## <u>2SHB 2292</u> - S AMD to S COMM AMD (S5455.1) **168**By Senator Mulliken

## NOT ADOPTED 2/22/2006

1 On page 60, after line 19, insert the following:

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- 3 "Sec. 317. RCW 7.70.070 and 1975-'76 2nd ex.s. c 56 s 12 are each 4 amended to read as follows:
- (1) Except as set forth in subsection (2) of this section, 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:
- 9 ((<del>(1)</del>)) <u>(a)</u> The time and labor required, the novelty and difficulty 10 of the questions involved, and the skill requisite to perform the legal 11 service properly;
- $((\frac{(2)}{(2)}))$  (b) The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
- 15  $((\frac{3}{)})$  (c) The fee customarily charged in the locality for similar legal services;
- 17  $((\frac{4}{}))$  <u>(d)</u> The amount involved and the results obtained;
- 18  $((\frac{(5)}{)})$  (e) The time limitations imposed by the client or by the 19 circumstances;
- 20  $((\frac{(6)}{(6)}))$  (f) The nature and length of the professional relationship with the client;
- 22  $((\frac{7}{}))$  (q) The experience, reputation, and ability of the lawyer or lawyers performing the services;
- $((\frac{8}{1}))$  (h) Whether the fee is fixed or contingent.
- (2)(a) An attorney may not contract for or collect a contingency
  fee for representing a person in connection with an action for damages
  against a health care provider based upon professional negligence in
- 28 <u>excess of the following limits:</u>
- 29 <u>(i) Forty percent of the first fifty thousand dollars recovered;</u>
- 30 (ii) Thirty-three and one-third percent of the next fifty thousand
- 31 dollars recovered;
- 32 (iii) Twenty-five percent of the next five hundred thousand dollars recovered;
- 33 (iv) Fifteen percent of any amount in which the recovery exceeds six

- 1 hundred thousand dollars.
- 2 (b) The limitations in this section apply regardless of whether the
- 3 recovery is by judgment, settlement, arbitration, mediation, or other
- 4 <u>form of alternative dispute resolution.</u>
- 5 (c) If periodic payments are awarded to the plaintiff, the court shall
- 6 place a total value on these payments and include this amount in
- 7 computing the total award from which attorneys' fees are calculated
- 8 under this subsection.
- 9 (d) For purposes of this subsection, "recovered" means the net sum
- 10 recovered after deducting any disbursements or costs incurred in
- 11 connection with prosecution or settlement of the claim. Costs of
- 12 <u>medical care incurred by the plaintiff and the attorneys' office</u>
- 13 <u>overhead costs or charges are not deductible disbursements or costs for</u>
- 14 <u>such purposes</u>.

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- 15 (3) This section applies to all agreements for attorneys' fees entered
- 16 <u>into or modified after the effective date of this section.</u>"
- 17 Renumber the sections consecutively and correct any internal 18 references accordingly.
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- 21 By Senator Mulliken
- 22 NOT ADOPTED 2/22/2006
- On page 61, line 15 of the title amendment, after "7.70.100,",
- 24 strike "and 7.70.080" and insert "7.70.080, and 7.70.070"

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**EFFECT:** In an action against a health care provider, an attorney may not contract for or collect a fee in excess of 40% for the first \$50,000 recovered, 33 1/3% for the next \$50,000 recovered, 25% for the next \$500,000 recovered, and 15% for any amount over \$600,000.