

# **LAWYER REFERRAL SERVICE**

**S T A T E   B A R   O F   N E V A D A**

## **STANDARDS AND RULES**

Adopted August 2020

## I. Purpose

The Lawyer Referral Service (LRS) operates in the public interest by assisting individuals who are able to pay normal attorney fees but are unable to locate appropriate legal representation due to a lack of experience with the legal system, a lack of information about the type of service needed or a fear of the potential costs of seeing a lawyer. The LRS offers a public service by assisting potential clients determine if their problem is of a legal nature through a screening process and by providing the client with an unbiased referral to an attorney who has experience in the area of law appropriate to the client's needs.

## II. Terms

The LRS has established practice area panels. Attorneys applying to LRS may designate which practice areas apply to them and for which they are willing to receive referrals. Specific panels may be established for areas of law requiring advanced skills or to meet the needs of the working poor.

- A. Experience Panels.** The LRS may establish experience panels to address complicated areas in the law requiring advanced practice skills. Requirements to serve on an experience panel may include designation as a specialist under NRPC 7.4, demonstrated experience, and/or minimum CLE credit hours in the area of law for which the attorney seeks to serve on an experience panel.
- B. Modest Means Panel.** The LRS may establish a Modest Means panel for services provided to clients whose income does not exceed 300% of the federal poverty guidelines. Clients requesting a modest means panel are pre-screened by LRS staff over the phone. Attorneys participating on a Modest Means panel may not charge more than \$25 for the initial consultation and no more than \$75 an hour for services rendered.

## III. Attorney Eligibility

- A. Application.** Attorneys who hold an active license and are not subject to an order of suspension or disbarment are eligible to apply to serve as an LRS panel member, subject to the following conditions:
  - 1. The attorney must be engaged in the active practice of law and attest to having access to an office suitable for private and confidential meetings and with the resources necessary to perform legal services for clients.
  - 2. The attorney must not at any time in the preceding five years prior to application been subject to discipline by the State Bar of Nevada or in any jurisdiction in which the attorney is licensed.

3. The attorney must maintain professional liability insurance in the minimum of \$250,000 per claim, \$500,000 aggregate. Proof of insurance shall be provided upon initial application and annually thereafter.
4. The attorney must waive liability and agree to indemnify the State Bar of Nevada and its agents from any claims, demands, actions, liability or loss which may arise from, or be incurred as a result of the operation of the LRS.

**B. Application Fee.** The application to serve on the LRIS panel must be accompanied by a \$50 non-refundable application fee.

**C. Attorney Responsibilities.** Prior to participating in LRS, the attorney shall agree to:

1. Pay an annual renewal fee of \$50, due no later than December 31 of each year. The annual renewal fee must be accompanied by proof of continued professional liability insurance.
2. Remit 20% of net earned fees, as described in Section VIII (B) of this Regulation.
3. Charge the LRS referred client no more than \$45 for an initial client consultation fee (\$25 if Modest Means panel). The initial consultation fee may be waived at the attorney's discretion. The LRS panel member is responsible for collection of the consultation fee.
4. Notify the LRS of any changes to the attorney's license status, pending disciplinary actions and of any lapses in professional liability insurance coverage.
5. Notify the LRS if there is a period of time of one week or more in which the attorney will be unavailable for referrals because of vacations, caseload or other reason.
6. Authorize the LRS to contact referred clients to periodically survey client satisfaction and investigate any complaint against LRIS panelists or LRIS staff.

#### **IV. Panel Areas**

Subject matter panels may be added or removed depending on demonstrated need based on factors such as call volume and trends in legal practice.

#### **V. Disclaimers**

The Service will notify each referred client that "A referral to an attorney who has indicated a willingness to accept referrals in a particular area of law, does not mean that the State Bar of Nevada Lawyer Referral Service or any other agency or board has certified such lawyer as a specialist or expert. This does not mean that such attorney is more qualified than any other."

Referred clients will also be notified that a referral provided by the Lawyer Referral Service does not constitute an attorney-client relationship.

## **VI. Suspension or Removal of Panel Members; Appeal Process**

The LRS has an obligation to refer clients to attorneys who have met both the ethical obligations of the profession and the requirements of these Regulations. As such, the LRS has the discretion to suspend or remove a panel member from the service.

- A. Suspension.** An attorney who fails to remit annual renewal fees, provide annual proof of professional liability insurance, remit outstanding client referral fees, or is administratively suspended from the practice of law, shall be suspended from LRS until such time as compliance with these requirements are met.
  
- B. Removal.** The LRS may remove a panel member for any action which, within the discretion of the LRS, warrants removal. This includes but is not limited to falsifying any material statement made in application to LRS or in any required report; violation of the Nevada Rules of Professional Conduct; or violation of these Regulations.
  
- C. Reinstatement.** An attorney who has been removed from LRS may apply for reinstatement by completing the LRS Application form and paying the \$50 application fee. Reinstatement is at the discretion of the LRS and shall include, at a minimum, fulfillment of any previous referral fee remittances and case updates.
  
- D. Appeal Process.** An attorney may appeal the decision for suspension or removal from LRS, or the decision to deny reinstatement, to the State Bar of Nevada’s Board of Governors, or if so designated, to a taskforce authorized by the Board of Governors to review the appeal. The appeal must be made within 30 days of removal.

## **VII. Withdrawal from Service**

An LRS panel member may withdraw from the LRS at any time. The LRS panel member shall remain liable for all fees generated from all LRS referrals received while active in the service. An attorney who withdraws from LRS and who has fulfilled any previous referral fee remittances and case updates may be reactivated upon proof of current professional liability insurance and annual renewal fees paid.

## VIII. Fees

**A. Attorney Compensation.** All compensation for services beyond the initial consultation are subject to an agreement between the attorney and the referred client. If retained by the LRS referred client, the attorney shall:

1. Enter into a retainer agreement signed by the attorney and referred client stating the services to be performed, fees charged, and fee dispute resolution. Fee disputes may be resolved with binding arbitration through the State Bar of Nevada's Fee Dispute Arbitration program.
2. Charge no more than the client would have been charged if no referral service been involved.

**B. Referral Fee Remittance.** LRS panel members owe the LRS a remittance when the panel member has earned and collected attorney fees on an LRS-referred matter. The remittance owed is 20% of all net fees earned and collected beyond the initial consultation fee. Net fees are defined as the total fees remaining after deduction of out-of-pocket costs.

1. Upon settlement of a matter, the panel member must include the LRS with those who have a right to know about the terms of a settlement to the extent necessary to allow the LRS to determine the portion of fees to which it is entitled.
2. Each LRS panel member shall keep the LRS apprised of the status of clients referred through LRS, and in a format identified by the LRS, including, but not limited to whether the client contacted the attorney, if client matter has been opened and if any fees were received.

## IX. Refer Back Procedures

**A.** Clients referred by LRS to panel members are to receive their initial consultation by the panel member referred only. If the panel member is unable to provide services, the panel member shall:

1. Refer the client back to LRS; or
2. Notify LRS that the client is being referred to another LRS panel member.

**B.** Panel members may not refer any case received from LRS to any other attorney or firm, or associate with, new counsel without first notifying the LRS and receiving written consent. In all cases, the initial panel member shall remain liable to the LRS for the 20% referral fee unless written consent is received from all attorneys involved transferring responsibility for the referral fee to another attorney. Attorneys who refer matters back to the LRS are not liable for the 20% referral fee.

**X. Ethical Considerations**

- A. Each LRS panel member shall be guided by and bound by the Nevada Supreme Court Rules, the Rules of Professional Conduct, and these Regulations. Any discovered ethical violations will be reported to the State Bar of Nevada Office of Bar Counsel and may result in suspension or removal from the LRS.
  
- B. A client who receives a referral from LRS is considered a ‘prospective client’ under NRPC 1.18. As such, the LRS panel member may contact an LRS referred client before the client initiates contact with the panel member.

**XI. LRS Program Oversight**

The State Bar of Nevada’s Board of Governors has authority over the LRS and any program regulations. The Board of Governors may appoint a taskforce or other body to carry out LRS program objectives and responsibilities on its behalf.

**XII. Amendments to Rules**

These Rules may be amended upon recommendation by a taskforce or other body authorized by the Board of Governors and subject to approval by the Board of Governors of the State Bar of Nevada.