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Report of Committee on Unauthorized Practice

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Report of Committee on Unauthorized Practice

We again urge all members of the Bar who are interested in curbing the unauthorized practice of the law to submit to the local committee or to the general committee all competent evidence that they might have showing any instance of unauthorized practice. We merely urge that the lawyer submitting the instances be sure that he gives us evidence or facts and not merely rumors, upon which we can at least open communication with the parties in question. If for any reason a lawyer would be embarrassed if it became known that he was making such reports, the committee gives assurance that his name will not be divulged; that the information forwarded will be used to make direct contact with the party in question and endeavor to convince him of the evil of his ways. In this method real results have been accomplished. If this does not produce results, then more drastic steps may be taken when the evidence is strong and clear and action had without violating professional confidences. The success of the efforts of this committee will be measured entirely by the extent of the cooperation and support it receives from the members of the Bar.

In the last session of the Legislature two bills were introduced, one in the Senate and one in the House, containing provisions expressly authorizing realtors to draft all forms of legal documents necessary to be prepared incidental to any transaction in which they were a party. Either of these bills would have nullified the decision of Paul vs. Stanley, 168 Wash. 371. Both bills were killed in committee.

House Bill 125, introduced to correct the results had as to collection agencies by the case of Washington State Bar Association vs. Merchants Rating & Adjustment Company, 183 Wash. 611, was buried in the rules committee of the House.

The Supreme Court of Missouri in a decision in three cases of contempt instituted originally in that Court at the instance of the unauthorized practice committee of that State in an elaborate opinion held individuals guilty of contempt of that Court in practicing law by appearing in representative capacity before lay rate making bodies. All the actions were instituted by Boyle G. Clark, Chairman of the Bar Association, the accused persons being Edwin S. Austin, F. H. Cook, and J. Fred Hull.

In another case instituted by the Attorney General of the State of Missouri, originally in the supreme court, C. S. Dudley & Co., a corporation, was held to be engaged in the unauthorized practice of law because of its activities as a collection agency and adjuster of civil claims. Evidence was taken before a referee and submitted to the Court. After an elaborate decision the corporation was fined and a permanent injunction issued against its indulging in the practice on penalty of forfeiting its charter. This case at-

tracted wide attention throughout the country because here collection agencies and their affiliated organizations are rumored to have subscribed large sums to fight this case.

By virtue of the decisions just mentioned, the State of Missouri is out in the lead in efforts to protect the public against the unauthorized practice of law.

But at the same time, we received reports of the case of State ex rel Attorney General vs. Merchants Credit Service, wherein the Supreme Court of Montana in an original contempt proceedings before that Court where evidence was taken before a referee of the collection agency's practice of law, outside of the Courts, and on such evidence were found guilty of contempt of the Supreme Court.

All these cases are now or soon will be in the appropriate advance sheets.

If this State is to take its proper place in the procession now moving to the elimination of the evils of the unauthorized practitioner, the members of the Bar generally must give their support to the Association and its committee by reporting instances of the unauthorized practice coming to their knowledge, with evidence in support thereof.

EWING D. COLVIN, Chairman
 ROBERT R. PENCE, Spokane
 LEE C. DELLE, Yakima
 JAMES P. NEAL, Olympia
 CLAUDE HENDERSON, Mt. Vernon
 E. B. HANLEY, JR., Seattle

Members of Unauthorized Practice Committee.

Claim Adjusting Held Unauthorized Practice

On May 12th, 1936, the Supreme Court of Illinois, with the Chief Justice and two Associate Justices dissenting, dismissed a contempt proceeding that has been filed by the Chicago Bar Association against one Albert Goodman, a law claim adjuster, in that Goodman was engaged in the unauthorized and unlawful practice of the law.

A petition for rehearing was granted in December and on February 18th, 1937, an opinion written by Chief Justice Herrick was handed down, finding that the respondent Goodman was guilty of contempt as charged.

Goodman, who was not a lawyer, maintained offices in Chicago where he engaged in the business of handling and adjusting workmen's compensation claims. He obtained business by a widespread plan of solicitation by advertisements.

It was urged by the respondent that practice before the Industrial Commission was before an administrative body and that he was not thereby practicing law, however, the Court found that such practice was the practice of the law, inasmuch as it was conceded that the great bulk of the lawyer's business is done outside of the actual law court room; that it was the character of the act done and not the place where it was committed.