



CENTER FOR JUSTICE & DEMOCRACY
185 WEST BROADWAY
NEW YORK, NY 10013
TEL: 212.431.2882
centerjd@centerjd.org
<http://centerjd.org>

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Contact:
Jocelyn Bogdan, Joanne Doroshow
212.431.2882

NATIONAL CONSUMER GROUP RELEASES STUDY STRONGLY ENDORSING CONTINGENCY FEE SYSTEM

Fee Limits Block Access to Court for Sick and Injured

The Center for Justice & Democracy at New York Law School (CJ&D) released a new study today, titled “COURTHOUSE CORNERSTONE: Contingency Fees and Their Importance for Everyday Americans,” finding that this system performs an integral function, providing everyday Americans with access to justice. The system also keeps meritless cases from clogging the courts because contingency fee attorneys front litigation expenses and are not paid unless the case is successful.

“Contingency fee attorneys are outcome-focused, not time-focused,” notes CJ&D. “Their interest is to work hard and achieve the best possible results for their clients in a timely efficient manner, unlike defense counsel who are paid by the hour and may have a financial motivation to drag out cases and drive up litigation costs.”

The report severely criticizes laws pushed by special interest lobbyists to limit contingency fees, the impact of which is to allow wrongdoers to hire the best attorneys while preventing the sick and injured from doing the same. The report notes, “Half the states in this country have some type of law dealing with contingency fees [and most] do indeed block victims’ ability to hire counsel.” Moreover, says the study, “Statutory limits on contingency fees, which are essentially government-imposed wage and price controls, interfere directly with the contractual arrangements between people and their own attorneys and turn a free-market approach to providing legal representation into a botched system of government regulation that harms injured victims’ quest for justice.” The study notes that there has been some movement recently to repeal unfair contingency fee limits, such as a new Illinois law replacing a restrictive fee schedule in medical malpractice cases with a fair, standard one-third fee while eliminating opportunities to petition for higher fees.

According to the Center for Justice and Democracy’s Associate Director, Jocelyn Bogdan, “The contingency fee system levels the playing field so that even the poorest injury victims can hire the best, most experienced attorneys, and hold accountable negligent corporations, health care providers and insurance companies. Without it, injured victims would be unable to access attorneys and would, in effect, lose their guaranteed constitutional right to a civil jury trial.”

A full copy of the report can be found here: <http://centerjd.org/content/white-paper-courthouse-cornerstone-contingency-fees-and-their-importance-everyday-americans>

A summary fact sheet can be found here: <http://centerjd.org/content/factsheet-courthouse-cornerstone-contingency-fees-and-their-importance-everyday-americans>

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