

HOUSE BILL NO. HB0141

Attorney liens.

Sponsored by: Representative(s) Brown and Senator(s)
Nicholas, P.

A BILL

for

1 AN ACT relating to liens; providing for attorney liens;
2 specifying the applicability of existing attorney lien
3 provisions; and providing for an effective date.

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5 *Be It Enacted by the Legislature of the State of Wyoming:*

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7 **Section 1.** W.S. 29-9-102(a)(intro) and by creating
8 new subsections (c) through (f) is amended to read:

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10 **29-9-102. Lien of attorneys on claims and monies of**
11 **clients.**

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13 (a) For professional services performed on behalf of
14 a client, an attorney shall have a lien for compensation
15 ~~due him~~ earned by him before July 1, 2016 from the time of

1 giving notice of the lien. The attorney's lien attaches
2 upon:

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4 (c) The liens provided by subsections (d) and (e) of
5 this section shall be available only in the amount of
6 reasonable fees for legal services earned on and after July
7 1, 2016 and for costs advanced on behalf of a client on and
8 after July 1, 2016.

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10 (d) An attorney shall immediately have a lien on his
11 client's money in the attorney's possession. This lien is
12 perfected by depositing the money into the attorney's trust
13 account. The attorney may transfer the client's money from
14 the attorney's trust account to the attorney general's
15 operating account in accordance with the Wyoming Rules of
16 Professional Conduct for Attorneys at Law in order to pay
17 amounts due to the attorney:

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19 (i) Pursuant to any agreement by and between the
20 attorney and the client; or

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22 (ii) In the absence of an agreement between the
23 attorney and the client, for a reasonable fee for legal

1 services provided by the attorney to the client and for
2 reasonable costs advanced by the attorney on behalf of the
3 client.

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5 (e) In addition to the lien provided by subsection
6 (d) of this section, an attorney shall have a lien as
7 follows:

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9 (i) Upon his client's cause of action, claim or
10 counterclaim, which shall attach to the verdict,
11 determination, decision, award, settlement, judgment, final
12 order or other recovery from whatever source derived, and
13 in his client's favor;

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15 (ii) Upon the proceeds owed his client from a
16 verdict, determination, decision, award, settlement,
17 judgment, final order or other recovery from whatever
18 source derived;

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20 (iii) Upon the proceeds owed his client by an
21 adverse party or any other third party and which is owed
22 because of or in connection with the legal services
23 provided or costs advanced by the attorney to the client;

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(iv) To perfect a lien provided by this subsection, the attorney shall give written notice to the adverse party or other third party by certified or registered mail, return receipt requested, to the last known address of the adverse party or other third party. The notice shall be deemed made when received by the adverse party or other third party. The notice shall state the name, address and telephone number of the attorney, the name of the attorney's client and shall contain a statement substantially similar to the following:

"This attorney claims a lien pursuant to W.S. 29-9-102 against any money owed by you to my client, [insert name] ("my client"). Accordingly, any money owed to my client should be paid to me at the address I have provided in this notice. If you make payment to me as requested, then such payment shall be credited against any debt you owe my client. If you make a payment to my client rather than to me, you may be liable to me for all amounts that should have been paid to me in compliance with this notice.

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2 This lien shall continue until you receive
3 written notice that it is no longer in effect.
4 You have the right to request, at any time and
5 from time to time, written verification from me
6 whether the lien is still in effect. You should
7 send such request to the address I have provided
8 in this notice. The request must be sent by
9 certified or registered mail, return receipt
10 requested, and you must provide me with a valid
11 mailing address for sending written verification
12 back to you. If you send the request as
13 directed, and if you do not receive written
14 verification from me within ten (10) business
15 days after you placed the request in the United
16 States mail, then you may assume that the lien is
17 no longer in place."

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19 (v) A copy of the notice described in paragraph
20 (iv) of this subsection also shall be provided by the
21 attorney to his client. If the adverse party or other
22 third party is known to be represented by counsel, a copy
23 of the notice also shall be given to the counsel;

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(vi) Any payment made by an adverse party or other third party to the attorney providing the notice described in paragraph (iv) of this subsection shall be deemed to be a payment by the adverse party or other third party to the client and shall be credited against any debt owed by the adverse party or other third party to the client;

(vii) Any attorney, adverse party or other third party who receives a notice described in paragraph (iv) of this subsection and who thereafter makes a payment to the client rather than to the attorney while the attorney's lien is in place, may be liable to the attorney for all amounts which were paid to the client and over which the attorney has a lien pursuant to this subsection. A court of competent jurisdiction may adjudicate the rights of the attorneys, clients, adverse parties or other third parties with respect to any claim by the attorney for amounts which were paid directly to the attorney's client;

(viii) An adverse party or other third party shall have the right to request, at any time and from time

1 to time, written verification from the attorney whether the
2 lien is still in effect. The request shall be in writing
3 and shall be sent to the address provided by the attorney
4 in the notice by certified or registered mail, return
5 receipt requested. The request shall include a valid
6 mailing address for the adverse party or other third party
7 to which a verification may be sent. The request shall be
8 deemed made when placed in the United States mail. A
9 written verification from the attorney that the lien is or
10 is not in place shall be given by certified or registered
11 mail, return receipt requested, on or before ten (10) days
12 after a proper request for verification is made. The
13 verification shall be deemed made when placed in the United
14 States mail. If the attorney verifies the lien more than
15 ten (10) business days after a proper request is made, then
16 the adverse party or other third party shall again be
17 required to honor the lien, but shall not be liable to the
18 attorney for payments made directly to the client more than
19 ten (10) business days after the request for verification
20 was made and before the date the attorney verified the
21 lien;

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1 (ix) Within thirty (30) days after the client is
2 no longer indebted to the attorney for fees and costs over
3 which a lien has been perfected pursuant to this
4 subsection, the attorney shall give written notice to his
5 client, the adverse party and other third party that the
6 lien is released. Notice shall be given by certified or
7 registered mail, return receipt requested, to the last
8 known address of the client, adverse party and other third
9 party. The notice shall be deemed made when placed in the
10 United States mail. In addition to any actual damages
11 suffered by the client, an attorney refusing or neglecting
12 to give a notice of lien release as required by this
13 paragraph, and after having received by certified or
14 registered mail a request in writing to give the notice,
15 shall be liable to the client for damages in an amount not
16 less than one-tenth of one percent (.10%) of the original
17 principal amount of the lien per day from the date the
18 attorney receives the written request to give a notice of
19 lien release until the attorney gives a notice of lien
20 release. The damages authorized by this paragraph shall not
21 exceed one hundred dollars (\$100.00) per day;

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1 (x) Any money received by the attorney as a
2 result of the notice described in paragraph (iv) of this
3 subsection shall thereafter be considered to be the
4 client's money in the attorney's possession and shall be
5 dealt with as provided in subsection (d) of this section.

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7 (f) Nothing in this section shall prevent the client
8 from disputing the amount charged by the attorney, and if a
9 court or agency with jurisdiction over a fee dispute
10 determines that the attorney has received, taken or
11 demanded an unreasonable amount for fees for legal services
12 provided or costs advanced, the attorney shall remit back
13 to the client any unreasonable excess amount received or
14 taken.

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16 **Section 2.** This act is effective July 1, 2016.

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(END)