

## **Policy for Waiver or Reduction of, or Extension of Payment for, Annual License and Reinstatement Fees**

*Approved by the Board of Governors on July 23, 2010 and amended on Sept. 23, 2021.*

### **Annual License Fees**

#### **Requests to Waive, Reduce or Extend Payment of License Fees**

WSBA members must pay license fees in order to maintain a license to practice law in Washington. In general, license fees cannot be waived or reduced, nor can the time to pay be extended. Other than the Executive Director's ability to grant a hardship exemption as set forth in the WSBA Bylaws, WSBA employees are not authorized to waive, reduce or extend the time to pay the license fee.

### **Late Fees re Annual License Fee**

#### **Requests to Waive, Reduce or Extend Payment of the Late Payment Fee**

WSBA employees are not authorized to extend the time to pay the late payment fee. WSBA employees have limited discretion in waiving late payment fees. Late payment fees are not waived in the following circumstances:

1. If members claim they did not receive their license packets or email notifications, without evidence that this actually occurred and was due to WSBA error (see below).
2. If members pay by check or electronic funds transfer that is returned by the bank for non-sufficient funds (NSF) and subsequently do not pay by the deadline.
3. If members submit a timely request through their bank to send a check and the bank does not send the check by the deadline.

WSBA employees will waive the late payment fee for the following reasons:

1. If WSBA error was the cause, such as failure to correctly process a member's change of contact information.
2. If members provide reasonable proof that they made their payments in time even though WSBA has no record of receiving it.
3. If members notify the WSBA of extraordinary personal circumstances that prevent them from making their payments by the due date. Extraordinary personal circumstances include a serious medical emergency, a death of a close family member or close friend, a significant health problem, and extreme financial hardship. Extreme financial hardship is defined as annual household income equal to or less than 200% of the federal poverty level as determined based on the member's household income for the calendar year immediately preceding the calendar year for which the member is seeking the request. Members must submit a written request for a waiver under this section on a form provided by the WSBA. The WSBA may require reasonable documented proof of the extraordinary personal circumstances.

### **Reinstatement after Suspension**

A member's license can be reinstated from suspension to any membership status after meeting the requirements for changing status after suspension as set forth in the WSBA Bylaws Art. III Sec. K, which

includes paying the current license fee and assessments. Reinstatement after suspension for non-payment of license fees has additional reinstatement fees.

### **Waiver or Reduction of Investigation/Application Fee**

Members must pay an investigation/application fee to apply to return to active status. Investigation fees cannot be waived or reduced.

### **Calculation of Reinstatement Fees after Suspension for Non-payment of License Fees**

In accordance with the WSBA Bylaws, the reinstatement fee assessed to a member depends on when the member is reinstated.

1. Reinstatement to the same status prior to suspension:
  - a. If the member requests to be reinstated in the same calendar year that the license is suspended, the member will need to pay two times the sum of the annual license fee and the late payment fee (and the Client Protection Fund (CPF) assessment if returning to Active status).
  - b. If the member requests to be reinstated in a calendar year subsequent to the year in which the license was suspended, the member will need to pay:
    - i. Two times the sum of the annual license fee and the late payment fee for the year of the suspension (and the CPF assessment for the year of suspension if Active at time of suspension); and
    - ii. The license fee for the current year (and the CPF assessment if returning to Active status).
2. Reinstatement to a status other than Active when the member's license was Active prior to suspension:
  - a. If the member requests to be reinstated in the same calendar year that the license is suspended, the member will need to pay two times the sum of the Active license fee and the late payment fee, and the CPF assessment. The member will not have to pay an additional license fee for the new status, because that fee will be covered by the amount of the Active license fee.
  - b. If the member requests to be reinstated in a calendar year subsequent to the year in which the license was suspended, the member will need to pay:
    - i. two times the sum of the Active license fee and late payment fee for the year of suspension;
    - ii. the CPF assessment for the year of suspension; and,
    - iii. the license fee for the current year.

### **Circumstances for Reducing Reinstatement Fees**

WSBA employees have limited discretion in waiving reinstatement fees. Reinstatement fees are not waived in the following circumstances:

1. If a member did not understand, at the time of suspension, that the fees would be high.
2. If a member was unaware that the member's license had been suspended for non-payment.

WSBA employees will reduce the reinstatement fee for the following reasons:

1. If WSBA error was the cause, such as failure to correctly process a member's change of contact information.

2. If members notify the WSBA of extraordinary personal circumstances that prevented them from paying license fees or applying for reinstatement in a timely manner. Extraordinary personal circumstances include a serious medical emergency, a death of a close family member or close friend, a significant health problem, and extreme financial hardship. Extreme financial hardship is defined as annual household income equal to or less than 200% of the federal poverty level as determined based on the member's household income for the last 12 months or the immediately preceding calendar year. Members must submit a written request for a waiver under this section on a form provided by the WSBA. The WSBA may require reasonable documented proof of the extraordinary personal circumstances.

The amount of the reduction in the reinstatement fee will be considered on a case by case basis, based on length of time in suspended status, the duration of the extraordinary personal circumstances, and other pertinent factors.

### **Appeals of Staff Decisions**

If a member's request for a waiver, reduction or extension is denied by staff, the member may appeal the decision to the Board of Governors.

**Appeals must be submitted in writing.** Appeals must be submitted in writing to the Regulatory Services Department for inclusion in the Board of Governors meeting materials. The standard for granting the appeal is documented, exigent circumstances.

**Appeals should be reviewed and decided on the written record.** The Board must review the appeal on the written record in executive session. Staff from the Regulatory Services Department may be present to respond to procedural questions from the Board of Governors but not to advocate its position.

**Issue on appeal.** The issue on appeal before the Board is whether the appellant qualifies for a waiver or reduction under this policy and WSBA Bylaws at the time of the request.

**Criteria for review.** The criteria for reviewing the request are:

1. Is there a compelling circumstance for the member to not have been aware of the license fee payment deadline, to not have been able to meet the license fee deadline, to not have been aware of the member's impending suspension for non-payment of fees, or to not be able to pay license fees within 60 days of the mailing of the Pre-suspension Notice;
2. Is there a reasonable connection between the compelling circumstance and the missed deadline; and
3. Is the documentation adequate to the cause?

The decision of the Board of Governors is final.