

**PROFESSIONAL
RESPONSIBILITY
AND DISCIPLINE**

By

R. B. Reavill, Administrative Director
Minnesota Office of Lawyers Professional Responsibility

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ARBITRATION OF FEE DISPUTES

Approximately 15% of the complaints we receive involve fee disputes. It quickly appeared that fee disputes cannot be handled satisfactorily by the disciplinary agencies for two reasons. First, we have no jurisdiction over certain fee disputes unless it appears that the fee charged is unconscionable. Secondly, while other fee disputes do involve questions of professional conduct, they cannot be satisfactorily disposed of by the disciplinary agency because that agency has no authority to require lawyers to make fee adjustments. This means that even though discipline might be administered in a fee dispute situation, the fee dispute itself remains unresolved.

For these reasons, we requested Robert King, then incoming President of the State Bar Association, to appoint a committee to promulgate rules and regulations for state-wide arbitration of fee disputes. A committee was appointed and made recommendations to the State Bar Association at its June 1972 Convention, which were adopted.

The action taken requires district bar associations to appoint fee arbitration committees, who are charged with the duty of arbitrating fee disputes arising in their districts in accordance with the rules and regulations adopted by the State Bar Association.

In those situations where fee disputes do involve questions of professional conduct, the regulations require that the dispute nevertheless be arbitrated and the matter then be referred to the appropriate district ethics committee. Both the profession and the public are best served by having the fee disputes resolved even though disciplinary action may be called for in some of these situations.

I repeat what I have said on numerous occasions, that lawyers would be well advised to reduce their fee agreements to writing, signed by both the client and the attorney.