

SENATE BILL NO. 154—SENATOR SCHNEIDER

FEBRUARY 15, 2001

Referred to Committee on Commerce and Labor

SUMMARY—Establishes limits on attorney's fees for representing injured employee to obtain workers' compensation benefits. (BDR 53-447)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to workers' compensation; establishing a limit on attorney's fees for the representation of an injured employee to obtain workers' compensation benefits; authorizing an attorney under certain circumstances to request attorney's fees that exceed the limit; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 616C of NRS is hereby amended by adding thereto
2 a new section to read as follows:
3 1. *Except as otherwise provided in subsections 2 and 3, attorney's*
4 *fees for the representation of an injured employee or his dependents must*
5 *not exceed 10 percent of the total compensation for which the injured*
6 *employee or his dependents are determined to be eligible to receive*
7 *pursuant to the provisions of chapters 616A to 616D, inclusive, or*
8 *chapter 617 of NRS.*
9 2. *If the attorney is hired to represent the injured employee or his*
10 *dependents before a hearing officer, an appeals officer or in a judicial*
11 *proceeding, the agreement between the attorney and the claimant*
12 *concerning attorney's fees may provide that the attorney is to receive a*
13 *fee that is anticipated to exceed 10 percent of the total compensation if*
14 *the attorney receives approval from the hearing officer, appeals officer,*
15 *judge or justice, as appropriate. If the attorney represents the injured*
16 *employee or his dependents before a hearing officer, an appeals officer*
17 *or in a judicial proceeding, the attorney may, within 7 days after the last*
18 *hearing for which the attorney provides representation, in a separate*
19 *action, petition the hearing officer, appeals officer, judge or justice, as*
20 *appropriate, to issue an order approving a fee that exceeds 10 percent of*
21 *the total compensation. The hearing officer, appeals officer, judge or*
22 *justice may issue an order approving a fee that exceeds 10 percent of the*



1 *total compensation if he determines that circumstances, including,*
2 *without limitation, the complexity of the issues or the facts, the novelty of*
3 *the theory of injury or law, the expertise of the attorney, or other*
4 *equitable considerations, warrant a fee that exceeds 10 percent of the*
5 *total compensation.*

6 3. *If the attorney is aggrieved by a decision of a hearing officer that*
7 *denies a petition to issue an order approving a fee that exceeds 10*
8 *percent of the total compensation, he may appeal that decision to an*
9 *appeals officer pursuant to the provisions of NRS 616C.345 to 616C.385,*
10 *inclusive. For the purpose of NRS 616C.345, the injured employee or his*
11 *dependents, as appropriate, are a party to an appeal brought by the*
12 *attorney pursuant to this subsection. If the attorney is aggrieved by a*
13 *decision of an appeals officer that denies a petition to issue an order*
14 *approving a fee that exceeds 10 percent of the total compensation or that*
15 *approves the decision of the hearing officer to deny such a petition, that*
16 *decision is a final administrative ruling that is subject to judicial review.*
17 *If the attorney is aggrieved by the decision of the district court, he may*
18 *appeal to the supreme court. The appeal must be taken as in other civil*
19 *cases.*

20 **Sec. 2.** Chapter 7 of NRS is hereby amended by adding thereto a new
21 section to read as follows:

22 *An attorney who represents an injured employee or his dependents in*
23 *an action to receive workers' compensation pursuant to chapters 616A to*
24 *616D, inclusive, or chapter 617 of NRS must arrange for attorney's fees*
25 *in accordance with the provisions of section 1 of this act.*

26 **Sec. 3.** The provisions of this act apply only to agreements for the
27 payment of attorney's fees that are executed on or after October 1, 2001.

