

HOUSE BILL REPORT

SB 6329

*As Reported By House Committee on:
Judiciary*

Title: An act relating to obsolete sections in the Revised Code of Washington.

Brief Description: Repealing obsolete sections in the Revised Code of Washington.

Sponsor(s): Senators Nelson and Rasmussen.

Brief History:

Reported by House Committee on:
Judiciary, February 19, 1992, DP.

**HOUSE COMMITTEE ON
JUDICIARY**

Majority Report: *Do pass.* Signed by 16 members: Representatives Appelwick, Chair; Ludwig, Vice Chair; Padden, Ranking Minority Member; Paris, Assistant Ranking Minority Member; Belcher; Broback; Forner; Hargrove; Inslee; R. Meyers; H. Myers; Riley; Scott; D. Sommers; Tate; and Vance.

Staff: Bill Perry (786-7123).

Background: Historically, especially in some parts of the state, non-lawyers have prepared various documents used in legal transactions such as the sale of real estate. In a series of cases, the Washington Supreme Court has declared such document preparation to be the unauthorized practice of law.

In 1979, the Legislature enacted Chapter 19.62 RCW regulating the preparation of legal documents related to property sales or loans made in connection with such sales. The law allowed non-lawyer employees of financial institutions and escrow and title companies to prepare these documents. In 1981, the State Supreme Court declared this law unconstitutional.

The court reiterated its previous holding in other cases that "the regulation of the practice of law is within the sole province of the judiciary." The court declared that legislative attempts to regulate the practice of law violate

the separation of powers doctrine. Subsequently, the court by its own rules instituted a "limited practice" program covering closing documents used in real estate transactions. The rules allow non-lawyers to prepare some of the same kinds of documents that were the subject of the invalidated legislation. The rules require training and licensure of those who seek authorization to engage in this limited practice of law.

The Law Revision Commission as part of its regular work has undertaken to identify portions of the statutory law that have been invalidated by court decisions. The commission is recommending the repeal of Chapter 19.62.

Summary of Bill: Chapter 19.62 RCW, which regulates the preparation of certain legal documents involved in property transactions, is repealed.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: None.

Witnesses: None.