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HOUSE BILL 12

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Kristina Ortez and Derrick J. Lente

AN ACT

RELATING TO ATTORNEY REGULATION; DIRECTING PROCEEDS OF LEGAL ACTIONS UNDER THE FEDERAL HERMIT'S PEAK/CALF CANYON FIRE ASSISTANCE ACT TO ATTORNEY INTEREST ON LAWYERS' TRUST ACCOUNTS; DECLARING THAT FUNDS FROM THE SETTLEMENT OF LEGAL ACTIONS UNDER THE FEDERAL HERMIT'S PEAK/CALF CANYON FIRE ASSISTANCE ACT IN ATTORNEY INTEREST ON LAWYERS' TRUST ACCOUNTS ARE NOT ASSIGNMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] PROCEEDS OF CERTAIN LEGAL ACTIONS WHEN REPRESENTED BY A LICENSED ATTORNEY.--The funds due and payable to a prevailing party or claimant in a legal action under the federal Hermit's Peak/Calf Canyon Fire Assistance Act where the prevailing party or claimant is represented by an attorney pursuant to a contingency fee agreement shall be

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1 deposited in the interest on lawyers' trust account of the
2 prevailing party's or claimant's attorney, whether those funds
3 come through litigation, settlement or a claims process, and
4 those funds are not assignments as that term is defined in
5 United States Code Section 3727.

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