

CHAPTER 114—S. F. No. 231

An act relating to unauthorized practice as attorney or counsellor at law and relating to foreclosures and proceedings in courts, prohibiting certain acts and practices, providing for penalties for violation of this act, and repealing General Statutes 1923, Section 5687.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Unauthorized practice of law—penalty.**—(a) It shall be unlawful for any person or association of persons, except members of the Bar of Minnesota admitted and licensed to practice as attorneys at law, to appear as attorney or counsellor at law in any action or proceeding in any court in this state to maintain, conduct or defend the same, except in his own behalf as a party thereto in other than a representative capacity, or, by word, sign, letter, or advertisement, to hold out himself or themselves as competent or qualified to give legal advice or counsel or to prepare legal documents, or as being engaged in advising or counselling in law or acting as attorney or counsellor at law, or in furnishing to others the services of a lawyer or lawyers, or, for a fee or any consideration, to give legal advice or counsel, perform for or furnish to another legal services, or, for or without a fee or any consideration, to prepare (directly or through another) for another person, firm or corporation, any will or testamentary disposition or instrument of trust serving purposes similar to those of a will, or, for a fee or any consideration, to prepare for another person, firm or corporation, any other legal document, except as provided in sub-division (c) below.

(b) No corporation, organized for pecuniary profit by or through its officers or employees or anyone else, shall maintain, conduct or defend (except in its own behalf when a party litigant) any action or proceeding in any court in this state; or shall, by or through its officers or employees or anyone else, give or assume to give legal advice or counsel or perform for or furnish to another person or corporation legal services; or shall, by word, sign, letter or advertisement, solicit the public or any person to permit it to prepare or cause to be prepared any will or testamentary disposition or instrument of trust serving purposes similar to those of a will, or hold itself out as desiring or willing to prepare any such document, or to give legal advice or legal services relating thereto or to give general legal advice or counsel, or to act as attorney at law or as supplying or being in a position to supply the services of a lawyer or lawyers; or shall to any extent engage in or hold itself out as being engaged in the business of supplying services of a lawyer or lawyers; or shall cause to be prepared any person's will or testamentary disposition or instrument of trust serving purposes similar to those of a will, or any other legal document for another person, firm or corporation,

and receive, directly or indirectly, all or a part of the charges for such preparation or any benefits therefrom; or shall itself prepare, directly or through another, any such document for another person, firm or corporation, except as provided in (c) below.

The foregoing shall not prohibit anyone from drawing, without charge for so doing, any document to which he; or a person whose employee he is or a firm whereof he is a member or a corporation whose officer or employee he is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will; and shall not prohibit a person from drawing a will for another in an emergency wherein the imminence of death leaves insufficient time to have the same drawn and its execution supervised by a licensed attorney at law; and shall not prohibit anyone, acting as broker for the parties or agent of one of the parties to a sale or trade or lease of property or to a loan, from drawing or assisting in drawing, with or without charge therefor, such papers as may be incident to such sale, trade, lease, or loan; and shall not prohibit any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of such policies; and shall not prohibit one such licensed attorney at law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between said corporations; and shall not prohibit any bona fide labor organization from giving legal advice to its members in matters arising out of their employment; and shall not prohibit any person from conferring or cooperating with a licensed attorney at law of another in preparing any legal document, if such attorney is not directly or indirectly in the employ of such person or of any person, firm or corporation represented by such person; and shall not prohibit any licensed attorney at law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or wherein it is interested personally or in a representative capacity (except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will), but any charge made for the legal work connected with preparing and drawing such document shall not exceed the amount paid to and received and retained by such attorney, and such attorney shall not directly or indirectly rebate the same to or divide the same with such corporations; and shall not prohibit any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments; satisfactions or any other conveyances except testamentary dispositions and instruments of trust; and shall not prohibit a licensed attorney at law of Minnesota from rendering to a corporation legal services to itself at the

expense of one or more of its bona fide principal stockholders by whom he is employed and by whom no compensation is directly or indirectly received for said services, and shall not prohibit any person or corporation engaged in the business of making collections from engaging or turning over to an attorney at law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney at law receives the entire compensation for such work, and shall not prohibit any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers thereto, made by a licensed attorney at law, if no such answer be accompanied or at any time preceded or followed by any charge for such answer, any disclosure of any name of the maker of any answer, any recommendation of or reference to anyone to furnish legal advice or services, or by any legal advice or service for such periodical or any one connected with it or suggested by it, directly or indirectly.

(d) It shall be unlawful to exact, charge or receive any attorney's fee for the foreclosure of any mortgage, unless the foreclosure is conducted by a licensed attorney at law of Minnesota and unless the full amount charged as attorney's fee is actually paid to and received and retained by such attorney, without being directly or indirectly shared with or rebated to anyone else, and it shall be unlawful for any such attorney to make any showing that he has received such a fee unless he has received the same or to share with or rebate to any other person, firm or corporation such fee or any part thereof received by him; but such attorney may divide such fee with another licensed attorney at law maintaining his own place of business and not an officer or employee of the foreclosing party, if such attorney has assisted in performing the services for which the fee is paid, or resides in a place other than that where the foreclosure proceedings are conducted and has forwarded the case to the attorney conducting such foreclosure.

It shall be unlawful for any corporation, appearing as executor, administrator, guardian, trustee or other representative, to do the legal work in any action, probate proceeding or other proceeding in any court in this state, except through a licensed attorney at law of Minnesota maintaining his own place of business and not an officer or employee of such executor, administrator, guardian, trustee or representative. No attorney's fee shall be charged or paid or received in any such case, unless actually paid to and received and retained by such an attorney at law maintaining his own place of business and not an officer or employee of such executor, administrator, guardian, trustee or representative; and it shall be unlawful for such attorney to represent in any manner that he has received any sum as a fee or compensation unless the same has been actually received by him,

or directly or indirectly to divide with or rebate to any person, firm or corporation any part of any such fee or consideration received by him in any such case; but such attorney may divide such fee with another licensed attorney at law maintaining his own place of business, and not an officer or employee of such executor, administrator, guardian, trustee or other representative, if such attorney has assisted in performing the services for which the fees are paid, or resides in a place other than that where the action or proceedings are conducted and has forwarded the case to the attorney conducting the action or proceedings.

(e) Any person or corporation or officer or employee thereof violating any of the foregoing provisions shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished as by statute provided for the punishment of misdemeanors. It shall be the duty of the respective county attorneys in this state to prosecute violations of this act, and the district courts of this state shall have sole original jurisdiction of any such offense under this act.

In lieu of criminal prosecution above provided for, such County Attorney or the Attorney General may, in the name of the State of Minnesota, or in the name of the State Board of Law Examiners, proceed by injunction suit against any violator of any of the provisions above set forth to enjoin the doing of any act or acts violating any of said provisions.

(f) Any attorney or counsellor at law residing in any other state or territory wherein he has been admitted to practice law, who shall attend any term of the supreme or district courts of this state for the purpose of trying or participating in the trial or proceedings of any action or proceedings there pending may, in the discretion of the court before whom he appears in such action or proceeding, be permitted to try, or participate in the trial or proceedings in, such action or proceeding, without being subject to the provisions of this act, other than those set forth in sub-division (b) above.

(g) Any person who prior to the passage of this act has served eight years or more as Judge of any Municipal Court in this State, and who for twenty years or more, prior to the passage of this act, has performed legal services in the Probate Courts of this state for himself, while acting as administrator, executor or guardian, shall be permitted to practice in any Municipal Court of this state, and also to perform necessary legal services in any Probate Court of this state for himself while acting as administrator, executor or guardian.

(h) Nothing herein contained shall be construed to prevent a corporation from furnishing to any person lawfully engaged in the practice of law, such information or such clerical service in and about his professional work as, except for the provisions of this

section, may be lawful, provided that at all times the lawyer receiving such information or such services shall maintain full, professional and direct responsibility to his clients for the information and services so received.

Sec. 2. - **Law repealed.**—Section 5687, General Statutes 1923, is hereby repealed.

Sec. 3. **Provision separable.**—In case any section, subdivision, paragraph or sentence of this act is declared unconstitutional, that shall not affect the validity of the rest of this act.

Sec. 4. **Effective July 1, 1931.**—This act shall take effect and be in force from and after July 1, 1931, but shall not affect any action or proceeding now pending in any court.

Approved April 4, 1931.

CHAPTER 115—H. F. No. 516

An act to appropriate money for the current expenses, buildings and improvements at state institutions, for expenses of the state board of control and certain activities under the supervision or control of said board, and for other purposes; to appropriate money from the state prison revolving fund for current expenses, buildings and improvements at the state prison; to authorize the transfer of funds in certain cases; to extend balances of appropriations heretofore made and to authorize the executive council to borrow money in certain cases.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **Appropriation for state institutions, etc.**—The sums hereinafter named, or so much thereof as may be necessary, are hereby appropriated from any money in the state treasury not otherwise appropriated to be expended by the state board of control for the purposes specified in the following sections of this act, to be available at the time designated opposite each item.

Sec. 2. **Anoka State Asylum:**

	Available for Year Ending	
Current Expense	June 30, 1932	\$137,500
Current Expense	June 30, 1933	161,000
Repairs	June 30, 1932	5,000
Repairs	June 30, 1933	5,000
Laundry Equipment	June 30, 1932	5,600