

**Carrie Janto - Fwd: Proposed Amendments to Trust Account Rules**

**From:** Julie Rich  
**To:** Supreme Court Assistants; Supreme Court Justices  
**Date:** 4/12/2007 1:11 PM  
**Subject:** Fwd: Proposed Amendments to Trust Account Rules  
**CC:** Janto, Carrie

**RECEIVED**  
 APR 12 2007  
 CLERK OF SUPREME COURT  
 OF WISCONSIN

06-04 - Carrie, can you get this put in the public file?

>>> "Jim McNeilly" <jmcneilly@lakelaw.com> 4/12/2007 9:59 am >>>  
 Julie Rich  
 Supreme Court Commissioner

**Re: Proposed Amendments to Trust Account Rules**

Dear Chief Justice and Justices:

I am writing this letter in support of the proposed amendments to the Trust Account Rules. I am an attorney with over twenty-five years of practicing law in Wisconsin, and Managing Director of Lakelaw Wisconsin, a two member law firm with offices in La Crosse and Kenosha Counties practicing business law. The existing trust account rules have had a very negative impact on small firms and solo practitioners. The current rules have increased the time commitment for attorneys and staff with no recognizable benefit to clients. Fortunately, many of the problems with the current rules will be relieved if the petition currently before the court is accepted.

Currently, criminal lawyers are allowed to deposit "flat fees" to their general business account even though they are by definition unearned fees. However, lawyers who bill on an hourly basis against an advanced fee are not allowed to deposit their advanced fees to their general business account. Thus, the hourly fee based lawyer is required to do much more to account for and manage an unearned fee than a "flat fee" lawyer. The petition will allow all lawyers who bill fees in advance to be treated the same: they may deposit advanced fees to their general business account, provided that they give the client notice of their intention to do so. A unique provision of the petition is the provision that insures that all clients of Wisconsin lawyers will be assured of reimbursement of their advanced fees in the event of lawyer conversion of unearned advances through the Client Security Fund.

Currently, no person may pay an advance fee to a lawyer in the State of Wisconsin by credit card. Oftentimes a client does not have sufficient funds to pay a cash advance. This has a particularly negative effect on domestic violence victims and others who have been denied access to funds in a relationship or marriage. This is also true for many clients in criminal cases. The trust account amendments provide two workable solutions to this problem. For those lawyers who opt to do so, the option of taking credit card advances to the general business account will be available upon approval of this petition. For those lawyers who wish to continue to operate from a trust account, the option of creating a separate account for credit card advances is allowed in the petition.

The petition also eliminates the problems in the existing rules which allow clients an infinite period of time to object, to the lawyer's fees and by doing so, require a return of the disputed fee to trust. The petition provides for a 30-day period for the client to object to the fees, and requires that objections be specific.

Sincerely,

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 Lakelaw Wisconsin

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