

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE INJURED PARTY PROTECTION ACT; AND  
5 PROHIBITING CONTINGENCY FEES FOR ATTORNEYS IN ACTIONS WHEN A PERSON IS INJURED AS A  
6 RESULT OF ANOTHER PERSON'S CONDUCT."

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

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10 NEW SECTION. **Section 1. Short title.** [Sections 1 through 3] may be cited as the "Injured Party  
11 Protection Act".

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13 NEW SECTION. **Section 2. Purpose -- definition.** When a person is injured as a result of another  
14 person's conduct, it can be physically, financially, and emotionally devastating. Accordingly, the purpose of  
15 [sections 1 through 3] is to make sure that the injured party is protected from attorneys who might otherwise take  
16 advantage of a person's fragile situation. While attorney services may be required for the injured party to be  
17 compensated for the party's damages, the attorney should only be able to charge a reasonable hourly fee rather  
18 than make a contingency fee arrangement when it is reasonably clear that the injuries were caused by a third  
19 party.

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21 NEW SECTION. **Section 3. Contingency fee agreements prohibited when liability is reasonably**  
22 **clear.** An attorney may charge a reasonable hourly fee but may not charge, accept, or receive a contingency fee  
23 arising from or related to any payments made on or for a client's injuries when it is reasonably clear that the  
24 injuries were caused by a third party.

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26 NEW SECTION. **Section 4. Codification instruction.** [Sections 1 through 3] are intended to be codified  
27 as an integral part of Title 37, chapter 61, and the provisions of Title 37, chapter 61, apply to [sections 1 through  
28 3].

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30 NEW SECTION. **Section 5. Saving clause.** [This act] does not affect rights and duties that matured,



1 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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