

HB 351 INTRODUCED BY SWIFT
RESTRICTING AMOUNT OF ATTORNEYS' FEES IN CONTINGENCY
FEE AGREEMENTS

1/21 INTRODUCED
1/21 REFERRED TO JUDICIARY
2/16 HEARING
2/23 TABLED IN COMMITTEE

1 House BILL NO. 351
2 INTRODUCED BY Swift

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4 A BILL FOR AN ACT ENTITLED: "AN ACT RESTRICTING THE AMOUNT
5 OF ATTORNEY FEES UNDER CONTINGENCY FEE AGREEMENTS; AMENDING
6 SECTIONS 25-10-301 AND 37-61-420, MCA; AND PROVIDING AN
7 APPLICABILITY DATE."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 NEW SECTION. Section 1. Cap on attorney fees in
11 contingency fee agreement. (1) In a contingency fee
12 agreement between an attorney and a client or clients under
13 which the attorney is to receive for his efforts in
14 representing the client or clients a percentage of the
15 amount of an award or settlement received by the client or
16 clients, the attorney fees may not exceed \$200,000. *

17 (2) If more than one attorney is party to a
18 contingency fee agreement, the total fees for all attorneys
19 who are parties to the agreement may not exceed \$400,000.

20 Section 2. Section 25-10-301, MCA, is amended to read:

21 "25-10-301. Determining compensation of attorneys. The
22 Subject to the restrictions contained in [section 1], the
23 measure and mode of compensation of attorneys and counselors
24 at law is left to agreement, express or implied, of the
25 parties, except that in probate proceedings the court may

1 fix and allow the compensation of attorneys representing
2 administrators, executors, guardians, trustees, and agents
3 appointed by the court. But parties to actions or
4 proceedings are entitled to costs and disbursements as
5 provided by law."

6 Section 3. Section 37-61-420, MCA, is amended to read:

7 "37-61-420. Judgment lien for compensation. (1) The
8 Subject to the restrictions contained in [section 1], the
9 compensation of an attorney and counselor for his services
10 is governed by agreement, express or implied, ~~which is not~~
11 ~~restrained by law.~~

12 (2) From the commencement of an action or the service
13 of an answer containing a counterclaim, the attorney who
14 appears for a party has a lien upon his client's cause of
15 action or counterclaim which attaches to a verdict, report,
16 decision, or judgment in his client's favor and the proceeds
17 thereof in whose hands they may come. Such lien cannot be
18 affected by any settlement between the parties before or
19 after judgment."

20 NEW SECTION. Section 4. Applicability. This act
21 applies to agreements entered into after the effective date
22 of this act.

-End-

