Gov. Allison Widney LM

12:30 PM – LUNCH AND GUEST SPEAKER

- ANNUAL REPORT OF THE WASHINGTON STATE BAR FOUNDATION**, Hon. Tracy Flood, Washington State Bar Foundation President 101

MEETING FEEDBACK

- MEETING FEEDBACK**

2:30 PM – ADJOURN

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WASHINGTON STATE BAR ASSOCIATION

BOARD OF GOVERNORS MEETING MINUTES

Spokane, WA
September 8-9, 2023

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 Dan Clark on Friday, September 8, at 8:35 AM. Governors in attendance were:

Francis Adewale
Sunitha Anjilvel
Lauren Boyd
Jordan Couch
Matthew Dresden
Kevin Fay
Erik Kaeding
Nam Nguyen
Kari Petrusek
Brett Purtzer
Mary Rathbone
Serena Sayani
Alec Stephens
Brent Williams-Ruth

Also in attendance were Deputy Executive Director Dua Abudiab, President-Elect Hunter Abell, Gov. Elect Tom Ahearne, Peter Arkison, Gov. Elect Todd Bloom, Executive Administrator Shelly Bynum, Law Clerk Board Member Christell Casey, Adam Chapman, Steve Crossland, Vicky Daniels, Chief Disciplinary Counsel Doug Ende, Washington State Bar Foundation President Hon. Tracy Flood, Director for Regulatory Services Renata Garcia, Family Law Section Liaison Nancy Hawkins, Cathy Helman, Associate Director for Regulatory Services Bobby Henry, University of Idaho College of Law Dean Johanna Kalb, Gov. Elect Kristina Larry, University of Washington School of Law Dean Tamara Lawson, University of Oklahoma College of Law Professor Jon Lee, Director of Finance Tiffany Lynch, Melissa Kilmer, Outreach Specialist Mike Kroner, Sections Programs Specialist Carolyn MacGregor, James Macpherson, Betsylew Mail-Gix, Imran Malik, NCBE Director of Diversity, Fairness, and Inclusion Research Danette McKinley, Supreme Court Justice Raquel Montoya-Lewis, Clay Nielsen, Executive Director Terra Nevitt, Chief Communications Officer Sara Niegowski, Broadcast Services Manager Rex Nolte, Marya Noyes, Communication Strategies Manager Jennifer Olegario, Gonzaga University School of Law Dean Jacob Rooksby, Carrie Sanford, Foundation Development Officer Laura Sanford, General Counsel Julie Shankland, Regulatory Services Specialist Katherine Skinner, Human Resources Director and Chief Culture Officer Glynnis Klinefelter Sio, Chief Equity & Justice Officer Diana Singleton, Regulator Services Paralegal Anne Trent, Regulatory Services Specialist Ramana Pendyala, Terry Price, LFW Member Mike Pontarolo, Supreme Court Justice Debra L. Stephens,

Bruce Turcott, Member Services and Engagement Manager Julianne Unite, Seattle University School of Law Dean Anthony Varona, NCBE Chief Strategy and Operations Officer Marilyn Wellington and Gov. Elect Allison Widney

Annual Meeting of the Washington State Bar Foundation ([link](#))

Bar Foundation President, the Hon. Tracy Flood called the annual meeting of the Bar Foundation to order at 8:39 a.m. She provided an overview of the funds distributed to the Powerful Communities Project and other initiatives focused on increasing access to justice, pro bono, and diversity, equity, and inclusion in the legal system. She gave an update about current and future plans for the Foundation. Pres. Flood announced the recommended 2023-24 Board of Trustees roster, including new appointees, as presented in the materials. Gov. Williams-Ruth moved to accept the slate of trustees. Motion passed unanimously. Gov. Petrasek was not present for the vote. Pres. Flood adjourned the annual meeting of the Foundation at 8:50 a.m.

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

Peter Arkison remarked that when the Board considers sponsoring legislation, members should be informed and given an opportunity to discuss and comment.

Nancy Hawkins spoke to the legislative process and sections/entities.

Consent Calendar ([link](#))

Pres. Clark asked if anyone wished to remove an item from the consent calendar. Gov. Fay moved for approval. There was no discussion. Motion passed unanimously. Govs Anjilvel and Petrasek were not present for the vote.

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

Pres. Clark referred to his written report in the meeting materials.

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

Executive Director Nevitt highlighted the national award being presented to the Foundation's Powerful Communities Project. In response to a request, Executive Director Nevitt provided an overview of the planned process for review of WSBA programs.

Budgeted and Audit Committee Items

WSBA Physical Space ([link](#), [link](#))

Executive Director Nevitt presented results from a staff survey regarding office space. Treasurer Adewale referred the Governors to the Budget & Audit Committee's written recommendation, which is to authorize WSBA's brokers to begin negotiations with its current landlord to extend the lease and reduce the amount of office space. ED Nevitt said that these negotiations do not lock in the Board to any decision, but it will begin the process to gather more information. Gov. Couch moved to adopt the recommendation. Motion passed 9 to 3. Govs. Petrasek and Sayani were not present for the vote.

[FY24 Budget \(link\)](#)

Treasurer Adewale thanked everyone for their input and remarked that the budget is a result of all the feedback throughout the robust budget-development process. Director Lynch presented the most current draft of the budget, including changes since the last board meeting. Nancy Hawkins asked for more explanation in the budget itself, and Director Lynch remarked that narratives are provided with the final budgets after they are approved and included on the WSBA website. Gov. Purtzer moved to adopt the budget. Motion passed 12 to 1. Gov. Petrasek was not present for the vote.

[2025 License Fee \(link\)](#)

Treasurer Adewale presented the Budget & Audit Committee's recommendation that all license fees remain steady for FY25, with a \$5 increase for the Client Protection Fund. Discussion followed, including the sustainability and messaging of not raising dues to pay for the actual costs of running the Bar. Gov. Boyd motioned to approve the fees as recommended by the Budget & Audit Committee.

Gov. Couch moved to amend the motion to increase the 2025 fees by \$10 for all license types. Discussion followed about the need to fully support the cost of the organization, member resistance to fee increases, the hardship of waiting until the organization is forced to make a large increase in the annual fee, and the need for a communication plan expressing the value of the WSBA prior to raising fees. The motion to amend failed 3 to 10. Gov. Petrasek was not present for the vote.

The underlying motion to approve the License Fee passed 8 to 5. Gov. Petrasek was not present for the vote.

[Discussion with Law School Deans and Law Clerk Board Leaders \(link\)](#)

Law School Deans from the University of Washington, Seattle University, Gonzaga University, University of Idaho, and Law Clerk Board Member Christell Casey spoke about trends, priorities, demographics, and changes in legal education.

[Personnel Committee Recommendation RE: Executive Director Evaluation \(link\)](#)

Personnel Committee Chair Alec Stephens presented the recommended evaluation process and instrument. The hope is this will be a long-standing process for this and future years—this is an attempt to standardize the process for future boards. Gov. Anjilvel moved to approve the recommendation. Motion passed unanimously. Gov. Petrasek was not present for the vote.

Gov. Fay moved to allow Governors who served during the performance year to fill out the evaluation, even if they have cycled off the board prior to completing the evaluation. He clarified his intent that this be the approach not just this year, but on a go forward basis. Discussion followed about who should be included each evaluation cycle—specifically, whether new governors should be part of the evaluation. Motion passed 12 to 1. Gov. Petrasek was not present for the vote.

[2024 Keller Deduction for 2024 License Fee \(link\)](#)

General Counsel Shankland explained what the annual Keller deduction is and how it relates to the fiscal-year budget passed earlier in the meeting. She walked the Board through how the calculation is derived. Discussion followed about why the calculation is different from year to year and WSBA's conservative approach. Gov. Couch moved to approve the deduction as presented. Motion passed unanimously. Gov. Petrasek was not present for the vote.

Final Report and Recognition of the Equity & Disparity Workgroup ([link](#))

Chair Alec Stephens recounted the history of the workgroup's formation and thanked former WSBA President Rajeev Majumdar for creating the workgroup in the wake of George Floyd's death. Chair Stephens pointed Governors to the final report in the materials. He thanked all the workgroup participants and staff who supported the group.

National Conference of Bar Examiners Presentation on the Next Generation Bar Exam ([link](#))

The Board was joined by National Conference of Bar Examiners representatives Chief Strategy and Operations Officer Marilyn Wellington, Director of Diversity, Fairness, and Inclusion Research Danette McKinley, and University of Oklahoma College of Law Professor Jon Lee. They presented information about the "NextGen" bar examination, set to launch in July 2026. The presentation included the reasons why the exam is changing, the research that went into the new exam, the timeline for launching the exam, and how local jurisdictions interface with the National Conference of Bar Examiners. The new exam is meant to test applicants on skills and knowledge that are more relevant to real-world practice.

Bar Licensure Task Force Report on Draft Recommendations ([link](#))

Task Force co-chairs Justice Raquel Montoya-Lewis and Dean Anthony Varona spoke about the draft Task Force report, which was available to Governors as part of their confidential materials. Justice Montoya-Lewis spoke about the history and purpose of the Task Force. She focused on the equity issues in the current bar-exam process, and the need to find alternative pathways while making sure to keep public protection foremost in mind. Dean Varona thanked the Board's representative, Gov. Williams-Ruth, for his vigorous participation and de facto co-chairmanship for several months; he mentioned research that show that the traditional bar exam is not a good instrument in protecting the public, which matches his experience seeing exceptional students struggle with the exam.

Annual Report of the Legal Foundation of Washington ([link](#))

Foundation Member Mike Pontarolo gave an overview of how and why the Legal Foundation of Washington was formed. He presented the annual report, which summarizes the Foundation's income, grants and operating expenses, and progress toward its mission.

Next Steps for FY24 Strategic Priorities ([link](#))

Executive Director Nevitt referred to her memo in the materials. She said the ultimate goal is to set long-range goals but acknowledged that the organization is still working on a one-year goal cycle. She asked for feedback and comments so that the Board in November will be able to adopt the FY24 goals. Executive Director Nevitt summarized what has been done to create the goals to this point, and she walked the Board through several questions—listed in the memo—to help refine the priorities. Discussion followed about how many goals should be on the list, timeframes and how to address priorities that will take longer than a year. There was consensus that the current list needs to be narrowed. Board members agreed that member wellness is already considered a priority, as voted earlier in the year.

A straw poll was conducted among FY25 Board members only. The results were as follows: future of WSBA space (1); assess technology-related opportunities and threats, and determine WSBA's role vis-à-vis regulation, consumer protection, and support to legal professionals (10); support rural practice (8); increase WSBA's commitment to diversity, equity and inclusion (6); determine a budget philosophy and long-term financial plan (3); establish a process for WSBA program review (0); Ensure access to justice and service the public (5); and increase member engagement in WSBA's volunteer community (0).

Based on the poll, Executive Director Nevitt said she would bring back the following priorities: accessing technology-related opportunities and threats, supporting rural practice, increasing WSBA's commitment to DEI, and ensuring access to justice and service to the public. Gov. Adewale asked for the plan to come back with benchmarks that can be completed in one year. Gov. Couch volunteered to work on the justice to access/public goal and Gov. Dresden volunteered to work on the technology goal.

Governor Roundtable ([link](#))

Gov. Couch commented that he intends to suggest a \$30 increase to bar dues next year.

Gov. Dresden reported that the Member Engagement Council is engaging with the sections right now to propose an amendment to the fiscal policies to authorize use of section funds to pay for alcohol.

Gov. Williams-Ruth thanked Gov. Boyd and Gov. Purtzer for their running advice and support. He reminded everyone that LGBTQ people are still facing hate and threats daily, and he asked everyone to up their vigilance and commitment to equity and inclusion.

President Elect Abell committed to putting Governor's topics on meeting agendas, no matter if it's not an official priority. He mentioned the upcoming Listening Tour dates and October retreat dates.

Gov. Adewale gave details about the upcoming ATJ conference and urged Governors to attend. He thanked the outgoing Governors.

The outgoing officers and governors made comments about their service and thanked their colleagues.

Meeting Feedback ([link](#))

The Board provided feedback.

Swearing in of FY24 Governors and Officers ([link](#))

Washington State Supreme Court Justice Debra Stephens oversaw the swearing in ceremony for new officers and Governors. The organization recognized outgoing Governors and officers and thanked all Board members for their service.

ADJOURNMENT

There being no further business, Pres. Clark adjourned the meeting at 3:20 PM on Saturday, September 9, 2023.

Respectfully submitted,

Terra Nevitt
WSBA Executive Director & Secretary



Board of Governors Meeting – Motions List Richland, WA September 8-9, 2023

1. Motion to accept the slate of trustees [recommended to the 2023-24 Washington State Bar Foundation Board of Trustees. Motion passed unanimously. Gov. Petrasek was not present for the vote.
2. Motion to approve the Consent Calendar. Motion passed unanimously. Govs. Anjilvel and Petrasek were not present for the vote.
3. Motion to adopt the recommendation [to authorize WSBA’s brokers to begin negotiations with its current landlord to extend the lease and reduce the amount of office space]. Motion passed 9 to 3. Govs. Petrasek and Sayani were not present for the vote.
4. Motion to adopt the [FY24] budget. Motion passed 12 to 1. Gov. Petrasek was not present for the vote.
5. Motion to approve the [2025 license] fees as recommended by the Budget & Audit Committee.
 - a. Motion to amend the motion to increase the 2025 fees by \$10 for all license types. Motion failed 3 to 10. Gov. Petrasek was not present for the vote.
 - b. Underlying motion passed 8 to 5. Gov. Petrasek was not present for the vote.
6. Motion to approve the recommendation [of the Personnel Committee for the Executive Director evaluation process and instrument]. Motion passed unanimously. Gov. Petrasek was not present for the vote.
7. Motion to allow Governors who served during the [Executive Director’s] performance year to fill out the [performance] evaluation even if they have cycled off the board prior to completing the evaluation. Motion passed 12 to 1. Gov. Petrasek was not present for the vote.
8. Motion to approve the [2024 Keller] Deduction. Motion passed unanimously. Gov. Petrasek was not present for the vote.

WASHINGTON STATE
BAR ASSOCIATION

TO: WSBA Board of Governors
FROM: Susan Brye, Chair (FY 2022-2023), WSBA Judicial Recommendation Committee; Sanjay Walvekar, Staff Liaison to the Judicial Recommendation Committee
CC: Terra Nevitt, Executive Director
DATE: September 12, 2023
RE: WSBA Judicial Recommendation Committee September 7, 2023 Interviews and Recommendations

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

The WSBA Judicial Recommendation Committee met via Zoom on September 7, 2023 for the purpose of conducting interviews with two individuals interested in being considered for future openings on the Washington Supreme Court and 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 Governor's materials via the WSBA cloud-sharing service.

WASHINGTON STATE BAR ASSOCIATION

TO: WSBA Board of Governors
FROM: Hunter Abell, WSBA President
RE: 2023-2024 Chair Appointments
DATE: October 11, 2023

Consent: Appointment of the 2023 - 2024 WSBA committee and board chairs listed below.

The WSBA has a number of standing committees that are created and authorized by the BOG to study matters relating to the general purposes and business of the Bar which are of a continuous and recurring character. Pursuant to the WSBA Bylaws, IX(B)(1)(c), the President-elect annually selects the Chair or Vice Chair of each committee, with the BOG having the authority to accept or reject that selection. Below is the slate of WSBA committee chairs for the 2023-2024 year. The candidates' resumes are attached. All eligible members of the entities listed below were encouraged to apply for the Chair position.

Committee/Board	Recommended for Appointment
Character & Fitness Board	Chair: Adam Yanasak
Court Rules & Procedures Committee	Chair: Michael Chait

Both are new appointments.

From: [Kyla Reynolds](#)
To: [Paris Eriksen](#)
Cc: [AJ Yanasak](#); [Lisa Amatangel](#)
Subject: Character & Fitness Board Chair Application
Date: Tuesday, October 10, 2023 12:49:14 PM
Attachments: [C&F Board resume 2023.pdf](#)
[image001.png](#)
Importance: High

Paris, Adam Yanasak has applied to be Chair of the Character & Fitness Board for FY24. Can you please include this for Hunter's review in the BOG materials? Below is his statement of interest and I've attached a current resume. Please note that Adam's term on the CFB has lapsed, but per APR 23(i), he will continue to serve on the Board until replaced.

Dear Ms. Amatangel,

Thank you for considering my interest in serving as Chair of the Character and Fitness Board. Attached is my current resume.

I have been a member of the Board since 2021 and am familiar with how the Board operates and conducts hearings. It has been my pleasure to serve the Bar Association in this capacity and I would be honored to continue my service in the role of Chair.

In addition to my nearly 19 years of courtroom legal practice, my previous relevant experience includes two years chairing the City of Everett Planning Commission, and this past year acting as a Judge Pro Tem on the Everett Municipal Court.

Please let me know if there is any additional information you would like me to provide.

Sincerely,

Adam Yanasak



Kyla Reynolds | Paralegal II | Office of General Counsel

Washington State Bar Association | 206-733-5941 | kylaj@wsba.org

1325 Fourth Avenue, Suite 600 | Seattle, WA 98101-2539 | www.wsba.org

The WSBA is committed to full access and participation by persons with disabilities. If you have questions about accessibility or require accommodation please contact accommodations@wsba.org.

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Adam J. Yanasak



PROFESSIONAL EXPERIENCE

Skagit County Public Defender, Mt. Vernon, WA
Senior Deputy Public Defender

March 2016 - Present
November 2004-December 2011

- Represent clients in all classes of criminal charges and probation violations in Washington State District and Superior Courts;
- Plan and supervise case investigations, and conduct interviews/depositions of lay witnesses, law enforcement, and experts in preparation for trial;
- Manage an annual caseload of up to 150 felony cases, negotiate case settlements, and conduct all phases of jury trials;

The Boeing Company, Everett, WA
Ethics Advisor, Office of Ethics and Business Conduct

October 2013-March 2016

- Provided executive-level coaching, guidance, and training on issues related to compliance with laws and internal company policies;
- Performed conflict of interest analyses and developed mitigation plans in issuing formal determinations;
- Engaged in internal policy and process assessments using LEAN principles to devise and recommend continuous practice improvements;
- Supported fair and consistent application of company disciplinary processes.

Russell & Hill, PLLC, Everett, WA
Associate Attorney

January 2012-October 2013

- Led the firm's criminal defense practice from initial client intake through final resolution of cases providing full-service legal representation in misdemeanor, felony, and traffic-related proceedings;
- Directed support staff in client communications and case intake processes.

EDUCATION

University of Washington School of Law
Juris Doctor, with honors

Seattle, Washington

Washington State University
Bachelor of Arts in Political Science, minor in Spanish
Honors Program graduate with International Emphasis

Pullman, Washington

AFFILIATIONS AND SKILLS

Memberships:

Washington State Bar Association (admitted 2004)
Skagit County Bar Association
Washington Association of Criminal Defense Lawyers
Washington Defender Association

Certifications:

Mediation Certificate from UW Law School Clinical Program

Language skills:

Spanish – speak, read, and write

ACTIVITIES

- Judge Pro Tempore Everett Municipal Court (2023 – present)
- City of Everett Planning Commission (2017 – present) (Chair 2020, 2021)
- Washington State Bar Association Character and Fitness Board member (2021 - present)
- President AFSCME Union Local 176-PD (2016 – 2023)
- Washington State Bar Association Judicial Recommendation Committee (2017)
- Everett School District WatchDOGS volunteer (past/current)

October 10, 2023

Board of Governors
Washington State Bar Association
1325 Fourth Ave., Ste. 600
Seattle, WA 98101-2539

Re: Application of Michael Chait to chair the WSBA Court Rules and
Procedures Committee

Dear President Abell and members of the Board of Governors:

This letter serves as my application to chair the Court Rules and Procedures Committee for the 2023-2024 term, following Paul Crisalli's appointment to the bench.

I have long been a strong proponent of the importance of procedural and evidentiary rules as a vehicle to ensure open access to the courts and an even playing field for all litigants. Although last year marked my first year on the WSBA Court Rules and Procedures Committee, I have been the chair of the WDTL Rules Committee since 2019, and active in rules and procedures workgroups well before that. In 2018, I served on the Jury Diversity Task Force of the Washington State Minority and Justice Commission (on behalf of WDTL) and have authored many analyses and position papers on proposed changes to rules.

More than anything, I take pride in seeking to find common ground among diverse stakeholders to identify areas where we all believe change is required, and working to find language that facilitates those goals while ensuring equity and fairness and minimizing unintended consequences.

It was an honor this year to serve on the committee and as chair of the subcommittee on the Evidence Rules. This role afforded me the chance to give back to the legal community and the clients we all serve, and to engage with colleagues from diverse areas of practice. Through this application, I hope to have the chance to further contribute to my colleagues in the Bar, to the profession, and to the community we serve. I appreciate your consideration.

Sincerely,



Michael Chait

Michael Chait

EXPERIENCE

Savitt Bruce & Willey LLP

Of Counsel

Seattle, WA

April 2022 – Present

Focusing on complex commercial litigation with an emphasis on intellectual property, business divorce, employment litigation, transportation, and catastrophic injury.

- Execution of litigation strategies designed to ensure business goals of clients are met and exceeded.
- Extensive experience in comprehensive motion practice in high-conflict disputes, proactively framing and narrowing disputes to key triable issues.
- First chair trial experience resulting in wins for our clients in courts, arbitration, and administrative proceedings.
- Comprehensive advice and counsel regarding risk analysis and profiling, litigation avoidance, legislative action, and employment.

Montgomery Scarp & Chait PLLC

Managing Member

Seattle, WA

February 2015 – March 2022

Lead counsel and managing member in boutique litigation firm focused on general and complex civil litigation with an emphasis on transportation industry claims (FELA, FRSA, RLA), employment litigation, business disputes, tort defense, real estate and land use, intellectual property, and contract disputes.

- Successfully developed trial and appellate strategies resulting in numerous victories for clients at and after trial, as well as through negotiated settlements.
- First chair trial experience resulting in wins for our clients in courts, arbitration, and administrative proceedings.
- Developed strategic issues of first impression and successfully presented through appeal to “make law” furthering clients’ interests.
- Obtained numerous pretrial dismissals on Rule 12 motions, summary judgment motions, and forced voluntary dismissals.
- Provided targeted advice and counsel on diverse issues of prelitigation strategy, employment issues, preemption, regulatory compliance and policy, privacy, among countless others.

Mitchell, Silberberg & Knupp LLP

Senior Litigation Associate

Los Angeles, CA

Summer 2005, September 2006 – February 2015

Contributed to all stages of litigation in thriving and varied litigation practice group, with emphasis on commercial, antitrust, trade secret, employment, intellectual property, privacy, business torts, and class action defense.

- Drafted and argued a full range of pre- and post-trial motions in complex domestic and international business disputes in both federal and state courts.
- Served as trial counsel in various judicial and non-judicial forums, resulting in numerous defense victories.
- Provided advice and counsel to clients on a wide array of issues including competition, privacy, intellectual property, procedural practice, and regulatory compliance.
- Oversaw and participated in complex e-discovery matters.
- Developed relationships and cross-departmental business opportunities as inaugural member of MSK Fashion Practice Group.
- Generated firm goodwill through targeted pro bono and board service.

United States District Court for the Eastern District of New York

Extern for the Honorable Frederic Block

Brooklyn, NY

Summer 2004

Amster, Rothstein & Ebenstein

Litigation Paralegal for Patent Practice

New York, NY

October 2002 – June 2003

EDUCATION

University of Southern California Law School

Juris Doctor, May 2006

GPA: 3.497

Honors: USC Merit Scholarship, Review of Law and Social Justice: Staff (2004-2005), Production Editor (2005-2006).

Honors Grades: Business Organizations, Civil Procedure, Constitutional Law I, Constitutional Law II, Contracts, Criminal Law, Evidence, Entertainment Law, Gifts, Wills and Trusts, Internet Law, Legal Issues in the Music Industry, Remedies, Special Ed and Disability Discrimination, Torts.

Activities: Legal Aid Foundation of Los Angeles, Expulsion Defense Project Volunteer (2004); Research Assistant to Professor Ariela Gross (2005); Intern, ACLU of Southern California (2006).

University of Washington

Bachelor of Arts, *Cum Laude*, Communications, June 2000

GPA: 3.78

Honors: Phi Beta Kappa, USRowing Academic All American (1998), Pac-10 Academic All-Conference (1999, 2000), Scholar Athlete Award (1998, 2000), Pac-10 Post Graduate Scholarship (2000), Chuck Holtz Scholarship (1998).

Activities: Varsity Rowing: National Champion (1997), Captain (2000), U.S. Under-23 Team (1998)

BAR ADMISSIONS AND OTHER AFFILIATIONS

Washington Bar: Admitted to all state courts in Washington, to the Federal District Court for the Western and Eastern Districts of Washington, and to the Ninth Circuit Court of Appeals.

California Bar: Admitted to all state courts in California and to the Federal District Court for the Central, Southern, and Northern Districts of California.

Washington State Minority and Justice Commission: Jury Diversity Task Force.

Washington Trial Defense Lawyers: Board of Trustees; Chair, Rules Committee.

Washington State Bar Association: Member, Court Rules and Procedures Committee; Chair Evidence Rules Subcommittee.

National Association of Railroad Trial Counsel: Member.

AWARDS AND HONORS:

First Amendment Award, ACLU of Southern California.

Advocate Award, Public Counsel.

SELECT PUBLICATIONS AND PRESENTATIONS

Presenter, *A Second Bite at The Apple: State Law Wrongful Discharge Claims*, NARTC Special Litigation Conference, March 9, 2018.

Panelist and Moderator, *Social Media & Privacy: Building Your Online Presence and Protecting Your Digital Assets*, California Club, June 13, 2014.

Michael Chait, Susan Ross, and Sarah Taylor Wirtz, *Tips for Conducting an Internal Investigation*, MS&K Corporate Alert, April 2014.

Michael Chait and Susan Kohn Ross, *Cybersecurity Update – How Are You Impacted?* MS&K Corporate Alert, February 2014.

Michael Chait, *Steps to Protect the Identity of Your Secret Source*, Lexology, August 26, 2013.

TO: WSBA Board of Governors
FROM: Executive Director Terra Nevitt
DATE: October 18, 2023
RE: Executive Director's Report

Bar Licensure Task Force Recommendations Available for Public Comment

On October 11, members of the Washington State Bar Licensure Task Force, including WSBA Board members Gov. Williams-Ruth and Gov. Couch, presented two sets of draft recommendations to the Washington Supreme Court during a public meeting that was broadcast on TVW. You can view the two-hour recording [here](#).

[The first set of recommendations](#), authored by Gov. Williams-Ruth, proposes changes to the character and fitness review process that applicants for admission undergo pursuant to the [Washington Admission to Practice Rules](#). These recommendations include eliminating from consideration certain types of unlawful conduct (such as juvenile records and sealed or expunged records) as well as “neglect of financial responsibilities; revising and providing guidance about factors considered during the process; lowering the burden of proof placed on the applicant; creating a conditional admissions process; allowing the character and fitness review to occur upon enrollment in a J.D. or LL.M. program rather than after completion; and providing additional support to applicants, including assigned counsel for character and fitness hearings.”

[The second set of recommendations](#), authored by Gov. Couch, proposes that the Court adopt the NextGen Bar Exam and continue to offer the Uniform Bar Exam as a pathway to licensure, while also adopting alternative pathways. The first alternative, entitled “Graduate Apprenticeship,” would provide law school graduates with the ability to demonstrate competency through a 6-month apprenticeship rather than a bar exam. The second alternative is the “Law School Experiential Pathway”, which would allow law students that have completed twelve qualifying skills credits and 500 hours of work as a licensed legal intern to waive out of the bar exam and demonstrate competency through a portfolio representative of their work. There is also a recommendation that WSBA’s existing APR 6 apprenticeship or “Law Clerk” program, which is an accepted alternative to law school in our jurisdiction, develop and implement standardized education materials and benchmarks to allow graduates of the program to waive the bar exam. Additional recommendations include adopting assessments and collecting data to ensure competence throughout an attorney’s career; reducing the number of years of practice required for admission by motion; and lowering the bar passage cut score from 270 to 266 on a permanent basis.

Comments are being collected for 90 days at licensurepathwaysfeedback@wsba.org. Our Communications team is working closely with Task Force Co-Chairs, Justice Montoya-Lewis and Dean Varona, and the Court to make sure information about these draft recommendations is being shared widely. We have already sent out all-member notifications regarding the reports and presentation, and we have a link on our homepage banner. We are putting

together a comprehensive package, with an overview of the recommendations and the perspectives of the co-chairs and Gov. Couch and Brent-Williams Ruth, in the November issue of *Bar News*. We will share that package with county bars, minority bars, and specialty bars once it is published. Please help us spread the word!

Timing for Adoption of the NextGen Exam

As we heard at the September meeting, the National Conference of Bar Examiners (NCBE) is developing the NextGen bar exam to be available for administration starting in July 2026 and will stop offering the current version of the Uniform Bar Exam starting in 2028. Washington [APR 4](#) requires that applicants for admission to practice as a lawyer must take and pass the “National Conference of Bar Examiners (NCBE) Uniform Bar Exam (UBE)”. Absent a change to this rule, I presume that we will move to the NextGen as the newest version of the UBE. The timing of adoption, however, is an open question. Because my team and I – and the draft recommendations of the Bar Licensure Task Force – consider the NextGen bar exam as an improvement from the current exam, it is the recommendation of Chief Regulatory Counsel Renata Garcia and myself that we move to the new exam as soon as it is available, starting with the July 2026 exam. We plan to communicate this recommendation to the Court. Please reach out to [Renata](#) with any questions or concerns.

September Listening Tour

We came! We listened! We learned! We plan to provide a more formal recap and resulting recommendations from the 2023 Listening Tour at the January 2024 Board meeting. For now, here is a quick summary: In September, we travelled to meet up with members of the local bars in Snohomish County (Lake Stevens), King County (WSBA office), Kitsap County (Port Orchard), Walla Walla County (Walla Walla), Benton County (Richland), and Grant County (Moses Lake). The former and current president of Kittitas County Bar Association also invited us to breakfast as an unofficial stop on our way back from Eastern Washington, and we were very happy to accept. Attendance ranged from one to 10 members, in addition to bar staff and officers/governors, at each stop. Even where attendance was light, the conversation was deep.

One of the bigger themes we heard was from senior members, who would like a status other than “voluntarily resigned” to indicate their retirement in good standing. There was also quite a bit of discussion about “legal desserts,” and how to get more legal help in high-need areas; support for the idea to connect the public with legal resources and to speak to the public about the rule of law and role of lawyers; the inefficiency of different jurisdictions’ filing systems and rules (support for more of a unified court system); supporting and encouraging pro bono work, including different fee structures for those who do public service work; concern about growing incivility in the profession; a recommendation to keep visibly promoting Legal Lunchbox and other benefits; the fear of how AI is going to change legal work; the need to revive county bars, which are struggling after COVID, and possible partnerships to do so with WSBA resources; and concern about the high price of law school.

Membership Demographic Study Update

As previously reported, WSBA’s decennial Membership Demographic Study was launched over the summer with a member-wide survey. Almost 1900 members participated in the survey. The Kno-Why Consultants who conducted

the study are now engaging in analyses focused on the perceptions, beliefs and experiences within key groups to better contextualize and understand the current state, addressable needs, etc. Part of these analyses will include focus group discussions that will dig into research themes and key findings. Following these focus groups, Kno-Why will submit its report in early 2024.

New Diversity, Equity and Inclusion Plan

The DEI Council has been working towards creating a new DEI Plan, which would replace the 2013 Diversity and Inclusion Plan. We recently retained the Institute for the Inclusion in the Legal Profession (IILP) to assist us with the planning process. IILP, who has worked with many bar associations across the country, will be working closely with the DEI Council and our Equity and Justice team over this next year. Their goal is to present a new proposed DEI Plan by next fall.

Access to Justice Conference

The Access to Justice Board hosted its 25th Access to Justice Conference in Tacoma on September 28-30. This biennial event brought together an inspiring mix of community members, legal system advocates, judges, legal professionals, and policymakers from across Washington State. This year's conference theme, "Shifting Justice Towards Accountability and Trust," served as a guidepost for the conference goals.

It was the first hybrid ATJ Conference, offering attendees an in-person or virtual experience. The record number of 614 attendees included 492 in-person attendees and 122 virtual attendees. It was a diverse group of attendees, with half identifying as Black, Indigenous, and other People of Color, and 16% from non-legal community partners. Thanks to generous sponsors, we were also able to award over 75 scholarships to people who could not otherwise afford to attend. The conference agenda was a dynamic tapestry of sessions and activities that provided valuable insights and opportunities for collaboration with the majority of sessions highlighting voices from people with lived experience with the legal system.

Conference attendees, including members of the Board of Governors, have shared appreciation for the positive experiences and connections they made. Many thanks go to the WSBA staff, especially Equity and Justice Lead Bonnie Sterken, and our volunteers, including conference planning co-chairs Jenae Ball and Esperanza Borboa and ATJ Board Chair Terry Price for their tremendous efforts in putting together this event.

Council on Public Defense Partners with DOJ Office for Access to Justice National Law School Tour

As part of its mission to support public defense, and in recognition of the 60th anniversary of the landmark decision in *Gideon v. Wainwright*, the U.S. DOJ's Office for Access to Justice (ATJ) is holding a national law school tour to elevate public defender career opportunities and spotlight defender opportunities in small, Tribal, and rural communities. On October 12-13 the Council on Public Defense partnered with all three Washington law schools to welcome the DOJ Office for Access to Justice to Washington. On October 12, representatives from the DOJ and CPD members met with pre-law undergraduate students at Seattle University to discuss a career in public defense. On October 13, the CPD then hosted a hybrid panel discussion about careers in public defense at the University of Washington School of Law, open to law students from all three schools. ATJ Director Rachel Rossi joined both

gatherings remotely and gave inspiring remarks about the value and importance of public defenders. The October 13 panel was moderated by 3L law students Gabrielle Fisher and Cameron Eldgridge and included six practitioners at various stages of their careers, including Justice Sheryl Gordon McCloud, Judge Tana Lin (Western District of WA), Rachel Cortez (Walla Walla), Cassie Trueblood (Snohomish Co Office of Public Defense), Neil Weiss (ABC Law Group) and Molly Cohan (Tulalip Healing to Wellness Court Defense). Panelists addressed the critical need for public defenders, the benefits and challenges of working in public defense, and advice for building a sustainable and rewarding career. Dozens of students participated in both gatherings.

MCLE Database

A new Mandatory Continuing Legal Education database was launched this week. The new database was identified as an organizational priority to ensure accuracy and integrity of our data with respect to the reporting of credits and accreditation of programs, to support recent amendments to the Admission to Practice Rules including the addition of the equity credit requirement and availability of credit for APR 6 tutors, and to provide a better experience for members and CLE sponsors. It has been a long time coming and while there is still some work to be done, we are pleased have a single MCLE database that allows us to track the regulatory requirements under APR 11 for all license types.

Attachments

FY23 Q4 Budget Reallocations

FY23 Q3 Discipline Report

Litigation Report

Media Report

[Member Demographics Report](#)

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors
Budget and Audit Committee

From: Terra Nevitt, Executive Director

Date: October 10, 2023

Subject: FY 2023 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. Prior to taking action the Executive Director must notify the President and after taking action must report the reallocation of funds to the Board. Reallocations may not affect the annual budget’s bottom line.”

Past-President Clark was notified of the July reallocations on August 14. President Abell was notified of the September reallocations on October 9. There were no reallocations in August.

For FY 2023, the WSBA’s annual operating budget is \$25,719,395 and the Executive Director’s limit for reallocation is up to \$1,285,696.75 (5%). The total amount of funds reallocated through the end of the fiscal year is \$258,903 (1.01% of annual operating budget).

FY23 Budget Reallocations for Q4

Below are reallocations totaling \$24,076 in budgeted expenses (0.09% of total budget).

1. *Temporary Staffing*- There is a need for additional temporary staffing support for the Mandatory Continuing Legal Education team as we continue to work on the development of a new MCLE software system. The launch date for the software was delayed and temporary staff support allows routine work to continue to be performed while other team members have time to complete the more complex work and assist in the testing and training for the new system. The MCLE budget includes \$59,565 for depreciation expense and most of the funds will not be used this year. The amount needed for reallocation is \$6,276 and the amount available from MCLE depreciation is \$53,122.
2. *President’s Dinner & APEX Awards Celebration*- A reallocation of funds is needed to support higher than anticipated costs for the 2023 President’s Dinner & APEX Awards Celebration due to rising venue costs and location/programming changes. The budget is included in the Board of Governors cost center, with a budget of \$10,000 for FY23. We estimate that an additional \$16,000 is needed that is reallocated from

two sources: (1) BOG Meetings for \$15,000, and (2) BOG Conference Attendance (\$1,000). Both are expected to come in under budget in FY23.

3. *ATJ Conference*- Additional funds for travel costs for staff to support the ATJ Conference are needed because the budget assumed that enough volunteers would be available to assist. The shortage of volunteers required more WSBA staff to attend and we estimate that an additional \$1,800 is needed and reallocated from two sources: (1) ATJ Staff Training & Conferences (\$1,300), and (2) Diversity Staff Training & Conferences (\$500). Both are expected to come in under budget in FY23.

MEMO

To: Terra Nevitt, WSBA Executive Director
From: Douglas J. Ende, WSBA Chief Disciplinary Counsel & Director of the Office of Disciplinary Counsel
Date: October 19, 2023
Re: Quarterly Discipline Report, 3rd Quarter (July – September)

A. Introduction

The Washington Supreme Court’s exclusive responsibility to administer the systems for discipline of licensed legal professionals (including disability systems) is delegated by court rule to WSBA. See GR 12.2(b)(6). Staff and volunteers carrying out the functions delegated by the Rules for Enforcement of Lawyer Conduct (ELC) act under the Supreme Court’s authority. The investigative and prosecutorial function is discharged by the employees in the Office of Disciplinary Counsel (ODC), which is responsible for investigating allegations and evidence of professional misconduct and incapacity and prosecuting violations of the Washington Supreme Court’s Rules of Professional Conduct.

The Quarterly Discipline Report provides a periodic, high-level overview of the functioning of the Office of Disciplinary Counsel. The report graphically depicts key discipline-system indicators for the 3rd Quarter 2023. Note that all numbers and statistics herein are considered tentative/approximate. Final figures will be issued in the 2023 Discipline System Annual Report.

B. Public Dispositions & Other Information

- **Public Dispositions**

Disbarments:

Dominique Louise Eng Jinhong, #28293 (*Stipulation*)

Suspensions:

Colleen A. Hartl, #18051, 21-month suspension

Stephen W. Pidgeon, #25265, 1-year suspension

John David Du Wors, #33987, 6-month suspension (*Stipulation*)

James T. Hendry, #37411, 30-day suspension (*Stipulation*)

Resignations in Lieu of Discipline:

Jacob D. Lipscomb, #42977

Reprimands:

Robert Patrick Brouillard, #19786 (*Stipulation*)

Russell Harold Gilbert, #24968 (*Stipulation*)

Reciprocal Discipline:

Mark Walter Heckeles, #55903, 6-month suspension (Arizona)

Mark William Potter, #23757, 60-day suspension (Oregon)

Brooks Richard Siegel, #50766, reprimand (Arizona)

Brian M. Solodky, #36540, 30-day suspension (Oregon)

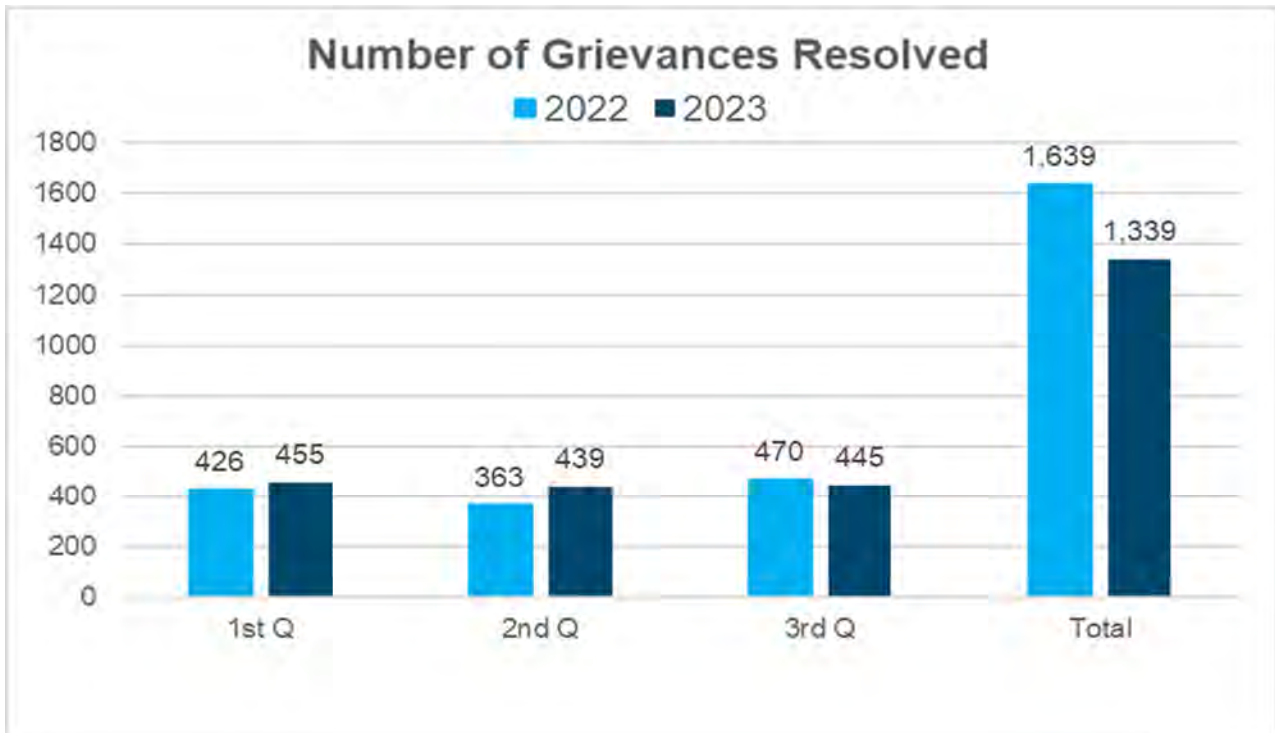
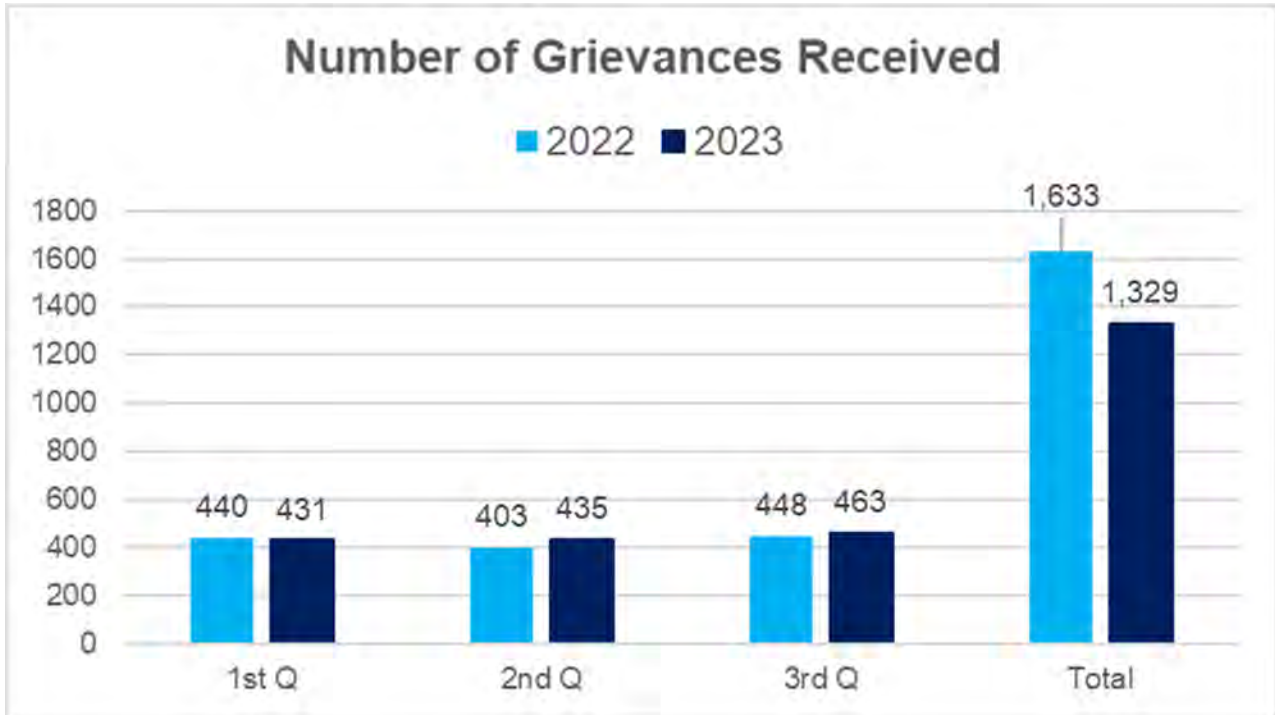
- **Interim Suspensions**

ELC 7.3: Automatic Suspension When Respondent Asserting Incapacity

John A. Bardelli, #5498

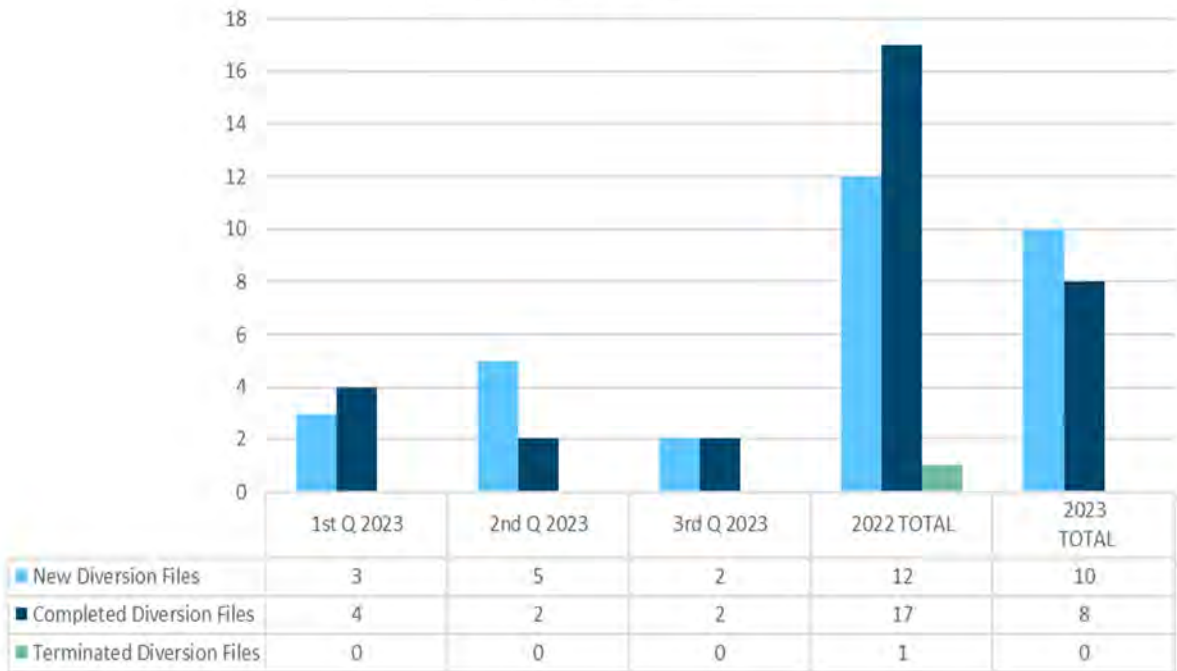
Benjamin Andrew Pepper, #49692

C. Grievances and Dispositions¹

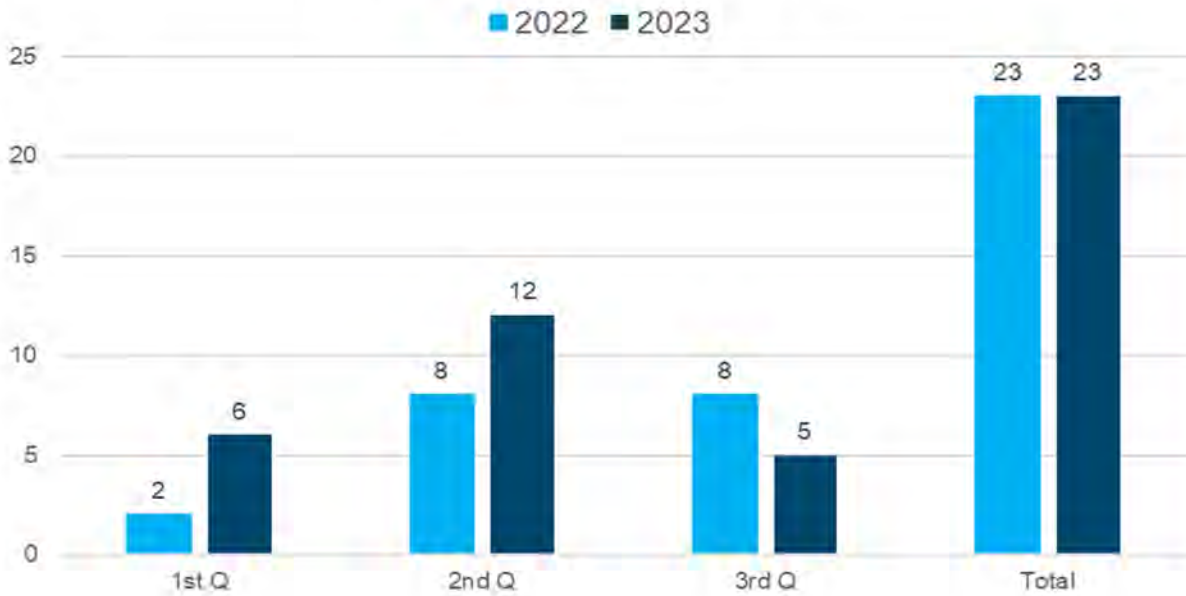


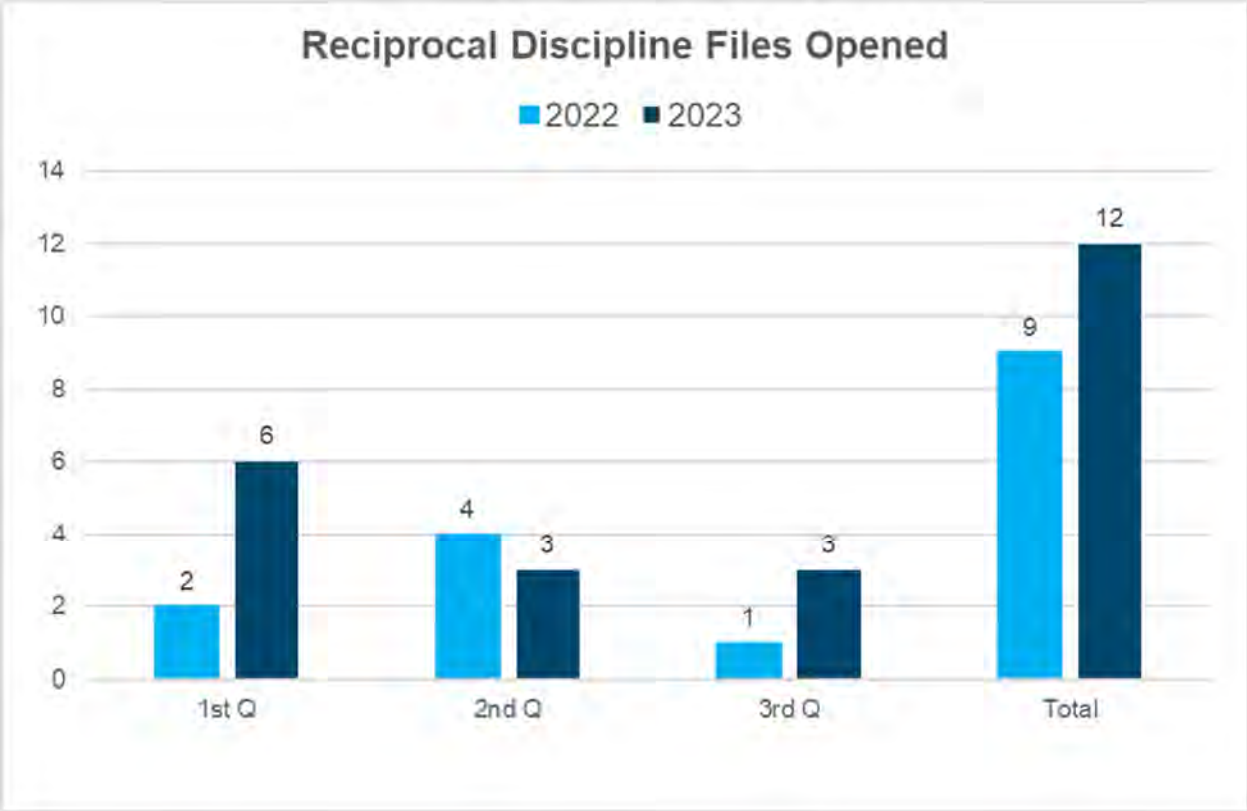
¹ These figures may vary from subsequent quarterly reports and statistical summaries owing to limitations on data availability at the time of issuance of these quarterly reports.

Diversion Statistics



Formal Complaints Filed





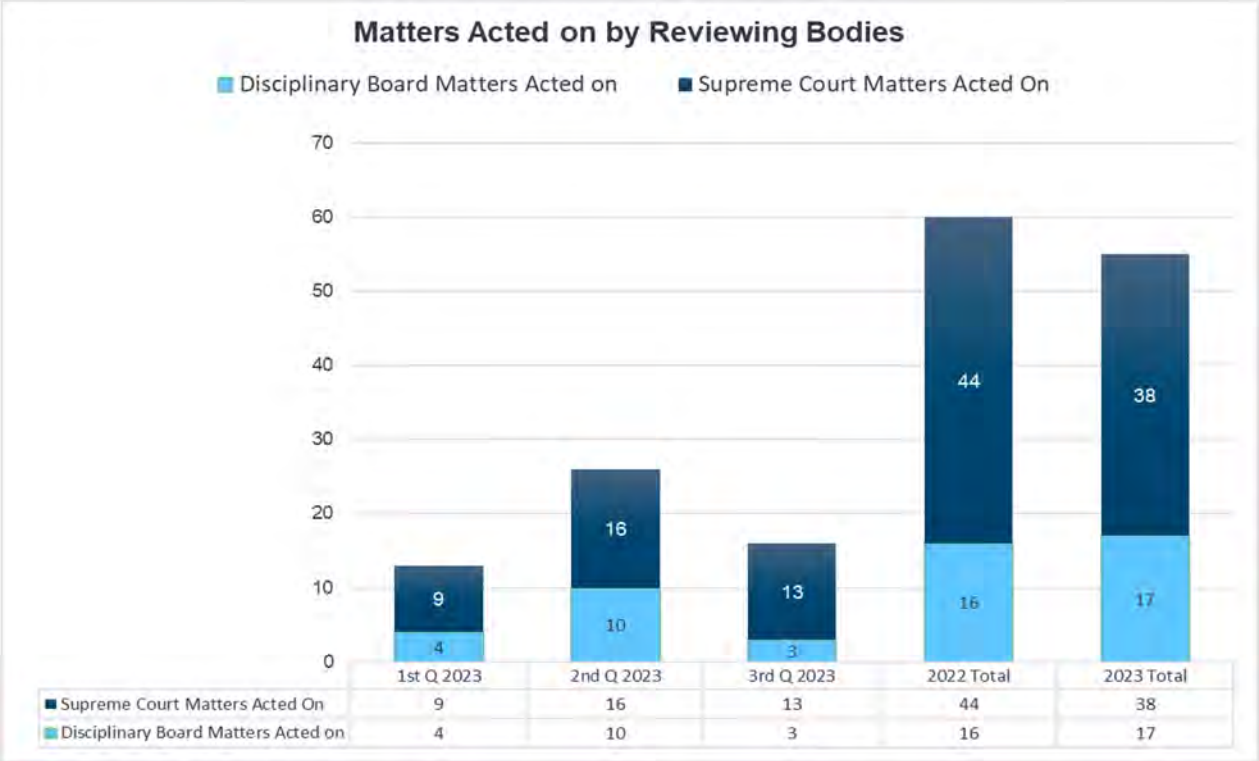
Hearings Held ²	Quarter Total
1 st Quarter	0
2 nd Quarter	1
3 rd Quarter	3
4 th Quarter	TBD
2023 Total	1
2022 Total	9

D. Pending Proceedings³

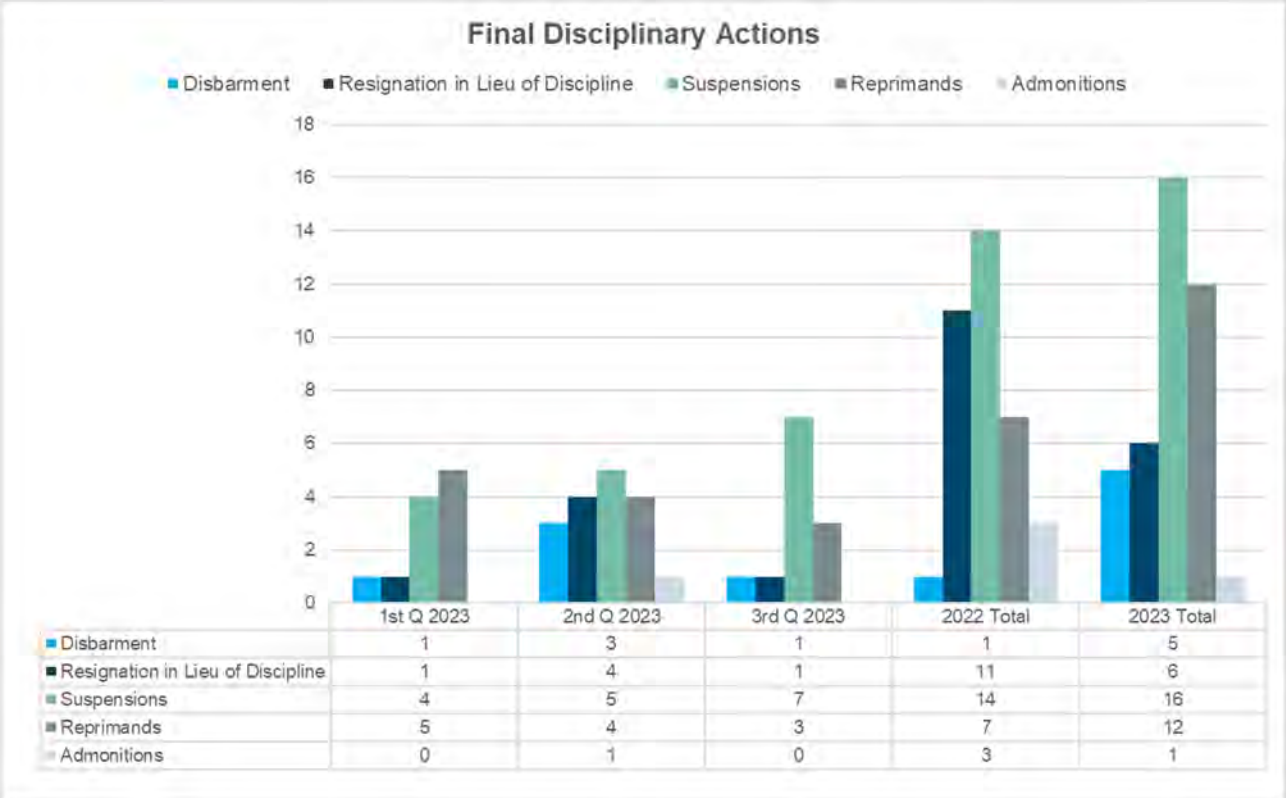
Open Proceedings	2022	2023
Ending 1 st Quarter	31	44
Ending 2 nd Quarter	41	42
Ending 3 rd Quarter	38	43
Ending 4 th Quarter	39	TBD

² Includes default hearings.

³ In the second table in this section, the Disciplinary Board numbers reflect Board orders on stipulations and following review after an appeal of a hearing officer's findings.



E. Final Disciplinary Actions



F. Disability Found

Disability Found	Quarter Total
1st Quarter	1
2nd Quarter	2
3rd Quarter	0
4th Quarter	TBD
2023 Total	3
2022 Total	4

G. Discipline Costs⁴

Quarterly Discipline Costs Collected	Total
1st Quarter	\$11,162.00
2nd Quarter	\$16,941.37
3rd Quarter	\$10,168.88
4th Quarter	TBD
2023 Total	\$38,272.25
2022 Total	\$64,542.24

⁴ The cost figures may vary from amounts indicated in previous quarterly reports, statistical summaries, and annual reports, owing to limitations on the data available at the time of issuance of these quarterly reports and the final cost figures available after WSBA Finance staff closes the monthly books.

WASHINGTON STATE BAR ASSOCIATION

Office of General Counsel

To: The President, President-elect, Immediate Past-President, and Board of Governors
 From: Julie Shankland, General Counsel
 Lisa Amatangel, Associate Director, OGC
 Date: October 10, 2023
 Re: Litigation Update

No.	Name	Brief Description	Status
1.	<i>Langadinos v. WSBA, et al.</i> , No. 2:23-cv-00250-RSM (W.D. Wash.)	Alleges disability discrimination.	<p>On 6/22/23, the WSBA filed a Motion to Dismiss. Plaintiff filed a response to WSBA’s motion on 7/10/23. WSBA filed a reply in support of MTD on 7/14/23. On 7/21/23, Plaintiff filed an Emergency Motion Requesting to Postpone Decision on Defendant’s MTD for 6 Weeks. WSBA filed a Response on 7/28/23.</p> <p><u>Update since last report:</u> None.</p>
2.	<i>Block v. WSBA, et al.</i> , No. 15-cv-02018-RSM (W.D. Wash.) (“ <i>Block I</i> ”)	Alleges conspiracy among WSBA and others to deprive plaintiff of law license and retaliate for exercising 1st Amendment rights.	<p>On 02/11/19, the Ninth Circuit affirmed dismissal of claims against WSBA and individual WSBA defendants; the Court also vacated the pre-filing order and remanded this issue to the District Court. On 12/09/19, the United States Supreme Court denied plaintiff’s Petition of Writ of Certiorari.</p> <p>On 12/13/19, the District Court reimposed the vexatious litigant pre-filing order against Block; Block filed a notice of appeal regarding this order on 01/14/20 (“<i>Block I – Appeal II</i>”). Block filed an opening brief in <i>Block I – Appeal II</i> on 11/06/20; WSBA filed its answering brief on 01/07/21. Block’s optional Reply Brief was due on 01/28/21. Block filed a reply brief on 04/26/21 along with a motion for extension. The Ninth Circuit set this matter for consideration without oral argument on 06/08/21. On 07/02/21 the Ninth Circuit affirmed the dismissal of <i>Block II</i> pursuant to the original vexatious litigant order.</p> <p>On 09/10/20, Block moved to vacate the vexatious litigant order; WSBA opposed the</p>



			<p>motion and it was denied. In response to the district court’s denial of Block’s motion to vacate, on 10/01/20, Block filed a motion for an indicative ruling on whether the district court would vacate the vexatious litigant order if the appellate court remanded the case for that purpose. WSBA opposed the motion. Block filed a reply on 10/16/20. This motion was denied.</p> <p>On 09/09/21, Block filed a motion to vacate all decisions in this matter; WSBA filed an opposition on 09/20/21. This motion was denied on 09/28/21.</p> <p>Block appealed the order issued on 09/28/21. The Ninth Circuit opened a new appeal (9th Cir. No. 21-35922), “Block I – Appeal III”, in which Block’s opening brief was due 01/05/22. Block filed an untimely motion to extend the time to file her opening brief; WSBA opposed the motion on 02/07/22. Block filed an opening brief in Block I – Appeal III on 3/3/22. WSBA’s answering brief was due 5/4/22. After two extensions, Block filed a reply brief on 6/27/22.</p> <p>On May 23, 2023, the Ninth Circuit rejected Block’s appeal and affirmed the district court’s findings.</p> <p><u>Update since last report:</u> On September 8, 2023, the Ninth Circuit denied Block’s petition for rehearing (seeking both a panel rehearing and rehearing en banc of the Ninth Circuit decision affirming the trial court’s denial of Plaintiff’s rule 60(b) motion for relief from all of the orders in the case).</p>
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WASHINGTON STATE BAR ASSOCIATION

MEMO

To: Board of Governors

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

Date: Oct. 11, 2023

Re: Summary of Media Contacts, Aug. 26 – Oct. 10, 2023

Date	Journalist and Media Outlet	Inquiry
Aug. 28	Marianna Wharry, Law.com	Public records request for Stephen Pidgeon. Public Records Counsel provided information.
Aug. 30	Marianna Wharry, Law.com	Public records request for John D. Du Wors. Public Records Counsel provided information.
Sept. 29	Hannah Albarazi, Law360.com	Inquired about attorney's Order of Suspension.

News Coverage and News Releases

- [Lame-duck Legal Tech Profession is in Demand](#) (*Spokane Journal of Business*, Sept. 28)
- [Hunter M. Abell: The Most Important Holiday You Never Heard of](#) (*The Spokesman-Review*, Sept. 17)
- [National Study Underlines Urgency to Update State's Defense Standards after 50 Years](#) (Sept. 13)
- [Jenaé Ball Named Local Hero](#) (Sept. 8)



CYBERSECURITY TRAINING

November 2023

CYBERSECURITY STATISTICS AND TRENDS

(VARONIS 2023)

Big Numbers:

- 2022 average costs:
 - Data breach - \$4.35M
 - Ransomware attack - \$4.54M
 - Ransomware recovery - \$2M
- \$17,700 is lost every minute due to phishing attacks.
- In 2022, ransomware attacks increased 93% over 2021.
- Globally, the threat of cyberattacks has increased by 16% since the Russia-Ukraine war began in February 2022.
- Worldwide cybercrimes costs will hit \$10.5T annually by 2025.
- Hackers attack 26,000 times a day or every 3 seconds.
- In 2021, 1.5B users' PII (personally identifiable information) was leaked as a result of third-party breaches.

CYBERSECURITY STATISTICS AND TRENDS

(VARONIS 2023)

- 94% of all malware is delivered via email.
- 80% of data breaches are the result of poor or reused passwords.
- Remote work are driving a 50% increase in worldwide internet traffic, leading to new cybercrime opportunities.
- 47% of employees cited **distraction** as the reason for falling for a phishing scam while working from home.
- It takes organizations with a remote workforce 58 days longer to identify and contain the breach than office-based organizations.

IMPORTANT FACTORS

- Short or “tiny” URLs
- Ransomware-as-a-Service
 - Ransomware-as-a-service continues to gain popularity among threat actors, with ransomware breaches doubling in frequency in 2021.
- Zero-click attacks (no action required)
- AI – Artificial Intelligence
 - On The Attack:
 - Assisting in harvesting of personal information to be used in phishing and malware attacks.
 - On the Defense:
 - Organizations using AI were able to detect and contain data breaches 27% faster.

CHARACTERISTICS OF A PHISHING EMAIL

Might include one or multiple of the following:

- Personalized to recipient, referring to recipient by name.
- Written with a sense of urgency.
- Make it feel relevant due to name or content.
- Vague, in that not enough information is provided, so the recipient needs to take action to confirm.
- May attempt to collect personal information or account credentials from the recipient.
- May originate from an email address that has been compromised.

Signs to watch for:

- Impersonated sender email address.
- Poor grammar or typos.

TYPOS ARE WITH SPECIFIC PURPOSE

Intent is to bypass detection by email security tool by avoiding key words.

Subject: RE: Passowrd Expiring Notice!

Attachments: RE Passowrd Expiring Notice! (142.9 KB)

Does misspelling matter?

"It deosn't mttar in waht oredr the ltteers in a wrod are, the olny iprmoetnt tihng is taht the frist and lsat ltteer be at the rghit pclae. The rset can be a toatl mses and you can sitll raed it wouthit porbelm. Tihs is bcuseae the huamn mnid deos not raed ervey lteter by istlef, but the wrod as a wlohe."

PROPER PROTOCOLS

Cyber-security is reliant on always thinking before taking action.

Don't...

- ...share usernames or passwords with anyone.
- ...use the same password for everything.
- ...click on any links in emails or texts.
- ...provide any personal information via text or email (even responding provides the sender information)
- ...ignore it, if others you know may be targeted by the phishing/malicious email attempt.

Do...

- ...verify sender actual email address (not the display name).
- ...call the person directly and confirm that the email/information was sent by them and intended for you.
- ...go directly to the website or contact the company directly to confirm the contents of email or texts received.
- ...change your passwords regularly and use pass phrases/strong password formats.
- ...agree, in advance, on your process for working with others.
- ... enable multi-factor authentication whenever possible.

RESOURCES

- 80 Cybersecurity Statistics and Trends
 - [80 Cybersecurity Statistics and Trends \[updated 2023\] \(varonis.com\)](https://varonis.com/resources/cybersecurity-statistics-trends)
- Security Awareness Training Video
 - [Mimecast has joined forces with Ataata - Security Awareness Training made fun – YouTube](https://www.youtube.com/watch?v=...)
- Amazon’s Security Awareness Training (free)
 - [Cybersecurity Awareness training \(amazon.com\)](https://aws.amazon.com/security-awareness-training/)
- Have I been pwned?
 - [Have I Been Pwned: Check if your email has been compromised in a data breach](https://haveibeenpwned.com/)

TO: WSBA Board of Governors
FROM: Executive Director Terra Nevitt
DATE: October 19, 2023
RE: FY24 WSBA Strategic Priorities

ACTION: Adopt FY24 Strategic Priorities

At the Board’s annual planning retreat on Saturday, June 24, facilitated by John Phelps, the Board began a discussion about setting strategic priorities for Fiscal Year 2024. The Board continued discussions about the strategic goals at the September 8-9, 2023, BOG meeting. Based on those discussions, I recommend that the Board adopt the following three strategic goals for the current fiscal year:

1. Study member well-being and expand and improve resources for and assistance to legal professionals and the legal community.¹

<i>Executive Sponsor:</i>	Kevin Plachy, Director of Advancement	
<i>What is the problem?</i>	Legal professionals suffer high rates of hazardous drinking, burn out and stress, which negatively impacts our members, as well as their families, colleagues, clients, and the legal system.	
<i>What does success look like?</i>	WSBA can articulate the drivers of well-being among legal professionals broadly, as well as unique drivers among groups based on social identity, practice setting or other relevant criteria. WSBA develops and promotes resources and activities that are specifically designed to address these drivers, which has a positive impact on legal professionals and the legal community.	
<i>Key deliverables:</i>	Q3 FY24	Convene well-being task force with 3-year timeline.
	Year 1	Study member well-being using existing data and information and gathering additional data as needed. Establish workgroups to study various sectors of the legal profession and to develop a member survey with areas of inquiries to include: the relative well-being of members; identification of challenges in legal practice; the incidence of mental health problems; as well as suggestions for the Taskforce.

¹ At the May 2023 Board of Governors meeting, the Board approved a recommendation from the Member Engagement Council to add member well-being as a goal for FY24. Although no formal action was taken, at the September 2023 meeting, the Board indicated an intent to affirming the action taken in May.

Year 2	The task force, through its workgroups, will engage in an assessment of the profession, analyzing how various practice environments prioritize well-being. Special focus areas will include large, medium, small, and solo law firm settings, as well as best practices for criminal lawyers, government lawyers, and the judiciary. The survey conducted in the prior year will be analyzed and communicated to the membership. Additionally, the findings of the survey will be used by the task force and its workgroups to inform recommendations in year three.
Year 3	In its final year the task force workgroups will wind up their work and provide final reports to the full task force. The task force will produce a final, comprehensive report regarding its observations and recommendations for the legal profession.
TBD	The task force may play a role in implementation of recommendations.

2. Assess technology-related opportunities and threats and determine WSBA’s role vis-a-vis regulation, consumer protection, and support to legal professionals.²

<i>Executive Sponsors:</i>	Kevin Plachy, Director of Advancement (Member Focus) Julie Shankland, General Counsel (Regulatory and Consumer Protection Focus)
<i>What is the problem?</i>	<i>Member Focus:</i> Technology, such as AI, is already changing the practice of law and has the potential to change it even more dramatically in the years to come. Many practitioners do not know how to adapt to deal with these new technologies, which present opportunities and threats. <i>Regulatory and Consumer Focus:</i> The use of technology to practice law raises ethical questions and questions about whether some applications could cause harm to the public and/or constitute the unauthorized practice of law. We currently lack the tools to assess the degree to which there may be public harm and, to the extent that it exists, lack the mechanisms to effectively address it.
<i>What does success look like?</i>	<i>Member Focus:</i> WSBA provides members with resources and guidance designed to help them leverage new technologies ethically, responsibly, and to the benefit of their practice and the public. <i>Regulatory and Consumer Focus:</i> WSBA is effectively regulating the practice of law, including through new technologies, in a manner that protects the public and positively impacts the access to justice gap.

² This priority received the greatest number of votes (10) during the straw poll at the September 2023 Board meeting.

<i>Key deliverables:</i>	<i>Member Focused Efforts</i>		<i>Regulatory and Consumer Protection Focus</i>	
	Q2 FY24	Convene a Legal Technology Task Force with a 2-year timeline.	In process – Q2 2024 ³	Collaborate with the Practice of Law Board (POLB) in proposing a pilot of data-driven regulatory reform (entity regulation) to the Supreme Court.
Q2-Q4 FY24	Task force develops a plan to assess the legal technology environment to identify technology-related threats and opportunities affecting the various sectors of the legal profession (e.g., private practice, government, courts).	Q1-Q4 FY24	Educate the legal community and the public about the need for regulatory reform. Prepare for implementation of pilot program.	
		Q1 FY25 – Q4 FY26	Collaborate with the POLB to conduct a 72-month ³ pilot program.	
Q4 FY24-Q4 FY25	Task force curates and reviews existing resources, data, and information and gather new data as needed.	Q1 – Q2 FY26	Evaluate the pilot and develop recommendation for Court as to next steps.	
Q4 FY25-Q2 FY26	Task force develops recommendations to support legal professionals, including proposed rule changes, best practice information and other tools, resources, and educational materials.	Q3 FY26 – Q2 FY27	Implement Court’s decision, including either drafting rules and rule changes and adopting systems and developing capacity to continue the program, or winding down the pilot.	
TBD	WSBA implements adopted recommendations and promotes technology related initiatives.			

³ Note that the timeline below reflects best thinking of General Counsel Shankland and myself, ultimately, this timeline will be dependent on the recommendations of the Practice of Law Board and any decisions by the Court as to process and timeline.

3. Improve the experience of belonging among legal professionals and in the legal community.⁴

<i>Executive Sponsor:</i>	Diana Singleton, Chief Equity & Justice Officer	
<i>What is the problem?</i>	National data, WSBA’s 2012 Membership Demographics, and countless stories and experiences tell us that the legal profession does not accurately reflect the communities we serve and that many do not feel a sense of belonging in the profession, which can lead to burn out and stress, and often a decision to leave the profession. Those most impacted tend to be those that identify as BIPOC, LGBTQ2IA+, female, and disabled among other identities. A diverse profession where everyone is welcome and able thrive, regardless of identity will better serve the public, its members, and justice.	
<i>What does success look like?</i>	WSBA understands the detractors and drivers of belonging among legal professionals and the legal community broadly, as well as among groups based on social identity and other relevant criteria. WSBA develops and promotes resources and activities and implements institutional and systemic changes designed to eliminate identified detractors and promotes identified drivers, which has a positive impact on the legal community and the public, and creates a more equitable legal profession and system.	
<i>Key deliverables:</i>	Q2 FY24	Complete the decennial Membership Study.
	Q3 FY24	Develop and consider recommendations arising out of the Membership Study.
	Q4 FY24	Adopt a new WSBA Diversity, Equity, and Inclusion Plan which will replace the 2013 Diversity and Inclusion Plan.
	FY25	Implement and promote adopted recommendations.

Other Priorities

There were two other priorities that received significant support under the straw poll at the September meeting - support for rural practice (8 votes) and ensuring access to justice and service to the public (5). These potential goals are further developed below, however I do not suggest we adopt them for FY24, to ensure we have the capacity to truly prioritize the three goals above.

It is difficult to narrow the list to three priorities given the tremendous challenges and opportunities that face the profession. Although “support for rural practice” received more votes in the straw poll than diversity (8 vs 6), I am proposing that we focus on diversity this year for two reasons: (1) We will be receiving the results of the membership study and updating the organization’s strategic plan for diversity, making it an incredibly timely area of focus and (2) Thanks to our focus on rural practice over the past two years, we have already established STAR to lead this work and that work will continue even if it is not identified as a priority.

⁴ This priority received 6 votes during the straw poll in September, which was the third most votes. Rural practice received 8 votes.

I am not recommending that we adopt access to justice and service to the public because it received the fewest number of votes in the straw poll and less than a majority of the Board. Additionally, while it is clearly an important area of focus, it could benefit from additional background and groundwork in the short term before identifying it as a priority.

4. Support rural practice and access to justice in small towns and rural parts of the state.

<i>Executive Sponsor:</i>	Kevin Plachy, Director of Advancement	
<i>What is the problem?</i>	Practitioners in rural communities are few and far between. Additionally, many of these practitioners are nearing retirement without a clear plan of succession for their clients, leaving a void of access to legal representation and counsel. While the access to justice gaps exist among all practice areas in rural communities there are pronounced gaps in the areas of criminal defense and family law, where the absence of representation can present significant harm to those that need it.	
<i>What does success look like?</i>	Increased awareness and interest in rural practice opportunities by future and current WSBA members that translates to increased legal practitioners in rural communities throughout Washington State.	
<i>Key deliverables:</i>	Q1-Q2 FY24	Create and propose a plan for a law student summer internship stipend program.
	Q3 2024	Host a statewide Summit at Gonzaga in the Spring of 2024, bringing stakeholders together to create goals on how to increase the number of lawyers in “legal deserts.”
	July 2023	Deliver Rural Practice CLE to WSBA members via Legal Lunchbox.
	Throughout FY24	Explore establishment of Rural Practice Section or List Serve.
	By Q3 FY25	Develop and propose a post-graduate rural practice fellowship and explore loan forgiveness for practitioners in rural areas. Work with state organizations to create policy regarding student loan forgiveness for lawyers who work in “legal deserts.”

IMPORTANT:
Please refer to the
BOG Action Item Guide
when completing this template.

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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: September 12, 2023
RE: Addressing Conflicts Between RPC 1.7(a)(3) and Washington Supreme Court Decisions on Government Law Offices Representing Separate Agencies in Adjudicated Disputes

Recommendation that Board of Governors suggest, to the Washington State Supreme Court, adjustments to the Rules of Professional Conduct aimed at addressing conflicts between RPC 1.7(a)(3) and Washington court decisions on potential conflicts arising from a government law office representing separate agencies in adjudicated disputes.

Specifically, the Committee on Professional Ethics recommends the adoption of a new RPC 1.7(c), a new Washington RPC 1.7 Comment [42], a new definition in RPC 1.0B(f), an amendment to Washington RPC 1.13 Comment [9], and an amendment to Washington RPC 1.10(a).

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Attached at the end of this memorandum is a suggested new RPC 1.7(c), an accompanying comment, and suggested amendments to several other RPCs and Comments.

These suggestions all relate to situations in which lawyers in a single government law office — such as the Office of the Attorney General or a city attorney’s office—represent separate departments or agencies of that government adverse to each other in adjudicated disputes. RPC 1.7(a) states that “a lawyer shall not represent a client if the representation involves a concurrent conflict of interest.” While RPC 1.7(b) allows clients to consent to certain conflicts of interest, RPC 1.7(b)(3) limits such waivers to situations where “the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.”

Notwithstanding the RPC 1.7(b)(3) ban on consents to conflicts in litigation, for at least 40 years the Washington State Supreme Court and the Court of Appeals have declined to disqualify lawyers from the Attorney General’s Office or other government law offices when they represent different government officials or agencies in intra-governmental disputes. For example, in *Sammamish*

29 *Community Municipal Corporation v. City of Bellevue*,¹ Division I Court of Appeals Judge Joseph
30 Coleman held:

31

32 “Washington courts have recognized the ‘difference between the relationship of a
33 lawyer in a private law firm and a lawyer in a public law firm such as a prosecuting
34 attorney, public defender, or attorney general’ with respect to compliance with the
35 conflict of interest rules. Thus, it is accepted practice for different attorneys within the
36 same public office to represent different clients with conflicting or potentially
37 conflicting interests, so long as an effective screening mechanism exists within the
38 office sufficient to keep the clients' interests separate.”

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40 Nevertheless, there remains the fact that the Washington appellate courts’ caselaw is not
41 consistent with RPC 1.7(a)(3), which, combined with RPC 1.10 (imputation), does not allow the
42 same law office to represent two sides of a dispute “in the same litigation or other proceeding
43 before a tribunal.” In practice, the disconnect between RPC 1.7(a)(3) and Washington caselaw
44 leads to confusion among lawyers and leads to disqualifications that in theory should not occur
45 because of appellate court decisions. It could be helpful to clarify the situation and conform
46 Washington’s RPC 1.7 to Washington practice. This would reduce confusion among in-house
47 government lawyers and eliminate both the potential for disqualifications and for successful
48 grievances filed against government attorneys.

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50 The Committee on Professional Ethics was initially asked to review this matter by the Washington
51 Association of Municipal Attorneys (WSAMA). A CPE subcommittee has also met with
52 representatives of the Washington State Attorney General’s office, the Washington Association of
53 Prosecuting Attorneys, and the Government Lawyers Bar Association, to get a better
54 understanding of the practical approaches that government law offices use to address the conflict
55 between RPC 1.7 and relevant Washington court rulings. The CPE circulated drafts of the attached
56 proposals among the Attorney General’s Office and those associations, and adjusted the drafts
57 based on feedback. In drafting and revising the proposals, the CPE specifically sought to address
58 some of the comments received about the lack of consistent language in the ABA Model Rules
59 about governments, government sub-entities, and government lawyers.

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61 There appear to be no factors associated with this issue that could affect underrepresented or
62 marginalized individuals or communities differently from other persons or groups.

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¹ *Sammamish Community Municipal Corporation v. City of Bellevue*, 107 Wn.App. 686, 693 (2001). See also, *Wash. Med. Disciplinary Bd. v. Johnston*, 99 Wn.2d 466, 480-81 (1983); *Amoss v. Univ. of Washington*, 40 Wn.App. 666 (1985); *Sherman v. Univ. of Washington*, 128 Wn.2d 164 (1996).

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

The proposed rule change appears to suggest that the Court amend the Rules of Professional Conduct to make the rules consistent with long standing caselaw. This appears to mitigate risk rather than create risk.

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 changes to the bylaws is limited to the amount of staff time used to incorporate the changes to WSBA records and 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.

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 on 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. There does not appear to be any major equity-related concerns with this proposal; however, without having more information about the application of an equity lens, it is difficult to do an equity analysis.

90 **Attachment**

91
92 **Draft of New RPC 1.7(c) and Additional RPC Adjustments**

93 **Suggested Washington Version of a New 1.7(c):**

94 *(c) A lawyer who is a public officer or employee shall not be in violation of this Rule when that*
95 *lawyer represents more than one agency, branch, or unit, or subdivision within a government*
96 *entity, and/or officer or employee within that government entity, if the lawyer reasonably believes*
97 *that the multiple representations are required or allowed by constitutional or statutory provisions*
98 *or by other applicable law.*

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100 **Suggested New Washington RPC 1.7 Comment [42]**
101 **Special Considerations in Internal Government Representations**

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103 *[42] A client within a government entity may be a specific agency, a branch of government,*
104 *another unit or subdivision of that government, or an individual government officer or employee.*
105 *See Rule 1.13 Comment [9] and Rule 1.11 Comment [5]. Lawyers who are public officers or*
106 *employees may be authorized or required to represent different adverse government agencies,*
107 *branches, units, subdivisions, or individuals in intragovernmental legal controversies where a*
108 *private lawyer could not represent multiple private clients. See Scope Comment [18]. Consistent*
109 *with applicable Washington law, lawyers within a government may represent intragovernmental*
110 *agencies, branches, units, subdivisions, and officers and employees including former officers or*
111 *employees, with conflicting or potentially conflicting interests. When the representation of an*
112 *agency, branch, unit, subdivision, officer or employee, appears to be directly adverse to another*
113 *governmental agency, branch, unit, subdivision, officer or employee, or former officer or*
114 *employee, and particularly when there is adverse representation in litigation or before a tribunal,*
115 *the multiple representations may require informed consent from various agencies, branches,*
116 *units or subdivisions, and/or an effective screening mechanism among the lawyers or the*
117 *engagement of one or more lawyers who are not a officers or employees of that government.*

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119 **Suggested New Definition in RPC 1.0B(f)**

120 **(f) "Government Entity" denotes the United States of America, the State of Washington,**
121 **and any political subdivision or municipal corporation of the State.**

122
123 **Suggested Amendment to Washington RPC 1.13 Comment [9]**

124 [9] The duty defined in this Rule applies to lawyers representing governmental organizations.
125 Defining precisely the identity of the client and prescribing the resulting obligations of such
126 lawyers may be more difficult in the government context and is a matter beyond the scope of
127 these Rules. See Scope [18]. Although in some circumstances the client may be a specific
128 government agency, unit, subdivision, ~~or it may also be a~~ branch of government, such as the
129 executive branch, ~~or it may also be~~ the government entity as a whole. For example, if the action
130 or failure to act involves the head of a government unit bureau, either the department of which
131 the unit bureau is a part, or the relevant branch of government entity may be the client for
132 purposes of this Rule. Moreover, in a matter involving the conduct of government officials, a
133 ~~government~~ lawyer who is a public officer or employee may have authority under applicable
134 law to question such conduct more extensively than that of a lawyer for a private organization
135 in similar circumstances. Thus, when the client is a governmental organization, a different
136 balance may be appropriate between maintaining confidentiality and assuring that the
137 wrongful act is prevented or rectified, for public business is involved. In addition, duties of
138 lawyers who are public officers or employees, ~~employed by the government~~ or lawyers in
139 military service, may be defined by statutes and regulation. This Rule does not limit that
140 authority. See Scope. See also Rule 1.7(c), permitting a lawyer who is a public officer or employee
141 to represent more than one government agency, branch, unit, or subdivision, and officers and
142 employees including former officers or employees of that government, if the lawyer reasonably
143 believes that the multiple representations are required or allowed by constitutional or statutory
144 provisions, or by other applicable law.

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146 **Suggested Amendment to Washington RPC 1.10(a)**

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148 (a) Except as provided in paragraph (e) and in Rule 1.7(c) with respect to a lawyer who is a
149 public officer or employee of a government entity, while lawyers are associated in a firm, none of
150 them shall knowingly represent a client when any one of them practicing alone would be prohibited
151 from doing so by Rules 1.7 or 1.9, unless the prohibition is based on a personal interest of the
152 disqualified lawyer and does not present a significant risk of materially limiting the representation
153 of the client by the remaining lawyers in the firm.

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TO: WSBA Board of Governors
CC: Terra Nevitt, Executive Director
FROM: Mary Rathbone, BOG Legislative Committee Chair; Sanjay Walvekar, WSBA Legislative Affairs Manager
DATE: October 3, 2023
RE: 2024 WSBA Legislative Priorities

ACTION: Approve the 2024 Legislative Priorities for the upcoming legislative session.

Background

Each year, the BOG Legislative Committee Chair and the WSBA Legislative Affairs team propose legislative priorities for consideration and approval by the BOG. 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 2024 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 genesis of these priorities is tied directly to the WSBA Guiding Principles and GR 12.2. These include supporting access to justice, increasing public understanding of Washington's justice system, and supporting a fair and impartial judiciary.

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 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 2024 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 analysis 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. Without having more specific information like perspectives or input from marginalized communities who might be ultimately impacted by this change, it is difficult to do an equity analysis. It does appear that some priorities seem to be centered on creating access to justice including for people experiencing poverty and other barriers to justice. We encourage the Committee to apply and equity lens as it considers specific legislation that impact communities who are marginalized.

Attachments

2024 WSBA Legislative Priorities

Attorney Client Privileged and Confidential Memo from General Counsel Julie Shankland (available in Box)

2024 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 services through general-fund state dollars.
- 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.

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, 2023
RE: 2024 WSBA Legislative Review Committee Recommendations

ACTION: Sponsor two proposals for 2024 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) meets the requirements of GR 12.2 and (2) has been appropriately vetted both internally and externally of the WSBA.

The Committee met on October 4, 2023 and October 13, 2023 to discuss two legislative proposals. First, the Committee voted unanimously that proposed amendments regarding merger and share exchanges in Washington's Business Corporation Act (WBCA) presented by the Business Law Section's Corporate Act Revision Committee (CARC) met the requirements of GR 12.2. Then, the Committee voted unanimously to recommend sponsorship of this proposal to the Board of Governors, **subject to the approval of the Business Law Section executive committee.**

Next, the Committee voted unanimously that the proposed revisions to RCW 59.04.010 and RCW 64.04.010 (regarding lease notary requirements) presented by the Real Property, Probate & Trust Section (RPPT) met the requirements of GR 12.2. 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 2024 legislative session.

Returning and new legislation - Action Requested

- Proposed amendments regarding merger and share exchanges in the WBCA. (Committee approved unanimously)
- Proposed statutory revisions to eliminate the requirement that leases for over one year have the landlord's signature acknowledged before a notary. (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 amendment and restatement of Chapter 12 of the WBCA was originally 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 first half of 2023.

Background and Summary:

CARC believes the WBCA should be amended to replace the current RCW 23B.11 with a new chapter 11 that substantially mirrors the current version of the Model Business Corporations Act (MBCA), with the following exceptions:

- Adopt a majority of outstanding shares voting threshold as the default approval requirements;
- Conform the language of the chapter with the language found throughout 23B (e.g., “other entity” instead of “eligible entity”; “surviving entity” instead of “survivor”; etc.);
- Incorporate recent updates to the upstream and downstream merger provisions in 23B.11.050; and
- Include the holding company reorganization provisions recently adopted by the Washington legislature.

In addition, CARC is proposing corresponding changes to other sections of RCW 23B dealing with definitions, quorum and voting requirements, removal of directors by shareholders, entity conversion, and other issues.

Proposed revisions to RCW 59.04.010 and RCW 64.04.010 (regarding lease notary requirements).

Section draft development:

RPPT drafted and developed these changes for consideration in spring 2023. The RPPT Executive Committee approved the proposed changes in its meeting held in June 2023.

Background and Summary:

This proposal would eliminate the requirement that leases for over one year must have the landlord’s signature acknowledged before a notary (in practice, both landlord and tenant’s signatures are acknowledged). Washington is one of only a handful of states with the notary requirement. For example, it’s not required in Oregon, California, New York or Florida, as a sample. No other Washington contracts have this requirement; multi-million dollar contracts are signed by the thousands without this, including real estate purchase and sale agreements. This proposal would not affect the notary acknowledgment requirement for other documents, such as deeds, easements, deeds of trust or other recorded documents.

RPPT believes the proposed changes eliminate a burdensome requirement in the era of electronic signatures and adds an element of consumer protection.

The proposed amendments would:

- Amend 59.04.010 to eliminate the requirement that leases for over one year must have the landlord’s signature acknowledged before a notary.
- Amend RCW 64.04.010 to clarify that deed requirements for conveyance of real estate shall not apply to leases.

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
WSBA Sections – No comments

Stakeholder response to RPPT Proposal

Senator Jamie Pedersen, Senate Majority Floor Leader – Support
Senator Mike Padden, Ranking Member, Senate Law & Justice Committee - Support
WA Realtors – Support
Washington Tenants Union – No comments
WA Land Title Association - Support
WSBA Sections – No comments

Attachments

CARC Cover Sheet and Proposal
RPPT Cover Sheet and Proposal

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 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 analysis 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. Without having more specific information like perspectives or input from marginalized communities who might be ultimately impacted by this change, it is difficult to do an equity analysis.

PURPOSE: Completion of the information in this cover sheet will help expedite the WSBA Legislative Review Committee’s review and approval process of potential Bar-request legislation. Of particular importance is information related to draft development and stakeholder work.

Short title of proposal: Proposed Revision of Mergers and Share Exchanges Chapter of Washington Business Corporation Act (RCW 23B.12)
Submitted by (Section¹): Corporate Act Revision Committee (CARC) of Business Law Section
Designated Section representative and contact information (phone and email): Michael Hutchings (Co-Chair) - phone: 206-839-4824; email: michael.hutchings@us.dlapiper.com Eric DeJong (Co-Chair) - phone: 206-359-3793; email: edejong@perkinscoie.com
Brief summary of bill and anticipated fiscal impact: The proposal would: <ul style="list-style-type: none">• Amend and restate Chapter 12 (Mergers and Share Exchanges) of the Washington Business Corporation Act (WBCA) to align with substantially with the revised corresponding chapter of the ABA’s Model Business Corporation Act (2016 Revision) More detail on the proposed changes is included in CARC’s memo to the Committee. CARC believes there will be no fiscal impact will result from the proposed changes.
Brief statement of need: CARC continues to review the WBCA and propose changes designed to both modernize the WBCA where appropriate and to align the WBCA with the Model Business Corporation Act (MBCA) and desirable changes to the Delaware General Corporation Law. By aligning with the most current version of the MBCA, CARC believes the proposed amendment and restatement of Chapter 12 (Mergers and Share Exchanges) of the WBCA would (1) promote clarity, consistency and certainty in business transactions, and (2) enable Washington business law practitioners to take advantage of extensive knowledge about how to practice under the MBCA, as expressed in the official comment, as well as many years of practice experience, judicial interpretations and commentary.
Description of draft development: (please provide detail) The proposed amendment and restatement of Chapter 12 of the WBCA was originally 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 first half of 2023. The Executive Committee of the Business Law Section approved the proposed changes in its meeting held on [_____].
How does the proposal meet requirements under GR 12.2? (please explain)

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

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 Washington Business Corporation Act continues to effectively serve the needs of the state’s business community. By aligning with the most current version of the MBCA, Washington business law practitioners can take advantage of extensive knowledge about how to practice under the MBCA, as expressed in the official comment, as well as many years of practice experience, judicial interpretations and commentary.

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.
Association of Washington Business	Ongoing
WA Secretary of State’s Office	Ongoing
WA Department of Financial Institutions	Ongoing
WA Department of Commerce	Ongoing
WSBA Sections	Ongoing

Summary of Additional Stakeholder Input

*Please describe other anticipated stakeholder feedback regarding the proposal.

TO: WSBA Business Law Section Executive Committee

FROM: Corporate Act Revision Committee (CARC)

DATE: August 16, 2023

RE: Proposed changes to Washington Business Corporation Act (RCW 23B): New Chapter 11 – Merger and Share Exchange

This memorandum summarizes changes to the Washington Business Corporation Act, Title 23B of the Revised Code of Washington (WBCA) proposed by the Corporate Act Revision Committee (CARC). The proposed changes would replace the existing Chapter 11 (Merger and Share Exchange) of the WBCA to a version that substantially follows the current version of that chapter in the Model Business Corporation Act (MBCA), with a few significant exceptions noted below.

CARC is a committee of the WSBA's Business Law Section with approximately 10-15 members consisting of corporate attorneys practicing at large and smaller local law firms from around the state, in-house counsel at Washington corporations, professors of law at local law schools 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 MBCA 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 changes described in this memorandum and ***unanimously requests and recommends that the Executive Committee recommend these changes to the WSBA's Legislative Committee for their consideration and recommendation to the Board of Governors as WSBA-request legislation.***

A. Overview

The current version of 23B.11 was initially adopted in 1989 and is based on the 1984 version of the MBCA. Chapter 11 of the MBCA has been amended several times since, with one of the most fundamental changes being a new version of the MBCA adopted in 1999.

The amended MBCA liberalized Chapter 11 in many ways, including authorizing mergers between corporations and "other entities" and changing shareholder approval requirements from a majority of outstanding shares to a majority of votes cast for or against approval of the transaction. It also consolidated provisions relating to foreign corporations, previously covered separate sections of the chapter.

Washington has amended Chapter 11 of the WBCA over the years to incorporate some of the changes made to the 1984 version of the MBCA, but it has not adopted many of the substantial revisions adopted in the 1999 version.

The current version of the MBCA is based largely on the changes made in 1999. CARC believes Chapter 11 of the WBCA should be amended to more closely align with the current version of the MBCA.

CARC also believes corresponding changes should be made to the shareholder approval provisions of the sections governing amendments to articles of incorporation and approval of asset sale transactions.

B. Material differences between Chapter 11 of the WBCA and the current version of the MBCA

1. Shareholder approval default threshold – under the WBCA, the default requirement for shareholder approval of a plan of merger or share exchange is two-thirds of the outstanding shares. This two-thirds default rule is based on a version of the statute in effect prior to 1984.¹ Unlike the 1999 version of the MBCA and the Delaware General Corporation Law (DGCL), both of which use a majority of outstanding shares default rule, the current version of the MBCA default rule is that a plan of merger or share exchange will be approved if it more votes are cast in favor of the plan than against it (i.e., majority of votes cast), as long as there is a quorum present. 29 states, including the important business states of Delaware, California and New York, have a majority of outstanding shares default shareholder approval threshold.
2. Occasions for class voting – The current version of the MBCA includes a provision that clarifies the occasions for group voting. Under this provision, any class or series has a right to a separate group vote if those shares would be converted in the plan into shares, other securities, cash, or any other consideration, unless that separate group voting right is limited or eliminated in the articles of incorporation. The current version of the WBCA also contains a provision the specifies the occasions for group voting. While the WBCA provision is much more verbose, the principal difference is that it requires the corporation to make a determination that any change in the merger “adversely affects” the class or series. The MBCA version does not depend on an evaluation of whether any change would be detrimental to a class or series.
3. Requiring shareholder notice to include organizational documents of surviving entity – The current version of the MBCA includes a provision requiring that the notice to shareholders include a copy or summary of the articles of incorporation or other organizational documents of the corporation or other entity into which the corporation is to be merged. This provision was added in 1999. The current version of the WBCA does not include this requirement.

C. Proposed New Chapter 11

CARC believes the WBCA should be amended to replace the current 23B.11 with a new chapter 11 that substantially mirrors the current version of the MBCA, with the following exceptions:

- Adopt a majority of outstanding shares voting threshold as the default approval requirements;
- Conform the language of the chapter with the language found throughout 23B (e.g., “other entity” instead of “eligible entity”; “surviving entity” instead of “survivor”; etc.);
- Incorporate recent updates to the upstream and downstream merger provisions in 23B.11.050; and

¹ Under 23B.11.030(5) and (6), the articles of incorporation may require a greater or lesser vote, so long as it’s not less than a majority.

- Include the holding company reorganization provisions recently adopted by the Washington legislature.

In addition, if CARC believes the WBCA should be amended to adopt a majority of outstanding shares threshold as the default approval requirements for approval of amendments to articles of incorporation and sales of assets under 23B.12. CARC believes these approval threshold changes should be grandfathered such that the two-thirds approval threshold would continue to be the default for corporations formed before August 1, 2024.

The proposed new Chapter 11 is included as Appendix A, with marked version of corresponding changes and other technical changes proposed for other sections of the WBCA included at the end of Appendix A following the proposed new Chapter 11.

APPENDIX A

Proposed New Chapter RCW 23B.11

Mergers and Share Exchanges

23B.11.010. DEFINITIONS

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise:

- (1) “Acquired entity” means the domestic corporation or other entity that will have all of one or more classes or series of its shares or interests acquired in a share exchange.
- (2) “Acquiring entity” means the domestic corporation or other entity that will acquire all of one or more classes or series of shares or interests of the acquired entity in a share exchange.
- (3) “New owner liability” means owner liability of a person, resulting from a merger or share exchange, that is (a) in respect of an entity which is different from the entity in which the person held shares or interests immediately before the merger or share exchange became effective; or (b) in respect of the same entity as the one in which the person held shares or interests immediately before the merger or share exchange became effective if (i) the person did not have owner liability immediately before the merger or share exchange became effective, or (ii) the person had owner liability immediately before the merger or share exchange became effective, the terms and conditions of which were changed when the merger or share exchange became effective.
- (4) “Party to a merger” means any domestic corporation or other entity that will merge under a plan of merger but does not include a surviving entity created by the merger.
- (5) “Surviving entity” in a merger means the domestic corporation or other entity into which one or more other domestic corporations or other entities are merged.

23B.11.020. MERGER

- (1) By complying with this chapter:
 - (a) One or more domestic corporations may merge with one or more domestic corporations or other entities in accordance with a plan of merger, resulting in a surviving entity; and
 - (b) Two or more other entities may merge, resulting in a surviving entity that is a domestic corporation created in the merger.
- (2) By complying with the provisions of this chapter applicable to other entities, an other entity may be a party to a merger with a domestic corporation or may be created as the surviving entity in a merger in which a domestic corporation is a party, but only if the merger is permitted by the organic law of the other entity.
- (3) If the organic law or organic rules of a domestic other entity do not provide procedures for the approval of a merger, a plan of merger may nonetheless be approved by the unanimous consent of all of the interest holders of that other entity, and the merger may thereafter be effected as provided in the other provisions of this chapter. For the purposes of applying this chapter in such a case:
 - (a) The other entity, its interest holders, interests and organic rules taken together will be deemed to be a domestic corporation, shareholders, shares and articles of incorporation, respectively and vice versa as the context may require; and

(b) If the business and affairs of the other entity are managed by a person or persons that are not identical to the interest holders, that group will be deemed to be the board of directors.

(4) The plan of merger must include:

(a) As to each party to the merger, its name, jurisdiction of organization, and type of entity;

(b) The surviving entity's name, jurisdiction of organization, and type of entity, and, if the surviving entity is to be created in the merger, a statement to that effect;

(c) A summary of the material terms and conditions of the merger and the consideration to be received in the merger by shareholders or interest holders;

(d) The manner and basis of converting the shares of each merging domestic corporation and interests of each merging other entity into shares or other securities, interests, obligations, rights to acquire shares, other securities or interests, cash, or other property, or of cancelling some or all of such shares or interests, or any combination of the foregoing;

(e) The articles of incorporation of any domestic corporation, or the public organic record of any other entity, to be created by the merger, or if a new domestic corporation or other entity is not to be created by the merger, any amendments to the surviving entity's articles of incorporation or public organic record; and

(f) Any other provisions required by the laws under which any party to the merger is organized or by which it is governed, or by the articles of incorporation or organic rules of any such party.

(5) In addition to the requirements of subsection (4) of this section, a plan of merger may contain amendments to the surviving entity's articles of incorporation or public organic record, a restatement that includes one or more amendments to the surviving entity's articles of incorporation or public organic record, and any other provision not prohibited by law.

(6) Terms of a plan of merger may be made dependent on facts objectively ascertainable outside the plan in accordance with RCW 23B.01.200(3).

(7) A plan of merger may be amended only with the consent of each party to the merger, except as provided in the plan of merger. A domestic party to a merger may approve an amendment to a plan of merger:

(a) In the same manner as the plan was approved, if the plan of merger does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan of merger, except that shareholders or interest holders that were entitled to vote on or consent to approval of the plan of merger are entitled to vote on or consent to any amendment of the plan of merger that will change:

(i) The amount or kind of shares or other securities, interests, obligations, rights to acquire shares, other securities or interests, cash, or other property to be received under the plan of merger by the shareholders or interest holders of any party to the merger;

(ii) The articles of incorporation of any domestic corporation, or the organic rules of any other entity, that will be the surviving entity of the merger, except for changes permitted by RCW 23B.10.020 or by comparable provisions of the organic law of any such other entity; or

(iii) Any of the other terms or conditions of the plan of merger if the change would adversely affect such shareholders or interest holders in any material respect.

23B.11.030. SHARE EXCHANGE

(1) By complying with this chapter:

(a) A domestic corporation may acquire all of the shares of one or more classes or series of shares of another domestic corporation, or all of the interests of one or more classes or series of interests of an other entity, in exchange for shares or other securities, interests, obligations, rights to acquire shares or other securities or interests, cash, other property, or any combination of the foregoing, pursuant to a plan of share exchange; or

(b) All of the shares of one or more classes or series of shares of a domestic corporation may be acquired by another domestic corporation or an other entity, in exchange for shares or other securities, interests, obligations, rights to acquire shares or other securities or interests, cash, other property, or any combination of the foregoing, pursuant to a plan of share exchange.

(2) An other entity may be the acquired entity in a share exchange only if the share exchange is permitted by the organic law of that other entity.

(3) If the organic law or organic rules of a domestic other entity do not provide procedures for the approval of a share exchange, a plan of share exchange may be approved, and the share exchange effected, in accordance with the procedures, if any, for a merger. If the organic law or organic rules of a domestic other entity do not provide procedures for the approval of either a share exchange or a merger, a plan of share exchange may nonetheless be approved by the unanimous consent of all of the interest holders of the other entity whose interests will be exchanged under the plan of share exchange, and the share exchange may thereafter be effected as provided in the other provisions of this chapter. For purposes of applying this chapter in such a case:

(a) The other entity, its interest holders, interests and organic rules taken together will be deemed to be a domestic corporation, shareholders, shares and articles of incorporation, respectively and vice versa as the context may require; and

(b) If the business and affairs of the other entity are managed by a person or persons that are not identical to the interest holders, that person or those persons will be deemed to be the board of directors.

(4) The plan of share exchange must include:

(a) The name of each domestic corporation or other entity the shares or interests of which will be acquired and the name of the domestic corporation or other entity that will acquire those shares or interests;

(b) A summary of the material terms and conditions of the share exchange;

(c) The manner and basis of exchanging shares of a domestic corporation or interests in an other entity that is the acquired entity for shares or other securities, interests, obligations, rights to acquire shares, other securities, or interests, cash, other property, or any combination of the foregoing; and

(d) Any other provisions required by the organic law governing the acquired entity or its organic rules.

(5) Terms of a plan of share exchange may be made dependent on facts objectively ascertainable outside the plan in accordance with RCW 23B.01.200(3).

(6) A plan of share exchange may be amended only with the consent of each party to the share exchange, except as provided in the plan of share exchange. A domestic corporation or domestic other entity may approve an amendment to a plan of share exchange:

(a) In the same manner as the plan of share exchange was approved, if the plan of share exchange does not provide for the manner in which it may be amended; or

(b) In the manner provided in the plan of share exchange, except that shareholders or interest holders that were entitled to vote on or consent to approval of the plan of share exchange are entitled to vote on or consent to any amendment of the plan of share exchange that will change:

(i) The amount or kind of shares or other securities, interests, obligations, rights to acquire shares, other securities or interests, cash, or other property to be received under the plan by the shareholders or interest holders of the acquired entity; or

(ii) Any of the other terms or conditions of the plan of share exchange if the change would adversely affect such shareholders or interest holders in any material respect.

23B.11.040. ACTION ON A PLAN OF MERGER OR SHARE EXCHANGE

In the case of a domestic corporation that is a party to a merger or the acquired entity in a share exchange, the plan of merger or share exchange must be approved in the following manner:

(1) The plan of merger or share exchange must first be approved by the board of directors.

(2) Except as provided in subsection (6) of this section, and in RCW 23B.11.045, RCW 23B.11.050 and RCW 23B.11.090, the plan of merger or share exchange must then be approved by the shareholders. In submitting the plan of merger or share exchange to the shareholders for approval, the board of directors must recommend that the shareholders approve the plan or, in the case of an offer referred to in RCW 23B.11.045(1)(b), that the shareholders tender their shares to the offeror in response to the offer, unless (a) the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation, or (b) RCW 23B.08.245 applies. If either (a) or (b) applies, the board of directors must inform the shareholders of the basis for its so proceeding.

(3) The board of directors may set conditions for the approval of the plan of merger or share exchange by the shareholders or the effectiveness of the plan.

(4) If the plan of merger or share exchange is required to be approved by the shareholders, and if the approval is to be given at a meeting, the corporation must notify each shareholder, regardless of whether entitled to vote, of the meeting of shareholders at which the plan is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the plan and must contain or be accompanied by a copy of the plan or a summary of the material terms and conditions of the proposed merger or share exchange and the consideration to be received by shareholders. If the corporation is to be merged into an existing domestic corporation or other entity, the notice must also include or be accompanied by a copy or summary of the articles of incorporation and bylaws of that domestic corporation or the organic rules of that other entity. If the corporation is to be merged with a domestic corporation or other entity and a new domestic corporation or other entity is to be created as a result of the merger, the notice must include or be accompanied by a copy or a summary of the articles of incorporation and bylaws of the new domestic corporation or the organic rules of the new other entity.

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

(i) Unless the articles of incorporation, or the board of directors acting in accordance with subsection (3) of this section, require a different vote, shareholder approval of the plan of merger or share exchange requires (a) the approval of two-thirds of the votes entitled to be cast on the plan, and (b) the approval of two-thirds of the votes entitled to be cast on the plan by each other voting group entitled under RCW 23B.11.041 or the articles of incorporation to vote separately on the plan; and

(ii) The articles of incorporation may require a different vote than that provided in this subsection, or a different vote by separate voting groups, so long as the required vote is not less than a majority of all the votes entitled to be cast on the plan and of each other voting group entitled to vote separately on the plan.

(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, require a greater vote, shareholder approval of the plan of merger or share exchange requires (i) the approval of a majority of the votes entitled to be cast on the plan, and (ii) the approval of a majority of the votes entitled to be cast on the plan by each other voting group entitled under RCW 23B.11.041 or the articles of incorporation to vote separately on the plan.

(6) Unless the articles of incorporation provide otherwise, approval by the corporation's shareholders of a plan of merger is not required if:

(a) The corporation will survive the merger;

(b) Except for amendments permitted by RCW 23B.10.020, its articles of incorporation will not be changed; and

(c) Each shareholder of the corporation whose shares were outstanding immediately before the merger becomes effective will hold the same number of shares, with identical preferences, rights and limitations, immediately after the merger becomes effective.

(7) If as a result of a merger or share exchange one or more shareholders of a domestic corporation would become subject to new owner liability, approval of the plan of merger or share exchange requires the express written consent of each such shareholder to become subject to that new owner liability in connection with the merger or share exchange, unless in the case of a shareholder that already has owner liability with respect to that domestic corporation, (a) the new owner liability is with respect to a domestic corporation (which may be a different or the same domestic corporation in which the person is a shareholder) or other entity, and (b) the terms and conditions of the new owner liability are substantially identical to those of the existing owner liability (other than for changes that eliminate or reduce that owner liability).

23B.11.041. VOTING ON A PLAN OF MERGER OR SHARE EXCHANGE BY VOTING GROUPS

(1) Subject to subsection (2) of this section, separate voting by voting groups is required:

(a) On a plan of merger, by each class or series of shares that:

(i) is to be converted under the plan into shares, other securities, interests, obligations, rights to acquire shares, other securities or interests, cash, other property, or any combination of the foregoing; or

(ii) is entitled to vote as a separate group on a provision in the plan that constitutes a proposed amendment to the articles of incorporation of a surviving corporation that requires action by separate voting groups under RCW 23B.10.040;

(b) On a plan of share exchange, by each class or series of shares included in the exchange, with each class or series constituting a separate voting group; and

(c) On a plan of merger or share exchange, if the voting group is entitled under the articles of incorporation to vote as a voting group to approve a plan of merger or share exchange, respectively.

(2) The articles of incorporation may expressly limit or eliminate the separate voting rights provided in subsections (1)(a)(i) and (1)(b) of this section as to any class or series of shares, except when the plan of merger or share exchange (a) includes what is or would be in effect an amendment subject to subsection (1)(a)(ii), and (b) would not effect a substantive business combination.

(3) If a proposed plan of merger or share exchange that entitles the holders of two or more classes or series of shares to vote as separate voting groups under this section would affect those two or more classes or series in the same or a substantially similar way, then instead of voting as separate voting groups, the holders of shares of the classes or series so affected are to vote together as a single voting group on the proposed plan of merger or share exchange, unless otherwise provided in the articles of incorporation or by the board of directors in accordance with RCW 23B.11.040(3).

(4) Holders of shares of two or more classes or series of shares who would, under a proposed plan, receive the same type of consideration in the form of shares or other securities, interests, obligations, rights to acquire shares, other securities or interests of the surviving or acquiring entity or of any parent entity of the surviving entity, cash or other form of consideration, or the same combination thereof, but in differing amounts resulting solely from application of provisions in the corporation's articles of incorporation governing distribution of consideration received in a merger or share exchange, are affected in the same or a substantially similar way and are not, by reason of receiving the same types or differing amounts of consideration, entitled to vote as separate voting groups on the proposed plan, unless the articles of incorporation expressly require otherwise or the board of directors conditions its submission of the proposed plan on a separate vote by one or more classes or series.

23B.11.045. SHAREHOLDER APPROVAL OF A MERGER OR SHARE EXCHANGE IN CONNECTION WITH A TENDER OFFER

(1) Unless the articles of incorporation provide otherwise, approval by a corporation's shareholders of a plan of merger is not required if:

(a) The plan of merger or share exchange expressly (i) permits or requires the merger or share exchange to be effected under this section, and (ii) provides that, if the merger or share exchange is to be effected under this section, the merger or share exchange will be effected as soon as practicable following the satisfaction of the requirements of subsection (f) of this subsection;

(b) Another party to the merger, the acquiring entity in the share exchange, or a parent of another party to the merger or the acquiring entity in the share exchange, makes an offer to purchase, on the terms stated in the plan of merger or share exchange, any and all of the outstanding shares of the corporation that, absent this section, would be entitled to vote on the plan of merger or share exchange, except that the offer may exclude shares of the corporation that are owned at the commencement of the offer by the corporation, the offeror, or any parent of the offeror, or by any wholly owned subsidiary of any of the foregoing;

(c) The offer discloses that the plan of merger or share exchange provides that the merger or share exchange will be effected as soon as practicable following the satisfaction of the requirements of subsection (f) of this subsection and that the shares of the corporation that are not tendered in response to the offer will be treated as provided in subsection (h) of this subsection;

- (d) The offer remains open for at least 10 days;
- (e) The offeror purchases all shares properly tendered in response to the offer and not properly withdrawn;
- (f) The (i) shares purchased by the offeror in accordance with the offer; (ii) shares otherwise owned by the offeror or by any parent of the offeror or any wholly owned subsidiary of any of the foregoing; and (iii) shares subject to an agreement that they are to be transferred, contributed or delivered to the offeror, any parent of the offeror, or any wholly owned subsidiary of any of the foregoing in exchange for shares or interests in that offeror, parent, or subsidiary, are collectively entitled to cast at least the minimum number of votes on the merger or share exchange that, absent this section, would be required by this chapter and the articles of incorporation for the approval of the merger or share exchange by the shareholders and by any other voting group entitled to vote on the merger or share exchange at a meeting at which all shares entitled to vote on the merger or share exchange were present and voted;
- (g) The offeror or a wholly owned subsidiary of the offeror merges with or into, or effects a share exchange in which it acquires shares of, the corporation; and
- (h) Each outstanding share of each class or series of shares of the corporation that the offeror is offering to purchase in accordance with the offer, and which is not purchased in accordance with the offer, is to be converted in the merger into, or into the right to receive, or is to be exchanged in the share exchange for, or for the right to receive, the same amount and kind of securities, interests, obligations, rights, cash, or other property to be paid or exchanged in accordance with the offer for each share of that class or series of shares that is tendered in response to the offer, except that shares of the corporation that are owned by the corporation or that are described in subsection (f)(ii) or (iii) of this section need not be converted into or exchanged for the consideration described in this subsection.

(2) As used in this section:

- (a) “Offer” means the offer referred to in subsection (1)(b) of this section.
- (b) “Offeror” means the person making the offer.
- (c) “Parent” of an entity means a person that owns, directly or indirectly, through one or more wholly owned subsidiaries, all of the outstanding shares of or interests in that entity.
- (d) Shares tendered in response to the offer will be deemed to have been “purchased” in accordance with the offer at the earliest time as of which:
 - (i) The offeror has irrevocably accepted those shares for payment; and
 - (ii) Either: (A) in the case of shares represented by certificates, the offeror, or the offeror’s designated depository or other agent, has physically received the certificates representing those shares; or (B) in the case of shares without certificates, those shares have been transferred into the account of the offeror or its designated depository or other agent, or an agent’s message relating to those shares has been received by the offeror or its designated depository or other agent.
- (e) “Wholly owned subsidiary” of a person means an entity of or in which that person owns, directly or indirectly, through one or more wholly owned subsidiaries, all of the outstanding shares or interests.

23B.11.050. MERGER BETWEEN PARENT AND SUBSIDIARY OR BETWEEN SUBSIDIARIES

(1) A domestic corporation or other entity that owns shares of a domestic corporation that are entitled to cast votes comprising at least 90% of the voting power of each class and series of the outstanding

voting shares of that subsidiary corporation may: (a) merge the subsidiary corporation into itself or into (i) another domestic corporation in which the parent entity owns shares that are entitled to cast votes comprising at least 90% of the voting power of each class and series of the outstanding voting shares of that other domestic corporation or (ii) an other entity in which the parent entity owns interests that are entitled to cast votes comprising at least 90% of the total number of votes entitled to be cast by all outstanding interests of that other entity, or (b) merge itself into that subsidiary corporation, in either case without the approval of the board of directors or shareholders of the subsidiary corporation, unless the articles of incorporation or organic rules of the parent entity or the articles of incorporation of the subsidiary corporation provide otherwise. RCW 23B.11.040(7) applies to a merger under this section. The articles of merger relating to a merger under this section do not need to be executed by the subsidiary corporation.

(2) A parent entity must, within ten days after a merger under subsection (1) of this section becomes effective, notify each of the subsidiary corporation's other shareholders that the merger has become effective. The notice must contain or be accompanied by a copy of the plan of merger or a summary of the material terms and conditions of the merger and the consideration to be received by shareholders.

(3) Except as provided in subsections (1) and (2) of this section, a merger under this section will be governed by the provisions of this chapter applicable to mergers generally.

23B.11.060. ARTICLES OF MERGER OR SHARE EXCHANGE

(1) After (i) a plan of merger has been approved as required by this title, or (ii) if the merger is being effected under RCW 23B.11.020(1)(b), the merger has been approved as required by the organic law governing each other entity that is party to the merger, then articles of merger must be executed by each party to the merger except as provided in RCW 23B.11.050(1). The articles of merger must state:

(a) The name, jurisdiction of organization, and type of entity of each party to the merger;

(b) The name, jurisdiction of organization, and type of entity of the surviving entity;

(c) If the surviving entity of the merger is a domestic corporation and its articles of incorporation are amended or amended and restated, or if a new domestic corporation is created as a result of the merger:

(i) The amendments to or the amendment and restatement of the surviving entity's articles of incorporation; or

(ii) The articles of incorporation of the new corporation;

(d) If the surviving entity of the merger is a domestic other entity and its public organic record is amended or amended and restated, or if a new domestic other entity is created as a result of the merger:

(i) The amendments or the amendment and restatement of the surviving entity's public organic record; or

(ii) The public organic record of the new other entity;

(e) If the plan of merger required approval by the shareholders of a domestic corporation that is a party to the merger, a statement that the plan was duly approved by the shareholders and, if voting by any separate voting group was required, by each such separate voting group, in the manner required by this title and the articles of incorporation;

(f) If the plan of merger did not require approval by the shareholders of a domestic corporation that is a party to the merger, a statement to that effect; and

(g) As to each other entity that is a party to the merger, a statement that the merger was approved in accordance with its organic law or RCW 23B.11.020(3).

(2) After a plan of share exchange has been approved as required by this title, then articles of share exchange must be executed by the acquired entity and the acquiring entity. The articles of share exchange must state:

- (a) The name, jurisdiction of organization, and type of entity of the acquired entity;
- (b) The name, jurisdiction of organization, and type of entity of the acquiring entity; and
- (c) A statement that the plan of share exchange was duly approved by the acquired entity

by:

(i) The required vote or consent of each class or series of shares or interests included in the exchange; and

(ii) The required vote or consent of each other class or series of shares or interests entitled to vote on approval of the exchange by the articles of incorporation or organic rules of the acquired entity or RCW 23B.11.030(3).

(3) In addition to the requirements of subsection (1) or (2) of this section, articles of merger or share exchange may contain any other provision not prohibited by law.

(4) The articles of merger or share exchange must be delivered to the secretary of state for filing and, subject to subsection (5) of this section, the merger or share exchange will become effective at the effective date and time of the articles of merger or share exchange as determined in accordance with RCW 23B.01.230.

(5) With respect to a merger in which one or more other entities is a party or an other entity created by the merger is the surviving entity, the merger will become effective at the later of:

(a) The date and time when all documents required to be filed in foreign jurisdictions to effect the merger have become effective; and

(b) The effective date and time of the articles of merger as determined in accordance with RCW 23B.01.230.

(6) Articles of merger filed under this section may be combined with any filing required under the organic law governing any other entity involved in the transaction if the combined filing satisfies the requirements of both this section and the other organic law.

23B.11.070. EFFECT OF MERGER OR SHARE EXCHANGE

(1) When a merger becomes effective:

(a) The domestic corporation or other entity that is designated in the plan of merger as the surviving entity continues or comes into existence, as the case may be;

(b) The separate existence of every domestic corporation or other entity that is merged into the surviving entity ceases;

(c) All property owned by, and every contract right possessed by, each domestic corporation or other entity that is merged into the surviving entity are the property and contract rights of the surviving entity without transfer, reversion or impairment;

(d) All debts, obligations and other liabilities of each domestic corporation or other entity that is merged into the surviving entity are debts, obligations or liabilities of the surviving entity;

(e) The name of the surviving entity may, but need not be, substituted in any pending proceeding for the name of any party to the merger whose separate existence ceased in the merger;

(f) If the surviving entity is a domestic entity, the articles of incorporation and bylaws or the organic rules of the surviving entity are amended, or amended and restated, to the extent provided in the plan of merger;

(g) The articles of incorporation and bylaws or the organic rules of the surviving entity that is a domestic entity and is created by the merger become effective;

(h) The shares of or interests in each entity that is a party to the merger that are to be converted in accordance with the terms of the merger into shares or other securities, interests, obligations, rights to acquire shares, other securities, or interests, cash, other property, or any combination of the foregoing, are converted, and the former holders of such shares or interests are entitled only to the rights provided to them by those terms or to any rights they may have under chapter 23B.13 RCW or the organic law governing the other entity;

(i) Except as provided by law or the plan of merger, all the rights, privileges, franchises, and immunities of each entity that is merged into the surviving entity, are the rights, privileges, franchises, and immunities of the surviving entity; and

(j) If the surviving entity exists before the merger:

(i) All the property and contract rights of the surviving entity remain its property and contract rights without transfer, reversion, or impairment;

(ii) The surviving entity remains subject to all its debts, obligations, and other liabilities; and

(iii) Except as provided by law or the plan of merger, the surviving entity continues to hold all of its rights, privileges, franchises, and immunities.

(2) When a share exchange becomes effective, the shares or interests in the acquired entity that are to be exchanged for shares or other securities, interests, obligations, rights to acquire shares, other securities or interests, cash, other property, or any combination of the foregoing, 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 or under the organic law governing the acquired entity.

(3) Except as provided otherwise in the articles of incorporation of a domestic corporation or the organic law governing or organic rules of an other entity, the effect of a merger or share exchange on owner liability is as follows:

(a) A person who becomes subject to new owner liability in respect of an entity as a result of a merger or share exchange will have that new owner liability only in respect of owner liabilities that arise after the merger or share exchange becomes effective;

(b) If a person had owner liability with respect to a party to the merger or the acquired entity before the merger or share exchange becomes effective with respect to shares or interests of such party or acquired entity (i) which were exchanged in the merger or share exchange, (ii) which were cancelled in the merger, or (iii) the terms and conditions of which relating to owner liability were amended under the terms of the merger:

(i) The merger or share exchange does not discharge that prior owner liability with respect to any owner liabilities that arose before the merger or share exchange becomes effective;

(ii) The provisions of the organic law governing any entity for which the person had that prior owner liability will continue to apply to the collection or discharge of any owner liabilities preserved by subsection (3)(b)(i) of this section, as if the merger or share exchange had not occurred;

(iii) The person will have such rights of contribution from other persons as are provided by the organic law governing the entity for which the person had that prior owner liability with respect to any owner liabilities preserved by subsection (3)(b)(i) of this section, as if the merger or share exchange had not occurred; and

(iv) The person will not, by reason of such prior owner liability, have owner liability with respect to any owner liabilities that arise after the merger or share exchange becomes effective;

(c) If a person has owner liability both before and after a merger becomes effective with unchanged terms and conditions with respect to the entity that is the surviving entity by reason of owning the same shares or interests before and after the merger becomes effective, the merger has no effect on such owner liability; and

(d) A share exchange has no effect on owner liability related to shares or interests of the acquired entity that were not exchanged in the share exchange.

(4) Upon a merger becoming effective, a foreign other entity that is the surviving entity of the merger is deemed to:

(a) Appoint the secretary of state as its agent for service of process in a proceeding to enforce the rights of shareholders of each domestic corporation that is a party to the merger who exercise appraisal rights; and

(b) Agree that it will promptly pay the amount, if any, to which such shareholders are entitled under chapter 23B.13 RCW.

(5) Except as provided in the organic law governing a party to a merger or in its articles of incorporation or organic rules, the merger does not give rise to any rights that a shareholder, interest holder, governor, or third party would have upon a dissolution, liquidation, or winding up of that party. The merger does not require a party to the merger to wind up its affairs and does not constitute or cause its dissolution or termination.

23B.11.080. ABANDONMENT OF A MERGER OR SHARE EXCHANGE

(1) After a plan of merger or share exchange has been approved as required by this chapter, and before articles of merger or share exchange have become effective, the plan of merger or share exchange may be abandoned by a domestic corporation that is a party to the plan of merger or share exchange without action by its shareholders in accordance with any procedures provided in the plan of merger or share exchange or, if no such procedures are provided in the plan of merger or share exchange, in the manner determined by the board of directors.

(2) If a merger or share exchange is abandoned under subsection (1) of this section after articles of merger or share exchange have been delivered to the secretary of state for filing but before the merger or share exchange has become effective, a statement of abandonment executed by all the parties that executed the articles of merger or share exchange must be delivered to the secretary of state for filing before the articles of merger or share exchange become effective. The statement of abandonment must contain:

(a) The name of each party to the merger or the names of the acquiring and acquired entities in the share exchange;

(b) The date on which the articles of merger or share exchange were delivered to the secretary of state for filing; and

(c) A statement that the merger or share exchange has been abandoned in accordance with this section.

(3) The statement of abandonment will become effective at the effective date and time as determined in accordance with RCW 23B.01.230 and the merger or share exchange will be deemed abandoned and will not become effective.

23B.11.090. MERGER TO EFFECT A HOLDING COMPANY REORGANIZATION

(1) As used in this section:

(a) "Holding company" means the corporation that is or becomes the direct parent of the surviving corporation of a merger accomplished under this section and whose capital stock is issued in that merger;

(b) "Parent constituent corporation" means the parent corporation that merges with or into the subsidiary constituent corporation in the merger; and

(c) "Subsidiary constituent corporation" means the subsidiary corporation with or into which the parent constituent corporation merges in the merger.

(2) Unless the articles of incorporation provide otherwise, a parent constituent corporation may merge with or into a single indirect wholly owned subsidiary of the parent constituent corporation without the approval of the plan of merger by the shareholders of the parent constituent corporation if:

(a) The plan expressly permits or requires the merger to be effected under this subsection;

(b) The holding company and the constituent corporations to the merger are each organized under this title;

(c) At all times from its incorporation until consummation of a merger under this section, the holding company was a direct wholly owned subsidiary of the parent constituent corporation;

(d) Immediately before consummation of a merger under this section, the subsidiary constituent corporation is a direct wholly owned subsidiary of the holding company and an indirect wholly owned subsidiary of the parent constituent corporation;

(e) The parent constituent corporation and the subsidiary constituent corporation are the only constituent entities to the merger;

(f) Immediately after the merger becomes effective, the surviving corporation of the merger becomes or remains a direct wholly owned subsidiary of the holding company;

(g) Each share or fraction of a share of the parent constituent corporation outstanding immediately before the merger becomes effective is converted in the merger into a share or equal fraction of a share of the holding company having the same designations and relative preferences, rights and limitations as the share or fraction of a share of the parent constituent corporation being converted in the merger;

(h) The articles of incorporation and bylaws of the holding company immediately after the merger becomes effective contain provisions identical to the articles of incorporation and bylaws of the parent constituent corporation immediately before the merger becomes effective, other than any provisions regarding the incorporator or incorporators, the corporate name, the registered office and agent, the initial board of directors and the initial subscribers for shares, and the provisions contained in

any amendment to the articles of incorporation of the parent constituent corporation that were necessary to effect an exchange, reclassification, or cancellation of shares if the exchange, reclassification, or cancellation has become effective;

(i) The articles of incorporation and bylaws of the surviving corporation immediately after the merger becomes effective contain provisions by specific reference to this subsection requiring that any corporate action by or involving the surviving corporation, other than the election or removal of directors of the surviving corporation, must be approved by the shareholders of the holding company (or any successor by merger) by the same vote as is required by this title or under the articles of incorporation or bylaws of the parent constituent corporation immediately before the merger becomes effective, if that corporate action would have required the approval of the of the shareholders of the parent constituent corporation under this title or under the articles of incorporation or bylaws of the parent constituent corporation immediately before the merger becomes effective;

(j) The directors of the parent constituent corporation immediately before the merger becomes effective become or remain the directors of the holding company immediate after the merger becomes effective; and

(k) The board of directors of the parent constituent corporation determines that the shareholders of the of the parent constituent corporation will not recognize gain or loss for United States federal income tax purposes as a result of the merger.

(3) The holding company must, within ten days after the effective date of a merger effected under subsection (2) of this section, notify each person who was a shareholder of the parent constituent corporation immediately before the merger became effective that the merger has become effective. The notice must contain or be accompanied by a copy of the plan of merger or a summary of the material terms and conditions of the merger and the consideration to be received by those shareholders.

(4) To the extent restrictions under chapter 23B.19 RCW applied to the parent constituent corporation or any of its shareholders at the effective time of the merger, those restrictions apply to the holding company and its shareholders immediately after the merger becomes effective as though the holding company were the parent constituent corporation, and all shares of stock of the holding company acquired in the merger will, for the purposes of chapter 23B.19 RCW, be deemed to have been acquired at the time that the corresponding shares of stock of the parent constituent corporation were acquired. No shareholder who, immediately before the merger becomes effective, was not an acquiring person of the parent constituent corporation under chapter 23B.19 RCW will, solely by reason of the merger, become an acquiring person of the holding company under chapter 23B.19 RCW.

(5) To the extent a shareholder of the parent constituent corporation immediately before the merger was eligible to commence a proceeding in the right of the parent constituent corporation in accordance with RCW 23B.07.400, nothing in this section is deemed to limit or extinguish that eligibility.

(6) Except as provided in subsections (2), (3), (4), and (5) of this section, a merger between a parent constituent corporation and a subsidiary constituent corporation will be governed by the provisions of this chapter applicable to mergers generally.

CORRESPONDING CHANGES TO OTHER SECTIONS OF 23B

[Proposed additions are indicated by **underscoring**, and proposed deletions are indicated by **strikeout**]

23B.01.400. DEFINITIONS

(32) “Public company” means a corporation that either has a class of shares registered with the federal securities and exchange commission pursuant to section 12 or which is subject to section 15(d) of the securities exchange act of 1934, or section 8 of the investment company act of 1940, or any successor statute.

(XX) “Interest” means either or both of the following rights under the organic law governing an other entity:

(a) A right to receive distributions from the other entity either in the ordinary course of business or upon liquidation; or

(b) The right to receive notice of or vote on issues involving the other entity’s internal affairs, other than as an agent, assignee, proxy or person responsible for managing the other entity’s business affairs.

(XX) “Interest holder” means a person who holds of record an interest.

(XX) “Jurisdiction of organization” means the state or country the law of which includes the organic law governing a domestic corporation or other entity.

(XX) “Organic law” means the statute governing the internal affairs of an entity.

(XX) “Organic rules” means the public organic record and private organic rules of an entity.

(XX) “Other entity” means any entity that is not any of the following: a domestic corporation, a domestic or foreign not-for-profit corporation, a series of a limited liability company or similar entity, an estate, a trust, a state, the United States, or a foreign governmental subdivision, agency, or instrumentality. The term includes, but is not limited to, a foreign corporation, a limited partnership, a general partnership, a limited liability company, a joint venture, a joint stock company, and a business trust.

(XX) “Owner liability” means personal liability for a debt, obligation, or liability of an entity that is imposed on a person:

(a) Solely by reason of the person’s status as a shareholder or interest holder;

(b) By the articles of incorporation or bylaws of a corporation authorizing the articles of incorporation or bylaws to make one or more specified shareholders liable in their capacity as shareholders for all or specified debts, obligations or liabilities of the corporation; or

(c) By one or more organic rules of an other entity authorizing the organic rules to make one or more specified interest holders liable in their capacity as interest holders for all or specified debts, obligations or liabilities of the other entity.

(XX) “Private organic rules” means (a) the bylaws of a domestic corporation or (b) the rules, regardless of whether in writing, (i) that govern the internal affairs of an other entity, (ii) which are binding on all of the other entity’s interest holders, and (iii) which are not part of the other entity’s public organic record, if any. Where private organic rules have been amended or restated, the term means the private organic rules as last amended or restated.

(XX) “Public organic record” means (a) the articles of incorporation of a domestic corporation or (b) the document, if any, the filing of which is required to create an other entity. Where a public organic record has been amended or restated, the term means the public organic record as last amended or restated.

(XX) "Voting power" means the total number of votes entitled to be cast by all of the outstanding voting shares of a corporation on the date in question.

(XX) "Voting shares" means the shares of all classes of a corporation entitled to vote generally in the election of directors on the date in question.

23B.07.250. QUORUM AND VOTING REQUIREMENTS

(1) Shares entitled to vote as a separate voting group may approve a corporate action at a meeting only if a quorum of those shares exists with respect to that corporate action. Unless the articles of incorporation or this title provide otherwise, a majority of the votes entitled to be cast on the corporate action by the voting group constitutes a quorum of that voting group for approval of that corporate action. Whenever this title requires a particular quorum for a specified corporate action, the articles of incorporation may not provide for a lower quorum.

(4) An amendment of the articles of incorporation adding, changing, or deleting either (i) ~~[(a)]~~ a quorum for a voting group greater or lesser than specified in subsection (1) of this section, or (ii) ~~[(b)]~~ a voting requirement for a voting group greater than specified in subsections (1) or (3) of this section, is governed by RCW 23B.07.270.

(5) Whenever a provision of this title provides for voting of classes or series as separate voting groups, the rules provided in RCW 23B.10.040(3) for amendments of the articles of incorporation apply to that provision.

23B.07.270. ~~GREATER OR LESSER MODIFYING~~ QUORUM OR VOTING REQUIREMENTS

(1) ~~The articles of incorporation may provide for a greater or lesser quorum, but not less than one-third of the votes entitled to be cast, for shareholders, or voting groups of shareholders, than is provided for by this title.~~

(2) ~~The articles of incorporation may provide for a greater voting requirement for shareholders, or voting groups of shareholders, than is provided for by this title.~~

(3) ~~Under RCW 23B.10.030, 23B.11.030, 23B.12.020, and 23B.14.020, the articles of incorporation may provide for a lesser vote than is otherwise prescribed in those sections or for a lesser vote by separate voting groups, so long as the vote provided for each voting group entitled to vote separately on the plan or transaction is not less than a majority of all the votes entitled to be cast on the plan or transaction by that voting group.~~

(4) ~~Except as provided in subsection (5) of this section, an amendment to the articles of incorporation that adds, changes, or deletes a greater or lesser quorum or voting requirement for a particular corporate action must meet the same quorum requirement and be adopted by the same vote and voting groups as are required under the quorum and voting requirements then in effect for approval of the corporate action.~~

(5) ~~An amendment to the articles of incorporation that adds, changes, or deletes a greater or lesser quorum or voting requirement for a merger, share exchange, sale of substantially all assets, or dissolution must meet the same quorum requirement and be approved adopted by the same vote and voting groups as are required under the quorum and voting requirements then in effect for approval of the particular corporate action, or to take action under the quorum and voting requirements then in effect or proposed to be approved for amendments to articles of incorporation, whichever is greater.~~

RCW 23B.08.080 REMOVAL OF DIRECTORS BY SHAREHOLDERS

(3) A director may be removed if the number of votes cast to remove exceeds the number of votes cast not to remove the director, except to the extent the articles of incorporation or bylaws require a greater number; except that if ~~if~~ cumulative voting is authorized, and if less than the entire board is to be removed, no director may be removed if, in the case of a meeting, the number of votes sufficient to elect the director under cumulative voting is voted against the director's removal and, if action is taken by less than unanimous written consent, voting shareholders entitled to the number of votes sufficient to elect the director under cumulative voting do not consent to the removal. ~~If cumulative voting is not authorized, a director may be removed only if the number of votes cast to remove the director exceeds the number of votes cast not to remove the director.~~

(4) A director may be removed by the shareholders only at a special meeting called for the purpose of removing the director and the meeting notice must state that ~~the purpose, or one of the purposes, of the meeting is~~ removal of the director is a purpose of the meeting.

RCW 23B.08.240. QUORUM AND VOTING

(1) Unless the articles of incorporation or bylaws ~~require~~ provide for a greater or lesser number or unless otherwise expressly provided in this title, a quorum of a board of directors consists of a majority of the number of directors specified in or fixed in accordance with the articles of incorporation or bylaws.

(2) Notwithstanding subsection (1) of this section, a quorum of ~~a~~ the board of directors specified in or fixed in accordance with the articles of incorporation or bylaws may not consist of ~~in no event be~~ less than one-third of the ~~number of directors~~ specified in or fixed number of directors ~~in accordance with the articles of incorporation or bylaws~~.

(3) If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the board of directors unless the articles of incorporation or bylaws require the vote of a greater number of directors or unless otherwise expressly provided in this title.

(4) A director who is present at a meeting of the board of directors or a committee when corporate action is approved is deemed to have assented to the corporate action unless: (a) The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding it or transacting business at the meeting; (b) the director's dissent or abstention as to the corporate action is entered in the minutes of the meeting; or (c) the director delivers written notice of the director's dissent or abstention as to the corporate action to the presiding officer of the meeting before adjournment or to the corporation within a reasonable time after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the corporate action.

23B.09.030. APPROVAL OF ACTION ON A PLAN OF ENTITY CONVERSION

In the case of an entity conversion of a domestic corporation to an other entity, the plan of conversion must be approved in the following manner:

(1) The plan of entity conversion must first be approved adopted by the board of directors of the converting entity and the shareholders entitled to vote must approve the plan.

(2) After adopting a plan of entity conversion, the board of directors of the converting entity must submit the plan of entity conversion for approval by its shareholders.

~~(2)~~ (3) The plan of entity conversion must then be approved by the shareholders of the converting entity. In submitting the plan of entity conversion to the shareholders for approval, the board of directors must recommend that the shareholders approve the plan of entity conversion to the shareholders, unless (a) the board of directors makes a determination that because of conflicts of interest or other special circumstances it should not make such a recommendation; or (b) RCW 23B.08.245 applies, and in either case the board of directors communicates the basis for so proceeding to the shareholders. If either (a) or (b) applies, the board of directors must inform the shareholders of the basis for its so proceeding.

~~(3)~~ (4) The board of directors may set conditions for the approval of its submission of the plan of entity conversion or the effectiveness of on any basis, including the affirmative vote of holders of a specified percentage of shares held by any group of shareholders not otherwise entitled to vote as a separate voting group on the plan of entity conversion.

(5) In the case of an entity conversion of a domestic corporation to a foreign corporation, in addition to any other voting conditions imposed by the board of directors acting pursuant to subsection (4) of this section, approval of the plan of entity conversion requires the affirmative vote of shareholders that would be required to approve a plan of merger under RCW 23B.11.030, and of each other voting group entitled under RCW 23B.11.035 or the articles of incorporation to vote separately on a plan of merger. Separate voting by additional voting groups is required on a plan of entity conversion if such voting group or groups would be entitled to vote on a plan of merger under the circumstances described in RCW 23B.11.035. The articles of incorporation may require a greater or lesser vote to approve a plan of entity conversion than that provided in this subsection, or a greater or lesser vote by separate voting groups, so long as the required vote is not less than a majority of all the votes entitled to be cast on the plan of entity conversion and of each other voting group entitled to vote separately on the plan.

(6) In the case of an entity conversion of a domestic corporation to an other entity that is not a foreign corporation, approval of the plan of entity conversion requires the approval of all shareholders of the domestic corporation, whether or not entitled to vote under this title or the articles of incorporation.

(7) If as a result of the conversion one or more shareholders of the domestic corporation would become subject to owner liability for the debts, obligations, or liabilities of any other person or entity, in addition to the approval requirements under subsections (5) and (6) of this section, approval of the plan of entity conversion must also require each such shareholder to execute a separate written consent to become subject to such owner liability.

~~(4)~~ (8) If the approval of the shareholders is to be given at a meeting, the domestic corporation converting entity must notify each shareholder, regardless of whether or not entitled to vote, of the proposed meeting of shareholders at which the plan of entity conversion is to be submitted for approval in accordance with RCW 23B.07.050. The notice must state that consideration of the plan of entity conversion is a the purpose, or one of the purposes, of the meeting is to consider the plan of entity conversion and must contain or be accompanied by a copy or summary of the plan of entity conversion.

The notice must include or be accompanied by a copy of the organic rules documents of the surviving entity as they will be in effect immediately after the conversion.

~~(9) If any provision of the articles of incorporation, bylaws, or an agreement to which any of the directors or shareholders of the domestic corporation are parties, adopted, or entered into before June 12, 2014, applies to a merger of the domestic corporation, other than a provision that limits or eliminates voting or dissenters' rights, and the document does not refer to an entity conversion of the domestic corporation, the provision is deemed to apply to an entity conversion of the domestic corporation until the provision is subsequently amended.~~

~~(5) In the case of an entity conversion of a domestic corporation to a foreign corporation, in addition to any other voting conditions imposed by Unless the articles of incorporation, or the board of directors acting in accordance with pursuant to subsection (43) of this section, requires a greater vote, shareholder approval of the plan of entity conversion requires (a) the affirmative vote of shareholders that would be required to approve a plan of merger under RCW ~~23B.11.035~~ 23B.11.040, and (b) the approval of each other voting group that would be entitled under ~~RCW 23B.11.035(7)~~ the circumstances described in RCW 23B.11.041 or the articles of incorporation to vote separately on a plan of merger. The articles of incorporation may require a greater or lesser vote to approve a plan of entity conversion than that provided in this subsection, or a greater or lesser vote by separate voting groups, so long as the required vote is not less than a majority of all the votes entitled to be cast on the plan of entity conversion and of each other voting group entitled to vote separately on the plan.~~

~~(6) If as a result of the conversion one or more shareholders of the converting entity would become subject to owner liability, approval of the plan of entity conversion must also require each such shareholder to execute a separate written consent to become subject to such owner liability.~~

23B.10.030. AMENDMENT OF ARTICLES OF INCORPORATION BY BOARD OF DIRECTORS AND SHAREHOLDERS

If a corporation has issued shares, an amendment to the articles of incorporation must be approved in the following manner:

(1) The proposed amendment must first be approved by the board of directors ~~A corporation's board of directors may propose one or more amendments to the articles of incorporation for submission to the shareholders.~~

(2) ~~For the amendment to be adopted:~~

~~(a) Except as provided in RCW 23B.10.050, RCW 23B.10.070, and RCW 23B.10.080, the amendment must then be approved by the shareholders. In submitting the proposed amendment to the shareholders for approval, The the board of directors must recommend that the shareholders approve the amendment, to the shareholders unless (i) (a) the board of directors makes a determination determines that because of conflicts of interest or other special circumstances it should not make no such a recommendation, or (ii) (b) RCW 23B.08.245 applies, and in either case the board of directors communicates the basis for so proceeding to the shareholders; and If either (a) or (b) applies, the board of directors must inform the shareholders of the basis for its so proceeding.~~

~~(b) The shareholders entitled to vote on the amendment must approve the amendment as provided in subsection (5) of this section.~~

(3) The board of directors may set conditions for the approval its submission of the proposed amendment by the shareholders or the effectiveness of the on any basis, including the affirmative vote of holders of a specified percentage of shares held by any group of shareholders not otherwise entitled under this title or the articles of incorporation to vote as a separate voting group on the proposed amendment.

(4) If the amendment is required to be approved by the shareholders, and if the approval is to be given at a meeting, the The corporation must shall notify each shareholder, regardless of whether or not entitled to vote, of the proposed shareholders' meeting of shareholders at which the amendment is to be submitted for approval in accordance with RCW 23B.07.050. The notice of meeting must also state that the purpose, or one of the purposes, of the meeting is to consider the proposed amendment and contain or be accompanied by a copy of the amendment.

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

(i) Unless the articles of incorporation, or the board of directors acting in accordance with subsection (3) of this section, require a different vote, shareholder approval of the amendment requires (a) the approval of two-thirds, or, in the case of a public company, a majority, of the votes entitled to be cast on the amendment, and (b) the approval of two-thirds, or, in the case of a public company, a majority, of the votes entitled to be cast on the amendment by each other voting group entitled under RCW 23B.10.040 or the articles of incorporation to vote separately on the amendment; and

(ii) The articles of incorporation may require a different vote than that provided in this subsection, or a different vote by separate voting groups, so long as the required vote is not less than a majority of all the votes entitled to be cast on the amendment and of each other voting group entitled to vote separately on the amendment.

(b) With respect to a corporation formed on or after August 1, 2024, unless the articles of incorporation, or in addition to any other voting conditions imposed by the board of directors acting in accordance with ~~under~~ subsection (3) of this section, require a greater vote, shareholder approval of the amendment requires (a) the approval of a majority of the votes entitled to be cast on the amendment, and (b) the approval of a majority of the votes entitled to be cast on the amendment by each other voting group entitled under RCW 23B.10.040 or the articles of incorporation to vote separately on the amendment. ~~the amendment to be adopted must be approved by two thirds, or, in the case of a public company, a majority, of the voting group comprising all the votes entitled to be cast on the proposed amendment, and of each other voting group entitled under RCW 23B.10.040 or the articles of incorporation to vote separately on the proposed amendment. The articles of incorporation may require a greater vote than that provided for in this subsection. The articles of incorporation of a corporation other than a public company may require a lesser vote than that provided for in this subsection, or may require a lesser vote by separate voting groups, so long as the required vote is not less than a majority of all the votes entitled to be cast on the proposed amendment and of each other voting group entitled to vote separately on the proposed amendment. Separate voting by additional voting groups is required on a proposed amendment under the circumstances described in RCW 23B.10.040.~~

23B.12.020. SALE OF PROPERTY AND ASSETS OTHER THAN IN THE USUAL AND REGULAR COURSE OF BUSINESS

(8) ~~In addition to any other voting conditions imposed by the board of directors under subsection (6) of this section~~ (a) With respect to a corporation formed before August 1, 2024:

(i) Unless the articles of incorporation, or the board of directors acting in accordance with subsection (6) of this section, require a different vote, shareholder approval of the proposed disposition requires (a) the approval of two-thirds of the votes entitled to be cast on the proposed disposition, and (b) the approval of two-thirds of the votes entitled to be cast on the proposed disposition by each other voting group entitled under the articles of incorporation to vote separately on the proposed disposition, unless shareholder approval is not required under subsection (11) of this section; and

(ii) The articles of incorporation may require a different vote than that provided in this subsection, or a different vote by separate voting groups, so long as the required vote is not less than a majority of all the votes entitled to be cast on the proposed disposition and of each other voting group entitled to vote separately on the proposed disposition.

(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 (6) of this section, requires a greater vote, ~~the proposed disposition must be approved by two-thirds~~ a majority of the voting group comprising all the votes entitled to be cast on the proposed disposition, and of each other voting group entitled under the articles of incorporation to vote separately on the proposed disposition, unless shareholder approval is not required under subsection (11) of this section. ~~The articles of incorporation may require a greater or lesser vote than provided in this subsection, or a 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 disposition and of each other voting group entitled to vote separately on the proposed disposition.~~

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 corporate actions:

(a) Consummation A plan of a merger, ~~which has become effective~~, to which the corporation is a party (i) if shareholder approval ~~was~~ is required for the merger by RCW ~~23B.11.030, 23B.11.080, RCW 23B.11.040~~ or the articles of incorporation, or would ~~have been~~ be required but for the provisions of RCW ~~23B.11.030(9)~~ RCW 23B.11.045, and the shareholder ~~is~~ was, or but for the provisions of RCW ~~23B.11.030(9)~~ 23B.11.045 would ~~have been~~ be, entitled to vote on the merger, except that the right to dissent will not be available to any shareholder of the corporation with respect to shares of any class or series that remain outstanding after consummation of the merger; or (ii) if the corporation is ~~was~~ a subsidiary and the ~~plan of merger provided for the merger of the subsidiary with its parent under~~ is governed by RCW ~~23B.11.040~~ 23B.11.050;

23B.17.015. ALTERNATIVE QUORUM AND VOTING REQUIREMENTS

(3) The alternative quorum and voting requirements specified in subsection (2) of this section shall, with respect to any corporation meeting the requirements of subsection (1) of this section, control over and supersede any greater quorum or voting requirements that may be specified in the corporation's articles of incorporation or bylaws or in RCW 23B.02.020, 23B.07.250, 23B.07.270, 23B.10.030, 23B.11.030040, 23B.12.020, or 23B.14.020.

23B.25.100. PLAN OF MERGER OR SHARE EXCHANGE – STATUS AS SOCIAL PURPOSE CORPORATION – VOTING REQUIREMENTS

(1) In addition to approval in accordance with RCW 23B.11.03040, a plan of merger or share exchange pursuant to which a social purpose corporation would not be the surviving corporation must be approved by two-thirds of the voting group comprising all the votes of the corporation entitled to be cast on the plan, and by two-thirds of the holders of the outstanding shares of each class or series, voting as separate voting groups, and of each other voting group entitled under the articles of incorporation to vote separately on the proposed plan. The articles of incorporation may require a greater vote than that provided for in this subsection.

23B.25.130. CORPORATION CONVERTING TO A SOCIAL PURPOSE CORPORATION—CONDITIONS—ELECTION

(1) ~~By complying with this chapter, any~~ Any corporation that is not a social purpose corporation may elect to become a social purpose corporation in accordance with a plan of election. ~~if, pursuant to the proposed election, each of the following conditions are met:~~

(2) ~~The plan of election must provide that each~~ (a) Each share of the same class or series of the electing corporation shall, unless all shareholders of the class or series consent, be treated equally with respect to any cash, rights, securities, or other property to be received by, or any obligations or restrictions to be imposed on, the holder of that share.;

(3) ~~The plan of election must include an amendment to the articles of incorporation to include the matters required to be included in the articles of incorporation in accordance with RCW 23B.25.040(1).~~

(4) ~~The plan of election must be approved in the following manner:~~

~~(a) The plan of election must first be approved by the board of directors.~~

~~(b) The plan of election must then be approved by the shareholders. In submitting the plan of election to the shareholders for approval, the board of directors of the electing corporation must recommend the election to that the shareholders approve the plan of election, unless the board of directors determines that because of conflict of interest or other special circumstances it should make no recommendation, in which case the board of directors must inform the shareholders of the basis for its so proceeding, and communicates the basis for its determination to the shareholders with the proposed election; and~~

~~(c) The board of directors may set conditions for the approval of the plan of election by the shareholders or the effectiveness of the plan.~~

~~(d) (e) Unless the articles of incorporation, or the board of directors acting in accordance with subsection (4)(c) of this section, requires a greater vote. In addition to any other voting conditions imposed by the board of directors under subsection (2) of this section, the plan of election must be approved by an affirmative vote of at least two-thirds of the voting group comprising all the votes of the electing corporation's shareholders entitled to be cast on the plan corporate action, and by two-thirds of the holders of the outstanding shares of each class or series, voting as separate voting groups, and each other voting group entitled under the articles of incorporation to vote separately on the plan corporate action.~~

~~(2) The board of directors of a corporation electing to become a social purpose corporation may condition its submission of the proposed election on any basis, including the affirmative vote of holders of a specified percentage of shares held by any group of shareholders not otherwise entitled to vote as a separate group on the proposed election.~~

~~(3) To elect to become a social purpose corporation, an electing corporation must amend its articles of incorporation to include the matters required to be set forth in the articles of incorporation pursuant to RCW 23B.25.040(1).~~

23B.25.130. CORPORATION CEASING TO BE A SOCIAL PURPOSE CORPORATION—CONDITIONS—ELECTION

(1) ~~By complying with this chapter, any~~ Any social purpose corporation may elect to cease to be a social purpose corporation in accordance with a plan of election, if, pursuant to the proposed election, each of the following conditions are met:

(2) ~~The plan of election must provide that each~~ (a) Each share of the same class or series of the electing social purpose corporation shall, unless all shareholders of the class or series consent, be treated equally with respect to any cash, rights, securities, or other property to be received by, or any obligations or restrictions to be imposed on, the holder of that share;

(3) ~~The plan of election must include an amendment to the articles of incorporation to remove the matters required to be included in the articles of incorporation in accordance with RCW 23B.25.040(1).~~

(4) ~~The plan of election must be approved in the following manner:~~

~~(a) The plan of election must first be approved by the board of directors.~~

~~(b) The plan of election must then be approved by the shareholders. In submitting the plan of election to the shareholders for approval, the board of directors of the electing social purpose corporation must recommend the election to that the shareholders approve the plan of election, unless the board of directors determines that because of conflict of interest or other special circumstances it should make no recommendation, in which case the board of directors must inform the shareholders of the basis for its so proceeding. and communicates the basis for its determination to the shareholders with the proposed election; and~~

~~(c) The board of directors may set conditions for the approval of the plan of election by the shareholders or the effectiveness of the plan.~~

~~(d) Unless the articles of incorporation, or the board of directors acting in accordance with subsection (4)(c) of this section, requires a greater vote. In addition to any other voting conditions imposed by the board of directors under subsection (2) of this section, the plan of election must be approved by an affirmative vote of at least two-thirds of the voting group comprising all the votes of the electing social purpose corporation's shareholders entitled to be cast on the plan corporate action, and by two-thirds of the holders of the outstanding shares of each class or series, voting as separate voting groups, and each other voting group entitled under the articles of incorporation to vote separately on the plan corporate action.~~

~~(2) The board of directors of a social purpose corporation electing to cease to be a social purpose corporation may condition its submission of the proposed election on any basis, including the affirmative vote of holders of a specified percentage of shares held by any group of shareholders not otherwise entitled to vote as a separate group on the proposed election.~~

Legislation Cover Sheet

PURPOSE: Completion of the information in this cover sheet will help expedite the WSBA Legislative Review Committee's review and approval process of potential Bar-request legislation. Of particular importance is information related to draft development and stakeholder work.

Short title of proposal: Eliminating the requirement for lease notary acknowledgments
Submitted by (Section¹): Real Property Probate & Trust
Designated Section representative and contact information (phone and email): Tim Osborn, 206-437-7594, tosborn@microsoft.com
Brief summary of bill and anticipated fiscal impact: This bill would eliminate the requirement that leases for over one year must have the landlord's signature acknowledged before a notary. (In practice, both landlord and tenant's signatures are acknowledged.) No fiscal impact.
Brief statement of need: Washington is one of only a handful of states with the notary requirement. For example, it's not required in Oregon or California – or New York or Florida, as a sample. No other Washington contracts have this requirement, so multi-million dollar contracts are signed by the thousands without this, including real estate purchase and sale agreements. In our era of electronic signatures, this requirement is even more burdensome. This proposal would not affect the notary acknowledgment requirement for other documents, such as deeds, easements, deeds of trust or other recorded documents.
Description of draft development: (please provide detail) Please see the attached proposed statutory language.
How does the proposal meet requirements under GR 12.2? (please explain) The current acknowledgement requirement can be abused by the unscrupulous against the unsophisticated. That's because in a lease with monthly rent that isn't acknowledged becomes a month-to-month tenancy (absent proof of part performance, which is not easy to prove.) Example: someone starting a new retail or restaurant business signs an otherwise valid five year lease, but it's not acknowledged before a notary. The landlord wants to get out of the lease and evict the tenant after a year, so they use the lack of a notary requirement to do that.
Submittal Status: 1. Has this proposal been submitted to the Committee before? Yes <input type="checkbox"/> No <input type="checkbox"/> (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

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

Committee previously? No concerns were raised.

(b) How this proposal addresses those concerns, questions, or additional information requests made by the Committee? No concerns

(d) Is there additional information relevant to the status of the proposal? No

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.
Real Property Probate & Trust Section	Unanimously approved and supported by the RPPT Executive Committee
Washington Realtors	Approved without reservation

Summary of Additional Stakeholder Input

*Please describe other anticipated stakeholder feedback regarding the proposal.

We've had informal discussions with other experienced Washington real estate attorneys who represent both landlords and tenants, all of whom are in support.

There is no notary association we are aware of. Notaries are customarily not paid, have record keeping requirements, and could possibly expose themselves to liability for mistakes, so it is anticipated notaries would be happy.

RCW 59.04.010, Tenancies From Year to Year Abolished Except Under Written Contract.

Tenancies from year to year are hereby abolished except when the same are created by express written contract. Leases may be in writing or print, or partly in writing and partly in print, ~~and shall be legal and valid for any term or period not exceeding one year, without acknowledgment, witness or seals.~~

RCW 59.04.020, Tenancy From Month to Month – Termination. No change.

RCW 64.04.010, Conveyance and Encumbrances to be by Deed.

Every conveyance of real estate, or any interest therein, and every contract creating or evidencing any encumbrance upon real estate, shall be by deed: PROVIDED, (1) Leases do not require acknowledgement, witness or seals, but to be recorded, a lease and a memorandum of lease must have lessee's and lessor's signatures acknowledged, and (2) That when real estate, or any interest therein, is held in trust, the terms and conditions of which are of record, and the instrument creating such trust authorizes the issuances of certificates or written evidence of any interest in said real estate under said trust, and authorizes the transfer of such certificates or evidence of interest by assignment by the holder thereof by a simple writing or by endorsement on the back to such certificate or evidence of interest or delivery thereof to the vendee, such transfer shall be valid, and all such assignments or transfers hereby authorized and heretofore made in accordance with the provisions of this section are hereby declared to be legal and valid.

RCW 64.04.020, Requisites of a Deed. No change.



Memorandum

To: WSBA Board of Governors

From: ATJ Conference Planning Committee Co-Chairs Esperanza Borboa and Jenae Ball, ATJ Board Chair Terry Price, and WSBA Staff Bonnie Sterken and Diana Singleton

Date: October 11, 2023

RE: 2023 Access to Justice Conference Report to WSBA Board of Governors

The 2023 Access to Justice Conference which took place on September 28-30 not only marks the 25th conference the Access to Justice Board has hosted, but also represents another step towards centering communities most impacted by systemic injustice in our legal system. We are grateful to the WSBA for your support of our conference – year after year – and are glad that many of you were able to attend the conference. The purpose of this memorandum is to provide you with some conference highlights.

This biennial event brought together an inspiring mix of community members, legal system advocates, judges, legal professionals, and policymakers from across Washington State, united by a shared interest in dismantling systems of oppression and poverty. This year's conference theme, "Shifting Justice Towards Accountability and Trust," served as a guidepost for our conference goals. Our conference logo below designed by Yakima artist Consuelo Soto Murphy beautifully illustrated our conference theme.

While the ATJ Conference was originally created to bring together people in the civil legal aid community, it has evolved – especially over the last few conferences – to include and center the communities impacted by systemic injustices. We have gradually moved away from a three-day CLE event to a three-day gathering of community members including those with lived experience of injustice and the legal community. The conference was designed to build relationships, listen and learn, be inspired and celebrate.



This conference saw a record number of 614 attendees which includes 492 in-person attendees and 122 virtual attendees. 50% of attendees identified as Black, Indigenous, and other People of Color, and 16% of attendees were from non-legal community partners.

A Dynamic Learning Journey: Conference Agenda

The conference agenda was a dynamic tapestry of sessions and activities that provided valuable insights and opportunities for collaboration. 84% of sessions highlighted voices from people with lived experience with the legal system. Attendees had the chance to explore the diverse range of sessions, both in person and virtually. The Welcome Ceremony included a land acknowledgment from our friends with the Puyallup Tribe, which included an invitation to visit their tribal home and learn more about their people and culture. Throughout the conference, breakout sessions touched on housing and homelessness, immigration, youth justice, gender justice, community-centered advocacy, tech justice, trauma-informed services, the school to prison pipeline, criminal justice reform, education access, accessibility, and more.

Our keynote address was delivered by Representative Jamila Taylor from Washington's 30th Legislative District. Representative Taylor, an attorney, youth advocate, and small business owner, shared her insights and experiences, spoke about the importance of us all working together across sectors and amplifying the voices of communities closest to the problem with her dedication to social justice. The three days were capped off with an inspiring panel discussion and call to action from members of community advisory panels about how organizations can be in right relationship with system-impacted people and hold themselves accountable to community leadership.

In addition to conference sessions and plenaries, we also created space for attendees to connect at receptions, self-directed supper clubs and art spaces. We partnered with La Resistencia, an organization led by undocumented immigrants, who exhibited an art installation of stories of people oppressed by the immigration enforcement system. We also partnered with FlyStart Foundation, an organization which provides mentorship and support to incarcerated artists and at-risk youth, who displayed their artwork and offered hands-on art activities for attendees.

Inclusion and Accessibility at the Core

At the heart of the Access to Justice Conference was a steadfast commitment to accessibility and inclusivity. We recognized that true progress towards justice demands that everyone, regardless of their circumstances, should have the opportunity to participate and contribute.

To that end, we held our first-ever hybrid ATJ Conference so that anyone could attend – virtually or in-person. Virtual participants had the opportunity to join sessions in real-time via Zoom meetings and earn Continuing Legal Education credits. Livestreams of select sessions, including the Welcome session on Thursday, the Access to Justice Awards and the Keynote on Friday, and the Closing Plenary on Saturday, allowed virtual attendees to engage with the event as if they were there in person. They were sent a care package ahead of the conference to make them feel like they were part of the event when in-person attendees were eating. Our

event app, Whova, provided a platform for online discussions, networking, and scheduling meet-ups, fostering connections and community-building among attendees, both on-site and virtually.

To center in-person attendees and speakers who may be more susceptible to COVID or other illnesses, we decided to make it a fully masked event. We also offered various quiet spaces for attendees, including BIPOC and LGBTQIA2S communities, to take time away from the conference to reflect, build community and decompress. We believe that by prioritizing accessibility, we strengthen our collective mission to shift justice towards accountability and trust.

Finally, to ensure financial barriers did not prevent people from attending, we implemented a sliding scale registration system, ensuring that attendees could select the registration level that best suited their financial situation. Thanks to our generous sponsors, we were also able to award over 75 scholarships to people who could not afford to come otherwise.

A Group Effort

Planning an ATJ Conference is no small feat; it takes over 18 months of planning to make the conference become a reality. Especially since we have worked to center those with the least access, the logistics alone takes a great deal of resources especially as we've moved to a hybrid conference.

This year, we hired the event company Synchronicity who did an incredible job managing every aspect of the logistics. Our volunteers – especially our conference co-chairs, Esperanza Borboa and Jenae Ball, and ATJ Board Chair Terry Price – went above and beyond to cast a vision for the conference, create an accessible and inspiring event, and center community with lived experience as they designed and refined the conference content. And our WSBA staff – especially Equity and Justice Lead Bonnie Sterken – spent countless hours managing the conference planning. We estimate staff and volunteers spent a total of 1,200 hours preparing and delivering the 2023 ATJ Conference.

As we reflect on this year's conference, we are reminded that our journey towards justice is one of continuous learning and growth. The conference has reaffirmed our collective strength and resolve to shift justice towards accountability and trust.



To: WSBA Board of Governors
From: Tracy S. Flood, President
Date: October 10, 2023
Re: Foundation Annual Report of Activities for FY23

The mission of the Washington State Bar Foundation (WSBF) 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 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 **Powerful Communities** grant recipients at Foundation Board meetings, where they shared details of their experiences with these programs.
- The Foundation received the **Partnership for Success Award** from the National Conference of Bar Foundations, in recognition of our partnership with WSBA on the Powerful Communities grant program.
- The Foundation hosted a **reception** in Richland in **August** with members of the legal community, Powerful Communities grantees, and several members of the Board of Governors.
- Through 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 the following:
 - **Washington Attorneys with Disabilities Association** scholarship
 - **YMCA Youth & Government** mock trial program
 - **Spokane County Bar Foundation** Carl Maxey Scholarship fundraiser
 - **WSBA and District & Municipal Court Judges Association Attorney Training for Service as a Pro Tem Judge CLE** scholarship
 - **Clark County Bar Association** mentorship program
 - **National Center for State Courts** National Consortium on Racial & Ethnic Fairness in the Courts

Fundraising Highlights

- **5,309** Washington legal professionals (approximately 13%) made a voluntary contribution to the Foundation on their license forms, indicating their support for WSBA's equity and justice efforts.
- The WSBF helped raise funds in support of the Jeffery Robinson CLE on **Individual Representation and Movement Lawyering**, presented in January 2023.
- The Foundation assisted the Access to Justice Board with fundraising for the **2023 Access to Justice Conference**, securing **\$64,800** in sponsorships.
- The Foundation 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 FY24 (final amount to be determined after the fiscal year is officially closed).

- The WSBA **Powerful Communities Project** completed its fifth year, bringing the total amount awarded to \$183,897 and the number of grantees to 59. This critical program helps ensure people from underserved and underrepresented communities across Washington are able to get legal assistance. These grants are paid directly by the Foundation.
- The **Moderate Means Program** continued to refer family, housing, consumer law, and unemployment benefit cases to help moderate income families, many of whom continue to be deeply affected by the COVID crisis.

Conclusion and Look Ahead

The Foundation enters FY24 with a dedicated Board of Trustees, including several new members, representing a diverse cross-section of the profession and the community. We are continually looking for ways to connect with current and potential supporters using a community-centric fundraising lens. WSBA members and private donors continue to be generous to the Foundation, for which we are grateful. Connecting the impacts of WSBA programs with donations to the Foundation will continue to help us grow support for WSBA's equity and justice goals.

WASHINGTON STATE
BAR ASSOCIATION

Financial Reports

(Unaudited)

Year to Date August 31, 2023

Prepared by
Maggie Yu, Controller

Submitted by
Tiffany Lynch, Director of Finance
September 18, 2023

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, 2023
As % of Completion to Annual Budget

	% of Year	Current Year % YTD	Current Year \$ Difference Favorable/(Unfavorable)	Prior Year YTD	Comments
Total Salaries & Benefits	92%	90%	\$231,359	91%	Favorable to budget due to vacant positions.
Other Indirect Expenses*	92%	81%	\$482,792	86%	Favorable to budget due to timing of payments and lower than expected expenses.
Total Indirect Expenses	92%	88%	\$714,150	90%	Favorable to budget resulting from a combination of reasons described above. Expected to be favorable to budget for year.

General Fund Revenues	92%	96%	\$888,462	95%	Favorable to budget mainly due to high interest income and MCLE fees net of lower than budgeted license fees. Expected to be favorable to budget.
General Fund Indirect Expenses	92%	88%	\$659,093	90%	Favorable to budget as described under indirect expenses above. Expected to be favorable to budget.
General Fund Direct Expenses	92%	70%	\$571,817	62%	Favorable to budget due to timing of program activities and meetings/events. Expected to be favorable to budget.
General Fund Net	92%	286%	\$2,119,370	865%	Favorable to budget for the reasons described above. Expected to be favorable to budget.

CLE Revenue	92%	89%	(\$45,666)	85%	Unfavorable to budget due to less attendees to live seminars and lower sale of deskbook sales. Expected to remain unfavorable to budget.
CLE Direct Expenses	92%	54%	\$141,433	40%	Favorable to budget due to timing of scheduled seminar expense payments and deskbook of cost of good sold. Expected to be remain favorable through year-end.
CLE Indirect Expenses	92%	88%	\$47,749	92%	Favorable to budget as described under indirect expenses above and expected to remain favorable through year-end.
CLE Net	92%	158%	\$143,515	97%	Favorable to budget for the reasons described above. Expected to slightly unfavorable to budget.

*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 Financial Summary
Compared to Fiscal Year 2023 Budget
For the Period from August 1, 2023 to August 31, 2023**

Category	Actual Revenues	Budgeted Revenues	Actual Indirect Expenses	Budgeted Indirect Expenses	Actual Direct Expenses	Budgeted Direct Expenses	Actual Total Expenses	Budgeted Total Expenses	Actual Net Result	Budgeted Net Result
Access to Justice	-	-	211,914.57	237,082	91,374	121,820	303,288	358,902	(303,288)	(358,902)
Admissions/Bar Exam	1,188,069	1,362,940	798,904.22	892,773	371,118	414,079	1,170,022	1,306,852	18,047	56,088
Advancement FTE	-	-	318,142.06	354,465	4,264	8,100	322,406	362,565	(322,406)	(362,565)
Bar News	493,071	602,700	296,659.25	332,507	297,367	363,460	594,026	695,967	(100,955)	(93,267)
Board of Governors	-	-	176,920.09	191,700	292,508	371,900	469,428	563,600	(469,428)	(563,600)
Character & Fitness Board	-	-	124,485.47	139,623	2,040	27,000	126,525	166,623	(126,525)	(166,623)
Communications Strategies	4,375	3,500	599,530.67	674,814	53,087	116,015	652,618	790,829	(648,242)	(787,329)
Communications Strategies FTE	-	-	219,150.10	243,400	-	-	219,150	243,400	(219,150)	(243,400)
Discipline	64,991	119,000	5,086,021.92	6,007,729	124,091	206,999	5,210,113	6,214,728	(5,145,123)	(6,095,728)
Diversity	135,000	135,000	181,840.98	240,734	51,311	130,035	233,152	370,769	(98,152)	(235,769)
Finance	814,733	26,000	969,250.78	1,080,720	3,637	6,500	972,887	1,087,220	(158,155)	(1,061,220)
Foundation	-	-	130,036.69	147,147	3,511	5,650	133,548	152,797	(133,548)	(152,797)
Human Resources	-	-	554,939.99	424,625	-	-	554,940	424,625	(554,940)	(424,625)
Law Clerk Program	207,266	188,200	121,617.24	138,099	5,680	8,900	127,297	146,999	79,969	41,201
Legislative	-	-	212,551.29	242,681	16,975	26,783	229,527	269,464	(229,527)	(269,464)
Legal Lunchbox	32,373	23,000	44,014.90	51,117	3,859	1,500	47,874	52,617	(15,501)	(29,617)
Licensing and Membership Records	387,255	452,200	567,076.18	622,311	26,212	23,651	593,288	645,962	(206,033)	(193,762)
Licensing Fees	15,471,531	17,053,467	-	-	-	-	0	-	15,471,531	17,053,467
Limited License Legal Technician	12,948	29,722	74,446.72	85,248	3,909	15,500	78,355	100,748	(65,408)	(71,026)
Limited Practice Officers	183,120	195,088	88,529.98	99,305	14,926	21,042	103,456	120,347	79,664	74,741
Mandatory CLE	1,280,350	1,125,250	666,402.06	714,329	7,193	67,015	673,595	781,344	606,754	343,906
Member Wellness Program	7,000	7,500	193,897.16	234,719	1,809	2,550	195,707	237,269	(188,707)	(229,769)
Member Services & Engagement	12,000	11,800	266,981.65	302,978	13,253	39,500	280,235	342,478	(268,235)	(330,678)
Mini CLE	-	-	100,756.87	114,412	-	-	100,757	114,412	(100,757)	(114,412)
New Member Education	106,071	85,000	83,482.98	95,269	386	1,600	83,869	96,869	22,203	(11,869)
Office of General Counsel	-	963	842,395.40	1,038,134	5,804	19,400	848,200	1,057,534	(848,200)	(1,056,571)
Office of the Executive Director	-	-	507,044.22	568,259	111,089	128,775	618,133	697,034	(618,133)	(697,034)
OGC-Disciplinary Board	-	-	194,487.78	217,139	72,491	103,500	266,979	320,639	(266,979)	(320,639)
Practice of Law Board	-	-	55,815.93	63,355	2,426	12,000	58,242	75,355	(58,242)	(75,355)
Practice Management Assistance	69,133	50,000	117,394.32	133,033	73,616	73,650	191,011	206,683	(121,878)	(156,683)
Professional Responsibility Program	-	-	204,344.94	151,321	2,465	2,250	206,810	153,571	(206,810)	(153,571)
Public Service Programs	130,000	130,000	175,833.98	219,329	167,112	266,928	342,946	486,257	(212,946)	(356,257)
Publication and Design Services	-	-	105,426.16	119,175	4,200	4,612	109,626	123,787	(109,626)	(123,787)
Regulatory Services FTE	-	-	480,730.68	536,908	6,408	23,550	487,139	560,458	(487,139)	(560,458)
Sections Administration	356,726	290,543	257,517.81	290,746	911	7,850	258,428	298,596	98,297	(8,053)
Service Center	-	-	627,433.54	703,381	7,907	10,300	635,341	713,681	(635,341)	(713,681)
Volunteer Engagement	-	-	88,952.87	97,639	12,151	17,850	101,104	115,489.27	(101,104)	(115,489)
Technology	-	-	1,748,549.39	1,996,602	-	-	1,748,549	1,996,602	(1,748,549)	(1,996,602)
Subtotal General Fund	20,956,011	21,891,872	17,493,480.84	19,802,808	1,855,089	2,650,264	19,348,570	22,453,072	1,607,440	(561,199)
Expenses using reserve funds	-	-	-	-	-	-	-	-	-	-
Total General Fund - Net Result from Operations									1,607,440	(561,199)
Percentage of Budget	96%		0.88		70%		86%			
CLE-Seminars and Products	1,573,656	1,653,725	948,735.05	1,079,536	193,647	307,219	1,142,382	1,386,755	431,274	266,970
CLE - Deskbooks	117,509	241,000	196,966.79	222,410	6,594	68,325	203,561	290,735	(86,052)	(49,735)
Total CLE	1,691,165	1,894,725	1,145,701.84	1,301,946	200,241	375,544	1,345,943	1,677,490	345,222	217,235
Percentage of Budget	89%		0.88		53%		80%			
Total All Sections	598,483	649,695	-	-	601,007	904,646	601,007	904,646	(2,524)	(254,951)
Client Protection Fund-Restricted	939,201	730,000	159,444.62	181,912	86,560	502,300	246,005	684,212	693,196	45,788
Totals	24,184,859	25,166,292	18,798,627.30	21,286,666	2,742,897	4,432,754	21,541,525	25,719,419	2,643,335	(553,127)
Percentage of Budget	96%		0.88		62%		84%			

Summary of Fund Balances:	Fund Balances Sept. 30, 2022	2023 Budgeted Fund Balances	Fund Balances Year to date
Restricted Funds:			
Client Protection Fund	4,063,501	4,109,289	4,756,697
Board-Designated Funds (Non-General Fund):			
CLE Fund Balance	1,042,049	1,259,284	1,387,271
Section Funds	1,802,650	1,547,699	1,800,126
Board-Designated Funds (General Fund):			
Operating Reserve Fund	2,000,000	2,000,000	2,000,000
Facilities Reserve Fund	1,000,000	1,000,000	2,700,000
Unrestricted Funds (General Fund):			
Unrestricted General Fund	5,713,268	5,152,068	5,620,708
Total General Fund Balance	8,713,268	8,152,068	10,320,708
Net Change in Total General Fund Balance		(561,199)	1,607,440
Total Fund Balance	15,621,468	15,068,341	18,264,802
Net Change in Fund Balance		(553,127)	2,643,335

**Washington State Bar Association
Analysis of Cash Investments
As of August 31, 2023**

Checking & Savings Accounts

General Fund

Checking

<u>Bank</u>	<u>Account</u>	<u>Amount</u>
Wells Fargo	General	\$ 1,087,318

Total

<u>Investments</u>	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	1.10%	\$ 1,680,414
UBS Financial Money Market	0.25%	\$ 1,110,044
Morgan Stanley Money Market	0.51%	\$ 3,527,380
Merrill Lynch Money Market	1.44%	\$ 789,344
CDs/Treasuries	see list	\$ 10,707,982

General Fund Total \$ 18,902,481

Client Protection Fund

Checking

<u>Bank</u>	<u>Amount</u>
Wells Fargo	\$ 358,509

<u>Investments</u>	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	0.44%	\$ 2,080,439
Morgan Stanley Money Market	0.43%	\$ 111,695
CDs/Treasuries	see list	\$ 2,495,088

Client Protection Fund Total \$ 5,045,731

Grand Total Cash & Investments \$ 23,948,213

**Washington State Bar Association
Analysis of Cash Investments
As of August 31, 2023**

General Fund

<u>Bank</u>	<u>Yield</u>	<u>Term Months</u>	<u>Trade Date</u>	<u>Settle Date</u>	<u>Maturity Date</u>	<u>Amount</u>
<i>From WF</i>						
Morgan Stanley Bank CD	5.06%	6	3/9/2023	3/9/2023	9/18/2023	250,000.00
Morgan Stanley Private Bank CD	5.06%	6	3/9/2023	3/9/2023	9/18/2023	250,000.00
Valley National Bank CD	5.15%	6	3/14/2023	3/17/2023	9/18/2023	250,000.00
Fifth Third Bank CD	5.10%	6	3/14/2023	3/21/2023	9/21/2023	250,000.00
Barclays Bank CD	5.10%	6	3/14/2023	3/22/2023	9/22/2023	250,000.00
Wells Fargo bank	4.70%	9	12/15/2022	12/23/2022	9/25/2023	250,000.00
Webster Bank CD	5.00%	6	3/23/2023	3/29/2023	9/29/2023	250,000.00
Flagstar Bank CD	5.15%	6	3/17/2023	3/30/2023	10/2/2023	250,000.00
Comerica Bank CD	5.10%	6	3/23/2023	3/30/2023	10/2/2023	250,000.00
American Commercial Bank CD	5.10%	6	3/23/2023	4/5/2023	10/5/2023	250,000.00
SOFI Bank CD	4.55%	9	1/13/2023	1/23/2023	10/23/2023	250,000.00
Fairfield County Bank CD	4.65%	9	2/1/2023	2/3/2023	11/3/2023	250,000.00
FHLB CD	4.75%	9	2/10/2023	2/13/2023	11/7/2023	250,484.17
Independent Bank CD	4.75%	9	2/22/2023	2/24/2023	11/24/2023	250,000.00
FHDN CD	5.25%	6	5/30/2023	5/31/2023	11/24/2023	243,792.71
DFC Note	4.75%	11	2/1/2023	2/2/2023	12/14/2023	252,332.00
NexBank CD	5.25%	9	3/14/2023	3/22/2023	12/20/2023	250,000.00
Citizens Bank CD	5.15%	9	3/14/2023	3/22/2023	12/22/2023	250,000.00
Bank of Hope CD	5.25%	9	3/14/2023	3/24/2023	12/26/2023	250,000.00
Hancock Whitney Bank CD	5.35%	9	3/17/2023	3/23/2023	12/26/2023	250,000.00
CrossFirst Bank CD	5.20%	9	3/17/2023	3/24/2023	12/26/2023	250,000.00
Zions BankCorp CD	5.30%	9	3/28/2023	3/31/2023	12/29/2023	250,000.00
FHDN CD	4.75%	11	2/10/2023	2/13/2023	1/11/2024	239,532.78
FFCB CD	4.75%	12	2/1/2023	2/2/2023	1/18/2024	241,147.50
JP Morgan Chase Bank CD	4.95%	11	2/22/2023	2/28/2023	1/31/2024	250,000.00
FHLBDN CD	4.75%	12	2/10/2023	2/13/2023	2/2/2024	250,324.86
TowneBank CD	4.65%	12	2/1/2023	2/8/2023	2/8/2024	250,000.00
Millyard Bank CD	4.65%	12	2/1/2023	2/9/2023	2/9/2024	250,000.00
Encore Bank CD	5.35%	9	5/30/2023	6/7/2023	3/7/2024	250,000.00
Customers Bank CD	5.20%	12	3/28/2023	3/30/2023	3/28/2024	250,000.00
Truist Bank CD	5.25%	12	5/30/2023	6/2/2023	5/31/2024	250,000.00
US Treasury Bill	5.25%	11	7/11/2023	7/13/2023	6/13/2024	238,368.33
Texas Capital Bank CD	5.25%	12	8/9/2023	8/16/2023	8/15/2024	250,000.00
ESSA Bank & Trust PA CD	5.25%	12	8/9/2023	8/22/2023	8/21/2024	250,000.00
Bank of America CD	5.30%	12	8/25/2023	8/30/2023	8/29/2024	250,000.00
Total from WF						8,715,982.35
<i>From ML</i>						
City National bank of florida CD	5.30%	3	6/6/2023	6/12/2023	9/12/2023	246,000.00
US Treasury Bill	5.34%	3	6/6/2023	6/15/2023	9/14/2023	270,000.00
US Bank, National Assoc. CD	5.25%	6	6/6/2023	6/12/2023	12/7/2023	243,000.00
US Treasury Bill	5.43%	6	6/6/2023	6/15/2023	12/14/2023	270,000.00
Bank of China NY CD	5.30%	6	7/12/2023	7/20/2023	1/22/2024	243,000.00
TBK bank CD	5.25%	9	6/6/2023	6/12/2023	3/11/2024	240,000.00
Banner bank CD	5.25%	12	6/6/2023	6/12/2023	6/11/2024	237,000.00
Bank hapoalim B.M CD	5.20%	18	6/6/2023	6/12/2023	12/9/2024	243,000.00
Total from ML						1,992,000.00
Total						10,707,982.35

**Washington State Bar Association
Analysis of Cash Investments
As of August 31, 2023**

Client Fund Protection Fund

<u>Bank</u>	<u>Yield</u>	<u>Term Months</u>	<u>Trade Date</u>	<u>Settle Date</u>	<u>Maturity Date</u>	<u>Amount</u>
Washington Trust CD	4.80%	6	3/1/2023	3/8/2023	9/8/2023	250,000.00
Renasant Bank CD	5.10%	6	3/17/2023	3/22/2023	9/22/2023	250,000.00
Bremer Bank CD	5.10%	6	3/17/2023	3/22/2023	9/22/2023	250,000.00
Centier Bank CD	5.25%	3	6/29/2023	7/7/2023	10/10/2023	250,000.00
CapStar Bank CD	4.80%	9	3/1/2023	3/3/2023	12/4/2023	250,000.00
Bank OZK CD	5.10%	6	6/29/2023	7/7/2023	1/8/2024	250,000.00
Beal Bank CD	5.10%	6	6/29/2023	7/12/2023	1/10/2024	250,000.00
Midfirst Bank CD	5.15%	6	6/29/2023	7/12/2023	1/12/2024	250,000.00
US Treasury Note	4.95%	11	3/1/2023	3/2/2023	1/31/2024	245,088.27
Western Alliance Bank CD	5.00%	12	3/1/2023	3/9/2023	3/8/2024	250,000.00
Total						2,495,088.27

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LICENSE FEES						
REVENUE:						
LICENSE FEES	17,053,467	1,381,852	15,471,531	1,581,936	91%	(160,814)
TOTAL REVENUE:	17,053,467	1,381,852	15,471,531	1,581,936	91%	(160,814)

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ACCESS TO JUSTICE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
SURVEYS	100	-	131	(31)	131%	(39)
ATJ BOARD RETREAT	2,000	-	2,130	(130)	107%	(297)
LEADERSHIP TRAINING	2,000	-	2,175	(175)	109%	(342)
ATJ BOARD EXPENSE	78,400	16,402	66,171	12,229	84%	5,695
STAFF TRAVEL/PARKING	3,000	-	1,119	1,881	37%	1,631
STAFF CONFERENCE & TRAINING	1,675	-	375	1,300	22%	1,160
PUBLIC DEFENSE	4,000	-	810	3,190	20%	2,856
CONFERENCE/INSTITUTE EXPENSE	23,145	-	15,214	7,931	66%	6,002
RECEPTION/FORUM EXPENSE	7,500	-	3,248	4,252	43%	3,627
TOTAL DIRECT EXPENSES:	121,820	16,402	91,374	30,446	75%	20,295
INDIRECT EXPENSES:						
SALARY EXPENSE (1.64 FTE)	138,139	11,699	128,176	9,963	93%	(1,549)
BENEFITS EXPENSE	48,192	3,800	42,773	5,419	89%	1,403
OTHER INDIRECT EXPENSE	50,751	3,424	40,966	9,785	81%	5,556
TOTAL INDIRECT EXPENSES:	237,082	18,922	211,915	25,167	89%	5,410
TOTAL ALL EXPENSES:	358,902	35,324	303,288	55,613	85%	25,705
NET INCOME (LOSS):	(358,902)	(35,324)	(303,288)	(55,613)	85%	25,705

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2023 to August 31, 2023
91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
ADMISSIONS						
REVENUE:						
EXAM SOFTWARE REVENUE	27,000	-	6,715	20,285	25%	(18,035)
BAR EXAM FEES	1,253,000	24,405	1,140,929	112,071	91%	(7,654)
RULE 9/LEGAL INTERN FEES	12,000	900	12,800	(800)	107%	1,800
SPECIAL ADMISSIONS	70,940	3,720	27,625	43,315	39%	(37,403)
TOTAL REVENUE:	1,362,940	29,025	1,188,069	174,871	87%	(61,293)
DIRECT EXPENSES:						
POSTAGE	750	-	569	181	76%	118
STAFF TRAVEL/PARKING	23,000	3,465	13,701	9,299	60%	7,383
STAFF MEMBERSHIP DUES	600	-	400	200	67%	150
SUPPLIES	2,750	4	788	1,962	29%	1,733
FACILITY, PARKING, FOOD	101,000	28,976	96,111	4,889	95%	(3,528)
EXAMINER FEES	36,000	-	28,500	7,500	79%	4,500
UBE EXMINATIONS	123,000	85,278	117,486	5,514	96%	(4,736)
BOARD OF BAR EXAMINERS **	21,850	15,870	29,175	(7,325)	134%	(9,146)
BAR EXAM PROCTORS	39,000	22,945	39,077	(77)	100%	(3,327)
DISABILITY ACCOMMODATIONS	27,000	2,569	21,007	5,993	78%	3,743
CHARACTER & FITNESS INVESTIGATIONS	2,000	-	-	2,000	0%	1,833
LAW SCHOOL VISITS	1,700	-	249	1,451	15%	1,310
DEPRECIATION-SOFTWARE	24,929	2,038	22,411	2,518	90%	441
STAFF CONFERENCE & TRAINING	10,500	-	1,644	8,856	16%	7,981
TOTAL DIRECT EXPENSES:	414,079	161,146	371,118	42,961	90%	8,455
INDIRECT EXPENSES:						
SALARY EXPENSE (6.75 FTE)	512,745	41,967	453,453	59,292	88%	16,564
BENEFITS EXPENSE	171,146	15,695	177,038	(5,892)	103%	(20,154)
OTHER INDIRECT EXPENSE	208,882	14,103	168,413	40,469	81%	23,062
TOTAL INDIRECT EXPENSES:	892,773	71,765	798,904	93,869	89%	19,471
TOTAL ALL EXPENSES:	1,306,852	232,911	1,170,022	136,830	90%	27,926
NET INCOME (LOSS):	56,088	(203,886)	18,047	38,041	32%	(33,367)

**Budget reallocations apply to this line item. For details, see FY23 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, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	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	8,100	1,260	4,264	3,836	53%	3,161
TOTAL DIRECT EXPENSES:	8,100	1,260	4,264	3,836	53%	3,161
INDIRECT EXPENSES:						
SALARY EXPENSE (1.88 FTE)	233,777	19,776	215,225	18,552	92%	(930)
BENEFITS EXPENSE	62,511	4,957	56,153	6,358	90%	1,149
OTHER INDIRECT EXPENSE	58,178	3,923	46,764	11,413	80%	6,565
TOTAL INDIRECT EXPENSES:	354,465	28,656	318,142	36,323	90%	6,785
TOTAL ALL EXPENSES:	362,565	29,916	322,406	40,160	89%	9,946
NET INCOME (LOSS):	(362,565)	(29,916)	(322,406)	(40,160)	89%	9,946

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
BAR NEWS						
REVENUE:						
DISPLAY ADVERTISING	400,000	-	354,000	46,000	89%	(12,667)
SUBSCRIPT/SINGLE ISSUES	200	36	108	92	54%	(75)
CLASSIFIED ADVERTISING	2,500	313	6,753	(4,253)	270%	4,461
JOB TARGET ADVERTISING	200,000	10,861	132,211	67,789	66%	(51,123)
TOTAL REVENUE:	602,700	11,210	493,071	109,629	82%	(59,404)
DIRECT EXPENSES:						
POSTAGE	110,000	-	103,849	6,151	94%	(3,016)
PRINTING, COPYING & MAILING	250,000	-	192,743	57,257	77%	36,423
DIGITAL/ONLINE DEVELOPMENT	1,000	-	571	429	57%	346
GRAPHICS/ARTWORK	100	-	-	100	0%	92
STAFF CONFERENCE & TRAINING	2,000	-	-	2,000	0%	1,833
STAFF MEMBERSHIP DUES	135	-	-	135	0%	124
SUBSCRIPTIONS	225	-	203	22	90%	3
TOTAL DIRECT EXPENSES:	363,460	-	297,367	66,093	82%	35,805
INDIRECT EXPENSES:						
SALARY EXPENSE (2.23 FTE)	209,396	17,509	192,652	16,744	92%	(706)
BENEFITS EXPENSE	54,103	4,231	48,339	5,764	89%	1,255
OTHER INDIRECT EXPENSE	69,008	4,662	55,668	13,340	81%	7,590
TOTAL INDIRECT EXPENSES:	332,507	26,402	296,659	35,848	89%	8,139
TOTAL ALL EXPENSES:	695,967	26,402	594,026	101,941	85%	43,944
NET INCOME (LOSS):	(93,267)	(15,192)	(100,955)	7,687	108%	(15,460)

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2023 to August 31, 2023
91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	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	28,288	160,640	29,360	85%	13,527
BOG COMMITTEES' EXPENSES **	3,000	-	145	2,855	5%	2,605
BOG RETREAT	50,000	1,350	48,472	1,528	97%	(2,639)
BOG CONFERENCE ATTENDANCE **	42,000	1,713	23,961	18,039	57%	14,539
BOG TRAVEL & OUTREACH **	14,000	1,160	22,480	(8,480)	161%	(9,647)
LEADERSHIP TRAINING	20,000	-	12,267	7,733	61%	6,066
BOG ELECTIONS	26,900	-	18,400	8,500	68%	6,258
PRESIDENT'S DINNER **	26,000	-	-	26,000	0%	23,833
CONSULTING SERVICES	-	-	6,143	(6,143)		(6,143)
TOTAL DIRECT EXPENSES:	371,900	32,512	292,508	79,392	79%	48,400
INDIRECT EXPENSES:						
SALARY EXPENSE (1.40 FTE)	112,271	9,342	110,313	1,958	98%	(7,398)
BENEFITS EXPENSE	36,105	2,802	31,727	4,379	88%	1,370
OTHER INDIRECT EXPENSE	43,324	2,921	34,881	8,443	81%	4,833
TOTAL INDIRECT EXPENSES:	191,700	15,066	176,920	14,780	92%	(1,195)
TOTAL ALL EXPENSES:	563,600	47,577.40	469,428	94,172	83%	47,205
NET INCOME (LOSS):	(563,600)	(47,577)	(469,428)	(94,172)	83%	47,205

***Budget reallocations have been applied to this line item. For details, see FY23 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, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CHARACTER & FITNESS BOARD						
REVENUE:						
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
DIRECT EXPENSES:						
CHARACTER & FITNESS BOARD EXP	12,000	58	331	11,669	3%	10,669
COURT REPORTERS	15,000	-	1,709	13,291	11%	12,041
TOTAL DIRECT EXPENSES:	<u>27,000</u>	<u>57.85</u>	<u>2,039.61</u>	<u>24,960</u>	<u>8%</u>	<u>22,710</u>
INDIRECT EXPENSES:						
SALARY EXPENSE (0.75 FTE)	90,551	7,776	82,935	7,616	92%	70
BENEFITS EXPENSE	25,863	2,005	22,658	3,205	88%	1,050
OTHER INDIRECT EXPENSE	23,209	1,566	18,893	4,316	81%	2,382
TOTAL INDIRECT EXPENSES:	<u>139,623</u>	<u>11,347</u>	<u>124,485</u>	<u>15,137</u>	<u>89%</u>	<u>3,502</u>
TOTAL ALL EXPENSES:	<u>166,623</u>	<u>11,405</u>	<u>126,525</u>	<u>40,098</u>	<u>76%</u>	<u>26,213</u>
NET INCOME (LOSS):	<u>(166,623)</u>	<u>(11,405)</u>	<u>(126,525)</u>	<u>(40,098)</u>	<u>76%</u>	<u>26,213</u>

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LAW CLERK PROGRAM						
REVENUE:						
LAW CLERK FEES	185,000	10,333	204,166	(19,166)	110%	34,583
LAW CLERK APPLICATION FEES	3,200	300	3,100	100	97%	167
TOTAL REVENUE:	188,200	10,633	207,266	(19,066)	110%	34,749
DIRECT EXPENSES:						
SUBSCRIPTIONS	250	-	-	250	0%	229
CHARACTER & FITNESS INVESTIGATIONS	100	-	-	100	0%	92
LAW CLERK BOARD EXPENSE	8,000	-	5,680	2,320	71%	1,654
LAW CLERK OUTREACH	550	-	-	550	0%	504
TOTAL DIRECT EXPENSES:	8,900	-	5,680	3,220	64%	2,479
INDIRECT EXPENSES:						
SALARY EXPENSE (0.98 FTE)	82,442	7,259	75,232	7,209	91%	339
BENEFITS EXPENSE	25,330	1,947	22,074	3,256	87%	1,145
OTHER INDIRECT EXPENSE	30,327	2,036	24,311	6,016	80%	3,489
TOTAL INDIRECT EXPENSES:	138,099	11,242	121,617	16,481	88%	4,973
TOTAL ALL EXPENSES:	146,999	11,242	127,297	19,702	87%	7,452
NET INCOME (LOSS):	41,201	(608)	79,969	(38,768)	194%	42,201

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
CONTINUING LEGAL EDUCATION (CLE)						
REVENUE:						
SEMINAR REGISTRATIONS	850,000	43,870	642,984	207,016	76%	(136,183)
SEMINAR REVENUE-OTHER	20,000	350	37,865	(17,865)	189%	19,532
SEMINAR SPLITS W/ CLE	(133,375)	-	-	(133,375)	0%	122,260
SHIPPING & HANDLING	100	-	135	(35)	135%	43
COURSEBOOK SALES	7,000	-	1,000	6,000	14%	(5,417)
MP3 AND VIDEO SALES	910,000	53,834	891,672	18,328	98%	57,505
TOTAL REVENUE:	1,653,725	98,054	1,573,656	80,069	95%	5,609
DIRECT EXPENSES:						
COURSEBOOK PRODUCTION	1,000	-	45	955	5%	871
POSTAGE - FLIERS/CATALOGS	5,000	-	-	5,000	0%	4,583
DEPRECIATION	1,309	279	3,071	(1,762)	235%	(1,871)
ONLINE EXPENSES	53,000	3,860	43,665	9,335	82%	4,919
ACCREDITATION FEES	3,000	(60)	2,544	456	85%	206
SEMINAR BROCHURES	20,000	-	-	20,000	0%	18,333
FACILITIES	165,200	28,343	112,019	53,181	68%	39,414
DISABILITY ACCOMMODATIONS	4,000	-	-	4,000	0%	3,667
SPEAKERS & PROGRAM DEVELOP	32,000	3,555	22,188	9,812	69%	7,146
HONORARIA	1,200	-	-	1,200	0%	1,100
CLE SEMINAR COMMITTEE	200	-	-	200	0%	183
STAFF TRAVEL/PARKING	15,000	2,111	9,080	5,920	61%	4,670
STAFF CONFERENCE & TRAINING	2,370	-	-	2,370	0%	2,173
STAFF MEMBERSHIP DUES	1,700	-	902	798	53%	656
COST OF SALES - COURSEBOOKS	690	-	99	591	14%	533
A/V DEVELOP COSTS (RECORDING)	1,250	-	-	1,250	0%	1,146
POSTAGE & DELIVERY-COURSEBOOKS	-	-	34	(34)	0%	(34)
STAFF TRAVEL/PARKING	300	-	-	300	0%	275
TOTAL DIRECT EXPENSES:	307,219	38,088	193,647	113,572	63%	87,971
INDIRECT EXPENSES:						
SALARY EXPENSE (8.13 FTE)	596,422	50,908	548,380	48,041	92%	(1,660)
BENEFITS EXPENSE	220,069	17,558	197,633	22,436	90%	4,097
OTHER INDIRECT EXPENSE	263,045	16,992	202,722	60,323	77%	38,402
TOTAL INDIRECT EXPENSES:	1,079,536	85,458	948,735	130,801	88%	40,839
TOTAL ALL EXPENSES:	1,386,755	123,546	1,142,382	244,373	82%	128,810
NET INCOME (LOSS):	266,970	(25,492)	431,274	(164,303)	162%	186,551

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
COMMUNICATION STRATEGIES FTE						
INDIRECT EXPENSES:						
SALARY EXPENSE (1.00 FTE)	168,213	13,983	154,712	13,501	92%	(517)
BENEFITS EXPENSE	44,241	3,493	39,422	4,818	89%	1,132
OTHER INDIRECT EXPENSE	30,946	2,095	25,015	5,930	81%	3,351
TOTAL INDIRECT EXPENSES:	<u>243,400</u>	<u>19,571</u>	<u>219,150</u>	<u>24,250</u>	<u>90%</u>	<u>3,966</u>
NET INCOME (LOSS):	<u>(243,400)</u>	<u>(19,571)</u>	<u>(219,150)</u>	<u>(24,250)</u>	<u>90%</u>	<u>3,966</u>

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
COMMUNICATION STRATEGIES						
REVENUE:						
SPONSORSHIPS	1,000	-	-	1,000	0%	(917)
50 YEAR MEMBER TRIBUTE LUNCH	-	-	1,615	(1,615)		1,615
50 YEAR MEMBER PLAQUE	2,500	228	2,760	(260)	110%	469
TOTAL REVENUE:	3,500	228	4,375	(875)	125%	1,167
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	3,395	223	2,203	1,192	65%	909
STAFF MEMBERSHIP DUES	1,120	405	1,702	(582)	152%	(675)
SUBSCRIPTIONS	4,000	139	2,169	1,831	54%	1,498
APEX DINNER	47,000	2,364	21,301	25,699	45%	21,782
50 YEAR MEMBER TRIBUTE LUNCH	20,000	4,117	22,084	(2,084)	110%	(3,751)
BAR OUTREACH	18,000	-	566	17,434	3%	15,934
COMMUNICATIONS OUTREACH	15,000	-	1,245	13,755	8%	12,505
STAFF CONFERENCE & TRAINING	7,500	-	1,817	5,683	24%	5,058
TOTAL DIRECT EXPENSES:	116,015	7,247	53,087	62,928	46%	53,260
INDIRECT EXPENSES:						
SALARY EXPENSE (5.20 FTE)	387,612	32,418	355,737	31,875	92%	(426)
BENEFITS EXPENSE	126,285	10,045	113,784	12,501	90%	1,977
OTHER INDIRECT EXPENSE	160,917	10,887	130,009	30,907	81%	17,498
TOTAL INDIRECT EXPENSES:	674,814	53,350	599,531	75,283	89%	19,049
TOTAL ALL EXPENSES:	790,829	60,598	652,618	138,211	83%	72,309
NET INCOME (LOSS):	(787,329)	(60,370)	(648,242)	(139,086)	82%	73,476

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CLIENT PROTECTION FUND						
REVENUE:						
CPF RESTITUTION	40,000	1,075	8,277	31,723	21%	(28,389)
CPF MEMBER ASSESSMENTS	690,000	2,460	709,070	(19,070)	103%	76,570
INTEREST INCOME **	-	20,363	221,854	(221,854)		221,854
TOTAL REVENUE:	730,000	23,898.31	939,201	(209,201)	129%	270,034
DIRECT EXPENSES:						
BANK FEES - WELLS FARGO	2,100	243	2,426	(326)	116%	(501)
GIFTS TO INJURED CLIENTS	500,000	-	82,963	417,037	17%	375,370
CPF BOARD EXPENSES **	-	190	971	(971)		(971)
STAFF MEMBERSHIP DUES	200	-	200	-	100%	(17)
TOTAL DIRECT EXPENSES:	502,300	433.67	86,560	415,740	17%	373,881
INDIRECT EXPENSES:						
SALARY EXPENSE (1.23 FTE)	104,797	8,824.80	96,207	8,591	92%	(142)
BENEFITS EXPENSE	37,207	2,897.28	32,585	4,622	88%	1,521
OTHER INDIRECT EXPENSE	39,907	2,566.88	30,653	9,255	77%	5,929
TOTAL INDIRECT EXPENSES:	181,912	14,289	159,444.6	22,467	88%	7,308
TOTAL ALL EXPENSES:	684,212	14,723	246,005	438,207	36%	381,189
NET INCOME (LOSS):	45,788	9,176	693,196	(647,408)	1514%	651,224

**Budget reallocations apply to this line item. For details, see FY23 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
DESKBOOKS						
REVENUE:						
DESKBOOK SALES	150,000	5,461	36,659	113,341	24%	(100,841)
LEXIS/NEXIS ROYALTIES	35,000	14,090	41,741	(6,741)	119%	9,657
SECTION PUBLICATION SALES	6,000	450	2,300	3,701	38%	(3,201)
FASTCASE ROYALTIES	50,000	12,641	36,810	13,190	74%	(9,024)
TOTAL REVENUE:	241,000	32,642	117,509	123,491	49%	(103,407)
DIRECT EXPENSES:						
COST OF SALES - DESKBOOKS	65,000	-	4,966	60,034	8%	54,617
COST OF SALES - SECTION PUBLICATION	1,500	-	832	668	55%	543
SPLITS TO SECTIONS	300	-	320	(20)	107%	(45)
DESKBOOK ROYALTIES	300	-	92	208	31%	183
STAFF CONFRENCES & TRAINING	1,000	-	-	1,000	0%	917
POSTAGE & DELIVER-DESKBOOKS	-	-	90	(90)		(90)
STAFF MEMBERSHIP DUES	225	-	256	(31)	114%	(49)
SUBSCRIPTIONS	-	-	39	(39)		(39)
TOTAL DIRECT EXPENSES:	68,325	-	6,594	61,731	10%	56,037
INDIRECT EXPENSES:						
SALARY EXPENSE (1.50 FTE)	132,287	10,971	122,529	9,758	93%	(1,266)
BENEFITS EXPENSE	41,948	3,282	37,091	4,857	88%	1,361
OTHER INDIRECT EXPENSE	48,175	3,127	37,347	10,829	78%	6,814
TOTAL INDIRECT EXPENSES:	222,410	17,380	196,967	25,444	89%	6,909
TOTAL ALL EXPENSES:	290,735	17,380	203,561	87,175	70%	62,947
NET INCOME (LOSS):	(49,735)	15,262	(86,052)	36,316	173%	(40,461)

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DISCIPLINE						
REVENUE:						
AUDIT REVENUE	1,000	21	744	257	74%	(173)
RECOVERY OF DISCIPLINE COSTS	100,000	5,222	47,658	52,342	48%	(44,009)
DISCIPLINE HISTORY SUMMARY	18,000	1,470	16,589	1,411	92%	89
TOTAL REVENUE:	119,000	6,713	64,991	54,009	55%	(44,093)
DIRECT EXPENSES:						
DEPRECIATION-SOFTWARE	45,835	-	-	45,835	0%	42,015
PUBLICATIONS PRODUCTION	200	-	169	31	84%	14
STAFF TRAVEL/PARKING	20,000	691	6,775	13,225	34%	11,559
STAFF MEMBERSHIP DUES	7,610	175	2,095	5,515	28%	4,881
TELEPHONE	2,359	280	3,264	(905)	138%	(1,102)
COURT REPORTERS	60,000	11,121	59,143	857	99%	(4,143)
OUTSIDE COUNSEL/AIC	1,500	-	-	1,500	0%	1,375
LITIGATION EXPENSES	25,000	5,813	26,658	(1,658)	107%	(3,741)
DISABILITY EXPENSES	9,000	141	339	8,661	4%	7,911
TRANSLATION SERVICES	1,200	195	345	855	29%	755
STAFF CONFERENCE & TRAINING	33,295	6,441	25,303	7,992	76%	5,217
PRACTICE MONITOR EXPENSE	1,000	-	-	1,000	0%	917
TOTAL DIRECT EXPENSES:	206,999	24,857	124,091	82,908	60%	65,658
INDIRECT EXPENSES:						
SALARY EXPENSE (37.80 FTE)	3,764,781	275,748	3,165,275	599,506	84%	285,774
BENEFITS EXPENSE	1,073,208	86,221	976,857	96,351	91%	6,917
OTHER INDIRECT EXPENSE	1,169,740	79,043	943,890	225,850	81%	128,372
TOTAL INDIRECT EXPENSES:	6,007,729	441,012	5,086,022	921,707	85%	421,063
TOTAL ALL EXPENSES:	6,214,728	465,869	5,210,113	1,004,615	84%	486,721
NET INCOME (LOSS):	(6,095,728)	(459,157)	(5,145,123)	(950,605)	84%	442,628

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DIVERSITY						
REVENUE:						
DONATIONS	135,000	-	135,000	-	100%	11,250
TOTAL REVENUE:	135,000	-	135,000	-	100%	11,250
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	2,000	-	798	1,202	40%	1,035
STAFF MEMBERSHIP DUES	360	-	90	270	25%	240
COMMITTEE FOR DIVERSITY	3,800	-	953	2,847	25%	2,531
DIVERSITY EVENTS & PROJECTS **	19,250	-	5,695	13,555	30%	11,951
SURVEYS **	45,000	12,000	28,600	16,400	64%	12,650
STAFF CONFERENCE & TRAINING **	5,000	-	1,600	3,400	32%	2,983
CONSULTING SERVICES	54,625	-	13,575	41,050	25%	36,498
TOTAL DIRECT EXPENSE:	130,035	12,000	51,311	78,724	39%	67,888
INDIRECT EXPENSES:						
SALARY EXPENSE (1.69 FTE)	144,941	11,639	102,135	42,807	70%	30,728
BENEFITS EXPENSE	43,533	3,292	37,427	6,106	86%	2,478
OTHER INDIRECT EXPENSE	52,260	3,541	42,279	9,980	81%	5,625
TOTAL INDIRECT EXPENSES:	240,734	18,471	181,841	58,893	76%	38,831
TOTAL ALL EXPENSES:	370,769	30,471	233,152	137,617	63%	106,720
NET INCOME (LOSS):	(235,769)	(30,471)	(98,152)	(137,617)	42%	117,970

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
FINANCE						
<i>(Previously ADMINISTRATION cost center)</i>						
REVENUE:						
INTEREST INCOME **	26,000	87,419	814,508	(788,508)	3133%	790,674
MISCELLANEOUS	-	225	225	(225)		225
TOTAL REVENUE:	26,000	87,644	814,733	(788,733)	3134%	790,899
DIRECT EXPENSES:						
CONSULTING SERVICES **	3,000	-	875	2,125	29%	1,875
STAFF TRAVEL/PARKING	3,000	36	2,266	734	76%	484
STAFF CONFERENCE & TRAINING	500	-	-	500	0%	458
STAFF MEMBERSHIP DUES	-	-	685	(685)		(685)
MISCELLANEOUS	-	(189)	(189)	189		189
TOTAL DIRECT EXPENSES:	6,500	(153)	3,637	2,863	56%	2,322
INDIRECT EXPENSES:						
SALARY EXPENSE (6.92 FTE)	661,642	56,983	610,235	51,407	92%	(3,730)
BENEFITS EXPENSE	205,235	16,476	185,670	19,565	90%	2,462
OTHER INDIRECT EXPENSE	213,844	14,516	173,346	40,498	81%	22,677
TOTAL INDIRECT EXPENSES:	1,080,720	87,975	969,251	111,470	90%	21,410
TOTAL ALL EXPENSES:	1,087,220	87,822	972,887	114,333	89%	23,731
NET INCOME (LOSS):	(1,061,220)	(177)	(158,155)	(903,066)	15%	814,631

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
FOUNDATION						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CONSULTING SERVICES	3,000	-	3,000	-	100%	(250)
PRINTING & COPYING	450	-	-	450	0%	413
STAFF TRAVEL/PARKING	700	160	377	323	54%	264
SUPPLIES	150	-	24	126	16%	113
BOARD OF TRUSTEES	750	-	103	647	14%	585
POSTAGE	300	-	8	292	3%	267
STAFF CONFERENCE & TRAINING	300	-	-	300	0%	275
TOTAL DIRECT EXPENSES:	5,650	160	3,511	2,139	62%	1,668
INDIRECT EXPENSES:						
SALARY EXPENSE (1.05 FTE)	96,359	8,188	88,235	8,124	92%	94
BENEFITS EXPENSE	18,295	1,339	15,729	2,566	86%	1,041
OTHER INDIRECT EXPENSE	32,493	2,183	26,072	6,421	80%	3,713
TOTAL INDIRECT EXPENSES:	147,147	11,710	130,037	17,111	88%	4,848
TOTAL ALL EXPENSES:	152,797	11,870	133,548	19,249	87%	6,516
NET INCOME (LOSS):	(152,797)	(11,870)	(133,548)	(19,249)	87%	6,516

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HUMAN RESOURCES						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	700	24	67	633	10%	575
STAFF MEMBERSHIP DUES	800	-	458	342	57%	275
SUBSCRIPTIONS	500	-	1,348	(848)	270%	(889)
STAFF TRAINING- GENERAL **	15,000	-	2,066	12,934	14%	11,684
RECRUITING AND ADVERTISING	6,600	169	6,918	(318)	105%	(868)
PAYROLL PROCESSING	50,000	3,288	43,109	6,891	86%	2,725
SALARY SURVEYS	1,500	-	-	1,500	0%	1,375
CONSULTING SERVICES	2,000	-	-	2,000	0%	1,833
TRANSFER TO INDIRECT EXPENSE	(77,100)	(3,481)	(53,965)	(23,135)	70%	(16,710)
TOTAL DIRECT EXPENSES:	-	-	-	-		-
INDIRECT EXPENSES:						
SALARY EXPENSE (4.00 FTE)	380,554	33,547	345,389	35,164	91%	3,451
ALLOWANCE FOR OPEN POSITIONS	(200,000)	-	-	(200,000)	0%	(183,333)
BENEFITS EXPENSE	120,251	9,711	109,489	10,762	91%	741
OTHER INDIRECT EXPENSE	123,820	8,379	100,062	23,759	81%	13,440
TOTAL INDIRECT EXPENSES:	424,625	51,637	554,940	(130,315)	131%	(165,700)
TOTAL ALL EXPENSES:	424,625	51,637	554,940	(130,315)	131%	(165,700)
NET INCOME (LOSS):	(424,625)	(51,637)	(554,940)	130,315	131%	(165,700)

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	FISCAL 2023 BUDGET	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	3,133	-	124	3,009	4%	2,748
STAFF MEMBERSHIP DUES	450	-	-	450	0%	413
JUD RECOMMEND COMMITTEE	2,250	-	-	2,250	0%	2,063
SUBSCRIPTIONS	2,000	-	1,985	16	99%	(151)
TELEPHONE	-	48	526	(526)		(526)
CONTRACT LOBBYIST	15,000	-	12,500	2,500	83%	1,250
LEGISLATIVE COMMITTEE	1,250	-	-	1,250	0%	1,146
BOG LEGISLATIVE COMMITTEE	300	-	-	300	0%	275
STAFF CONFERENCE & TRAINING	2,400	-	1,842	558	77%	358
TOTAL DIRECT EXPENSES:	26,783	48	16,975	9,808	63%	7,576
INDIRECT EXPENSES:						
SALARY EXPENSE (1.70 FTE)	147,316	12,424	132,289	15,027	90%	2,751
BENEFITS EXPENSE	42,758	3,342	37,983	4,774	89%	1,211
OTHER INDIRECT EXPENSE	52,607	3,541	42,279	10,328	80%	5,944
TOTAL INDIRECT EXPENSES:	242,681	19,307	212,551	30,130	88%	9,906
TOTAL ALL EXPENSES:	269,464	19,355	229,527	39,937	85%	17,482
NET INCOME (LOSS):	(269,464)	(19,355)	(229,527)	(39,937)	85%	17,482

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	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	2,250	25,625	1,375	95%	875
INVESTIGATION FEES	21,000	2,400	23,500	(2,500)	112%	4,250
PRO HAC VICE	400,000	23,816	334,340	65,660	84%	(32,327)
MEMBER CONTACT INFORMATION	4,000	122	3,586	414	90%	(81)
PHOTO BAR CARD SALES	200	12	204	(4)	102%	21
TOTAL REVENUE:	452,200	28,600	387,255	64,945	86%	(27,262)
DIRECT EXPENSES:						
DEPRECIATION	1,151	-	-	1,151	0%	1,055
POSTAGE	16,500	-	18,061	(1,561)	109%	(2,936)
LICENSING FORMS	2,000	-	2,401	(401)	120%	(568)
CONSULTING SERVICES **	4,000	-	4,000	-	100%	(333)
SUPPLIES - BAR CARDS	-	-	1,750	(1,750)		(1,750)
TOTAL DIRECT EXPENSES:	23,651	-	26,212	(2,561)	111%	(4,532)
INDIRECT EXPENSES:						
SALARY EXPENSE (3.83 FTE)	379,520	31,800	359,653	19,868	95%	(11,759)
BENEFITS EXPENSE	124,269	9,954	111,942	12,327	90%	1,971
OTHER INDIRECT EXPENSE	118,521	7,996	95,481	23,040	81%	13,163
TOTAL INDIRECT EXPENSES:	622,311	49,750	567,076	55,234	91%	3,375
TOTAL ALL EXPENSES:	645,962	49,750	593,288	52,673	92%	(1,157)
NET INCOME (LOSS):	(193,762)	(21,150)	(206,033)	12,272	106%	(28,419)

**Budget reallocations apply to this line item. For details, see FY23 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

Washington State Bar Association

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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LIMITED LICENSE LEGAL TECHNICIAN PROGRAM						
REVENUE:						
SEMINAR REGISTRATIONS	12,000	-	-	12,000	0%	(11,000)
LLLT LICENSE FEES	16,622	1,165	12,714	3,908	76%	(2,522)
LLLT LATE LICENSE FEES	1,100	-	133	967	12%	(875)
INVESTIGATION FEES	-	-	100	(100)		100
TOTAL REVENUE:	29,722	1,165	12,948	16,775	44%	(14,298)
DIRECT EXPENSES:						
LLLT BOARD	15,000	-	3,909	11,091	26%	9,841
LLLT EDUCATION	500	-	-	500	0%	458
TOTAL DIRECT EXPENSES:	15,500	-	3,909	11,591	25%	10,300
INDIRECT EXPENSES:						
SALARY EXPENSE (0.53 FTE)	51,548	4,198	46,225	5,323	90%	1,027
BENEFITS EXPENSE	17,299	1,318	14,833	2,466	86%	1,025
OTHER INDIRECT EXPENSE	16,401	1,121	13,388	3,013	82%	1,646
TOTAL INDIRECT EXPENSES:	85,248	6,637	74,447	10,802	87%	3,698
TOTAL ALL EXPENSES:	100,748	6,637	78,355	22,393	78%	13,997
NET INCOME (LOSS):	(71,026)	(5,471)	(65,408)	22,393	92%	(300)

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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
LIMITED PRACTICE OFFICERS						
REVENUE:						
INVESTIGATION FEES	500	200	800	(300)	160%	342
MEMBER LATE FEES	-	-	4,350	(4,350)		4,350
LPO EXAMINATION FEES	28,300	(200)	28,100	200	99%	2,158
LPO LICENSE FEES	164,750	13,089	147,650	17,100	90%	(3,371)
LPO LATE LICENSE FEES	988	-	2,220	(1,232)	225%	1,315
LPO LICENSE FEES - REINSTATES	550	-	-	550	0%	(504)
TOTAL REVENUE:	195,088	13,089	183,120	11,968	94%	4,290
DIRECT EXPENSES:						
FACILITY, PARKING, FOOD	9,000	1,500	4,035	4,965	45%	4,215
EXAM WRITING	9,000	-	8,400	600	93%	(150)
LPO BOARD	1,792	-	2,301	(509)	128%	(658)
LPO OUTREACH	1,000	-	-	1,000	0%	917
PRINTING & COPYING	250	-	82	168	33%	148
SUPPLIES	-	36	109	(109)		(109)
TOTAL DIRECT EXPENSES:	21,042	1,536	14,926	6,116	71%	4,362
INDIRECT EXPENSES:						
SALARY EXPENSE (0.68 FTE)	57,874	5,253	54,076	3,799	93%	(1,024)
BENEFITS EXPENSE	20,388	1,558	17,542	2,845	86%	1,146
OTHER INDIRECT EXPENSE	21,043	1,416	16,912	4,131	80%	2,378
TOTAL INDIRECT EXPENSES:	99,305	8,228	88,530	10,775	89%	2,500
TOTAL ALL EXPENSES:	120,347	9,763	103,456	16,891	86%	6,862
NET INCOME (LOSS):	74,741	3,325	79,664	(4,923)	107%	11,152

Washington State Bar Association

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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MANDATORY CONTINUING LEGAL EDUCATION						
REVENUE:						
ACCREDITED PROGRAM FEES	550,000	62,600	623,800	(73,800)	113%	119,633
FORM 1 LATE FEES	220,000	17,500	234,850	(14,850)	107%	33,183
MEMBER LATE FEES	190,000	150	232,400	(42,400)	122%	58,233
ANNUAL ACCREDITED SPONSOR FEES	38,250	-	38,750	(500)	101%	3,688
ATTENDANCE LATE FEES	98,000	10,250	120,400	(22,400)	123%	30,567
COMITY CERTIFICATES	29,000	325	30,150	(1,150)	104%	3,566
TOTAL REVENUE:	1,125,250	90,825	1,280,350	(155,100)	114%	248,870
DIRECT EXPENSES:						
DEPRECIATION **	59,565	-	6,443	53,122	11%	48,158
STAFF MEMBERSHIP DUES	500	-	500	-	100%	(42)
MCLE BOARD	2,000	-	-	2,000	0%	1,833
STAFF TRAVEL/PARKING	50	-	-	50	0%	46
STAFF CONFERENCE & TRAINING	4,900	-	250	4,650	5%	4,242
TOTAL DIRECT EXPENSES:	67,015	-	7,193	59,822	11%	54,237
INDIRECT EXPENSES:						
SALARY EXPENSE (4.88 FTE) **	437,860	29,926	431,794	6,065	99%	(30,423)
BENEFITS EXPENSE	125,455	10,008	112,702	12,753	90%	2,299
OTHER INDIRECT EXPENSE	151,014	10,209	121,906	29,108	81%	16,524
TOTAL INDIRECT EXPENSES:	714,329	50,143	666,402	47,927	93%	(11,600)
TOTAL ALL EXPENSES:	781,344	50,143	673,595	107,749	86%	42,637
NET INCOME (LOSS):	343,906	40,682	606,754	(262,848)	176%	291,507

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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MEMBER SERVICES & ENGAGEMENT TEAM						
REVENUE:						
ROYALTIES	10,800	-	12,000	(1,200)	111%	2,100
NMP PRODUCT SALES	65,000	4,723	28,071	36,929	43%	(31,512)
DIGITAL VIDEO SALES	14,000	980	23,373	(9,373)	167%	10,540
SPONSORSHIPS	10,000	-	9,000	1,000	90%	(167)
SEMINAR REGISTRATIONS	8,000	-	62,221	(54,221)	778%	54,888
TRIAL ADVOCACY PROGRAM	12,000	(50)	15,779	(3,779)	131%	4,779
TOTAL REVENUE:	119,800	5,653	150,444	(30,644)	126%	40,628
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	1,700	813	1,377	323	81%	181
STAFF CONFERENCE & TRAINING	250	-	164	86	66%	65
SMALL TOWN AND RURAL COMMITTEE	3,700	-	2,659	1,041	72%	733
PRINTING & COPYING	1,200	1,440	2,740	(1,540)	228%	(1,640)
NEW LAWYER OUTREACH	1,000	-	-	1,000	0%	917
YLL SECTION PROGRAM	1,500	-	545	955	36%	830
WYLC CLE COMPS	1,000	-	-	1,000	0%	917
WYLC OUTREACH EVENTS	1,500	-	250	1,250	17%	1,125
SPEAKERS & PROGRAM DEVELOP	1,500	-	-	1,500	0%	1,375
WYL COMMITTEE	12,000	2,239	4,845	7,155	40%	6,155
OPEN SECTIONS NIGHT	3,500	-	-	3,500	0%	3,208
TRIAL ADVOCACY EXPENSES	1,500	386	386	1,114	26%	989
RECEPTION/FORUM EXPENSE	2,300	-	-	2,300	0%	2,108
WYLC SCHOLARSHIPS/DONATIONS/GRANT	5,000	-	-	5,000	0%	4,583
STAFF MEMBERSHIP DUES	850	-	300	550	35%	479
LENDING LIBRARY	4,000	99	373	3,627	9%	3,293
NMP SPEAKERS & PROGRAM DEVELOPMENT	100	-	-	100	0%	92
TOTAL DIRECT EXPENSES:	42,600	4,977	13,639	28,961	32%	25,411
INDIRECT EXPENSES:						
SALARY EXPENSE (4.64 FTE)	311,600	26,360	284,924	26,677	91%	710
BENEFITS EXPENSE	108,835	8,368	94,749	14,086	87%	5,017
OTHER INDIRECT EXPENSE	143,340	9,678	115,564	27,775	81%	15,831
TOTAL INDIRECT EXPENSES:	563,775	44,406	495,236	68,538	88%	21,557
TOTAL ALL EXPENSES:	606,375	49,382	508,875	97,500	84%	46,968
NET INCOME (LOSS):	(486,575)	(43,729)	(358,431)	(128,144)	74%	87,596

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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
MEMBER WELLNESS PROGRAM						
REVENUE:						
DIVERSIONS	7,500	1,000	7,000	500	93%	125
TOTAL REVENUE:	7,500	1,000	7,000	500	93%	125
DIRECT EXPENSES:						
STAFF MEMBERSHIP DUES	500	-	226	274	45%	232
MEMBER WELLNESS COUNCIL **	550	-	-	550	0%	504
STAFF CONFERENCE & TRAINING	300	-	401	(101)	134%	(126)
SUBSCRIPTIONS	1,200	110	1,182	18	99%	(82)
TOTAL DIRECT EXPENSES:	2,550	110	1,809	741	71%	528
INDIRECT EXPENSES:						
SALARY EXPENSE (1.48 FTE)	133,673	11,092	107,706	25,966	81%	14,827
BENEFITS EXPENSE	55,402	4,411	49,197	6,205	89%	1,588
OTHER INDIRECT EXPENSE	45,645	3,098	36,994	8,650	81%	4,847
TOTAL INDIRECT EXPENSES:	234,719	18,602	193,897	40,822	83%	21,262
TOTAL ALL EXPENSES:	237,269	18,712	195,707	41,562	82%	21,790
NET INCOME (LOSS):	(229,769)	(17,712)	(188,707)	(41,062)	82%	21,915

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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	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	20,000	-	6,328	13,672	32%	12,006
WASHINGTON LEADERSHIP INSTITUTE	80,000	79,486	79,486	514	99%	(6,153)
ED TRAVEL & OUTREACH	5,000	21	1,608	3,392	32%	2,975
BAR LEADERS CONFERENCE	12,000	-	8,497	3,503	71%	2,503
STAFF TRAVEL/PARKING	1,500	198	1,818	(318)	121%	(443)
STAFF CONFERENCE & TRAINING	8,925	3,271	11,297	(2,372)	127%	(3,115)
STAFF MEMBERSHIP DUES	1,000	-	1,375	(375)	138%	(458)
SURVEY	350	-	681	(331)	195%	(360)
TOTAL DIRECT EXPENSES:	128,775	82,976	111,089	17,686	86%	6,955
INDIRECT EXPENSES:						
SALARY EXPENSE (2.00 FTE)	402,379	34,224	363,195	39,185	90%	5,653
BENEFITS EXPENSE	103,989	8,327	93,819	10,170	90%	1,504
OTHER INDIRECT EXPENSE	61,891	4,190	50,031	11,860	81%	6,703
TOTAL INDIRECT EXPENSES:	568,259	46,741	507,044	61,215	89%	13,860
TOTAL ALL EXPENSES:	697,034	129,717	618,133	78,901	89%	20,815
NET INCOME (LOSS):	(697,034)	(129,717)	(618,133)	78,901	89%	20,815

Washington State Bar Association
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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF GENERAL COUNSEL						
REVENUE:						
RECORDS REQUEST FEES	963	-	-	963	0%	(883)
TOTAL REVENUE:	963	-	-	963	0%	(883)
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	500	-	28	472	6%	430
STAFF MEMBERSHIP DUES	1,150	-	950	200	83%	104
COURT RULES COMMITTEE	1,000	-	-	1,000	0%	917
CUSTODIANSHIPS	8,150	-	199	7,951	2%	7,272
WILLS	2,000	-	-	2,000	0%	1,833
LITIGATION EXPENSES	200	-	-	200	0%	183
DISABILITY ACCOMMODATIONS **	-	103	423	(423)		(423)
STAFF CONFERENCE & TRAINING	6,400	1,827	4,204	2,196	66%	1,662
TOTAL DIRECT EXPENSES:	19,400	1,930	5,804	13,596	30%	11,979
INDIRECT EXPENSES:						
SALARY EXPENSE (6.17 FTE)	656,837	47,260	516,244	140,593	79%	85,857
BENEFITS EXPENSE	188,816	15,124	171,127	17,689	91%	1,955
OTHER INDIRECT EXPENSE	192,481	12,982	155,025	37,456	81%	21,416
TOTAL INDIRECT EXPENSES:	1,038,134	75,366	842,395	195,739	81%	109,228
TOTAL ALL EXPENSES:	1,057,534	77,296	848,200	209,334	80%	121,206
NET INCOME (LOSS):	(1,056,571)	(77,296)	(848,200)	(208,371)	80%	120,324

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
OFFICE OF GENERAL COUNSEL - DISCIPLINARY BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSE:						
STAFF MEMBERSHIP DUES	100	-	100	-	100%	(8)
DISCIPLINARY BOARD EXPENSES	4,000	-	-	4,000	0%	3,667
CHIEF HEARING OFFICER	30,000	2,500	27,500	2,500	92%	-
HEARING OFFICER EXPENSES	17,500	-	891	16,609	5%	15,150
HEARING OFFICER TRAINING	400	-	-	400	0%	367
OUTSIDE COUNSEL **	51,500	4,000	44,000	7,500	85%	3,208
TOTAL DIRECT EXPENSES:	103,500	6,500	72,491	31,009	70%	22,384
INDIRECT EXPENSES:						
SALARY EXPENSE (1.40 FTE)	133,790	11,348	124,156	9,633	93%	(1,516)
BENEFITS EXPENSE	40,026	3,131	35,451	4,575	89%	1,240
OTHER INDIRECT EXPENSE	43,324	2,921	34,881	8,443	81%	4,833
TOTAL INDIRECT EXPENSES:	217,139	17,400	194,488	22,652	90%	4,557
TOTAL ALL EXPENSES:	320,639	23,900	266,979	53,660	83%	26,940
NET INCOME (LOSS):	(320,639)	(23,900)	(266,979)	(53,660)	83%	26,940

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PRACTICE OF LAW BOARD						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
PRACTICE OF LAW BOARD	12,000	206	2,426	9,574	20%	8,574
TOTAL DIRECT EXPENSES:	12,000	206	2,426	9,574	20%	8,574
INDIRECT EXPENSES:						
SALARY EXPENSE (0.45 FTE)	35,965	3,026	32,927	3,038	92%	41
BENEFITS EXPENSE	13,465	1,001	11,262	2,202	84%	1,080
OTHER INDIRECT EXPENSE	13,925	974	11,627	2,299	83%	1,138
TOTAL INDIRECT EXPENSES:	63,355	5,000	55,816	7,539	88%	2,259
TOTAL ALL EXPENSES:	75,355	5,206	58,242	17,113	77%	10,834
NET INCOME (LOSS):	(75,355)	(5,206)	(58,242)	(17,113)	77%	10,834

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PRACTICE MANAGEMENT ASSISTANCE						
REVENUE:						
ROYALTIES	50,000	17,796	69,133	(19,133)	138%	23,299
TOTAL REVENUE:	50,000	17,796	69,133	(19,133)	138%	23,299
DIRECT EXPENSE:						
STAFF MEMBERSHIP DUES	150	-	150	-	100%	(13)
FASTCASE	73,000	-	72,966	34	100%	(6,050)
STAFF CONFERENCE & TRAINING **	500	-	500	-	100%	(42)
TOTAL DIRECT EXPENSES:	73,650	-	73,616	34	100%	(6,104)
INDIRECT EXPENSES:						
SALARY EXPENSE (0.95 FTE)	80,135	6,894	73,258	6,878	91%	200
BENEFITS EXPENSE	23,499	1,805	20,530	2,969	87%	1,011
OTHER INDIRECT EXPENSE	29,398	1,977	23,606	5,792	80%	3,342
TOTAL INDIRECT EXPENSES:	133,033	10,676	117,394	15,639	88%	4,553
TOTAL ALL EXPENSES:	206,683	10,676	191,011	15,673	92%	(1,551)
NET INCOME (LOSS):	(156,683)	7,120	(121,878)	(34,805)	78%	21,748

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PROFESSIONAL RESPONSIBILITY PROGRAM						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	750	-	1,075	(325)	143%	(387)
STAFF MEMBERSHIP DUES	500	-	500	-	100%	(42)
CPE COMMITTEE	1,000	-	890	110	89%	26
TOTAL DIRECT EXPENSES:	2,250	-	2,465	(215)	110%	(403)
INDIRECT EXPENSES:						
SALARY EXPENSE (1.10 FTE)	91,667	11,385	125,330	(33,663)	137%	(41,302)
BENEFITS EXPENSE	37,219	4,645	51,533	(14,314)	138%	(17,416)
OTHER INDIRECT EXPENSE	22,435	2,301	27,482	(5,046)	122%	(6,916)
TOTAL INDIRECT EXPENSES:	151,321	18,332	204,345	(53,023)	135%	(65,634)
TOTAL ALL EXPENSES:	153,571	18,332	206,810	(53,239)	135%	(66,036)
NET INCOME (LOSS):	(153,571)	(18,332)	(206,810)	53,239	135%	(66,036)

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PUBLIC SERVICE PROGRAMS						
REVENUE:						
DONATIONS & GRANTS	130,000	-	130,000	-	100%	10,833
TOTAL REVENUE:	130,000	-	130,000	-	100%	10,833
DIRECT EXPENSES:						
DONATIONS/SPONSORSHIPS/GRANTS	260,828	-	164,811	96,017	63%	74,282
STAFF TRAVEL/PARKING	1,500	53	72	1,428	5%	1,303
SURVEYS	100	-	100	-	100%	(8)
PRO BONO & PUBLIC SERVICE COMMITTEE	1,500	871	1,264	236	84%	111
STAFF CONFERENCE & TRAINING	1,000	-	-	1,000	0%	917
PRO BONO CERTIFICATES	2,000	-	866	1,134	43%	968
TOTAL DIRECT EXPENSES:	266,928	924	167,112	99,816	63%	77,572
INDIRECT EXPENSES:						
SALARY EXPENSE (1.62 FTE)	128,588	10,433	99,435	29,153	77%	18,437
BENEFITS EXPENSE	40,609	3,166	35,881	4,728	88%	1,344
OTHER INDIRECT EXPENSE	50,132	3,393	40,518	9,614	81%	5,436
TOTAL INDIRECT EXPENSES:	219,329	16,992	175,834	43,495	80%	25,218
TOTAL ALL EXPENSES:	486,257	17,917	342,946	143,311	71%	102,789
NET INCOME (LOSS):	(356,257)	(17,917)	(212,946)	(143,311)	60%	113,623

Washington State Bar Association
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For the Period from August 1, 2023 to August 31, 2023
91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
PUBLICATION & DESIGN SERVICES						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF CONFERENCE & TRAINING	350	-	-	350	0%	321
SUBSCRIPTIONS	162	-	100	62	62%	49
IMAGE LIBRARY	4,100	-	4,100	-	100%	(342)
TOTAL DIRECT EXPENSES:	4,612	-	4,200	412	91%	28
INDIRECT EXPENSES:						
SALARY EXPENSE (0.89 FTE)	72,143	5,982	66,538	5,605	92%	(407)
BENEFITS EXPENSE	19,491	1,457	16,692	2,799	86%	1,175
OTHER INDIRECT EXPENSE	27,542	1,859	22,197	5,345	81%	3,050
TOTAL INDIRECT EXPENSES:	119,175	9,299	105,426	13,749	88%	3,818
TOTAL ALL EXPENSES:	123,787	9,299	109,626	14,161	89%	3,845
NET INCOME (LOSS):	(123,787)	(9,299)	(109,626)	(14,161)	89%	3,845

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
REGULATORY SERVICES FTE						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF CONFERENCE & TRAINING	23,550	-	6,240	17,310	26%	15,347
STAFF TRAVEL/PARKING	-	-	168	(168)		(168)
TOTAL DIRECT EXPENSES:	23,550	-	6,408	17,142	27%	15,179
INDIRECT EXPENSES:						
SALARY EXPENSE (2.70 FTE)	349,467	27,628	319,768	29,698	92%	576
BENEFITS EXPENSE	103,888	8,323	93,667	10,221	90%	1,563
OTHER INDIRECT EXPENSE	83,553	5,635	67,295	16,258	81%	9,295
TOTAL INDIRECT EXPENSES:	536,908	41,587	480,731	56,177	90%	11,435
TOTAL ALL EXPENSES:	560,458	41,587	487,139	73,319	87%	26,614
NET INCOME (LOSS):	(560,458)	(41,587)	(487,139)	(73,319)	87%	26,614

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	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	-	198	2,178	(2,178)		(2,178)
TRANSLATION SERVICES	8,200	363	4,183	4,017	51%	3,334
STAFF CONFERENCE & TRAINING	2,100	1,546	1,546	554	74%	379
TOTAL DIRECT EXPENSES:	10,300	2,107	7,907	2,393	77%	1,535
INDIRECT EXPENSES:						
SALARY EXPENSE (5.71 FTE)	383,690	31,866	356,100	27,590	93%	(4,384)
BENEFITS EXPENSE	142,992	11,410	128,640	14,352	90%	2,436
OTHER INDIRECT EXPENSE	176,699	11,949	142,693	34,006	81%	19,281
TOTAL INDIRECT EXPENSES:	703,381	55,225	627,434	75,947	89%	17,332
TOTAL ALL EXPENSES:	713,681	57,332	635,341	78,340	89%	18,867
NET INCOME (LOSS):	(713,681)	(57,332)	(635,341)	(78,340)	89%	18,867

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SECTIONS ADMINISTRATION						
REVENUE:						
REIMBURSEMENTS FROM SECTIONS	290,543	689	356,726	(66,183)	123%	90,395
TOTAL REVENUE:	290,543	689	356,726	(66,183)	123%	90,395
DIRECT EXPENSES:						
STAFF TRAVEL/PARKING	750	-	14	736	2%	674
SUBSCRIPTIONS	350	-	331	19	95%	(10)
SECTION/COMMITTEE CHAIR MTGS	1,000	-	456	544	46%	461
DUES STATEMENTS	5,000	-	-	5,000	0%	4,583
STAFF CONFERENCE & TRAINING	500	-	65	435	13%	393
STAFF MEMBERSHIP DUES	250	-	45	205	18%	184
TOTAL DIRECT EXPENSES:	7,850	-	911	6,939	12%	6,285
INDIRECT EXPENSES:						
SALARY EXPENSE (2.58 FTE)	149,581	12,940	138,533	11,047	93%	(1,418)
BENEFITS EXPENSE	61,326	4,840	54,508	6,818	89%	1,707
OTHER INDIRECT EXPENSE	79,839	5,399	64,476	15,363	81%	8,710
TOTAL INDIRECT EXPENSES:	290,746	23,179	257,518	33,228	89%	9,000
TOTAL ALL EXPENSES:	298,596	23,179	258,428	40,168	87%	15,285
NET INCOME (LOSS):	(8,053)	(22,490)	98,297	(106,351)	-1221%	105,680

Washington State Bar Association

Statement of Activities

For the Period from August 1, 2023 to August 31, 2023

91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
SECTIONS OPERATIONS						
REVENUE:						
SECTION DUES	440,225	1,265	568,884	(128,659)	129%	165,344
SEMINAR PROFIT SHARE	147,470	-	1,135	146,335	1%	(134,046)
INTEREST INCOME	13,120	-	-	13,120	0%	(12,027)
PUBLICATIONS REVENUE	2,000	732	1,874	126	94%	41
OTHER	46,880	5,185	26,590	20,290	57%	(16,383)
TOTAL REVENUE:	649,695	7,182	598,483	51,212	92%	2,929
DIRECT EXPENSES:						
DIRECT EXPENSES OF SECTION ACTIVITIES	632,503	46,293	244,281	388,222	39%	335,514
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	272,143	689	356,726	(84,583)	131%	(107,262)
TOTAL DIRECT EXPENSES:	904,646	46,981	601,007	303,639	66%	228,252
NET INCOME (LOSS):	(254,951)	(39,799)	(2,524)	(252,427)	1%	231,181

Washington State Bar Association
Statement of Activities
For the Period from August 1, 2023 to August 31, 2023
91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
TECHNOLOGY						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
CONSULTING SERVICES	110,000	-	92,563	17,437	84%	8,270
STAFF TRAVEL/PARKING	2,000	179	691	1,309	35%	1,142
STAFF MEMBERSHIP DUES	450	-	-	450	0%	413
TELEPHONE	95,000	6,966	77,801	17,199	82%	9,282
COMPUTER HARDWARE	65,000	1,876	61,880	3,120	95%	(2,297)
COMPUTER SOFTWARE **	316,525	24,641	202,623	113,902	64%	87,525
HARDWARE SERVICE & WARRANTIES	60,000	2,733	47,164	12,836	79%	7,836
SOFTWARE MAINTENANCE & LICENSING	380,000	15,008	314,339	65,661	83%	33,994
COMPUTER SUPPLIES	2,000	-	-	2,000	0%	1,833
THIRD PARTY SERVICES	40,000	3,466	34,958	5,042	87%	1,708
STAFF CONFERENCE & TRAINING	10,000	184	184	9,816	2%	8,982
TRANSFER TO INDIRECT EXPENSES	(1,080,975)	(55,054)	(832,204)	(248,771)	77%	(158,689)
TOTAL DIRECT EXPENSES:	-	-	-	-		-
INDIRECT EXPENSES:						
SALARY EXPENSE (13.00 FTE)	1,434,416	116,214	1,279,068	155,348	89%	35,813
BENEFITS EXPENSE	439,894	35,475	399,566	40,328	91%	3,670
CAPITAL LABOR & OVERHEAD	(280,000)	(29,973)	(254,581)	(25,420)	91%	2,086
OTHER INDIRECT EXPENSE	402,292	27,174	324,495	77,796	81%	44,272
TOTAL INDIRECT EXPENSES:	1,996,602	148,890	1,748,549	248,053	88%	85,841
TOTAL ALL EXPENSES:	1,996,602	148,890	1,748,549	248,053	88%	85,841
NET INCOME (LOSS):	(1,996,602)	(148,890)	(1,748,549)	(248,053)	88%	81,669

**Budget reallocations apply to this line item. For details, see FY23 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

Washington State Bar Association
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91.67% OF YEAR COMPLETE

	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
VOLUNTEER ENGAGEMENT						
REVENUE:						
TOTAL REVENUE:	-	-	-	-		-
DIRECT EXPENSES:						
STAFF MEMBERSHIP DUES	350	-	498	(148)	142%	(177)
STAFF CONFERENCE & TRAINING	2,500	-	2,450	50	98%	(158)
ABA DELEGATES	15,000	4,879	9,203	5,797	61%	4,547
TOTAL DIRECT EXPENSES:	17,850	4,879	12,151	5,699	68%	4,211
INDIRECT EXPENSES:						
SALARY EXPENSE (0.60 FTE)	59,415	5,017	56,911	2,503	96%	(2,448)
BENEFITS EXPENSE	19,657	1,500	16,891	2,766	86%	1,128
OTHER INDIRECT EXPENSE	18,567	1,269	15,150	3,417	82%	1,870
TOTAL INDIRECT EXPENSES:	97,639	7,785	88,953	8,686	91%	550
TOTAL ALL EXPENSES:	115,489	12,664	101,104	14,385	88%	550
NET INCOME (LOSS):	(115,489)	(12,664)	(101,104)	(14,385)	88%	4,761

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	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET	YEAR TO DATE VARIANCE FAVORABLE/(UNFAVORABLE)
INDIRECT EXPENSES:						
SALARIES	13,113,765	1,042,637	11,578,303	1,535,462	88%	442,648
ALLOWANCE FOR OPEN POSITIONS	(200,000)	-	-	(200,000)	0%	(183,333)
TEMPORARY SALARIES	200,627	21,170	236,647	(36,020)	118%	(52,739)
CAPITAL LABOR & OVERHEAD	(280,000)	(29,973)	(254,581)	(25,420)	91%	2,086
EMPLOYEE ASSISTANCE PLAN	4,800	1,200	5,200	(400)	108%	(800)
EMPLOYEE SERVICE AWARDS	2,038	350	2,195	(157)	108%	(327)
FICA (EMPLOYER PORTION)	806,675	78,967	848,187	(41,512)	105%	(108,735)
L&I INSURANCE	62,000	-	44,190	17,811	71%	12,644
WA STATE FAMILY MEDICAL LEAVE (EMPLOYI	18,000	2,316	23,099	(5,099)	128%	(6,599)
MEDICAL (EMPLOYER PORTION)	1,701,951	142,701	1,528,504	173,447	90%	31,618
RETIREMENT (EMPLOYER PORTION)	1,356,286	97,836	1,162,574	193,713	86%	80,689
TRANSPORTATION ALLOWANCE	65,045	94	32,791	32,254	50%	26,834
UNEMPLOYMENT INSURANCE	65,206	5,450	68,227	(3,021)	105%	(8,454)
TOTAL SALARY & BENEFITS EXPENSE:	16,916,394	1,362,748	15,275,336	1,641,057	90%	235,530
WORKPLACE BENEFITS	45,980	14,748	37,392	8,588	81%	4,756
HUMAN RESOURCES POOLED EXP	77,100	3,481	53,965	23,135	70%	16,710
MEETING SUPPORT EXPENSES	10,000	640	5,717	4,283	57%	3,450
RENT	2,131,247	162,748	1,926,629	204,618	90%	27,014
MOVE / DOWNSIZE EXPENSES **	31,859	-	20,188	11,671	63%	9,016
PERSONAL PROP TAXES-WSBA	6,650	442	4,954	1,696	75%	1,142
FURNITURE, MAINT, LH IMP	25,300	3,395	12,521	12,779	49%	10,671
OFFICE SUPPLIES & EQUIPMENT	18,000	1,205	17,077	923	95%	(577)
FURN & OFFICE EQUIP DEPRECIATION **	64,498	5,376	55,306	9,192	86%	3,818
COMPUTER HARDWARE DEPRECIATION	45,354	3,381	38,014	7,340	84%	3,560
COMPUTER SOFTWARE DEPRECIATION **	92,726	3,916	47,555	45,171	51%	37,444
INSURANCE	272,643	23,313	243,565	29,078	89%	6,357
WORK HOME FURNITURE & EQUIP	14,000	2,182	5,833	8,167	42%	7,000
PROFESSIONAL FEES-AUDIT	50,000	-	30,365	19,635	61%	15,468
PROFESSIONAL FEES-LEGAL **	200,000	13	50,498	149,502	25%	132,835
ONLINE LEGAL RESEARCH **	50,000	7,178	39,209	10,791	78%	6,624
TELEPHONE & INTERNET	33,600	2,560	21,077	12,523	63%	9,723
POSTAGE - GENERAL	24,000	625	10,717	13,283	45%	11,283
RECORDS STORAGE	30,000	1,957	22,774	7,226	76%	4,726
BANK FEES	51,000	2,833	43,565	7,435	85%	3,185
PRODUCTION MAINTENANCE & SUPPLIES	15,340	-	4,165	11,175	27%	9,897
COMPUTER POOLED EXPENSES	1,080,975	55,054	832,204	248,771	77%	158,689
TOTAL OTHER INDIRECT EXPENSES:	4,370,272	295,047	3,523,291	846,981	81%	482,792
TOTAL INDIRECT EXPENSES:	21,286,666	1,657,795	18,798,627	2,488,038	88%	714,150

**Budget reallocations have been applied to this line item. For details, see FY23 Budget Reallocations memo(s) included in the Board of Governors meeting materials.

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SUMMARY PAGE	FISCAL 2023 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE
ACCESS TO JUSTICE	(358,902)	(35,324)	(303,288)	(55,613)
ADMISSIONS/BAR EXAM	56,088	(203,886)	18,047	38,041
ADVANCEMENT FTE	(362,565)	(29,916)	(322,406)	(40,160)
BAR NEWS	(93,267)	(15,192)	(100,955)	7,687
BOARD OF GOVERNORS	(563,600)	(47,577)	(469,428)	(94,172)
CLE - PRODUCTS	686,086	36,291	704,889	(18,803)
CLE - SEMINARS	(419,115)	(61,783)	(273,615)	(145,500)
CLIENT PROTECTION FUND	45,788	9,176	693,196	(647,408)
CHARACTER & FITNESS BOARD	(166,623)	(11,405)	(126,525)	(40,098)
COMMUNICATIONS	(787,329)	(60,370)	(648,242)	(139,086)
COMMUNICATIONS FTE	(243,400)	(19,571)	(219,150)	(24,250)
DESKBOOKS	(49,735)	15,262	(86,052)	36,316
DISCIPLINE	(6,095,728)	(459,157)	(5,145,123)	(950,605)
DIVERSITY	(235,769)	(30,471)	(98,152)	(137,617)
FINANCE	(1,061,220)	(177)	(158,155)	(903,066)
FOUNDATION	(152,797)	(11,870)	(133,548)	(19,249)
HUMAN RESOURCES	(424,625)	(51,637)	(554,940)	130,315
LAW CLERK PROGRAM	41,201	(608)	79,969	(38,768)
LEGISLATIVE	(269,464)	(19,355)	(229,527)	(39,937)
LEGAL LUNCHBOX	(29,617)	(2,998)	(15,501)	(14,116)
LICENSE FEES	17,053,467	1,381,852	15,471,531	1,581,936
LICENSING AND MEMBERSHIP	(193,762)	(21,150)	(206,033)	12,272
LIMITED LICENSE LEGAL TECHNICIAN	(71,026)	(5,471)	(65,408)	(5,619)
LIMITED PRACTICE OFFICERS	74,741	3,325	79,664	(4,923)
MANDATORY CLE ADMINISTRATION	343,906	40,682	606,754	(262,848)
MEMBER WELLNESS PROGRAM	(229,769)	(17,712)	(188,707)	(41,062)
MINI CLE	(114,412)	(9,034)	(100,757)	(13,655)
MEMBER SERVICES & ENGAGEMENT	(330,678)	(28,518)	(268,235)	(62,443)
NEW MEMBER EDUCATION	(11,869)	(3,180)	22,203	(34,071)
OFFICE OF GENERAL COUNSEL	(1,056,571)	(77,296)	(848,200)	(208,371)
OFFICE OF THE EXECUTIVE DIRECTOR	(697,034)	(129,717)	(618,133)	(78,901)
OGC-DISCIPLINARY BOARD	(320,639)	(23,900)	(266,979)	(53,660)
PRACTICE OF LAW BOARD	(75,355)	(5,206)	(58,242)	(17,113)
PRACTICE MANAGEMENT ASSISTANCE	(156,683)	7,120	(121,878)	(34,805)
PROFESSIONAL RESPONSIBILITY PROGRAM	(153,571)	(18,332)	(206,810)	53,239
PUBLIC SERVICE PROGRAMS	(356,257)	(17,917)	(212,946)	(143,311)
PUBLICATION & DESIGN SERVICES	(123,787)	(9,299)	(109,626)	(14,161)
REGULATORY SERVICES FTE	(560,458)	(41,587)	(487,139)	(73,319)
SECTIONS ADMINISTRATION	(8,053)	(22,490)	98,297	(106,351)
SECTIONS OPERATIONS	(254,951)	(39,799)	(2,524)	(252,427)
SERVICE CENTER	(713,681)	(57,332)	(635,341)	(78,340)
TECHNOLOGY	(1,996,602)	(148,890)	(1,748,549)	(248,053)
VOLUNTEER EDUCATION	(115,489)	(12,664)	(101,104)	(14,385)
INDIRECT EXPENSES	21,286,666	1,657,795	18,798,627	2,488,038
TOTAL OF ALL	(20,733,539)	(1,400,714)	(21,441,962)	708,423
NET INCOME (LOSS)	(553,127)	(257,081)	2,643,335	(3,196,461)

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.]

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.



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



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.



BOARD OF GOVERNORS

Anthony David Gipe
President

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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

Working Together to Champion Justice

2023-2024 WSBA BOARD OF GOVERNORS MEETING SCHEDULE

MEETING DATE	LOCATION	DESCRIPTION	MATERIALS DEADLINE
October 20-21, 2023	WSBA Conference Center Seattle, WA	Team Building Retreat	n/a
November 2-3, 2023	University of Washington School of Law Seattle, WA	BOG Meeting	October 10, 2023
January 12-13, 2024	WSBA Conference Center Seattle, WA	BOG Meeting MLK Luncheon Jan. 12	December 5, 2023
March 7-8, 2024	Gonzaga University School of Law Spokane, WA	BOG Meeting	February 13, 2024
May 2-3, 2024	Lodge at Columbia Point Richland, WA	BOG Meeting	April 9, 2024
July 18-19, 2024	Lucy F. Covington Government Center Nespelem, WA	BOG Meeting	June 18, 2024
September 6-7, 2024	Olympia Hotel at Capitol Lake Olympia, WA	BOG Meeting	August 13, 2024

NEW!

Beginning in fiscal year 2024 (October 1, 2023 – September 30, 2024), 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.



WSBA Board of Governors CONGRESSIONAL DISTRICT MAP



Hunter Abell
President



Sunitha Anjilvel
President-Elect



Dan Clark
Immediate Past
President



Francis Adewale
Treasurer



Terra Nevitt
Executive Director
& Secretary

2023-2024



Todd A. Bloom
Governor District 6



Matthew Dresden
Governor District 7-North

Serena Sayani
Governor District 7-South



Kevin Fay
Governor District 9



Kristina Larry
Governor District 8



Nam Nguyen
Governor District 10



Allison Widney
Governor District 3



Kari Petrusek
Governor District 2



Sunitha Anjilvel
Governor District 1



Mary Rathbone
Governor District 4



Francis Adewale
Governor District 5



Jordan Couch
Governor At-Large



Tom Ahearne
Governor At-Large



Brent Williams-Ruth
Governor At-Large