

By Senator Gutman

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A bill to be entitled
An act relating to contingency fees; limiting
fees that attorneys may charge on a contingency
basis with respect to certain cases; providing
criminal penalties; amending s. 11.047, F.S.;
prohibiting contingency fees with respect to
claim bills; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Restriction on attorney's fees in tort
case; penalties.--

(1) An attorney may not charge a contingency fee for
services rendered in any action in tort, including any service
rendered on appeal, which exceeds:

(a) Fifteen percent of the award; or

(b) Twenty-five percent of the award if the attorney
pays all costs and expenses associated with the action.

(2) Any attorney who violates subsection (1) is guilty
of a felony of the third degree, punishable as provided in
section 775.082 or section 775.083, Florida Statutes.

Section 2. Section 11.047, Florida Statutes, is
amended to read:

11.047 Contingency fees; prohibitions; penalties.--

(1) "Contingency fee" means a fee, bonus, commission,
or nonmonetary benefit as compensation which is dependent or
in any way contingent on the enactment, defeat, modification,
or other outcome of any specific legislative action, including
any claim bill.

1 (2) No person may, in whole or in part, pay, give, or
2 receive, or agree to pay, give, or receive, a contingency fee.
3 ~~However, this subsection does not apply to claims bills.~~

4 (3) Any person who violates this section commits a
5 misdemeanor of the first degree, punishable as provided in s.
6 775.082 or s. 775.083. If such person is a lobbyist, the
7 lobbyist shall forfeit any fee, bonus, commission, or profit
8 received in violation of this section and is subject to the
9 penalties set forth in s. 11.045. When the fee, bonus,
10 commission, or profit is nonmonetary, the fair market value of
11 the benefit shall be used in determining the amount to be
12 forfeited. All forfeited benefits collected shall be
13 deposited into the Legislative Lobbyist Registration Trust
14 Fund.

15 (4) This section does not apply to any contract
16 providing for compensation by contingency fee which is in
17 existence on the date this act becomes a law and which does
18 not provide for compensation by contingency fee for lobbying
19 after December 31, 1993.

20 (5) Nothing in this section may be construed to
21 prohibit any salesperson engaging in legitimate state business
22 on behalf of a company from receiving compensation or
23 commission as part of a bona fide contractual arrangement with
24 that company.

25 Section 3. This act shall take effect October 1, 1999.

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28 SENATE SUMMARY

29 Limits the fee that an attorney may charge on a
30 contingency basis in a civil action in tort. Provides
31 criminal penalties for violations. Prohibits contingency
fees with respect to claim bills.