

Vote YES on Proposition Number 24 and Muzzle The Business Man

The voters of California, on November 7th, must answer, in voting on the Referendum on the Lawyers' Bill, the question, "Shall every banker and realtor in California be compelled by law to refuse advice on legal matters to his clients?"

The answer to this question must be a political answer—by votes on ballots at the state election, November 7. Because of that fact, political expedients must be utilized to defeat the proposal of the Lawyers' Trust.

The California Bar Association wants the public to vote "Yes" on the Referendum. The California Bankers' wants the public to vote "No."

The American Public is becoming more and more accustomed to have large responsible institutions serve them in many ways not directly profitable. You can call up the telephone company and ask the time. You can call up a newspaper and ask questions embraced in the current news. You can read news of the world freely on newspaper bulletin boards. Should you go to the theatre the evening of November 7 next, the returns will be read to you from the stage.

Giving away service is an American habit.

If bankers, trust companies, realty dealers, notaries, auto dealers and others, who now fill out legal blanks and give simple advice on matters in which they have long experience, were legal "quacks" and gave harmful advice to their patrons the first to know it would be the victims themselves, but there is no present demand on the part of banks or realty patrons from giving them legal, financial or commercial advice. The public does not have to go to the bank or realtor for legal advice.

The public does not have to go to the bank or realtor for legal council. Any day they can walk into an attorney's office and employ the latter to write any legal documents or advise them about the law.

The California Bankers' Association has no desire to indict the profession of the law, to cast disrespect on a most worthy and essential professional class, or to indulge in acrimonious implication that will weaken the confidence of the public in the legal profession. Bankers and lawyers should be the best of friends, the closest of allies; they should be arrayed shoulder to shoulder in the protection of the public interest. They always have been, they always will be. But this year an issue has been drawn, and an orderly, conservative, frank, honorable public debate before the bar of public opinion must be had, and that great jury, the voters of California, must stamp their verdict on the ballot, November 7th.

HISTORY OF THE BILL

Fostered by the American Bar Association, a national propoganda has been instituted in all the states. California is the 24th to pass a restrictive measure through its Legislature. In all states where such legislation has been enacted there has been and still exists a mass of legal complications, suits, judgments and appeals which have restricted business activity and enriched scores of lawyers, and in no state has any definite definition been given as to what acts constitute the "practice of law."

Business law is an integral part of business activity. It reaches its highest type in the ambitious efforts of banking corporations, realtors, and, in truth, of all successful business men, to render to their patrons every form of protection and service. To accomplish this—now an admitted obligation—the banks secure in some cases the best legal minds trained in particular phases of law and that is placed freely at the disposal of their customers in every day business transactions. There is no compulsion that such advice be sought or heeded.

BANKS REGARDED AS RESPONSIBLE

The customer of the average bank or realtor is usually invited to consult his own attorney, but

when a man would buy a home, sell a ranch, make a will or establish a trust to provide for the future of his loved one, what is more natural than that he should turn to a responsible and experienced banker or realtor in whom he has implicit confidence founded on years of contact. He knows that the character of such a man is above reproach.

As a matter of fact, trust companies, banks and realtors are valuable aids to the legal profession. They are always alert to give advice on securities, they do a great deal of drudgery and accept much responsibility in administrative work, they pass on investments, stocks and bonds, investigate securities, figure out state and federal taxes, and other forms, and in numerous ways grease the wheels of commerce, industry and prosperity and urge upon all lawyers the free participation in this knowledge. Moreover, they employ lawyers in their own affairs more frequently than others, and refer to them a vast amount of legal business and numerous clients. They practice no law in any fair sense, and have always been the lawyers' strongest ally with the business they control and before the bar of public opinion.

WHY CONSULT A BANKER?

Now, a world of argument would be no more effective in establishing the legitimacy of the position of the California Bankers' Association than this: The public goes to the bank for obvious reasons:

First: They have found the service they receive is reliable.

Second: The cost is little or nothing.

Third: The service is readily and quickly accessible, and in most instances rendered as an inseparable part of a business transaction.

Fourth: They have confidence in the enduring nature of a corporation.

SHYSTER LAWYERS EXEMPTED

If the Bill were designated to hit the really incompetent or crooked persons who render improper or dishonest legal service to the public, it could justify, somewhat, as a public welfare law, but these are favored classes while the responsible and experienced banker or realtor is marked for criminal prosecution for giving, without charge, minor and usually correct legal advice to their enquiring customers.

It is made a sacred right for a fledgling lawyer or one under the shadow of disbarment to draw a complicated will, but a criminal act for an experienced and good character lawyer in the employment of a trust company to do so. The first are admittedly incapable of properly performing the task, while the latter have long done so with credit to themselves and the entire satisfaction of the testator. Why is the bank's or realtor's lawyer to be imprisoned for serving the public better than the outside lawyer?

It is noteworthy that many of the better attorneys are not in sympathy with this move, but on the contrary deprecate it. They know that, in truth, neither the lawyers of the banks or real estate firms, nor the business man, in drawing a very limited number of wills and in giving minor legal advice to their patrons, are in competition with the legal profession in any intelligent sense. The real and profitable practice of the law always has been, is now and always will be with those qualified attorneys who make it their life's calling. Nothing will win the confidence of the public quicker than such an attitude, nothing will destroy that confidence sooner than a petty, selfish, unjustifiable and manifestly discriminating stand against any business agency which is helping and really co-operating with the legal profession.

LAWYERS vs. PUBLIC

Yet, on the so-called "lawyers' bill," the issue has been drawn and now must be fought out with

the representatives of the people on the one side and those of the attorneys on the other.

The so-called "Lawyers' Bill" is intended to absolutely prohibit, on pain of criminal prosecution, laymen or lawyers of banks or other corporations, including realty firms, from rendering with or without charge as a practice, the following services for others:

PROHIBITIONS OF LAWYERS' BILL

a. The drawing of wills.

b. The preparation of all business agreements, instruments and conveyances excepting those which are "ordinary." The exception of "ordinary" instruments is vague, will require numerous court decisions to define and has no known standard of definition.

It is probable that joint tenancy deeds, mortgages with special release clauses, leases with special covenants affecting the use of the premises or containing an option of renewal or purchase; contracts of sale containing building restrictions and covenants restricting the use of the property affected; deeds containing reservations, easements, rights of ways, building restrictions, etc.; chattel mortgages with special covenants and all other business agreements with special clauses relating to the details of each separate transaction, will be held as unusual or not "ordinary" documents, and therefore not to be drawn by any person excepting practicing lawyers.

c. The giving of legal advice or information of any kind not incidental to the preparation of "ordinary" business instruments, insuring of titles to property, or the acceptance of escrows; in short, the giving of legal information or advice of any character, in itself, is made a crime.

The lawyers boast that New York state passed a "lawyers' bill" twelve years ago—but they do not tell the whole story. They do not state that realtors have been arrested and convicted upon charges of drawing simple agreements of sale. The omission of this latter bit of information is easily understood, because the Lawyers' Bill in California originally was the same as the New York bill and would have compelled realtors to occupy joint offices with licensed lawyers in order that every little question of business law might be referred to a licensed lawyer, and even the simplest kind of conveyance or mortgage or lease could be handed in the proper legal atmosphere—for a fee.

California realtors saw this feature of the original bill and protested so effectively that the lawyers' bloc in the California legislature immediately amended the bill by an exemption clause, which prima facie, appears to exempt realtors, but which, in fact, does not exempt them at all. The exemption clause says:

"This section shall not prevent any person from preparing ordinary business agreements and conveyances and giving advice incidental to the preparation thereof."

The bill does not say whether a mortgage or bill of sale or lease is a "business" agreement or a "legal" agreement; it does not say whether such documents are "ordinary" or "extraordinary," and by the wording of the bill, it prohibits any advice legal or otherwise, from the realtor, that is not "incidental to the preparation" of some one of these indefinite agreements or documents. If the bill is passed at the coming election, realtors will find that any lease or mortgage or conveyance which carries any restricting clauses, any provisions for upkeep, reversion of title, or any one of the other many essential clauses, will be construed by the courts as "extraordinary;" probably it will be construed as a "legal" agreement rather than a "business" agreement, in either event, the realtor will be violating this lawyers' law, and may be sent to jail for six months.

Vote "NO" on Proposition No. 24 and Save Yourself The Cost of Securing Legal and Business Advice

THE ABOVE IS ENDORSED BY THE FOLLOWING BANKS AND REAL ESTATE DEALERS:

FIRST NATIONAL BANK,
Torrance.

STATE BANK OF LOMITA,
Lomita.

STATE EXCHANGE BANK,
Torrance.

G. A. R. STEINER,
Broker, with Dominguez
Land Co.

W. A. TEAGARDEN,
Real Estate, Lomita

L. J. HUNTER,
Real Estate, Lomita.

BABCOCK & JONES,
Real Estate & Insurance,
Torrance.

BARTLET & DOLLEY
Real Estate, Torrance.