

Proposed Tentative:

Appearances are required. (CRC, rule 7.952 (a).) Appearance by Zoom is authorized. The petition is granted.

A review hearing will be held on December 10, 2025 at 8:30 a.m. to review the Receipt and Acknowledgment of Order for the Deposit of Money Into Blocked Account, as well as confirmation that the annuities have been secured.

On January 9, 2024, petitioner Keon King filed a complaint on behalf of his son, Russell King, for an injury sustained while using playground equipment. It alleged that on May 10, 2023, seven-year-old Russell King was using the merry-go-round on the playground in Beattie Park in Lompoc when his left pinky finger became lodged between the platform and the ground, causing the top portion of the minor's pinky finger to become severed. The injury is alleged to be fully resolve.

On May 16, 2025, King filed a petition for compromise of the minor's claim. The court continued this petition on July 2, 2025, and requested the attorney provide a supplemental declaration reporting the time spent by category of service and identity of the person who performed the service so the court can perform a lodestar cross-check on the fees requested. (Cal. Rules of Court, rule 7.955(b)(8).)

Because the funding deadline for the annuity quote lapsed before the new hearing date, petitioner obtained a new quote which ended up being more favorable to Russell. An amended petition was filed on August 8, 2025.

GameTime, Inc., the manufacturer of the playground equipment, and plaintiff have agreed to settle for \$250,000. After attorney fees and costs (addressed below), and medical liens are deducted, the remaining balance of \$161,422.98 will be placed divided as follows: \$19,969.75 will be deposited into a blocked account at Mechanics Bank in Lompoc and the remaining \$141,453.23, shall be invested in a deferred annuity payable as follows:

A. PAYEE: RUSSELL KING

\$700.00 payable monthly, guaranteed for 4 years, beginning on 10/17/2035 with the last guaranteed payment 09/17/2039.

\$1,225.90 payable monthly, guaranteed for 4 years, beginning on 10/17/2038, with the last guaranteed payment on 09/17/2042.

\$20,000.00 payable guaranteed lump sum on 10/17/2035.

\$30,000.00 payable guaranteed lump sum on 10/17/2038.

Premium: \$75,000.00

Assignee: New York Life Insurance and Annuity Corporation

Annuity Issuer: New York Life Insurance Company

Rated: A++ XV by A.M. Best

B. PAYEE: RUSSELL KING

Minimum guaranteed payment in the amount of \$36,268.18 payable for 2 years annually certain, beginning 17 years and one month from the date the required single premium is received. The Minimum Guaranteed Payment Amount will be \$36,268.18, provided that the required premium is received by September 23, 2025. If the premium is received after September 23, 2025, the Minimum Guaranteed Payment Amount will be based on the applicable payout rate in effect as of the date the required premium is received.

Premium: \$66,453.23

Assignee: Prudential Assigned Settlement Services Corporation

Annuity Issuer: The Prudential Insurance Company of America

Rated: A+ XV by A.M. Best

Attorney's Fees:

Attorney Liggett requests fees in the amount of \$83,333 from the minor's settlement. This is 33.3% of the gross settlement of \$250,000.00. The contingency agreement in this matter provides for: "Thirty-three and one third percent (33.3%) of all gross amounts recovered from any source if obtained before the filing of a civil complaint or the initiation or commencement of binding arbitration, and forty percent (40%) of any such amounts recovered thereafter." (Attachment 17a, ¶ B.) The amount requested reflects a reduction to the lower percentage.

"In any case in which a trial court approves a settlement involving the payment of funds to a minor, the court must make an order for the payment of reasonable attorney fees." (*Schulz v. Jeppesen Sanderson, Inc.* (2018) 27 Cal.App.5th 1167, 1174 (*Schulz*)). The court must consider "the terms of any representation agreement made between the attorney and the representative of the

minor” when awarding such fees. (Cal. Rules of Court, rule 7.955(a)(2)¹.) But it is not required to enforce the agreement's fee provisions; it may deviate from them if they are unreasonable. (*Gonzalez v. Chen* (2011) 197 Cal.App.4th 881, 887; see also Prob. Code § 3601, subd. (a) [including attorney fees among “reasonable expenses”].)

The relevant factors in determining a reasonable attorney's fee include the amount involved; the results obtained; the experience and ability of the attorney performing the legal services; whether the fee is fixed, hourly, or contingent, and many other factors. (Rule 7.955.) Notably, the rule expressly authorizes the court to consider **“[t]he time and labor required”** in determining a reasonable attorney's fee. (Rule 7.955(b)(8) [emphasis added].)

“A petition requesting court approval and allowance of an attorney [] fee ... must include a declaration from the attorney that addresses” any applicable factor(s). (Rule 7.955(c).) Here, in response to the court’s previous tentative ruling, attorney Liggett has revised his declaration in support of the amended petition and included his best estimate of the time he and his staff spent on this matter. (See Petition, Attachment 13a (Liggett Decl. and Van Dyke Decl.).) This information is not only expressly contemplated by the Rules of Court, but case law also acknowledges it to be a useful cross-check to a fee that is based on a contingency amount. (See *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 504 [“A lodestar cross-check provides a mechanism for bringing an objective measure of the work performed into the calculation of a reasonable attorney fee. If a comparison between the percentage and lodestar calculations produces an imputed multiplier far outside the normal range, indicating that the percentage fee will reward counsel for their services at an extraordinary rate even accounting for the factors customarily used to enhance a lodestar fee, the trial court will have reason to reexamine its choice of a percentage.”].)²

Attorney Liggett states that to the best of his knowledge he spent at least 65.4 hours on this matter. (Petition, Attachment 13a (Liggett Decl., Timesheet.)) Assuming Mr. Liggett billed in the middle of his projected range of \$450-\$650/hour (a generous amount considering the rates of attorneys who practice in this locale), and assuming all hours noted were reasonably spent, his time total time amounts to \$35,970.00. His paralegal likewise submitted a declaration asserting she spent a

¹ Hereafter, Rule 7.955.

² Although, as Attorney Liggett points out, this observation is made in the class action context, the court sees no reason why a lodestar calculation is not also useful in testing the reasonableness of the contingency fee in a fund created by a settlement in a case involving a minor, as both case types involve fees to be paid by a protected class and that require court approval. While the court is not suggesting that every case calls for submission of timeslips with the level of detail as is ordinarily generated in a practice that bills hourly, it nevertheless routinely receives declarations that recap the services rendered, ordinarily grouped by service, with an estimate of time spent on those services. As the time and labor required are an express consideration under 7.955 in determining a reasonable fee, such an expectation is not inconsistent with the policies behind determining a reasonable fee in a case involving a minor.

total of 41.7 hours on this matter. At a generous rate of \$150/hour, this amounts to \$6,255.00. These figures total \$42,225, which is roughly half of the requested fees.

This does not end the inquiry, however. As noted, among the considerations under rule 7.955 is the length of the attorney's delay in receiving payment and risk of obtaining nothing at all. (See Cal. Rules of Court, rule 7.955(b)(13)). In addition, the rule states that “the value of the [attorney's] services” (Cal. Rules of Court, rule 7.955(b)(2)), “the skill required to perform the legal services properly” (Cal. Rules of Court, rule 7.955(b)(3)), the attorney's “experience, reputation, and ability” (Cal. Rules of Court, rule 7.955(b)(7)), and “[t]he time and labor required” (Cal. Rules of Court, rule 7.955(b)(8)) are all relevant factors.

Here, Attorney Liggett indicates that he has been practicing law for almost 17 years and practicing exclusively in personal injury for over 12 years. He has training as a mediator and has obtained the fourth highest settlement in his firm's history. This experience gave him the insight and skills necessary to negotiate this settlement, such as securing removal of a confidentiality clause that would have required a petition to seal the compromise petition. Attorney Liggett obtained a very good recovery for his client in a case he has been actively working for a little over two years.

Rule 7.955 (b)(13) requires the court to assess the risk taken by the attorney under the contingency arrangement: “If the fee is contingent: [The court may consider] (A) The risk of loss borne by the attorney; (B) The amount of costs advanced by the attorney; and (C) The delay in payment of fees and reimbursement of costs paid by the attorney.” Attorney Liggett rated the risk of loss in this case to be “significant” because the case was disputed, juries are less willing to find liability against a government entity which will be funded by their own tax dollars, and Santa Barbara jury verdicts in personal injury cases are “notoriously” conservative. While these observations may be true, the court nevertheless respectfully disagrees they demonstrate the risk of losing the case was high, as these factors do not describe any legal issues that were disputed. (Compare, *Schulz, supra*, 27 Cal.App.5th at 1171-1172 [contingency risk was high in case that suffered from causation issues (e.g., whether airplane crash was the result of pilot error or equipment failure) as well as the risk of removal to Germany].) Attorney Liggett also noted the interplay between the manufacturer, installer, and owner of the playground equipment complicated the causation issue. Injury could have resulted from poor design, improper installation, or inadequate maintenance of the equipment, each implicating a different defendant. This undoubtedly increased the difficulty of the negotiations, and it thus appears there was at least a moderate risk that there could be no recovery at all or one substantially lower than achieved.

California Rules of Court, rule 7.955 also contains protections to ensure that attorneys do not take advantage of their minor clients. A court considering attorney

fees may take into consideration “[t]he informed consent of the representative of the minor” (Cal. Rules of Court, rule 7.955(b)(9)) and “[t]he relative sophistication of the attorney and the representative of the minor or person with a disability” (Cal. Rules of Court, rule 7.955(b)(10)). Nothing in the record suggests that the minor’s father (who is also his appointed guardian ad litem) gave anything other than informed consent or was unsophisticated.

California Rules of Court, rule 7.955(b)(1) states that the court may consider “[t]he fact that a minor ... is involved and the circumstances of that minor.” This single factor, however, cannot overwhelm all other considerations. Indeed, an overly strong emphasis on the client's medical needs when determining attorney fees could have the perverse effect of reducing access to the courts to the neediest.” (*Schulz, supra*, 27 Cal.App.5th at 1178.) Here, it’s been reported that the tip of the minor’s pinky finger was amputated, but the minor has healed, engaged in physical therapy, and as of the last report available to the court (dated 7/21/23), his strength was approaching normal limits. There is no evidence the minor will have extraordinary medical needs in the future.

Finally, the court acknowledges that Rule 7.955 does not dictate a presumptively reasonable percentage or mathematical method of determining the appropriate attorney fees under a contingency agreement. Indeed, in adopting the rule, the Judicial Council explicitly preempted local rules regarding attorney fees for minors, many of which had established a baseline recovery of 25 percent. (*Schulz, supra*, 27 Cal.App.5th at 1175.) However, the *Schulz* court acknowledged that a “31 percent is not out of line with awards in class actions, which, like this case, involve attorney fees to be paid by a protected class and that require court approval.” (*Schulz, supra*, 27 Cal.App.5th at 1175.) An award of 33.3% is also not out of line with awards in class actions. Giving due weight to *all* the factors in Rule 7.955, the court finds the requested fee to be reasonable.