

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
Alaska	Alaska Stat. § 9.60.080.	Requires that contingent fees be calculated exclusive of punitive damages.	If an attorney contracts for or collects a contingency fee in connection with an action for personal injury, death, or property damage and the damages awarded by a court or jury include an award of punitive damages, the contingent fee due the attorney shall be calculated before that portion of punitive damages due the state under AS 09.17.020 (j) has been deducted from the total award of damages.
Arizona	Ariz. Rev. Stat. § 12-568	Allows a court to consider the reasonableness of attorneys' fees in medical liability cases, taking into account factors such as "the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal skills properly."	<p>12-568. Review of attorneys' fees in health care actions; guidelines</p> <p>A. The court shall, at the request of any party in any action under this chapter, determine the reasonableness of each party's attorneys' fees. The court shall take into consideration the following:</p> <ol style="list-style-type: none"> 1. The time and labor required, the novelty and difficulty of the questions involved and the skill requisite to perform the legal services properly. 2. The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer. 3. The fee customarily charged in the locality for similar legal services. 4. The amount involved and the results obtained. 5. The time limitations imposed by the client or by the circumstances. 6. The nature and length of the professional relationship with the client. 7. The experience, reputation and ability of the lawyer or lawyers performing the services. 8. Whether the fee is fixed or contingent. <p>B. In the event that any party requests a determination of the reasonableness of a party's attorneys' fees pursuant to subsection A, the court shall complete such determination within twenty days of the request.</p>
California	Cal. Code of Civ. Pro. 1021	Except as provided by statute, attorneys' fees are left to agreement.	1021. Except as attorney's fees are specifically provided for by statute, the measure and mode of compensation of attorneys and counselors at law is left to the agreement, express or implied, of the parties; but parties to actions or proceedings are entitled to their costs, as hereinafter provided.

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
	<p>The Medical Injury Compensation Reform Act (MICRA): (1975): Cal. Bus. & Prof. Code § 6146(a)</p>	<p>Limits contingent fees in medical liability cases to 40% of the first \$50,000 recovered, 33.3% of the next \$50,000, and 15% of any amount exceeding \$600,000.</p>	<p>6146. (a) An attorney shall not contract for or collect a contingency fee for representing any person seeking damages in connection with an action for injury or damage against a health care provider based upon such person's alleged professional negligence in excess of the following limits:</p> <ol style="list-style-type: none"> (1) Forty percent of the first fifty thousand dollars (\$50,000) recovered. (2) Thirty-three and one-third percent of the next fifty thousand dollars (\$50,000) recovered. (3) Twenty-five percent of the next five hundred thousand dollars (\$500,000) recovered. (4) Fifteen percent of any amount on which the recovery exceeds six hundred thousand dollars (\$600,000). <p>The limitations shall apply regardless of whether the recovery is by settlement, arbitration, or judgment, or whether the person for whom the recovery is made is a responsible adult, an infant, or a person of unsound mind.</p> <p>(b) If periodic payments are awarded to the plaintiff pursuant to Section 667.7 of the Code of Civil Procedure, the court shall place a total value on these payments based upon the projected life expectancy of the plaintiff and include this amount in computing the total award from which attorney's fees are calculated under this section.</p> <p>(c) For purposes of this section:</p> <ol style="list-style-type: none"> (1) "Recovered" means the net sum recovered after deducting any disbursements or costs incurred in connection with prosecution or settlement of the claim. Costs of medical care incurred by the plaintiff and the attorney's office-overhead costs or charges are not deductible disbursements or costs for such purpose. (2) "Health care provider" means any person licensed or certified pursuant to Division 2 (commencing with Section 500), or licensed pursuant to the Osteopathic Initiative Act, or the Chiropractic Initiative Act, or licensed pursuant to Chapter 2.5 (commencing with Section 1440) of Division 2 of the Health and Safety Code; and any clinic, health dispensary, or health facility, licensed pursuant to Division 2 (commencing with Section 1200) of the Health and Safety Code. "Health care provider" includes the legal representatives of a health care provider. (3) "Professional negligence" is a negligent act or omission to act by a health care provider in the rendering of professional services, which act or omission is the proximate cause of a personal injury or wrongful death, provided that the services are within the scope of services for which the provider is licensed and which are not within any restriction imposed by the licensing agency or licensed hospital. <p>6147. (a) An attorney who contracts to represent a client on a contingency fee basis shall, at the time the contract is entered into, provide a duplicate copy of the contract, signed by both the attorney and the client, or the client's guardian or representative, to the plaintiff, or to the client's guardian or representative. The contract shall be in writing and shall include, but is not limited to, all of the following:</p> <ol style="list-style-type: none"> (1) A statement of the contingency fee rate that the client and attorney have agreed upon. (2) A statement as to how disbursements and costs incurred in connection with the prosecution or settlement of the claim will affect the contingency fee and the client's recovery. (3) A statement as to what extent, if any, the client could be required to pay any compensation to the attorney for related matters that arise out of their relationship not covered by their contingency fee contract. This may include any amounts collected for the plaintiff by the attorney. (4) Unless the claim is subject to the provisions of Section 6146, a statement that the fee is not set by law but is negotiable between attorney and client. (5) If the claim is subject to the provisions of Section 6146, a statement that the rates set forth in that section are the maximum limits

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>for the contingency fee agreement, and that the attorney and client may negotiate a lower rate.</p> <p>(b) Failure to comply with any provision of this section renders the agreement voidable at the option of the plaintiff, and the attorney shall thereupon be entitled to collect a reasonable fee.</p> <p>(c) This section shall not apply to contingency fee contracts for the recovery of workers' compensation benefits.</p> <p>(d) This section shall become operative on January 1, 2000.</p> <p>6147.5. (a) Sections 6147 and 6148 shall not apply to contingency fee contracts for the recovery of claims between merchants as defined in Section 2104 of the Commercial Code, arising from the sale or lease of goods or services rendered, or money loaned for use, in the conduct of a business or profession if the merchant contracting for legal services employs 10 or more individuals.</p> <p>(b) (1) In the instances in which no written contract for legal services exists as permitted by subdivision (a), an attorney shall not contract for or collect a contingency fee in excess of the following limits:</p> <p>(A) Twenty percent of the first three hundred dollars (\$300) collected.</p> <p>(B) Eighteen percent of the next one thousand seven hundred dollars (\$1,700) collected.</p> <p>(C) Thirteen percent of sums collected in excess of two thousand dollars (\$2,000).</p> <p>(2) However, the following minimum charges may be charged and collected:</p> <p>(A) Twenty-five dollars (\$25) in collections of seventy-five dollars (\$75) to one hundred twenty-five dollars (\$125).</p> <p>(B) Thirty-three and one-third percent of collections less than seventy-five dollars (\$75).</p>
Colorado	Colo. Rev. Stat. § 8-43-403	Limits contingent fees in workers' compensation cases to 20 percent, but leaves final reasonableness determination up to the agency and courts..	<p>8-43-403. Attorney fees.</p> <p>(1) No contingent fee shall be applied to any medical benefits that have been previously incurred and will be paid to the claimant or directly to the medical care provider, in a permanent disability award, either by admission or settlement. In the event that medical benefits are the only contested issue, the fee agreement shall provide for reasonable fees calculated on a per-hour basis or, subject to approval by the director, may provide for a contingent fee not to exceed the limitations imposed by this section. On unappealed contested cases, a contingent fee exceeding twenty percent of the amount of contested benefits shall be presumed to be unreasonable. At the request of either an employee or the employee's attorney, the director shall determine what portion of the benefits awarded were contested, or the reasonableness of the fee charged by such attorney, or both. At the request of the employer or its insurance carrier or the attorney for either of them, the director shall determine the reasonableness of the fee charged by the attorney for the insurance carrier. No request for determination of the reasonableness of fees shall be considered by the director if received later than one hundred eighty days after the issuance of the final order, judgment, or opinion disposing of the last material issue in the case and the expiration of any right to review or appeal therefrom. In making this determination, the director shall consider fees normally charged by attorneys for cases requiring the same amount of time and skill and may decrease or increase the fee payable to such attorney. If the director finds that a review by the industrial claim appeals office or an appeal to the court of appeals or to the supreme court was perfected or if the director finds that such attorney reasonably devoted an extraordinary amount of time to the case, the director may award or approve a contingent fee or other fee in a percentage or amount that exceeds twenty percent of the amount of contested benefits. In determining the reasonableness of fees charged by an attorney for an employer or employer's insurance carrier, the director shall compare the fees of such attorney with the fees charged by the claimant's attorney in the same case and shall not approve an amount substantially greater than the reasonable amount charged by the said claimant's attorney or, if the claimant did not prevail, the reasonable amount the said claimant's attorney would have charged had the claimant prevailed, unless the director finds, based on a showing by the attorney for the employer or carrier, that higher fees are objectively justifiable. Legal costs not found reasonable shall not be allowed as an expense in fixing premium rates by the commissioner of insurance.</p>
	Colo. Rev. Stat. § 11-37.5-307	Prohibits contingency fees charged to a person seeking recognition of a foreign judgment	11-37.5-307. Contingency fee arrangements prohibited.

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
		against a customer of a foreign capital depository.	A person seeking recognition of a foreign judgment against a customer of a foreign capital depository shall not engage legal counsel on a contingency fee basis for the purpose of attaining recognition of the foreign judgment.
	Colo. Rev. Stat. § 13-17-304	Requires that private attorneys providing legal services to government entities restrict contingency fee average hourly rates to \$1000 per hour.	<p>13-17-304. Limitation on contingent fees - applicability.</p> <p>(1) (a) Except as otherwise provided in subsections (2) and (3) of this section, and notwithstanding any other provision of law, a contingency fee contract between a governmental entity and a private attorney shall:</p> <p>(I) Require the private attorney to maintain and provide to the governmental entity on a monthly basis a contemporaneous record of the hours of legal services provided by individual attorneys, the nature of such services, and any court costs incurred during each month and in the aggregate from the effective date of the contingency fee contract;</p> <p>(II) Require the private attorney, upon the successful resolution of the matter for which the private attorney was retained, to provide to the governmental entity a statement of the hours of legal services provided by attorneys, the nature of such services, the amount of court costs incurred, the total amount of the contingency fee, and the average hourly rate for legal services provided by attorneys; and</p> <p>(III) Specify an alternative hourly rate, not to exceed one thousand dollars per hour, at which the attorney shall be compensated in the event that the statement provided by the attorney indicates an average hourly rate for legal services provided by attorneys of more than one thousand dollars per hour.</p> <p>(b) The average hourly rate for legal services provided by attorneys shall be determined by dividing the amount of the contingency fee, less the amount of court costs incurred if said amount is part of the contingency fee, by the number of hours of legal services provided by attorneys. Clerical work, including but not limited to transcription, photocopying, and document filing and organization, shall not be considered legal services provided by attorneys even if an attorney performs such work.</p> <p>(2) The limitations and requirements of subsection (1) of this section shall not apply to any contingency fee contract entered into by a governmental entity prior to August 6, 2003.</p> <p>(3) The limitations and requirements of subsection (1) of this section shall not apply to any contingency fee contract entered into by a governmental entity if the contract is for legal services performed by an attorney in connection with the collection of debts or taxes owed to a governmental entity and was entered into pursuant to section 23-3.1-104 (1) (f) or (2) (i), 23-5-113 (1), 24-30-202.4, or 39-21-114, C.R.S., or any other statutory provision that expressly authorizes or requires the payment of a portion of the moneys collected to an attorney retained to collect such debts or taxes.</p> <p>(4) Compliance with this part 3 does not relieve a contracting attorney of any obligation or legal responsibility imposed by the Colorado rules of professional conduct or any provision of law.</p>
Connecticut	Conn. Gen. Stat. Ann. § 52-251c	Limits contingent fees in personal injury, wrongful death and property damage cases to 33.3 % of the first \$300,000 recovered, 25% of the next \$300,000, 20% of the next \$300,000, 15% of the next \$300,000, and 10% of any amount exceeding \$1.2 million.	<p>Sec. 52-251c. Limitation on attorney contingency fees in personal injury, wrongful death and property damage actions. Waiver of limitation by claimant. (a) In any claim or civil action to recover damages resulting from personal injury, wrongful death or damage to property occurring on or after October 1, 1987, the attorney and the claimant may provide by contract, which contract shall comply with all applicable provisions of the rules of professional conduct governing attorneys adopted by the judges of the Superior Court, that the fee for the attorney shall be paid contingent upon, and as a percentage of: (1) Damages awarded and received by the claimant; or (2) the settlement amount received pursuant to a settlement agreement.</p> <p>(b) In any such contingency fee agreement such fee shall be the exclusive method for payment of the attorney by the claimant and shall not exceed an amount equal to a percentage of the damages awarded and received by the claimant or of the settlement amount received by the claimant as follows: (1) Thirty-three and one-third per cent of the first three hundred thousand dollars; (2) twenty-five per cent of the next three hundred thousand dollars; (3) twenty per cent of the next three hundred thousand dollars; (4) fifteen per cent of the next three hundred thousand dollars; and (5) ten per cent of any amount which exceeds one million two hundred thousand dollars.</p> <p>(c) Notwithstanding the provisions of subsection (b) of this section, a claimant may waive the percentage limitations of said subsection if the claim or civil action is so substantially complex, unique or different from other wrongful death, personal injury or</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>property damage claims or civil actions as to warrant a deviation from such percentage limitations. Factors that may indicate that a claim or civil action is substantially complex, unique or different from other wrongful death, personal injury or property damage claims or civil actions include, but are not limited to, if the claim or civil action (1) involves complex factual medical or legal issues, (2) involves serious permanent personal injury or death, (3) is likely to require extensive investigation and discovery proceedings, including multiple depositions, or (4) requires independent expert witness testimony. For the purposes of this subsection, "independent expert witness testimony" means testimony, whether at trial or in a deposition, from an expert who has not participated in the care of the claimant and has not participated in any official investigation of the incident involved.</p>
Delaware	Del. Code Ann. tit. 18 § 6865	Limits contingent fees in medical liability cases to 35% of the first \$100,000 recovered, 25% of the next \$100,000, and 10% of the balance.	<p>§ 6865. Limitation on attorney's fees.</p> <p>(a) The amount of the claimant's attorney's fees may not exceed the amounts in the following schedule:</p> <p>(1) 35% of the first \$100,000 of damages;</p> <p>(2) 25% of the next \$100,000 of damages;</p> <p>(3) 10% of the balance of any awarded damages.</p> <p>(b) Notwithstanding subsection (a) of this section, a claimant has the right to elect to pay for the attorney's services on a mutually satisfactory per diem basis. The election, however, must be exercised in written form at the time of employment.</p>
Florida	Fla. Atty. Conduct Reg. § 4-1.5(f)(4)(b)	Limits contingent fees in medical liability cases that settle before filing an answer or appointing an arbitrator to 33.3% of awards up to \$1 million, 30% of awards between \$1 million and \$2 million, and 20% of awards exceeding \$2 million. Limits contingent fees in medical liability cases that do not settle before an answer is filed to 40% of awards up to \$1 million, 30% of awards between \$1 and \$2 million, and 20% of awards exceeding \$2 million. Limits contingent fees in medical liability cases, where liability is admitted and only damages are contested, to 33.3% of awards up to \$1 million, 20% of awards between \$1 and \$2 million, and 15% of awards exceeding \$2 million. Limits fees in medical liability cases that are appealed to an extra 5% of what is otherwise allowed.	<p>(f) Contingent Fees. As to contingent fees:</p> <p>(1) A fee may be contingent on the outcome of the matter for which the service is rendered, except in a matter in which a contingent fee is prohibited by subdivision (f)(3) or by law. A contingent fee agreement shall be in writing and shall state the method by which the fee is to be determined, including the percentage or percentages that shall accrue to the lawyer in the event of settlement, trial, or appeal, litigation and other expenses to be deducted from the recovery, and whether such expenses are to be deducted before or after the contingent fee is calculated. Upon conclusion of a contingent fee matter, the lawyer shall provide the client with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination.</p> <p>(2) Every lawyer who accepts a retainer or enters into an agreement, express or implied, for compensation for services rendered or to be rendered in any action, claim, or proceeding whereby the lawyer's compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof shall do so only where such fee arrangement is reduced to a written contract, signed by the client, and by a lawyer for the lawyer or for the law firm representing the client. No lawyer or firm may participate in the fee without the consent of the client in writing. Each participating lawyer or law firm shall sign the contract with the client and shall agree to assume joint legal responsibility to the client for the performance of the services in question as if each were partners of the other lawyer or law firm involved. The client shall be furnished with a copy of the signed contract and any subsequent notices or consents. All provisions of this rule shall apply to such fee contracts.</p> <p>(3) A lawyer shall not enter into an arrangement for, charge, or collect:</p> <p>(A) any fee in a domestic relations matter, the payment or amount of which is contingent upon the securing of a divorce or upon the amount of alimony or support, or property settlement in lieu thereof; or</p> <p>(B) a contingent fee for representing a defendant in a criminal case.</p> <p>(4) A lawyer who enters into an arrangement for, charges, or collects any fee in an action or claim for personal injury or for property damages or for death or loss of services resulting from personal injuries based upon tortious conduct of another, including products liability claims, whereby the compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof shall do so only under the following requirements:</p> <p>(A) The contract shall contain the following provisions:</p> <p>(i) "The undersigned client has, before signing this contract, received and read the statement of client's rights and understands each of</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>the rights set forth therein. The undersigned client has signed the statement and received a signed copy to refer to while being represented by the undersigned attorney(s)."</p> <p>(ii) "This contract may be cancelled by written notification to the attorney at any time within 3 business days of the date the contract was signed, as shown below, and if cancelled the client shall not be obligated to pay any fees to the attorney for the work performed during that time. If the attorney has advanced funds to others in representation of the client, the attorney is entitled to be reimbursed for such amounts as the attorney has reasonably advanced on behalf of the client."</p> <p>(B) The contract for representation of a client in a matter set forth in subdivision (f)(4) may provide for a contingent fee arrangement as agreed upon by the client and the lawyer, except as limited by the following provisions:</p> <p>(i) Without prior court approval as specified below, any contingent fee that exceeds the following standards shall be presumed, unless rebutted, to be clearly excessive:</p> <p>a. Before the filing of an answer or the demand for appointment of arbitrators or, if no answer is filed or no demand for appointment of arbitrators is made, the expiration of the time period provided for such action:</p> <ol style="list-style-type: none"> 1. 33 1/3% of any recovery up to \$1 million; plus 2. 30% of any portion of the recovery between \$1 million and \$2 million; plus 3. 20% of any portion of the recovery exceeding \$2 million. <p>b. After the filing of an answer or the demand for appointment of arbitrators or, if no answer is filed or no demand for appointment of arbitrators is made, the expiration of the time period provided for such action, through the entry of judgment:</p> <ol style="list-style-type: none"> 1. 40% of any recovery up to \$1 million; plus 2. 30% of any portion of the recovery between \$1 million and \$2 million; plus 3. 20% of any portion of the recovery exceeding \$2 million. <p>c. If all defendants admit liability at the time of filing their answers and request a trial only on damages:</p> <ol style="list-style-type: none"> 1. 33 1/3% of any recovery up to \$1 million; plus 2. 20% of any portion of the recovery between \$1 million and \$2 million; plus 3. 15% of any portion of the recovery exceeding \$2 million. <p>d. An additional 5% of any recovery after institution of any appellate proceeding is filed or post-judgment relief or action is required for recovery on the judgment.</p> <p>(ii) If any client is unable to obtain an attorney of the client's choice because of the limitations set forth in subdivision (f)(4)(B)(i), the client may petition the court in which the matter would be filed, if litigation is necessary, or if such court will not accept jurisdiction for the fee division, the circuit court wherein the cause of action arose, for approval of any fee contract between the client and an attorney of the client's choosing. Such authorization shall be given if the court determines the client has a complete understanding of the client's rights and the terms of the proposed contract. The application for authorization of such a contract can be filed as a separate proceeding before suit or simultaneously with the filing of a complaint. Proceedings thereon may occur before service on the defendant and this aspect of the file may be sealed. A petition under this subdivision shall contain a certificate showing service on the client and, if the petition is denied, a copy of the petition and order denying the petition shall be served on The Florida Bar in Tallahassee by the member of the bar who filed the petition. Authorization of such a contract shall not bar subsequent inquiry as to whether the fee actually claimed or charged is clearly excessive under subdivisions (a) and (b).</p> <p>(iii) Subject to the provisions of 4-1.5(f)(4)(B)(i) and (ii) a lawyer who enters into an arrangement for, charges, or collects any fee in an action or claim for medical liability whereby the compensation is dependent or contingent in whole or in part upon the successful</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>prosecution or settlement thereof shall provide the language of article I, section 26 of the Florida Constitution to the client in writing and shall orally inform the client that:</p> <p>a. Unless waived, in any medical liability claim involving a contingency fee, the claimant is entitled to receive no less than 70% of the first \$250,000.00 of all damages received by the claimant, exclusive of reasonable and customary costs, whether received by judgment, settlement, or otherwise, and regardless of the number of defendants. The claimant is entitled to 90% of all damages in excess of \$250,000.00, exclusive of reasonable and customary costs and regardless of the number of defendants.</p> <p>b. If a lawyer chooses not to accept the representation of a client under the terms of article I, section 26, Florida Constitution, the lawyer shall advise the client, both orally and in writing of alternative terms, if any, under which the lawyer would accept the representation of the client, as well as the client's right to seek representation by another lawyer willing to accept the representation under the terms of article I, section 26, Florida Constitution, or a lawyer willing to accept the representation on a fee basis that is not contingent.</p> <p>c. If any client desires to waive any rights under article I, section 26, Florida Constitution, in order to obtain a lawyer of the client's choice, a client may do so by waiving such rights in writing, under oath, and in the form provided in this rule. The lawyer shall provide each client a copy of the written waiver and shall afford each client a full and complete opportunity to understand the rights being waived as set forth in the waiver. A copy of the waiver, signed by each client and lawyer, shall be given to each client to retain, and the lawyer shall keep a copy in the lawyer's file pertaining to the client. The waiver shall be retained by the lawyer with the written fee contract and closing statement under the same conditions and requirements provided in 4-1.5(f)(5).</p>
Hawaii	Haw. Rev. Stat. § 607-15.5	Limits contingent fees in tort actions to a "reasonable amount," as determined by the court.	§607-15.5 Attorneys' fees in tort actions. In all tort actions in which a judgment is entered by a court of competent jurisdiction, attorneys' fees for both the plaintiff and the defendant shall be limited to a reasonable amount as approved by the court having jurisdiction of the action. In any tort action in which a settlement is effected, the plaintiff or the defendant may request that the amount of their respective attorneys' fees be subject to approval of the court having jurisdiction of the action.
Illinois	735 Ill. Comp. Stat Ann. § 5/2 – 1114	Limits contingent fees to 33.3% of the first \$150,000 recovered, 25% of the next \$850,000 recovered, and 20% of any amount recovered over \$1 million. The statute limiting the amount of contingent fees that attorneys representing medical liability plaintiffs may recover, but providing that court may review the fee agreement and approve a larger fee in an appropriate case, did not violate the access to courts provision of the State Constitution or equal protection, or due process provisions of the State or Federal Constitutions, and did not constitute prohibited special legislation. Bernier v. Burris, 497 N.E.2d 763 (Ill. 1986).	<p>Sec. 2-1114. Contingent fees for attorneys in medical malpractice actions. (a) In all medical malpractice actions the total contingent fee for plaintiff's attorney or attorneys shall not exceed the following amounts:</p> <p>33 1/3% of the first \$150,000 of the sum recovered;</p> <p>25% of the next \$850,000 of the sum recovered; and</p> <p>20% of any amount recovered over \$1,000,000 of the sum recovered.</p> <p>(b) For purposes of determining any lump sum contingent fee, any future damages recoverable by the plaintiff in periodic installments shall be reduced to a lump sum value.</p> <p>(c) The court may review contingent fee agreements for fairness. In special circumstances, where an attorney performs extraordinary services involving more than usual participation in time and effort the attorney may apply to the court for approval of additional compensation.</p> <p>(d) As used in this Section, "contingent fee basis" includes any fee arrangement under which the compensation is to be determined in whole or in part on the result obtained.</p>
Indiana	Ind. Code Ann. § 34-18-18-1	Limits contingent fees in medical liability cases to 15% of the recovery that comes from the Patient's Compensation Fund.	<p>IC 34-18-18-1</p> <p>Limitation on fees</p> <p>Sec. 1. When a plaintiff is represented by an attorney in the prosecution of the plaintiff's claim, the plaintiff's attorney's fees from any award made from the patient's compensation fund may not exceed fifteen percent (15%) of any recovery from the fund.</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
Iowa	Iowa Code Ann. § 147.138	Provides that a court in medical liability cases “shall determine” the reasonableness of the contingency fee.	<p>147.138 Contingent fee of attorney reviewed by court.</p> <p>In any action for personal injury or wrongful death against any physician and surgeon, osteopathic physician and surgeon, dentist, podiatric physician, optometrist, pharmacist, chiropractor or nurse licensed under this chapter or against any hospital licensed under chapter 135B, based upon the alleged negligence of the licensee in the practice of that profession or occupation, or upon the alleged negligence of the hospital in patient care, the court shall determine the reasonableness of any contingent fee arrangement between the plaintiff and the plaintiff's attorney.</p>
Kansas	Kan. Stat. Ann. § 44-536(g)	Contingency fees prohibited in workers' compensation cases.	<p>44-536(g) In the event any attorney renders services to an employee or the employee's dependents, subsequent to the ultimate disposition of the initial and original claim, and in connection with an application for review and modification, a hearing for additional medical benefits, an application for penalties or otherwise, such attorney shall be entitled to reasonable attorney fees for such services, in addition to attorney fees received or which the attorney is entitled to receive by contract in connection with the original claim, and such attorney fees shall be awarded by the director on the basis of the reasonable and customary charges in the locality for such services and not on a contingent fee basis. If the services rendered under this subsection by an attorney result in an additional award of disability compensation, the attorney fees shall be paid from such amounts of disability compensation. If such services involve no additional award of disability compensation, but result in an additional award of medical compensation, penalties, or other benefits, the director shall fix the proper amount of such attorney fees in accordance with this subsection and such fees shall be paid by the employer or the workers compensation fund, if the fund is liable for compensation pursuant to K.S.A. 44-567 and amendments thereto, to the extent of the liability of the fund. If the services rendered herein result in a denial of additional compensation, the director may authorize a fee to be paid by the respondent.</p>
Maine	Me. Rev. Stat. Ann. tit. 24 § 2961	Limits contingent fees in professional negligence cases to 33.3% of the first \$100,000 recovered, 25% of the next \$100,000 recovered, and 20% of any amount recovered over \$200,000. Permits a judge to allow fees in excess of these amounts in special circumstances.	<p>§2961. Contingent fees</p> <p>1. Limitation. In an action for professional negligence, the total contingent fee for the plaintiff's attorney or attorneys shall not exceed the following amounts, exclusive of litigation expenses:</p> <p>A. Thirty-three and one-third percent of the first \$100,000 of the sum recovered;</p> <p>B. Twenty-five percent of the next \$100,000 of the sum recovered; and</p> <p>C. Twenty percent of any amount over \$200,000 of the sum recovered.</p> <p>2. Future damages; lump-sum value. For purposes of determining any lump-sum contingent fee, any future damages recoverable by the plaintiff in periodic installments shall be reduced to lump-sum value.</p> <p>3. Review. If the plaintiff prevails in the action for professional negligence, the plaintiff's attorney may petition the court to review the reasonableness of the fees permitted under subsection 1. The court may award a greater fee than that permitted by subsection 1, provided that:</p> <p>A. The court, considering the factors established in Maine Bar Rule 3 as guides in determining the reasonableness of a fee, finds that the fees permitted by subsection 1 are inadequate to compensate the attorney reasonably for the attorney's services; and</p> <p>B. The court finds that the fee found reasonable under paragraph A does not exceed the percentages set forth in the contingent fee agreement between the attorney and plaintiff as the maximum amount of compensation the attorney may receive.</p> <p>An attorney may petition the court under this subsection only if, prior to the signing of a contingent fee agreement by the attorney and client, the attorney informs the client, orally and in writing, of the provisions of this section.</p> <p>4. Definition. As used in this section, "contingent fee" includes any fee arrangement under which the compensation is to be determined in whole or in part on the result obtained.</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
Massachusetts	Mass. Gen. Laws Ann. Ch. 231 § 60-1	Limits contingent fees in medical liability cases to 40% of the first \$150,000 recovered, 33.3% of the next \$150,000 recovered, 30% of the next \$200,000 recovered, and 25% of any amount over \$500,000 recovered.	<p>Chapter 231: Section 60I. Attorney fees; limitations on contingency fees</p> <p>Section 60I. Attorney fees for services rendered on behalf of a claimant or defendant in a medical negligence case shall be fair and reasonable. An attorney representing a claimant may charge a client a contingency fee, which shall be subject to the rules and guidelines of the supreme judicial court. No contingent fee agreement, shall be enforced, and no attorney shall recover a fee thereunder, as a result of services rendered in an action against a provider of health care for malpractice, negligence, error, omission, mistake, or the unauthorized rendering of professional services if, at the time of judgment, the court determines that the amount of the recovery paid or to be paid to the plaintiff, after deduction of the attorney's reasonable expenses and disbursements for which the plaintiff is liable and the amount of the attorney's fee, is less than the total amount of the plaintiff's unpaid past and future medical expenses included in the recovery, unless the contingent attorney's fee: (a) is twenty per cent or less of the plaintiff's recovery; (b) is reduced to twenty per cent or less of the plaintiff's recovery; or (c) is reduced to a level which permits the plaintiff to be paid his unpaid past and future medical expenses included in the recovery.</p> <p>An attorney shall not contract for or collect a contingent fee for representing any person seeking damages in connection with an action for malpractice, negligence, error, omission, mistake, or the unauthorized rendering of professional services against a provider of health care in excess of the following limits:</p> <ol style="list-style-type: none"> (1) Forty per cent of the first one hundred and fifty thousand dollars recovered; (2) Thirty-three and one-third per cent of the next one hundred and fifty thousand dollars recovered; (3) Thirty per cent of the next two hundred thousand dollars recovered; (4) Twenty-five per cent of any amount by which the recovery exceeds five hundred thousand dollars. <p>The limitations shall apply regardless of whether the recovery is by settlement, arbitration or judgment. Nothing herein shall preclude any attorney from contracting to represent a client for less than the above limits, nor shall anything herein preclude a court from assessing reasonable attorney's fees at any amount below the above limits or from determining that attorney's fees below such limits are unreasonably high in a particular case.</p>
Michigan	Mich. Ct. R. 8.121	Limits contingent fees in cases for personal injury or death to 33.3% of the amount recovered.	<p>Rule 8.121 Contingent Fees in Claims or Actions for Personal Injury and Wrongful Death</p> <p>(A) Allowable Contingent Fee Agreements. In any claim or action for personal injury or wrongful death based upon the alleged conduct of another, in which an attorney enters into an agreement, expressed or implied, whereby the attorney's compensation is dependent or contingent in whole or in part upon successful prosecution or settlement or upon the amount of recovery, the receipt, retention, or sharing by such attorney, pursuant to agreement or otherwise, of compensation which is equal to or less than the fee stated in subrule (B) is deemed to be fair and reasonable. The receipt, retention, or sharing of compensation which is in excess of such a fee shall be deemed to be the charging of a "clearly excessive fee" in violation of MRPC 1.5(a).</p> <p>(B) Maximum Fee. The maximum allowable fee for the claims and actions referred to in subrule (A) is one-third of the amount recovered.</p> <p>(C) Computation.</p> <ol style="list-style-type: none"> (1) The amount referred to in subrule (B) shall be computed on the net sum recovered after deducting from the amount recovered all disbursements properly chargeable to the enforcement of the claim or prosecution of the action. In computing the fee, the costs as taxed and any interest included in or upon the amount of a judgment shall be deemed part of the amount recovered. (2) In the case of a settlement payable in installments, the amount referred to in subrule (B) shall be computed using the present value of the future payments. <p>(a) If an annuity contract will be used to fund the future payments, "present value" is the actual cost of purchasing the annuity contract. The attorney for the defendant must disclose to the court and the parties the amount paid for the annuity contract, after any rebates or</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>other discounts.</p> <p>(b) If the defendant will make the future payments directly, "present value" is the amount that an entity of the same financial standing as the defendant would pay for an annuity contract. The court may appoint an independent expert to certify the "present value" as defined in this paragraph. The court may base its findings on the expert's testimony or affidavit.</p> <p>(D) Agreements for Lower Fees. An attorney may enter into contingent fee arrangements calling for less compensation than that allowed by subrule (B).</p>
Minnesota	Minn. Stat. Ann. § 548.251	Requires that contingent fees in contract or tort cases be based on the award adjusted for any received collateral source benefits.	Subd. 4. Calculation of attorney fees. If the fees for legal services provided to the plaintiff are based on a percentage of the amount of money awarded to the plaintiff, the percentage must be based on the amount of the award as adjusted under subdivision 3. Any subrogated provider of a collateral source not separately represented by counsel shall pay the same percentage of attorney fees as paid by the plaintiff and shall pay its proportionate share of the costs.
Nebraska	Neb Stat. § 44-2834	Allows a court to review contingent fees in medical and professional liability cases.	<p>44-2834 Cause of action; attorney's fees; court costs; loss of earnings; when payable.</p> <p>(1) In all cases against a health care provider for malpractice or professional negligence, upon motion of either party the court shall review the attorney's fees incurred by that party and allow such compensation as the court shall deem reasonable.</p> <p>(2) In all cases against health care providers for malpractice or professional negligence, the court may, upon application by the prevailing party, in its discretion and in an amount determined in its discretion tax as costs payable to the prevailing party the reasonable costs of preparation and trial including reasonable attorney's fees and the reasonable loss of earnings by the prevailing party occasioned by the trial if the court finds that the losing party did not have a reasonable chance of recovery or a reasonable chance of a successful defense.</p> <p>(3) A patient shall have the right to agree with his attorney to pay for the attorney's services on a mutually satisfactory per diem basis. Such election shall be exercised in written form at the time of employment or by written agreement thereafter entered into with his attorney.</p>
New Hampshire	N.H. Rev. Stat. Ann. § 508:4-e	Requires a court to approve contingent fees exceeding \$200,000.	<p>508:4-e Attorneys' Fees for Services. –</p> <p>I. Contingent fee agreements between attorney and client shall be governed by Rules of Professional Conduct, Rule 1.5 as it may be amended by the supreme court from time to time and by any other rules regarding fees which are adopted or amended by the court.</p> <p>II. No attorney shall enter into such a contingent fee arrangement with his or her client without first advising the client of his or her right and affording the client an opportunity to retain the attorney under an arrangement whereby the attorney would be compensated on the basis of the reasonable value of his or her services.</p> <p>III. All fees and costs for actions, resulting in settlement or judgment of \$200,000 or more, shall be subject to approval by the court.</p>
New Jersey	N.J. Ct. R. § 1:21-7	Limits contingent fees in tortious conduct cases pursuant to a sliding scale provided in the New Jersey Court Rules.	<p>1:21-7. Contingent Fees</p> <p>(a) As used in this rule the term "contingent fee arrangement" means an agreement for legal services of an attorney or attorneys, including any associated or forwarding counsel, under which compensation, contingent in whole or in part upon the successful accomplishment or disposition of the subject matter of the agreement, is to be in an amount which either is fixed or is to be determined under a formula.</p> <p>(b) An attorney shall not enter into a contingent fee arrangement without first having advised the client of the right and afforded the</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>client an opportunity to retain the attorney under an arrangement for compensation on the basis of the reasonable value of the services.</p> <p>(c) In any matter where a client's claim for damages is based upon the alleged tortious conduct of another, including products liability claims and claims among family members that are subject to Part V of these Rules but excluding statutorily based discrimination and employment claims, and the client is not a subrogee, an attorney shall not contract for, charge, or collect a contingent fee in excess of the following limits:</p> <p>(1) 33 1/3% on the first \$500,000 recovered;</p> <p>(2) 30% on the next \$500,000 recovered;</p> <p>(3) 25% on the next \$500,000 recovered;</p> <p>(4) 20% on the next \$500,000 recovered; and</p> <p>(5) on all amounts recovered in excess of the above by application for reasonable fee in accordance with the provisions of paragraph (f) hereof; and</p> <p>(6) where the amount recovered is for the benefit of a client who was a minor or mentally incapacitated when the contingent fee arrangement was made, the foregoing limits shall apply, except that the fee on any amount recovered by settlement without trial shall not exceed 25%.</p> <p>(d) The permissible fee provided for in paragraph (c) shall be computed on the net sum recovered after deducting disbursements in connection with the institution and prosecution of the claim, whether advanced by the attorney or by the client, including investigation expenses, expenses for expert or other testimony or evidence, the cost of briefs and transcripts on appeal, and any interest included in a judgment pursuant to R. 4:42-11(b); but no deduction need be made for post-judgment interest or for liens, assignments or claims in favor of hospitals or for medical care and treatment by doctors and nurses, or similar items. The permissible fee shall include legal services rendered on any appeal or review proceeding or on any retrial, but this shall not be deemed to require an attorney to take an appeal. When joint representation is undertaken in both the direct and derivative action, or when a claim for wrongful death is joined with a claim on behalf of a decedent, the contingent fee shall be calculated on the aggregate sum of the recovery.</p> <p>(e) Paragraph (c) of this rule is intended to fix maximum permissible fees and does not preclude an attorney from entering into a contingent fee arrangement providing for, or from charging or collecting a contingent fee below such limits. In all cases contingent fees charged or collected must conform to RPC 1.5(a).</p> <p>(f) If at the conclusion of a matter an attorney considers the fee permitted by paragraph (c) to be inadequate, an application on written notice to the client may be made to the Assignment Judge for the hearing and determining of a reasonable fee in light of all the circumstances. This rule shall not preclude the exercise of a client's existing right to a court review of the reasonableness of an attorney's fee.</p> <p>(g) Where the amount of the contingent fee is limited by the provisions of paragraph (c) of this rule, the contingent fee arrangement shall be in writing, signed both by the attorney and the client, and a signed duplicate shall be given to the client. Upon conclusion of the matter resulting in a recovery, the attorney shall prepare and furnish the client with a signed closing statement.</p>
New York	N.Y. Jud. Law § 474-a	Limits contingent fees in medical liability cases by a sliding scale.	<p>§ 474-a. Contingent fees for attorneys in claims or actions for medical, dental or podiatric malpractice.</p> <p>1. For the purpose of this section, the term "contingent fee" shall mean any attorney's fee in any claim or action for medical, dental or podiatric malpractice, whether determined by judgment or settlement, which is dependent in whole or in part upon the success of the prosecution by the attorney of such claim or action, or which is to consist of a percentage of any recovery, or a sum equal to a percentage of any recovery, in such claim or action.</p> <p>2. Notwithstanding any inconsistent judicial rule, a contingent fee in a medical, dental or podiatric malpractice action shall not exceed the amount of compensation provided for in the following schedule:</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>30 percent of the first \$250,000 of the sum recovered;</p> <p>25 percent of the next \$250,000 of the sum recovered;</p> <p>20 percent of the next \$500,000 of the sum recovered;</p> <p>15 percent of the next \$250,000 of the sum recovered;</p> <p>10 percent of any amount over \$1,250,000 of the sum recovered.</p> <p>3. Such percentages shall be computed on the net sum recovered after deducting from the amount recovered expenses and disbursements for expert testimony and investigative or other services properly chargeable to the enforcement of the claim or prosecution of the action. In computing the fee, the costs as taxed, including interest upon a judgment, shall be deemed part of the amount recovered. For the following or similar items there shall be no deduction in computing such percentages: liens, assignments or claims in favor of hospitals, for medical care, dental care, podiatric care and treatment by doctors and nurses, or of self-insurers or insurance carriers.</p> <p>4. In the event that claimant's or plaintiff's attorney believe in good faith that the fee schedule set forth in subdivision two of this section, because of extraordinary circumstances, will not give him adequate compensation, application for greater compensation may be made upon affidavit with written notice and an opportunity to be heard to the claimant or plaintiff and other persons holding liens or assignments on the recovery. Such application shall be made to the justice of the trial part to which the action had been sent for trial; or, if it had not been sent to a part for trial, then to the justice presiding at the trial term calendar part of the court in which the action had been instituted; or, if no action had been instituted, then to the justice presiding at the trial term calendar part of the Supreme Court for the county in the judicial department in which the attorney has an office. Upon such application, the justice, in his discretion, if extraordinary circumstances are found to be present, and without regard to the claimant's or plaintiff's consent, may fix as reasonable compensation for legal services rendered an amount greater than that specified in the schedule set forth in subdivision two of this section, provided, however, that such greater amount shall not exceed the fee fixed pursuant to the contractual arrangement, if any, between the claimant or plaintiff and the attorney. If the application is granted, the justice shall make a written order accordingly, briefly stating the reasons for granting the greater compensation; and a copy of such order shall be served on all persons entitled to receive notice of the application.</p> <p>5. Any contingent fee in a claim or action for medical, dental or podiatric malpractice brought on behalf of an infant shall continue to be subject to the provisions of section four hundred seventy-four of this chapter.</p>
Oklahoma	Okla. Stat. Ann. tit. 5, § 7	Limits contingent fees to 50% of a plaintiff's recovery.	<p>§5 7. Contingent fee Limitation on amount Compromise or settlement Effect on lien Certain contracts void.</p> <p>It shall be lawful for an attorney to contract for a percentage or portion of the proceeds of a client's cause of action or claim not to exceed fifty percent (50%) of the net amount of such judgment as may be recovered, or such compromise as may be made, whether the same arises ex contractu or ex delicto, and no compromise or settlement entered into by a client without such attorney's consent shall affect or abrogate the lien provided for in this chapter. Provided that all such contracts in personal injury or wrongful death cases including, but not restricted to, cases in which jurisdiction is in the Industrial Commission, shall be void and unenforceable (1) if secured as a result of the intervention of any laymen, association, or corporation for compensation, or promise of compensation, or anticipation of gift, compensation or hope of reward, or (2) where any laymen, association or corporation has a direct or indirect interest in, or growing out of, any judgment arising out of such claim recovery or compensation from, or settlement of any such claim.</p>
Tennessee	Tenn. Code Ann. § 29-26-120	Requires a judge to award contingent fees in medical malpractice cases not to exceed 33.3%.	<p>29-26-120. Attorneys' fees. —</p> <p>Compensation for reasonable attorneys' fees in the event an employment contract exists between the claimant and claimant's attorney on a contingent fee arrangement shall be awarded to the claimant's attorney in a malpractice action in an amount to be determined by the court on the basis of time and effort devoted to the litigation by the claimant's attorney, complexity of the claim and other pertinent matters in connection therewith, not to exceed thirty-three and one third percent (33 1/3%) of all damages awarded to the claimant.</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
Texas	Tex. Govt. Code Ann. §§ 2254.101, <i>et seq.</i>	<p>State governmental entities may enter into contracts for legal services based at contingency rates, but where the estimated recovery exceeds \$100,000 those contracts must be justified to the Legislative Budget Board, and the percentage in the contingent fee must not exceed 35% without prior approval by the legislature. Time and expense records are required. There are certain specific calculations that must be made in the determination of the contingency fee.</p> <p>Note that the Texas Code of Professional Conduct, unlike the ABA Model Code, does not prohibit contingency fees in domestic relations matters (but notes in comments to Rule 1.04 that they are rarely justified)</p>	<p>Sec. 2254.101. DEFINITIONS. In this subchapter:</p> <p>(1) "Contingent fee" means that part of a fee for legal services, under a contingent fee contract, the amount or payment of which is contingent on the outcome of the matter for which the services were obtained.</p> <p>(2) "Contingent fee contract" means a contract for legal services under which the amount or the payment of the fee for the services is contingent in whole or in part on the outcome of the matter for which the services were obtained.</p> <p>(3) "State governmental entity":</p> <p>(A) means the state or a board, commission, department, office, or other agency in the executive branch of state government created under the constitution or a statute of the state, including an institution of higher education as defined by Section 61.003, Education Code;</p> <p>(B) includes the state when a state officer is bringing a <i>parens patriae</i> proceeding in the name of the state; and</p> <p>(C) does not include a state agency or state officer acting as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity under Article 21.28, Insurance Code, or Chapter 36, 66, 96, or 126, Finance Code.</p> <p>Sec. 2254.102. APPLICABILITY. (a) This subchapter applies only to a contingent fee contract for legal services entered into by a state governmental entity.</p> <p>(b) The legislature by this subchapter is providing, in accordance with Section 44, Article III, Texas Constitution, for the manner in which and the situations under which a state governmental entity may compensate a public contractor under a contingent fee contract for legal services.</p> <p>(c) This subchapter does not apply to a contract:</p> <p>(1) with a state agency to collect an obligation under Section 2107.003(b), (c), or (c-1); or</p> <p>(2) for legal services entered into by an institution of higher education under Section 153.006, Education Code.</p> <p>(d) This subchapter does not apply to a contract for legal services entered into by the Teacher Retirement System of Texas if the services are paid for from money that is not appropriated from the general revenue fund, including funds of a trust administered by the retirement system.</p> <p>Sec. 2254.103. CONTRACT APPROVAL; SIGNATURE. (a) A state governmental entity that has authority to enter into a contract for legal services in its own name may enter into a contingent fee contract for legal services only if:</p> <p>(1) the governing body of the state governmental entity approves the contract and the approved contract is signed by the presiding officer of the governing body; or</p> <p>(2) for an entity that is not governed by a multimember governing body, the elected or appointed officer who governs the entity approves and signs the contract.</p> <p>(b) The attorney general may enter into a contingent fee contract for legal services in the name of the state in relation to a matter that has been referred to the attorney general under law by another state governmental entity only if the other state governmental entity approves and signs the contract in accordance with Subsection (a).</p> <p>(c) A state governmental entity, including the state, may enter into a contingent fee contract for legal services that is not described by Subsection (a) or (b) only if the governor approves and signs the contract.</p> <p>(d) Before approving the contract, the governing body, elected or appointed officer, or governor, as appropriate, must find that:</p>

State	Statute	Summary	Text
			<p>(1) there is a substantial need for the legal services;</p> <p>(2) the legal services cannot be adequately performed by the attorneys and supporting personnel of the state governmental entity or by the attorneys and supporting personnel of another state governmental entity; and</p> <p>(3) the legal services cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because of the nature of the matter for which the services will be obtained or because the state governmental entity does not have appropriated funds available to pay the estimated amounts required under a contract providing only for the payment of hourly fees.</p> <p>(e) Before entering into a contingent fee contract for legal services in which the estimated amount that may be recovered exceeds \$100,000, a state governmental entity that proposes to enter into the contract in its own name or in the name of the state must also notify the Legislative Budget Board that the entity proposes to enter into the contract, send the board copies of the proposed contract, and send the board information demonstrating that the conditions required by Subsection (d)(3) exist. If the state governmental entity finds under Subsection (d)(3) that the state governmental entity does not have appropriated funds available to pay the estimated amounts required under a contract for the legal services providing only for the payment of hourly fees, the state governmental entity may not enter into the proposed contract in its own name or in the name of the state unless the Legislative Budget Board finds that the state governmental entity's finding with regard to available appropriated funds is correct.</p> <p>(f) A contingent fee contract for legal services that is subject to Subsection (e) and requires a finding by the Legislative Budget Board is void unless the board has made the finding required by Subsection (e).</p> <p>Sec. 2254.104. TIME AND EXPENSE RECORDS REQUIRED; FINAL STATEMENT. (a) The contract must require that the contracting attorney or law firm keep current and complete written time and expense records that describe in detail the time and money spent each day in performing the contract.</p> <p>(b) The contracting attorney or law firm shall permit the governing body or governing officer of the state governmental entity, the attorney general, and the state auditor each to inspect or obtain copies of the time and expense records at any time on request.</p> <p>(c) On conclusion of the matter for which legal services were obtained, the contracting attorney or law firm shall provide the contracting state governmental entity with a complete written statement that describes the outcome of the matter, states the amount of any recovery, shows the contracting attorney's or law firm's computation of the amount of the contingent fee, and contains the final complete time and expense records required by Subsection (a). The complete written statement required by this subsection is public information under Chapter 552 and may not be withheld from a requestor under that chapter under Section 552.103 or any other exception from required disclosure.</p> <p>(d) This subsection does not apply to the complete written statement required by Subsection (c). All time and expense records required under this section are public information subject to required public disclosure under Chapter 552. Information in the records may be withheld from a member of the public under Section 552.103 only if, in addition to meeting the requirements of Section 552.103, the chief legal officer or employee of the state governmental entity determines that withholding the information is necessary to protect the entity's strategy or position in pending or reasonably anticipated litigation. Information withheld from public disclosure under this subsection shall be segregated from information that is subject to required public disclosure.</p> <p>Sec. 2254.105. CERTAIN GENERAL CONTRACT REQUIREMENTS. The contract must:</p> <p>(1) provide for the method by which the contingent fee is computed;</p> <p>(2) state the differences, if any, in the method by which the contingent fee is computed if the matter is settled, tried, or tried and appealed;</p> <p>(3) state how litigation and other expenses will be paid and, if reimbursement of any expense is contingent on the outcome of the matter or reimbursable from the amount recovered in the matter, state whether the amount recovered for purposes of the contingent fee computation is considered to be the amount obtained before or after expenses are deducted;</p> <p>(4) state that any subcontracted legal or support services performed by a person who is not a contracting attorney or a partner,</p>

State	Statute	Summary	Text
			<p>shareholder, or employee of a contracting attorney or law firm is an expense subject to reimbursement only in accordance with this subchapter; and</p> <p>(5) state that the amount of the contingent fee and reimbursement of expenses under the contract will be paid and limited in accordance with this subchapter.</p> <p>Sec. 2254.106. CONTRACT REQUIREMENTS: COMPUTATION OF CONTINGENT FEE; REIMBURSEMENT OF EXPENSES. (a) The contract must establish the reasonable hourly rate for work performed by an attorney, law clerk, or paralegal who will perform legal or support services under the contract based on the reasonable and customary rate in the relevant locality for the type of work performed and on the relevant experience, demonstrated ability, and standard hourly billing rate, if any, of the person performing the work. The contract may establish the reasonable hourly rate for one or more persons by name and may establish a rate schedule for work performed by unnamed persons. The highest hourly rate for a named person or under a rate schedule may not exceed \$1,000 an hour. This subsection applies to subcontracted work performed by an attorney, law clerk, or paralegal who is not a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm as well as to work performed by a contracting attorney or by a partner, shareholder, or employee of a contracting attorney or law firm.</p> <p>(b) The contract must establish a base fee to be computed as follows. For each attorney, law clerk, or paralegal who is a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm, multiply the number of hours the attorney, law clerk, or paralegal works in providing legal or support services under the contract times the reasonable hourly rate for the work performed by that attorney, law clerk, or paralegal. Add the resulting amounts to obtain the base fee. The computation of the base fee may not include hours or costs attributable to work performed by a person who is not a contracting attorney or a partner, shareholder, or employee of a contracting attorney or law firm.</p> <p>(c) Subject to Subsection (d), the contingent fee is computed by multiplying the base fee by a multiplier. The contract must establish a reasonable multiplier based on any expected difficulties in performing the contract, the amount of expenses expected to be risked by the contractor, the expected risk of no recovery, and any expected long delay in recovery. The multiplier may not exceed four without prior approval by the legislature.</p> <p>(d) In addition to establishing the method of computing the fee under Subsections (a), (b), and (c), the contract must limit the amount of the contingent fee to a stated percentage of the amount recovered. The contract may state different percentage limitations for different ranges of possible recoveries and different percentage limitations in the event the matter is settled, tried, or tried and appealed. The percentage limitation may not exceed 35 percent without prior approval by the legislature. The contract must state that the amount of the contingent fee will not exceed the lesser of the stated percentage of the amount recovered or the amount computed under Subsections (a), (b), and (c).</p> <p>(e) The contract also may:</p> <p>(1) limit the amount of expenses that may be reimbursed; and</p> <p>(2) provide that the amount or payment of only part of the fee is contingent on the outcome of the matter for which the services were obtained, with the amount and payment of the remainder of the fee payable on a regular hourly rate basis without regard to the outcome of the matter.</p> <p>(f) Except as provided by Section 2254.107, this section does not apply to a contingent fee contract for legal services:</p> <p>(1) in which the expected amount to be recovered and the actual amount recovered do not exceed \$100,000; or</p> <p>(2) under which a series of recoveries is contemplated and the amount of each individual recovery is not expected to and does not exceed \$100,000.</p> <p>(g) This section applies to a contract described by Subsection (f) for each individual recovery under the contract that actually exceeds \$100,000, and the contract must provide for computing the fee in accordance with this section for each individual recovery that actually exceeds \$100,000.</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
Utah	Utah Code Ann. § 78B-3-411	Limits contingent fees in medical malpractice cases to 1/3 of the amount recovered.	<p>78B-3-411. Limitation on attorney's contingency fee in malpractice action.</p> <p>(1) In any malpractice action against a health care provider as defined in Section 78B-3-403, an attorney may not collect a contingent fee for representing a client seeking damages in connection with or arising out of personal injury or wrongful death caused by the negligence of another which exceeds 33-1/3% of the amount recovered.</p> <p>(2) This limitation applies regardless of whether the recovery is by settlement, arbitration, judgment, or whether appeal is involved.</p>
Washington	Wash. Rev. Code Ann. § 7.70.070	Requires a court to determine the reasonableness of contingent fees in medical liability cases.	<p>RCW 7.70.070</p> <p>Attorneys' fees.</p> <p>The court shall, in any action under this chapter, determine the reasonableness of each party's attorneys fees. The court shall take into consideration the following:</p> <p>(1) The time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;</p> <p>(2) The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;</p> <p>(3) The fee customarily charged in the locality for similar legal services;</p> <p>(4) The amount involved and the results obtained;</p> <p>(5) The time limitations imposed by the client or by the circumstances;</p> <p>(6) The nature and length of the professional relationship with the client;</p> <p>(7) The experience, reputation, and ability of the lawyer or lawyers performing the services;</p> <p>(8) Whether the fee is fixed or contingent.</p>
Wisconsin	Wisc. Stat. Ann. § 655.013	In medical liability cases, limits contingent fees to 1/3 of the first \$1 million recovered, 25% of the first \$1 million recovered if liability is stipulated within 180 days of filing of the original complaint and not within 60 days of first day of trial, and 20% for amounts exceeding \$1 million recovered. Allows a judge to exceed these amounts in exceptional circumstances.	<p>655.013 Attorney fees. (1) With respect to any act of malpractice after July 24, 1975, for which a contingency fee arrangement has been entered into before June 14, 1986, the compensation determined on a contingency basis and payable to all attorneys acting for one or more plaintiffs or claimants is subject to the following unless a new contingency fee arrangement is entered into that complies with subs. (1m) and (1t):</p> <p>(a) The determination shall not reflect amounts previously paid for medical expenses by the health care provider or the provider's insurer.</p> <p>(b) The determination shall not reflect payments for future medical expense in excess of \$25,000.</p> <p>(1m) Except as provided in sub. (1t), with respect to any act of malpractice for which a contingency fee arrangement is entered into on and after June 14, 1986, in addition to compensation for the reasonable costs of prosecution of the claim, the compensation determined on a contingency basis and payable to all attorneys acting for one or more plaintiffs or claimants is subject to the following limitations:</p> <p>(a) Except as provided in par. (b), 33 1/3% of the first \$1,000,000 recovered.</p> <p>(b) Twenty-five per cent of the first \$1,000,000 recovered if liability is stipulated within 180 days after the date of filing of the original complaint and not later than 60 days before the first day of trial.</p> <p>(c) Twenty percent of any amount in excess of \$1,000,000 recovered.</p>

APPENDIX 29 – APPENDIX TO CHAPTER 60 – STATE REGULATION OF CONTINGENCY FEES

State	Statute	Summary	Text
			<p>(1t) A court may approve attorney fees in excess of the limitations under sub. (1m) upon a showing of exceptional circumstances, including an appeal.</p> <p>(2) An attorney shall offer to charge any client in a malpractice proceeding or action on a per diem or per hour basis. Any such agreement shall be made at the time of the employment of the attorney. An attorney's fee on a per diem or per hour basis is not subject to the limitations under sub. (1) or (1m).</p>
Wyoming	Wyo. Ct. Rules Ann. Contingency Fee R. 5	Limits contingent fees in casualty and wrongful death cases to: one-third of the recovery, prior to appeal and 45-50% recovery on appeal of any recovery under \$1 million; and 30 percent of any recovery exceeding \$1 million.	<p>Rule 5. Court review.</p> <p>(a) It is recognized that contingent fees vary in amount depending upon those factors which are described in paragraph (f) of this rule and that a common contingent fee in casualty and wrongful death cases is thirty-three and one-third (33 1/3) percent of amounts recovered prior to appeal and forty-five - fifty (45 - 50) percent of amounts recovered on appeal.</p> <p>Contingent fees which do not exceed the following schedule will be presumed to be reasonable and not excessive where the total recovery does not exceed one million dollars (\$1,000,000):</p> <p>(b) For those amounts of a recovery in excess of one million dollars (\$1,000,000) a contingent fee of thirty (30) percent of such excess sum over one million dollars (\$1,000,000) shall be presumed reasonable and not excessive.</p> <p>(c) The provisions of this rule are not intended to abridge the freedom of the attorneys and clients to contract for different percentages.</p>