

ENROLLED HOUSE  
BILL NO. 2167

By: McCullough, Wright (John),  
Sullivan and Tibbs of the  
House

and

Sykes of the Senate

An Act relating to state government; enacting the Private Attorney Retention Sunshine Act; requiring request for proposal process for retention of lawyer or law firm on behalf of state; requiring Internet website to contain conspicuous statement; requiring agency to maintain list of persons and entities receiving requests for proposals; authorizing agencies to provide Internet website access to request for proposals; prescribing period of time to maintain access; requiring website to contain information regarding vendor to which contract awarded; imposing requirement with respect to documents accessible through website; defining term; requiring executive review of certain contracts; requiring filing of proposed contract and written statement with Governor; providing requirements of written statement; providing time period for review; providing time period for which the Governor may hold a public hearing; requiring report from the Governor; allowing state agency or state agent to enter into certain proposed contract if the Governor makes no changes; requiring revised contract in certain circumstances; requiring letter to accompany revised contract if all recommended changes are not made; providing for additional hearings and additional reports; requiring certain revised contract terms to be treated as a new proposed contract; providing for expedited review of proposed contract; requiring certain statement from retained outside counsel at conclusion of legal proceeding; providing maximum amount of fees and expenses to be incurred; providing

for reduction in fee; providing that Act does not expand authority of state agency or state agent; providing that certain contracts are not subject to the Oklahoma Central Purchasing Act; providing for discretion in the request for proposal process; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Private Attorney Retention Sunshine Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.2 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Any state agency or state agent that wishes to retain a lawyer or law firm to perform legal services on behalf of this state, where the fees and expenses for the services will exceed or can be reasonably expected to exceed Five Thousand Dollars (\$5,000.00), shall not do so until a request for proposal process has been undertaken.

B. The contracting agency shall cause an Internet website controlled by or on behalf of the agency to contain a conspicuous statement, visible from the main webpage or equivalent segment of the website, that after One Hundred Twenty (120) days after the contract for which the request for proposals has been awarded, any person may obtain a copy of the request for proposal from the agency which prepared it and the identity of all persons or entities to whom the request for proposal was transmitted.

C. Each agency subject to the provisions of this section shall maintain a list of the persons and entities to whom a request for proposal has been transmitted, including the mailing address to which the proposal was mailed, and shall make such information

available for inspection within One Hundred Twenty (120) days after the contract has been awarded.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.3 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The request for proposal required by Section 2 of this act and all responses submitted to the request for proposals may be made accessible through an Internet website maintained by or on behalf of the state agency.

B. If the request for proposal has been made accessible on the Internet website, the information shall remain accessible through the website for a period of three (3) years after the request is transmitted by the agency to potentially interested persons.

C. The identity of a vendor to whom or to which an agency has awarded a contract in response to a request for proposals, a brief description of the services to be performed under the contract, the projected total payments to be made under the contract, the actual payments made under the contract, once made, and the date the contract was awarded shall be accessible on the Internet website for a period of three (3) years from the date the contract is awarded.

D. All information required to be accessible by the provisions of this section or any document that the agency makes accessible pursuant to Section 2 of this act shall be presented in a format which allows complete review of the content of such documents.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.4 of Title 74, unless there is created a duplication in numbering, reads as follows:

No state agency or state agent shall enter into a contract for legal services exceeding Five Hundred Thousand Dollars (\$500,000.00) without the opportunity for an executive review of the terms of the contract in accordance with Section 5 of this act.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.5 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. For purposes of this section, a contract in excess of Five Hundred Thousand Dollars (\$500,000.00) is one in which the fee paid

to an attorney or group of attorneys, either in the form of a flat, hourly, or contingent fee, and expenses of the attorney or group of attorneys exceeds or can be reasonably expected to exceed Five Hundred Thousand Dollars (\$500,000.00).

B. As used in this section, "fees" shall include, but not be limited to, any compensation for legal services however measured, including but not limited to flat, hourly, and contingent fees.

C. Any state agency or state agent proposing to enter into a contract for legal services exceeding Five Hundred Thousand Dollars (\$500,000.00) shall file a copy of the proposed contract with the Governor and shall also accompany the proposed contract with a written statement that identifies the following:

1. The reasons the state should retain private counsel and the consideration of alternatives;

2. The request for proposal process that has been undertaken with respect to the proposed legal services;

3. The reasons for the selection of the lawyer or law firm that is the proposed contracting party;

4. The past or present relationship, if any, between the lawyer, law firm, or any partner or other principal in the law firm and the state agency or state agent proposing to enter into the contract; and

5. If the contract contemplates that all or part of the fee is contingent on the outcome of the legal proceeding, the reasons the contingent fee arrangement is believed to be in the interest of the state and any efforts undertaken to obtain private counsel on a noncontingent-fee basis.

D. Except as provided in subsection G of this section, the Governor shall review the proposed contract and written statement within thirty (30) days of receipt.

E. The Governor may hold a public hearing on the proposed contract and, whether or not a public hearing is held, shall issue a report to the referring state agency or state agent. The report shall include any recommended changes to the proposed contract approved by the Governor. If the Governor recommends no changes to the proposed contract within thirty (30) days of the receipt, the

referring state agency or state agent may enter into the proposed contract. If the report of the Governor recommends changes to the proposed contract in accordance with this subsection, the state agency or state agent shall review the report and prepare a revised contract as deemed appropriate in view of the report and shall file with the Governor a copy of the revised contract.

F. If the revised contract does not contain all changes recommended by the Governor, the referring state agency or state agent shall include with the revised contract filed with the Governor a letter stating the reasons why the recommended changes were not adopted. The Governor may hold additional hearings and issue additional reports in the discretion of the Governor. Not earlier than thirty (30) days after receipt of the letter and revised contract from the Governor, the referring state agency or state agent may enter into the revised contract. Any revised contract containing terms not previously reviewed or recommended by the Governor that can reasonably be expected to increase the fees and expenses to be paid shall be treated as a new proposed contract and shall be filed and reviewed in accordance with the provisions of this section.

G. In the event the state agency or state agent in a writing filed with the Governor states that time exigencies require that the state retain counsel before the periods provided in subsections C, D, E and F of this section have elapsed, and provides the reasons therefor, the Governor shall consult with the state agency or state agent to establish an expedited schedule for review and recommendations on the proposed contract.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.6 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. At the conclusion of any legal proceeding for which a state agency or agent retained outside counsel on a contingency-fee basis, the state shall receive from counsel a statement of the hours worked on the case, expenses incurred, the aggregate fee amount, and a breakdown as to the hourly rate based on hours worked divided into fee recovered, less expenses.

B. In no case shall the state incur fees and expenses in excess of One Thousand Dollars (\$1,000.00) per hour for legal services. In cases where a disclosure submitted in accordance with subsection A of this section indicates an hourly rate in excess of One Thousand

Dollars (\$1,000.00) per hour, the fee amount shall be reduced to an amount equivalent to One Thousand Dollars (\$1,000.00) per hour.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 20.7 of Title 74, unless there is created a duplication in numbering, reads as follows:

Nothing in the Private Attorney Retention Sunshine Act shall be construed to expand the authority of any state agency or state agent to enter into contracts where no such authority previously existed.

Contracts entered into pursuant to the Private Attorney Retention Sunshine Act shall not be subject to the Oklahoma Central Purchasing Act, and the request for proposal process shall be subject to the discretion of the agency head or his or her designee.

SECTION 8. This act shall become effective November 1, 2009.

Passed the House of Representatives the 4th day of May, 2009.

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Presiding Officer of the House of  
Representatives

Passed the Senate the 23rd day of April, 2009.

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Presiding Officer of the Senate