

**BILL SUMMARY**  
1<sup>st</sup> Session of the 52<sup>nd</sup> Legislature

<b>Bill No.:</b>	<b>HB 2167</b>
<b>Version:</b>	<b>Floor Substitute (7333)</b>
<b>Author:</b>	<b>Representative McCullough</b>
<b>Date:</b>	<b>March 9, 2009</b>
<b>Impact:</b>	<b>State Agencies: Potential Legal Services Savings; Potential Minimal Website Modifications</b>

**Bill Summary**

Research Analyst: Dante Giancola

The Floor Substitute for HB2167 amends the Private Attorney Retention Sunshine Act created by the introduced version of this bill. It does so primarily by adding language that requires the contracting agency to post in a conspicuous location on their website, a statement that a copy of the request for proposal will be made available to any person by the agency. Information about the vendor awarded the contract, including services to be performed and projected total payments shall also be posted on the site.

Like the introduced version, the Floor Substitute of this Act prohibits a state agency or agent from retaining legal services in which services are expected to exceed \$5000 without first undergoing a request for proposal process.

For proposed contracts for legal services that are expected to exceed \$500,000, the state agency or agent must file a copy with the Governor's office where the proposed contract shall be reviewed. The Governor has thirty days to review and recommend any changes to the proposed contract. If there are no recommended changes the contract may be executed. If changes are recommended, the agency or agent must review the Governor's recommendations and revise the contract. If the agency or agent chooses not include all the Governor's recommendations, it must state why it chose not to adopt them.

Finally, at the conclusion of any legal proceeding for which a state agency or agent retained outside counsel on a contingency-fee basis, it is required that the state receives 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. In no case may the legal services charged exceed \$1000 per hour.

**Fiscal Summary**

Fiscal Analyst: Terry McKenna

The Floor Substitute for HB 2167 creates the "Private Attorney Retention Sunshine Act." The measure provides that any state agency or state agent that wishes to retain a lawyer or law firm to perform legal services on behalf of the state, where the fees and expenses of those services are expected to exceed \$5,000, shall not do so until a request for proposal process has been undertaken. The contracting agency's Internet website shall contain a conspicuous statement that the a copy of the request for proposal will be made available to any person by the agency. The measure also provides that any state agency proposing to enter a contract for legal services

in excess of \$500,000 shall file a copy of the proposed contract with the Governor, who after a public hearing shall issue a report to the state agency that includes any recommended changes approved by the Governor. In no case shall the state incur legal fees and expenses in excess \$1,000 per hour.

**Fiscal Analysis**

The requirement that state agencies undertake a request for proposal process before legal services are contracted for, and the cap on hourly legal fees and expenses could potentially reduce the cost of those services.

**Long Term Fiscal Considerations**

As Stated Above

Fiscal Analysis Reviewed By:

*Janice Buchanan*

House Fiscal Director