2025 Regular Session

HOUSE BILL NO. 439

BY REPRESENTATIVES HEBERT, BAMBURG, BEAULLIEU, BERAULT, BOYER, BUTLER, CARLSON, CARVER, CHENEVERT, COATES, DESHOTEL, DEVILLIER, DOMANGUE, EDMONSTON, EMERSON, FIRMENT, GALLE, GLORIOSO, HENRY, HORTON, MCFARLAND, SCHAMERHORN, AND WYBLE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana. ATTORNEYS/FEES: Provides relative to a limit on attorney fees

1	AN ACT
2	To enact R.S. 37:218(C), relative to contingency fees; to provide for a limit on contingency
3	fees an attorney may charge; and to provide for related matters.
4	Be it enacted by the Legislature of Louisiana:
5	Section 1. R.S. 37:218(C) is hereby enacted to read as follows:
6	§218. Contract for fee based on proportion of subject matter; stipulation concerning
7	compromise, discontinuance, or settlement
8	* * *
9	C.(1) In a delictual action, if the fee charged by an attorney is contingent, the
10	attorney shall not charge more than ten percent for the first fifteen thousand dollars
11	of recovery.
12	(2) In a delictual action, if the fee charged by an attorney is contingent, the
13	contingency fee percentage shall be considered discoverable. A nondisclosure
14	agreement that prohibits or prevents the disclosure of the contingency fee percentage
15	shall be considered null and unenforceable to the extent that it prohibits or prevents
16	the disclosure of the contingency fee percentage.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Provides a limit on the first \$15,000 of attorney contingency fees.

<u>Proposed law</u> provides that in a delictual action, the attorney shall not charge more than 10% for the first \$15,000 of recovery for contingency fees.

<u>Proposed law</u> provides that in a delictual action, if the fee charged by an attorney is contingent, the contingency fee percentage shall be considered discoverable.

<u>Proposed law</u> provides that a nondisclosure agreement that prohibits or prevents the disclosure of the contingency fee percentage shall be considered null and unenforceable to the extent that it prohibits or prevents the disclosure of the contingency fee percentage.

(Adds R.S. 37:218(C))

Summary of Amendments Adopted by House

- The Committee Amendments Proposed by <u>House Committee on Civil Law and</u> <u>Procedure to the original bill:</u>
- 1. Make technical changes.
- 2. Provide that in a delictual action, if the fee charged by an attorney is contingent, the contingency fee percentage shall be considered discoverable.
- 3. Provide that a nondisclosure agreement that prohibits or prevents the disclosure of the contingency fee percentage shall be considered null and unenforceable to the extent that it prohibits or prevents the disclosure of the contingency fee percentage.
- 4. Provide that an officer of the court with knowledge of an attorney who has violated the provisions of <u>proposed law</u> shall file a complaint against the attorney for the violation with the La. Attorney Disciplinary Board instead of requiring the clerk of court to file the complaint.

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

- 1. Remove the requirement that an officer of the court file a complaint against the attorney for the violation with the La. Attorney Disciplinary Board.
- 2. Make technical changes.