

Report on Public Policy Position

Name of committee:

Civil Procedure and Courts Committee

Contact person:

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Proposed Court Rule or Administrative Order Number:

[2010-07 - Proposed Amendment of Rule 1.5 of the Michigan Rules of Professional Conduct](#)

The proposed amendment of MRPC 1.5 generally would limit a referral fee to 25 percent of the amount recovered in a case subject to a contingent fee agreement. The maximum fee could be increased if the referring attorney provides substantial input that merits such increased percentage.

Date position was adopted:

June 29, 2011

Process used to take the ideological position:

Position adopted after discussion and vote at a scheduled meeting

Number of members in the decision-making body:

17

Number who voted in favor and opposed to the position:

12 Voted for position

0 Voted against position

0 Abstained from vote

5 Did not vote

Position:

Oppose

Explanation of the position, including any recommended amendments:

The Committee is unaware that there have been any problems under the current rule that justify this change. The proposal would interfere with relationships between counsel without providing any benefits to clients, as the fee share arrangements between counsel have no effect on the amount of the client's recovery. And the reference in subrule (f) to "25 percent of the amount recovered" is unclear. It could be read as 25 percent of the total attorney fee, or as 25 percent of the client's net recovery.

The text of any legislation, court rule, or administrative regulation that is the subject of or referenced in

http://courts.michigan.gov/supremecourt/Resources/Administrative/2010-07_05-03-11_formatted%20order.pdf